

Executive Director's Summary Report

to the Board of Trustees
of the
Efficiency Maine Trust

January 20, 2021

1. Public Information and Outreach

A) Awareness and Press

- Press
 - In a January 10 Pen-Bay Pilot interview, Representative Stanley Paige Zeigler (D-Montville) suggests that Efficiency Maine would be the administrator of funds if the state established a “green bank” (<https://www.penbaypilot.com/article/rep-zeigler-discusses-urgency-responding-covid-19-climate-change/142479>); see also the Lewiston Sun Journal (<https://www.sunjournal.com/2020/12/14/green-bank-envisioned-to-help-fund-clean-energy-transition-in-maine/>).
 - Efficiency Maine’s role in the Maine Climate Council’s Climate Action Plan is mentioned in an extensive overview article in the December 23 MaineWire (<https://www.themainewire.com/2020/12/maines-climate-action-plan-heavy-on-spending-light-on-specifics/>).
 - The Executive Director was quoted in a December 22 Bowdoin College News article about the installation of four new EV chargers on campus (<https://draft-view.bowdoin.edu/news/2020/12/bowdoin-sustainability-adds-more-electric-car-chargers.html>).
 - The Portland Press Herald’s December 21 “On This Date in Maine History” column featured a 2018 story about Efficiency Maine’s initiative to fund a network of EV chargers in the state (<https://www.pressherald.com/2020/12/20/on-this-date-in-maine-history-dec-20/>).
 - Efficiency Maine programs were referenced in a positive light during the December 10 Maine Public Radio Maine Calling annual call-in show about home heating. Panelists included representatives from Evergreen Home Performance, Mitsubishi Electric, and the Northern Forest Center (<https://www.mainepublic.org/post/home-heating-latest-energy-efficient-sustainable-heating-options-your-home>).
- Events
 - Staff conducted a virtual Heat Pump Installer Class for students at Kennebec Valley Community College on January 5.
- Website and Outreach
 - 39,558 website visits
 - 27,878 unique visits
 - 6,776 visits website driven through digital ads
 - Facebook
 - 3,705 fans
- Call Center (December)
 - 1,751 inbound phone calls were received in December, up 23% from this month last year, driven primarily by calls about heat pumps.

- 98% of calls were answered within 20 seconds (vs. a goal of 90%).
- 811 inbound emails were received (down from 1,036 this month last year).
- 478 pieces of inbound mail were processed (down from 1,275 this month last year).
- 757 outbound calls were made to schedule residential heat pump and heat pump water heater inspections.

B) Government Relations

- Maine Public Utilities Commission (PUC)
 - The Trust received Central Maine Power’s (CMP’s) Annual Planning Study in Docket 2020-00125 and is working with the Non-Wire’s Alternative Coordinator to review.
 - The Trust continues to work with the NWAC to review NWA’s in the mid-coast and Brunswick areas.
- Maine Climate Council
 - Trust Staff has been invited to assist in describing to the Legislature the analysis and recommendations of the Maine Climate Council’s Climate Action Plan.
- MUBEC Technical Board
 - Staff continued work with the Board and the Technical Assistance Group discussing adoption of an “Stretch Code” on energy standards to be appended to the building code in Maine.

2. Program Highlights¹

A) C&I Prescriptive (CIP) Program

- The current pipeline of pending projects remains steady with \$5.6 million in pre-approved projects. Projects funded by the Regional Greenhouse Gas Initiative (RGGI) continue a slight upward trend, now worth \$728,000 (increase of \$51,000 from last month). Variable Refrigerant Flow (VRF) systems continue to be the prime driver.
- Funding Opportunity Notice (FON) updates:
 - The deadline for project completion of the Parking and Pole Lighting Retrofits FON was December 31.
 - 47 projects were completed (\$442,000 in incentives).
 - 8 projects (\$105,000 in incentives) have been completed and are awaiting physical inspection and final review.
 - The Packaged Terminal Heat Pump (PTHP) Retrofits FON has been closed out and the results are summarized in the closeout report (attached in the Appendix to this report).
 - A new FON on Small Municipality Retrofits was launched in late December. The program is seeking applications for high-performance heat pump and LED lighting retrofit projects for small municipalities in Maine. (For the purposes of the FON, small municipalities are defined as municipalities with less than 4,000 residents.)
- The program field team conducted onsite visits and physical inspections of completed projects and project assistance early in the month of December, but discontinued onsite field visits mid-month due to increasing concern about the incidence of COVID. Inspections will be completed virtually, where possible.

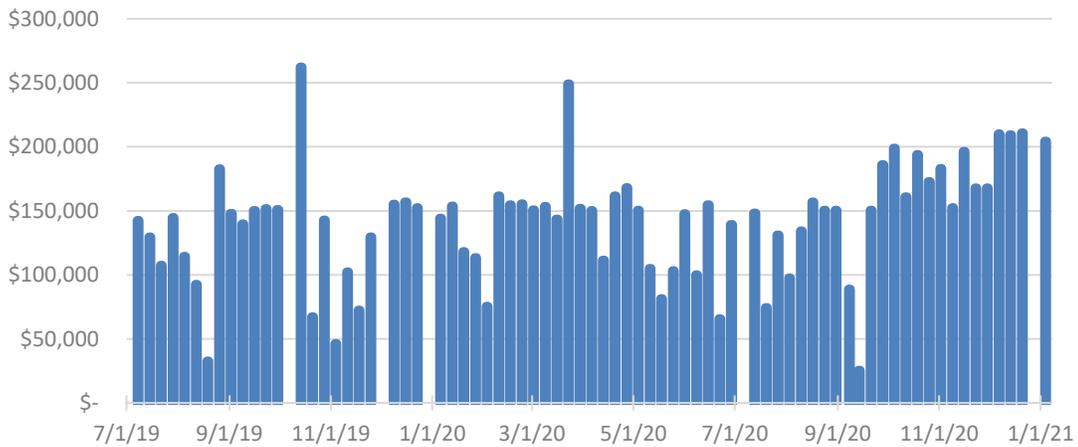
¹ The Updated Financials table reported for each Program reflects data pulled from the Trust’s financial management system at mid-month; the Energy Savings table reflects data pulled from the Efficiency Maine project tracking database on January 19, 2021, to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of December 2020).

- The program is continuing to evaluate new HVAC measures to add to the portfolio for commercial and industrial customers. We anticipate launching new measures in February 2021.

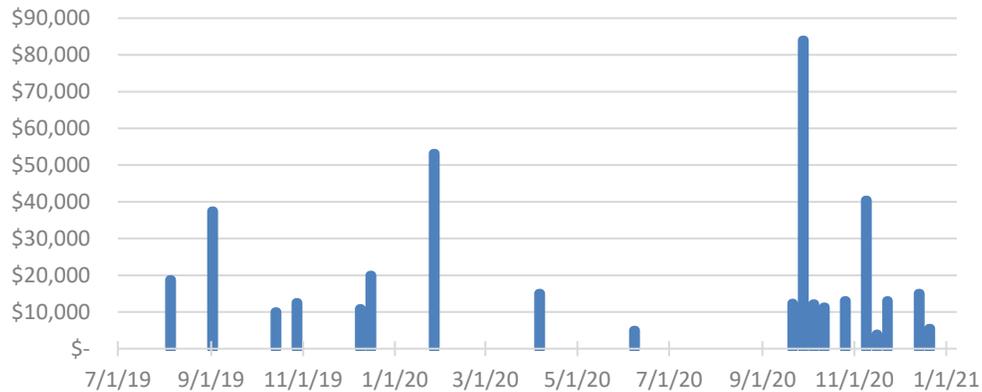
CIP - Pipeline

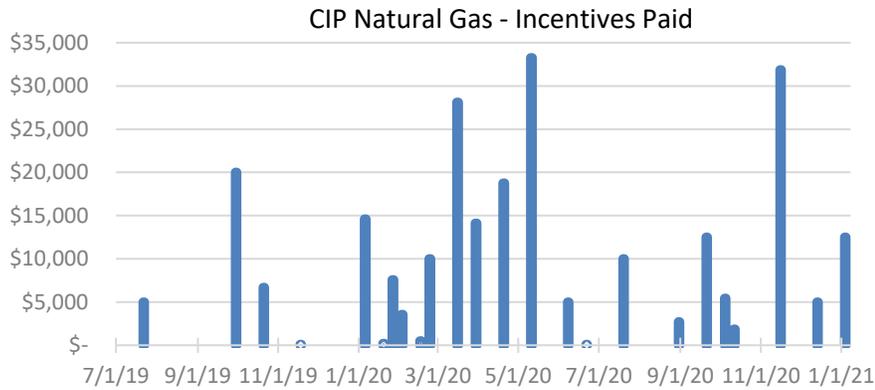


CIP Electric - Incentives



CIP RGGI - Incentives Paid





Updated Financials	Program Investment
FY2021 Program Budget	\$19,618,679
7/1 to 12/31 Spending	\$4,465,870
Percent of Budget Spent to Date	23%
Percent of Year Passed	50%

Additional Details on FY2021 Financials	Program Investment
Expenditures	\$4,465,870
Committed Pipeline	\$5,603,792
Total (Expenditures and Committed Pipeline)	\$10,069,662
Percent of Current Budget	51%

Energy Savings (through 12/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	23,932,544	(3,765)
Thermal Programs	-	21,276

*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

Project Type (through 12/31)	Projects
Prescriptive Lighting Solutions	512
Electric Heating and Cooling Solutions	220
Compressed Air Solutions and Other	38
Natural Gas Heating and Cooling Solutions	11
All Fuels Heating and Cooling Solutions	2

B) C&I Custom Program

- The C&I Custom Program Review Team met once and approved 4 projects worth \$560,656 in incentive offers.
- The pipeline has grown modestly, adding 2 new projects. The total pipeline now consists of 4 projects worth roughly \$122,000 in incentive offers, after adjusting for probability of completion.

- Program staff received 2 new scoping audit requests. It did not receive any new Technical Assistance (TA) study requests.
- Program staff reviewed 1 project proposal that did not meet the program requirements and was ultimately denied.

Updated Financials	Program Investment
FY2021 Program Budget	\$11,532,469
7/1 to 12/31 Spending	\$716,413
Percent of Budget Spent to Date	6%
Percent of Year Passed	50%

Additional Details on FY2021 Financials	Program Investment
Expenditures	\$716,413
Committed	\$6,260,431
Pipeline	\$122,007
Total (Expenditures, Committed and Pipeline)	\$7,098,851
Percent of Current Budget	62%

Energy Savings (through 12/31)	Annual kWh Savings	Annual MMBtu Savings
Electric Programs	2,435,386	305
Thermal Programs	-	3,174

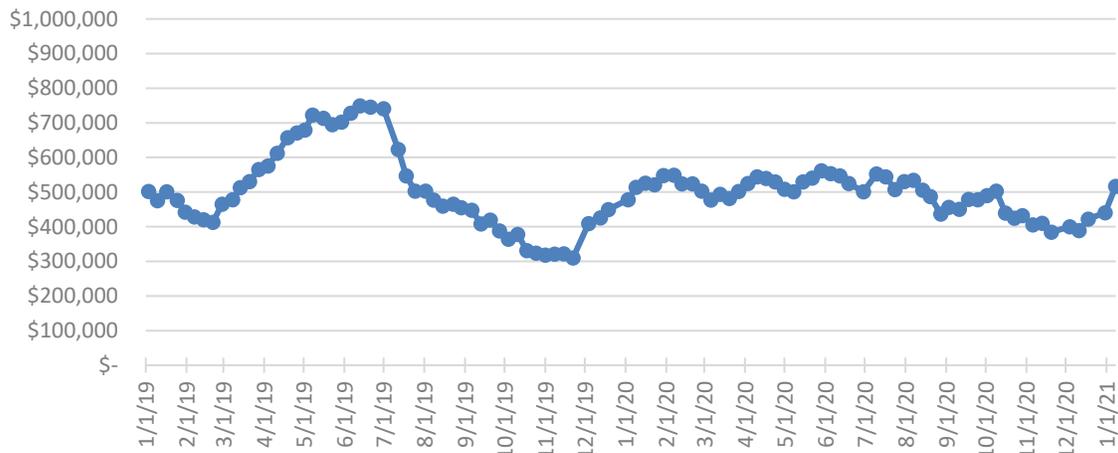
C) Small Business Initiative (SBI)

- Overall program activity has been steady this month. The total SBI lighting pipeline has been increasing the past few weeks and the heat pump retrofits for small businesses pipeline has remained fairly steady.
- The following table summarizes the status of active regions. The program team is preparing to launch additional regions in the third quarter.

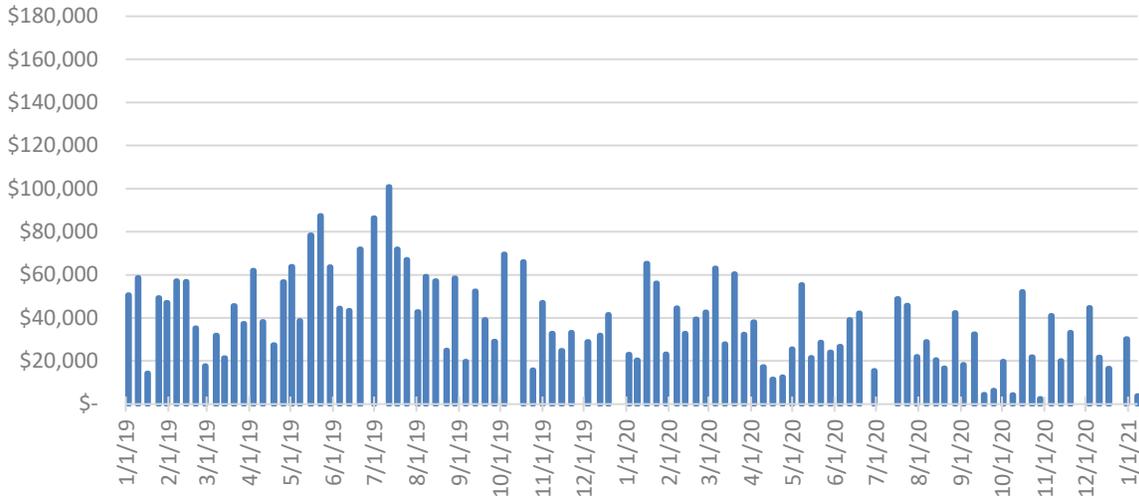
	Region 16 Calais to Lubec	Region 17 Dover-Foxcroft	Region 18 Millinocket Area	Region 19 Brewer	Region 20 Bucksport Area	Region 21 Belfast Area	Region 22 Belgrade Lakes Area
Region Launch Date	Oct-2019	Nov-2019	Mar-2020	May-2020	Aug-2020	Sep-2020	Oct-2020
# of Participating Contractors*	9	12	18	19	20	30	9
Lighting Assessments Requested/Assigned	182	140	111	68	21	30	22
Lighting Assessments Completed	170	122	102	59	21	23	14
Pre-approved Projects	166	102	88	51	15	14	10
Signed SOWs	153	87	71	40	12	11	8
Lighting Installations Underway	12	9	2	2	3	1	2
Lighting Projects Completed & Paid	123	74	48	35	7	8	3

- Region 16 (Calais to Lubec) is in the process of closing out with all projects anticipated to be completed by mid-February.
- Region 17 (Dover-Foxcroft area) is in the process of closing out. A last-chance mailer was sent out early December to remaining eligible businesses that had not yet requested a lighting assessment. New customers were accepted for Region 17 through December 31, 2020. Eight contractors have projects in their queue anticipated to be completed by the end of February.
- Region 18 (Millinocket area) was rolled out in March 2020 and is active. The rate of new customer inquiries received from businesses in this region has slowed. Eligible small businesses will have until February 28, 2021 to request a lighting assessment, and a last-chance mailer is planned to be sent out early February.
- Region 19 (Brewer) was launched in May 2020 and is active. A total of 19 contractors have signed on to participate, and the pipeline continues to remain fairly steady for this region.
- Regions 20 (Bucksport Area), 21 (Belfast Area), and 22 (Belgrade Lakes Area) were launched late August/September. Small businesses in this region may be eligible for enhanced lighting and heat pump incentives. The rate of new customer inquiries has slowed this month, and a second mailer is planned to be sent out to the three regions next month. The program team also plans on conducting a customer outreach call campaign after the mailers are sent.
- Region 23 (Lewiston/Auburn) is in the process of launching. The program team has started contractor recruitment efforts and will hold an informational webinar next month.
- High Performance Heat Pump retrofit outreach to SBI “alumni” in previously served regions has begun, with initial coupons being sent to the Region 5 (Lakes Region – Fryeburg to Raymond). Region 6 (Western Mountain area) and Region 7 (Sanford/Springvale/Berwick area) will follow in late January and early February 2021.

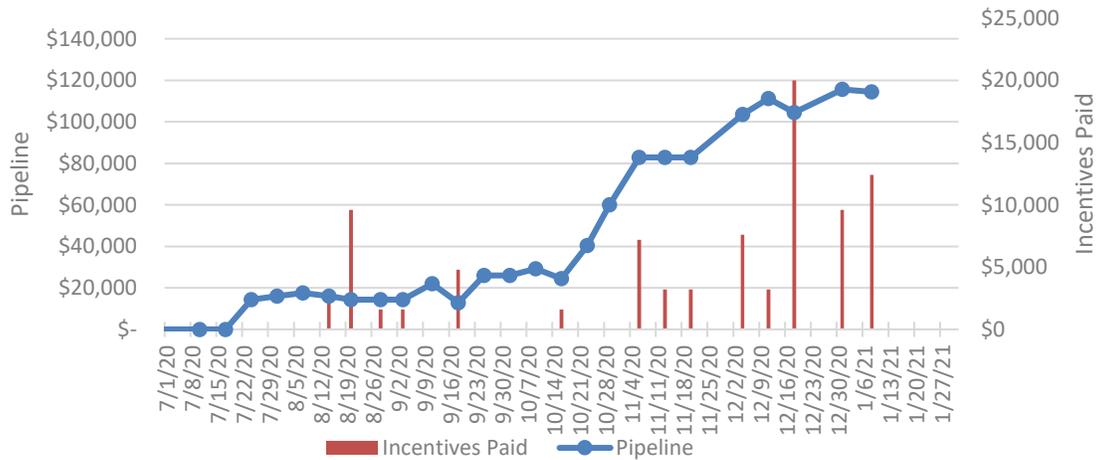
Small Business Initiative - Total Project Pipeline (Lighting)



SBI - Total Incentives Paid (Lighting)



Small Business Initiative - FY21 Heat Pump Retrofits for Small Business



Updated Financials	Program Investment
FY2021 Program Budget	\$5,693,080
7/1 to 12/31 Spending	\$811,676
Percent of Budget Spent to Date	14%
Percent of Year Passed	50%

Additional Details on FY2021 Financials	Program Investment
Expenditures	\$811,676
Committed Pipeline	\$588,111
Total (Expenditures & Committed Pipeline)	\$1,339,787
Percent of Current Budget	25%

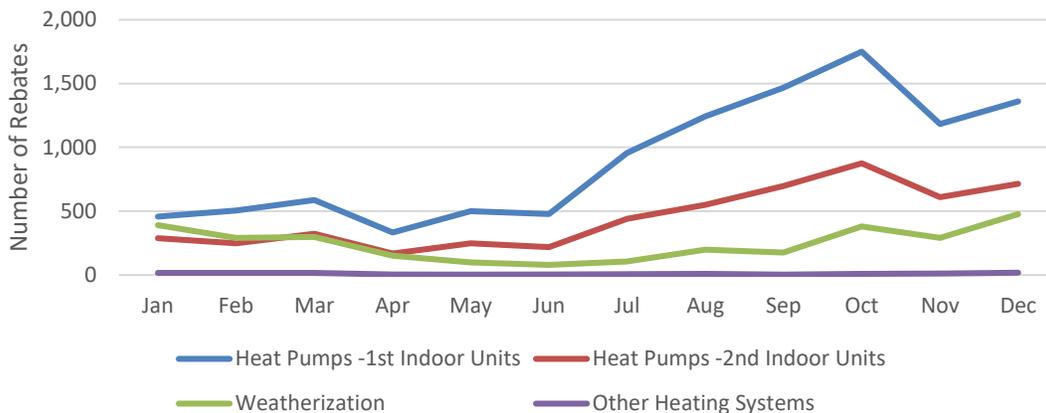
Energy Savings (through 12/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	1,446,000	(1,291)

*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

D) Home Energy Savings Program (HESP)

- The program continues to see unprecedented demand for heat pump rebates, more than double last year's volume.
- Year-to-date rebate volume (through the end of December):
 - 11,851 heat pump rebates, up 109% from FY2020; and
 - 1,629 weatherization rebates, up 5% from FY2020.
- On average, a new heat pump installer firm is joining the ranks of Efficiency Maine Residential Registered Vendors each day.
- 93% of customers who had their homes inspected by the HESP program rated their experience a nine or ten on a scale of zero to 10.

HESP Number of Rebates - Last 12 Months



Updated Financials	Program Investment
FY2021 Program Budget	\$18,382,220
7/1 to 12/31 Spending	\$10,001,974
Percent of Budget Spent to Date	54%
Percent of Year Passed	50%

Energy Savings (through 12/31)	Annual kWh Savings	Annual MMBtu Savings
Electric Programs	-	128,543
Thermal Programs	463,172	18,638

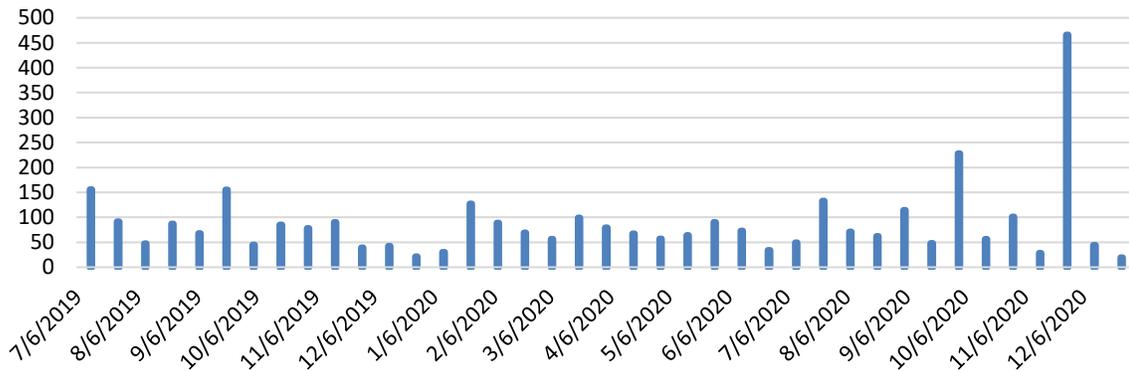
Project Type (through 12/31)	Participating Households
Electric Measures	8,056

Project Type (through 12/31)	Participating Households
All Fuels Measures	874
Natural Gas Measures	-

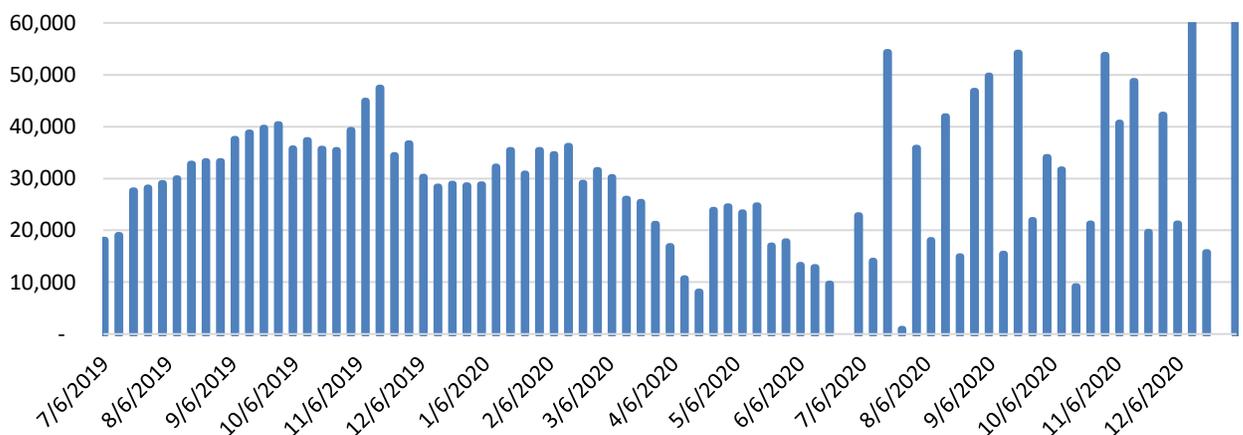
E) Retail Initiatives Program

- The FY2021 second quarter pilot of offering \$850 instant discounts on heat pump water heaters through Home Depot drove 2,948 units across both the Retail and Distributor programs. This helped reach a rate close to 12,000 per year. This promotion effectively overcame the “first-cost barrier,” allowing customers to get a lower price on the product without needing to wait up to six weeks for a rebate check. This pilot ended on December 31, as planned, and the instant discount was reduced from \$850 to \$500.
- The program continues to forecast issuing 1.5 million rebates for LEDs and 780 for air purifiers.

Bi-Weekly Retail HPWH Sales (invoiced)



Weekly Bulb Sales – Retail (invoiced)



Updated Financials	Program Investment
FY2021 Program Budget	\$7,466,470
7/1 to 12/31 Spending	\$3,783,072
Percent of Budget Spent to Date	51%
Percent of Year Passed	50%

Energy Savings (through 12/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	28,911,582	(19,218)
Thermal Programs	-	-

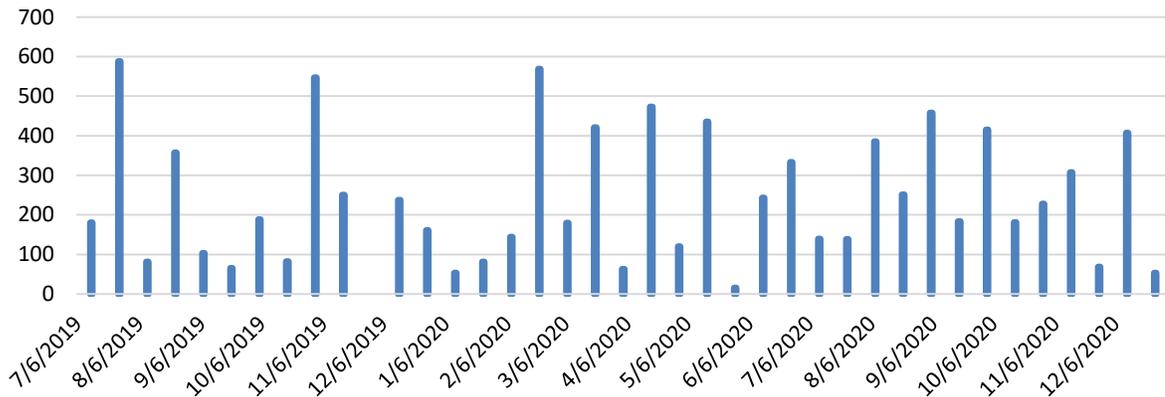
*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

Rebate Type (through 12/31)	Projects
Light Bulbs	864,314
Appliance Rebates	5,105

F) Distributor Initiatives Program

- The pace of heat pump water heater rebates is described above in the highlights under the Retail Initiatives Program.
- Field staff are continuing to collect and share market share data for rebated measures by distributor branch. This has helped manufacturers focus their training efforts on the lowest performing distributor branches. Field staff also share “Top Performing Branch” reports within distributors. This is intended to inspire healthy branch-to-branch competition without disclosing confidential data to other distributors. Distributors report that in December heat pump water heaters were 74% of top selling electric water heaters and ECM circulator pumps were 42% of top selling circulator pumps.
- Following are statistics on the total volume of lighting sales and discounts paid through the distributor channel to date:
 - 15% are screw-bulb (9% of discounts paid)
 - 85% are mogul and T8, T5, and T5HO linear replacement lamps (91% of discounts paid)
 - The lamp types with the highest volume of sales continue to be 4’ LED linear replacement lamps (72%) followed by PAR38 screw-in lamps (5%).

Bi-Weekly Distributor HPWH Sales (invoiced)



Updated Financials	Program Investment
FY2021 Program Budget	\$9,321,799
7/1 to 12/31 Spending	\$4,199,596
Percent of Budget Spent to Date	45%
Percent of Year Passed	50%

Energy Savings (through 12/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	7,042,332	16,695
Thermal Programs	-	13,727,893

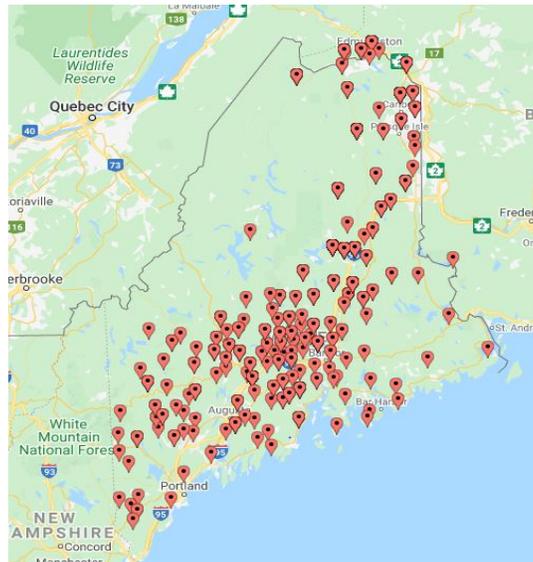
*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

Rebate Type (through 12/31)	Units	Projects
Distributor Lighting	37,033	-
Distributor HVAC (Oil)	-	1,537
Distributor HVAC (Electric)	-	1,808
Distributor Hot Water (Electric)	-	3,160

G) Low-Income Initiatives

- Low Income Direct Mail:** The Maine Department of Health and Human Services (DHHS) will soon send a new round of Do-It-Yourself (DIY) Kit offers to clients, which has been delayed because of COVID-19 and competing priorities for DHHS. Staff continue to work toward the launch. This fiscal year, the program has fulfilled 559 kits to low-income Mainers, predominantly to MaineHousing’s list of Low Income Home Energy Assistance Program (LIHEAP) recipients.

- **Low Income Heat Pump Water Heater Initiative:** To date, installers have completed 232 HPWH installations, with another 144 in the pipeline (a decrease over last month). A higher pace of installs is expected through January and February given recent outreach.
- **Arrearage Management Program:** Since July 1, 2020, the program has supported 255 new enrollments into AMP.
- **Affordable Heat Initiative:**
 - Since July 2020, the program has supported 645 heat pump installations. Our pipeline continues to shrink (currently at 131 reservations). Staff have initiated Google Ads to keep pace with our fall investment rate. Heat pump installs are on target to invest 98% of our funds by fiscal year end.



- Since July, 107 weatherization projects have been completed. Staff have reached out to 100 heat pump projects where they expressed interest in air sealing. Vendors are following up with those 100 to schedule work.

Updated Financials	Program Investment
FY2021 Program Budget	\$10,352,235
7/1 to 12/31 Spending	\$2,526,014
Percent of Budget Spent to Date	24%
Percent of Year Passed	50%

Additional Details on FY2021 Financials	Program Investment
Expenditures	\$2,526,014
Committed Pipeline	\$557,000
Total (Expenditures & Committed Pipeline)	\$3,083,014
Percent of Current Budget	30%

Energy Savings (through 12/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	731,519	(155)
Thermal Programs	(1,598,271)	20,345

*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

Initiative (through 12/31)	Units
Direct Installs	399
Market-based Installs	105

H) Renewable Energy Demonstration Grants Program

- The Trust has no new information to report on this initiative this month.

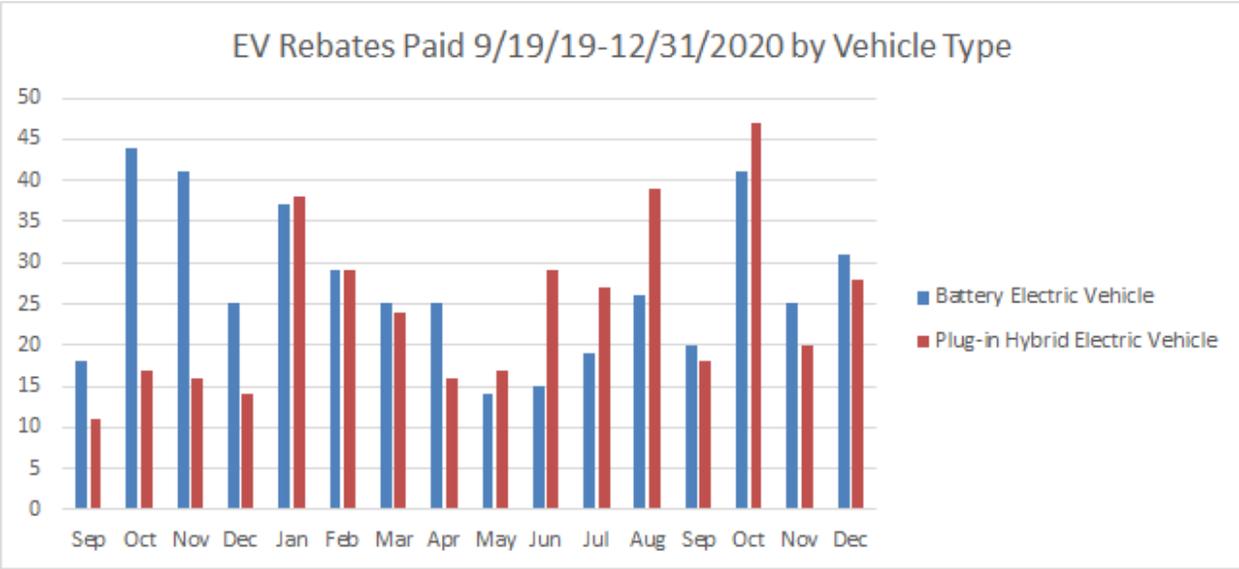
I) Electric Vehicle (EV) Initiatives

Electric Vehicle Supply Equipment (EVSE) Initiative

- Staff awarded grants to install Level 2 EV chargers at 11 different host sites in response to the PUC pilot grant program. The awarded projects will result in 54 new plugs at sites in both CMP and Versant territories, ranging from large workplaces to busy public parking lots and centers of commerce. Approximately \$45,000 in funds remain to open a second round of solicitation.
- The Trust released a Notice of Intent to Issue an RFP to purchase, install, and operate DC Fast Chargers (DCFC) for electric vehicles (EVs) at sites in or near select communities and along select corridors in central and eastern Maine. This solicitation constitutes “Phase III” of Maine’s Working Plan for EV Charging Infrastructure and the use of VW Settlement funds. Staff are seeking to release this RFP before the end of January 2021.

EV Rebates

- In November and December, 104 EV rebates were issued – 45 in November and 59 in December. Of those, 56 of the rebates were for battery electric vehicles (BEVs) and 48 were for plug-in hybrid vehicles (PHEVs).
- On December 21, the Trust launched changes to the rebate program, including increasing incentive amounts for Qualified Low-Income customers and Governmental Entities and Tribal Governments, adding an enhanced incentive for Eligible Nonprofit Service Providers, offering a rebate towards charging equipment for Government and Nonprofit entities that receive an EV rebate, and extending rebate eligibility to used EVs for Qualified Low-Income customers.
- Staff hosted a stakeholder webinar to provide a year-in-review of the EV rebate program and to discuss program modifications that the Trust plans to launch in December, allowing stakeholders to submit comments for consideration.
- Five new dealerships were added to the list of participating dealers, bringing the total number to 57. Program staff continue to reach out to EV dealers, including smaller used car dealers that were not previously eligible for the program but are now eligible to provide rebates on used vehicles to low-income customers.



Total YTD Rebates By Technology Type	Number of Rebates
BEV (Battery Electric Vehicle)	162
PHEV (Plug-in Hybrid Electric Vehicle)	179
Total	341

Updated Financials	Electric Vehicle Supply Equipment	EV Accelerator Program
FY2021 Program Budget	\$1,597,079	\$928,012
7/1 to 12/31 Spending	\$53,790	\$556,191
Percent of Budget Spent to Date	3%	60%
Percent of Year Passed		50%

EV Public Education and Outreach

- Staff has been interviewing public Level 2 charger hosts that were awarded by the Trust as well as interviewing electricians to develop informational videos and guidebooks for prospective EV charger hosts and drivers.
- Staff presented to municipal officials and fleet managers on a webinar about EVs for municipal fleets hosted by the Southern Maine Planning and Development Commission

J) Strategic Initiatives

- **Innovation**
 - The Trust has received and is reviewing a draft final report for the Residential DER Load Shifting pilot.
 - Equipment installation continues according to schedule at Ducktrap River of Maine.
 - Customer recruitment continues for the L2 Smart Charging pilot with the recruitment period being extended through January 31 to fill all available spaces in the pilot.

- The Trust has received and is reviewing a residential electric vehicle charging baseline study (Convergence Data Analytics) and is working to finalize the report.
- **Evaluation, Measurement & Verification**
 - The Trust has received and is reviewing a residential electric vehicle charging baseline study (Convergence Data Analytics) and is working to finalize the report.

3. Administration and Finance Highlights

A) Administration

- Staff has kept the offices closed to visitors due to COVID. All Staff are working remotely and only visiting the office if they need to access office materials or equipment.
- Staff completed the annual recertification process to remain a HUD-FHA lender.

B) Financial

Revenues

- The sum of the year's new revenues from state and regional sources through the end of December 2020 was \$29.44 million out of a revised total expected annual revenue of \$59.03 million. Approximately \$326,186 in additional revenue has been received year-to-date on interest from outstanding loans and other miscellaneous revenues. Year-to-date, the Trust has made interfund transfers of \$4,253,000.

Expenditures

- Total expenditures through the end of December 2020 were \$30.69 million of which approximately:
 - i. \$1,378,559 was spent on Administration (excluding interfund transfers)
 - ii. \$56,874 was spent on Public Information
 - iii. \$505,864 was spent on Evaluation work
 - iv. \$68,013 was spent on Innovation pilots
 - v. \$2.53 million was spent on Low Income Initiatives
 - vi. \$3.78 million was spent on Retail Initiatives Program
 - vii. \$4.2 million was spent on the Distributor Initiatives Program
 - viii. \$10 million was spent through HESP
 - ix. \$4.47 million was spent through the C&I Prescriptive Program
 - x. \$716,413 was spent on the C&I Custom Program
 - xi. \$811,676 was spent on the Small Business Initiative
 - xii. \$843,000 was spent in Inter-Agency Transfers
 - xiii. Another \$51.67 million is encumbered across all budget categories but is not yet spent.

APPENDIX



Packaged Terminal Heat Pump Retrofits: CIP-FON-003-2020

Closeout Report

Overview:

The Commercial and Industrial Prescriptive (CIP) Program launched a funding opportunity notice (FON) for Packaged Terminal Heat Pump (PTHP) Retrofits (FON-003-2020) in May 2020. The purpose of this opportunity was to offer the lodging industry the chance to receive enhanced incentives on PTHP units that could be installed while COVID-19 restrictions curbed hotel occupancy.



Funding, Eligibility, and Measures:

Each PTHP project received an incentive based on the selected unit's capacity. Eligible units had a required cooling criteria (EER) and heating criteria (COP) based on their capacity. The table below shows the range of incentives and criteria.

Capacity (Btu/h cooling)	Normal Incentive Per Unit	FON Incentive Per Unit	Cooling Criteria (EER)	Heating Criteria (COP)
< 7,000	\$430	\$690	13	4
7,000 – 15,000	\$450	\$720	11.5	3.5
> 15,000	\$480	\$770	10.8	3.4

Installations were required to replace existing Packaged Terminal Air-Conditioning (PTAC) units that have electrical resistive heating. Efficiency Maine accepted project applications through September, with a project completion deadline of October 31, 2020.

Outreach and Marketing:

Initial outreach focused on sending a mailing to hotels, motels, inns and bed and breakfasts around the state. The mailing included a detailed introduction letter and information on how to find the full FON document on the Efficiency Maine website. Two more mailings were sent out to these businesses over the course of eight weeks as a reminder of the opportunity. Additionally, two informational webinars were offered to help customers understand the application process and to answer any questions.

Results

Total EMT Incentives	Total Annual kWh Savings	Total Annual Energy Cost Savings	Total Lifetime kWh Savings	Total Lifetime Cost Savings	Total Project Costs
\$262,955	1,518,419	\$258,176	22,776,284	\$3,872,648	\$336,755

Average Project Breakdown

EMT Incentive	Annual kWh Savings	Estimated Annual Energy Cost Savings	Project Cost	Estimated Payback for the Applicant(years)
\$26,295	151,842	\$25,818	\$33,675	<1 year

Project Distribution:

