

# Executive Director's Summary Report

to the Board of Trustees  
of the  
Efficiency Maine Trust

May 27, 2020

## 1. Public Information and Outreach

### A) Awareness and Press

- Press
  - The Trust's online "heat pump basics" training video was included in a roundup of energy efficiency trainings by the Rocky Mountain Institute (<https://rmi.org/building-electrification-opportunities-for-job-training-while-sheltering-in-place/>).
  - The Island Institute reprinted a piece on the Trust's microgrid pilot with Isle au Haut (<http://www.islandinstitute.org/working-waterfront/isle-au-haut-prepares-go-solar-new-storage-technology>).
  - The Trust's Funding Opportunity Notice for School Lighting Retrofits was included in a recent Maine Department of Energy Newsletter (<https://mainedoenews.net/2020/05/06/extended-deadline-funding-opportunity-notice-for-school-lighting-projects/>).
  - Efficiency Maine distributed a press release on the recently commissioned electric vehicle chargers in Auburn.
- Website and Outreach
  - 28,955 website visits (compared to 23,449 visits in March)
    - 18,885 unique visits
    - 6,639 visits website driven through digital ads
  - Facebook
    - 3,602 fans
- Call Center (April)
  - 1,326 inbound phone calls received
  - 98% answered within 20 seconds (vs. a goal of 90%)
  - 655 inbound emails
  - 3,302 pieces of inbound mail
  - Agents are working from home following the emergency standard operating procedure (SOP) used for snowstorms. All their resources (phone system, documentation, call logging system, customer enrollment, etc.) are cloud-based.

### B) Government Relations

- Maine Public Utilities Commission (PUC)
  - The Trust filed its Request for Procurement for Electric and Natural Gas funds in the Triennial Plan Docket and responded to questions and comments.
  - The Trust participated in conferences and answered questions surrounding Summit Natural Gas's request to administer their rebate program.

- The Trust continued its work with the OPA on various Non-Wires Alternatives Coordinator tasks, including:
  - Development of the benefit-cost analysis and the steps for investigating NWA opportunities,
  - Development of the report on Section 31 (Brunswick/Topsham) Docket, and
  - Monitoring the Section 80 docket.
- Maine Climate Council
  - The Executive Director, assisted by Staff, co-chaired more meetings of the Work Group on Buildings-Infrastructure-Housing. The Work Group has compiled a suite of strategies, comprising dozens of individual policy or program proposals, to reduce carbon emissions from the Buildings sector in Maine. Elements of these strategies have been modeled to approximate the range of emissions reductions and cost-effectiveness of the proposals. Key elements of the suite of strategies include increased use of heat pumps and heat pump water heaters, increased weatherization of existing buildings, and more stringent building codes governing new construction and more robust initiatives to improve compliance with building codes.
- Rulemakings
  - Staff is making preparations for two or three rulemakings to amend existing rules. Potential topics include: the Procurement Rule (Chapter 1) and the RGGI Rule (Chapter 2). Drafts and notices will be forthcoming.

## 2. Program Highlights<sup>1</sup>

### A) C&I Prescriptive (CIP) Program

- Customer participation in the CIP program offerings for lighting remains steady. To date, there have been over 1,300 lighting projects submitted.
- The program has issued several Funding Opportunity Notices (FONs) to target businesses and organizations with cost-effective opportunities that could likely proceed during restrictions related to the coronavirus pandemic.
  - A School Lighting Retrofits FON was issued in February. To date, 52 schools have submitted projects, representing nearly \$900,000 in incentive funds. The due date for project proposals was extended to June 1 to provide additional time for school districts to develop projects. Districts should have enough time to complete projects prior to Labor Day.
  - A Parking and Pole Lighting Retrofits FON was issued in April, and project applications are starting to come in. Ten projects, representing \$65,000 in potential incentives, have been submitted to date.
  - A Packaged Terminal Heat Pump (PTHP) Retrofits FON was launched on May 18. It targets lodging establishments, focusing on replacing Packaged Terminal Air-

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<sup>1</sup> The Updated Financials table reported for each Program reflects data pulled from the Trust's financial management system mid-month; the Energy Savings table reflects data pulled from the Efficiency Maine project tracking database on May 22, 2020, to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of April 2020).

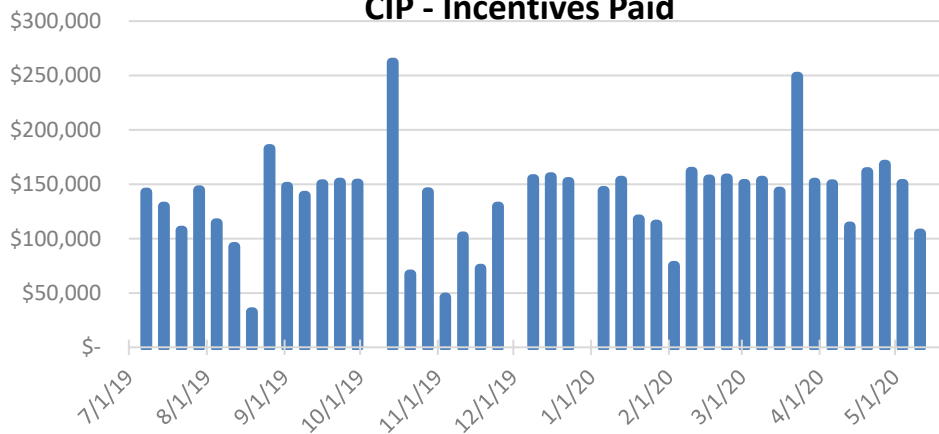
Conditioners (PTACs) with resistive heat to PTHPs. These units are typically found under the windows in hotels and motels.

- The program has concluded a lighting initiative with The Nature Conservancy. Staff are planning to share information on the initiative results with the Board next month.
- The Delivery Team received 247 calls throughout the month of April, through live transfers from the Call Center or direct from Qualified Partners. The number of incoming calls has decreased since pandemic-related restrictions were put in place; there was an 18% decrease from March to April. The delivery team is monitoring all activity and anecdotal information from Qualified Partners (QPs).
- All on-site activity by the delivery team continues to be on-hold due to the coronavirus. Inspections will be handled by phone call where applicable. Sixty phone calls were assigned to verify post-installation inspections that were checked as self-installed. Digital pictures are being requested to help with verification.
- Qualified Partner Annual Certification sessions are not going to be held on-site due to restrictions related to the pandemic. We are currently developing a new online platform whereby Qualified Partners can select the training they require and complete it at their convenience. Staff anticipates rolling out the training in time for the June sessions.

### CIP - Pipeline



### CIP - Incentives Paid



| <b>Updated Financials</b>       | <b>Program Investment</b> |
|---------------------------------|---------------------------|
| FY2020 Program Budget           | \$17,184,059              |
| 7/1 to 4/30 Spending            | \$6,653,449               |
| Percent of Budget Spent to Date | 39%                       |
| Percent of Year Passed          | 83%                       |

| <b>Additional Details on FY2020 Financials</b> | <b>Program Investment</b> |
|--|---------------------------|
| Expenditures                                   | \$6,653,449               |
| Committed Pipeline                             | \$4,117,972               |
| Total (Expenditures & Committed Pipeline)      | \$10,771,421              |
| Percent of Current Budget                      | 62%                       |

| <b>Energy Savings (through 4/30)</b> | <b>Annual kWh Savings</b> | <b>Annual MMBtu Savings*</b> |
|--------------------------------------|---------------------------|------------------------------|
| Electric Programs                    | 24,336,706                | (12,671)                     |
| Thermal Programs                     | -                         | 26,430                       |

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

| <b>Project Type (through 4/30)</b>        | <b>Projects</b> |
|---|-----------------|
| Prescriptive Lighting Solutions           | 1,173           |
| Electric Heating and Cooling Solutions    | 338             |
| Compressed Air Solutions and Other        | 45              |
| Natural Gas Heating and Cooling Solutions | 23              |
| All Fuels Heating and Cooling Solutions   | 11              |

#### **B) C&I Custom Program**

- The C&I Custom Program Review Team met once and approved 4 projects worth \$227,699 in incentive offers.
- The pipeline grew modestly, adding one new project. The pipeline now consists of 4 projects worth roughly \$79,000 in incentive offers after adjusting for probability of completion.
- Program staff received 1 new scoping audit request.
- Program staff did not receive any new Technical Assistance (TA) Study applications.
- Program staff reviewed 1 project proposal that did not meet the program requirements and was removed from further consideration through the review process.

| <b>Updated Financials</b>       | <b>Program Investment</b> |
|---------------------------------|---------------------------|
| FY2020 Program Budget           | \$14,189,007              |
| 7/1 to 4/30 Spending            | \$3,338,360               |
| Percent of Budget Spent to Date | 24%                       |
| Percent of Year Passed          | 83%                       |

| Additional Details on FY2020 Financials     | Program Investment |
|---|--------------------|
| Expenditures                                | \$3,338,360        |
| Committed                                   | \$5,848,738        |
| Pipeline                                    | \$79,003           |
| Total (Expenditures, Committed, & Pipeline) | \$9,266,101        |
| Percent of Current Budget                   | 65%                |

| Energy Savings (through 4/30) | Annual kWh Savings | Annual MMBtu Savings |
|-------------------------------|--------------------|----------------------|
| Electric Programs             | 1,185,294          | -                    |
| Thermal Programs              | (54,744)           | 17,398               |

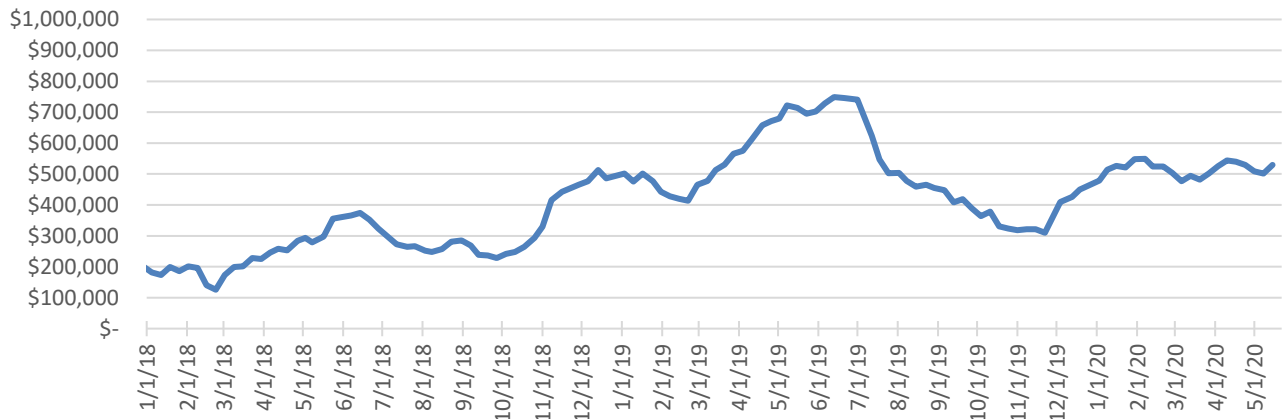
**C) Small Business Initiative (SBI)**

- The project pipeline continues to remain around \$500,000 with average weekly incentive payments of approximately \$41,000.
- Program activity experienced an initial decline due to the pandemic but is showing some rebound.

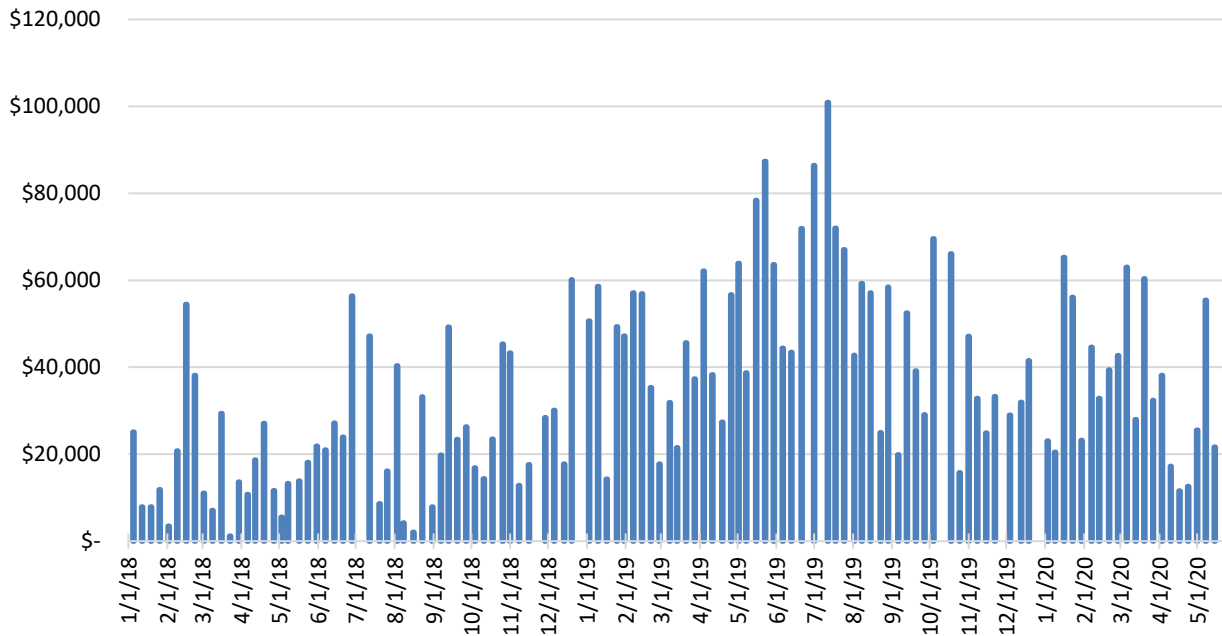
| SBI Activities                 | Region 14 | Region 15 | Region 16 | Region 17 | Region 18 |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|
| Launch Date                    | 4/2019    | 9/2019    | 10/2019   | 1/2020    | 2/2020    |
| Assessments Requested/Assigned | 291       | 154       | 147       | 105       | 26        |
| Assessments Completed          | 257       | 136       | 125       | 80        | 13        |
| Pre-approved Projects          | 224       | 121       | 120       | 68        | 12        |
| Signed SOWs                    | 199       | 100       | 102       | 54        | 9         |
| Installations Underway         | 3         | 6         | 7         | 30        | 1         |
| Projects Completed             | 196       | 88        | 80        | 15        | 3         |
| Anticipated Closeout           | 3/2020    | 4/2020    | 5/2020    | 6/2020    | 7/2020    |

Region 14 covers Bangor and Hampden; Region 15 covers the Augusta area; Region 16 covers Calais and eastern Washington County; Region 17 covers the Dover-Foxcroft area; and Region 18 covers the Millinocket area

**Small Business Initiative - Total Project Pipeline**



## SBI - Total Incentives Paid



| Updated Financials              | Program Investment |
|---------------------------------|--------------------|
| FY2020 Program Budget           | \$3,442,187        |
| 7/1 to 4/30 Spending            | \$1,945,042        |
| Percent of Budget Spent to Date | 57%                |
| Percent of Year Passed          | 83%                |

| Additional Details on FY2020 Financials   | Program Investment |
|---|--------------------|
| Expenditures                              | \$1,945,042        |
| Committed Pipeline                        | \$529,306          |
| Total (Expenditures & Committed Pipeline) | \$2,474,348        |
| Percent of Current Budget                 | 72%                |

| Energy Savings (through 4/30) | Annual kWh Savings | Annual MMBtu Savings* |
|-------------------------------|--------------------|-----------------------|
| Electric Programs             | 4,184,476          | (3,857)               |

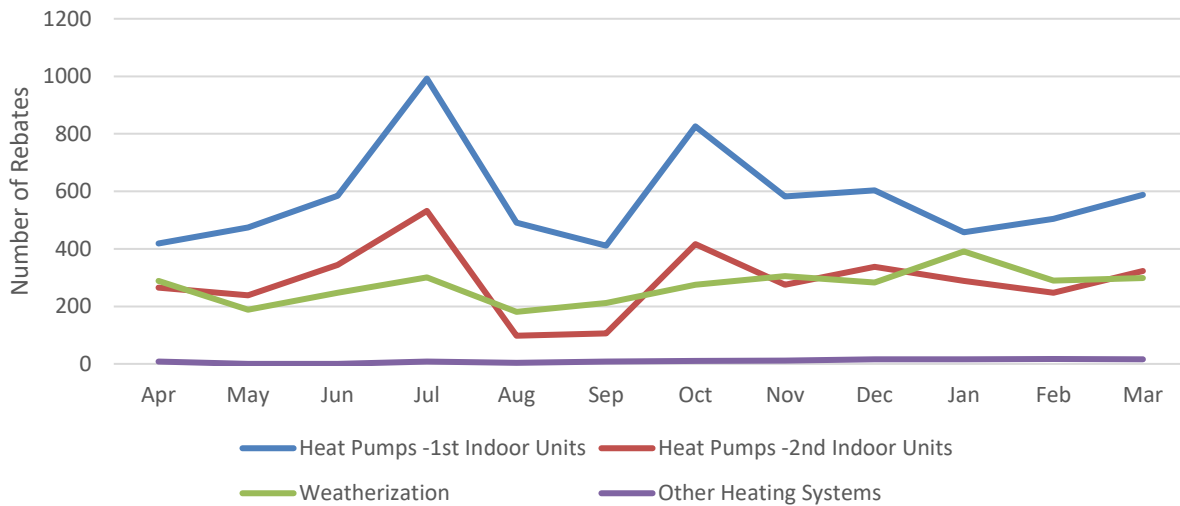
\*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

### D) Home Energy Savings Program (HESP)

- The number of April rebates in HESP were down 37% compared to April 2019.
  - Heat pump rebates were down 6%.
  - Weatherization rebates were down 60%.
- For the period July through April, the total number of rebates are up 1% over last year.

- The number of heat pump rebates is up 9%.
- The number of weatherization rebates is down 19%.
- In-home inspections have been replaced by video/phone inspections since the state's State of Emergency restrictions have been issued.
- Installations are increasingly limited to unoccupied homes: new construction, recent sales where owners have not yet moved it, and homes where owners can move out during the upgrade. The pandemic has adversely impacted weatherization more than heat pumps.
- FY2020 is expected to be a record high year for heat pumps, although significant growth in the rate of installations will be needed to be on pace to reach 100,000 over the next 4 years.

HESP Number of Rebates - Last 12 Months



| Updated Financials              | Program Investment |
|---------------------------------|--------------------|
| FY2020 Program Budget           | \$14,321,561       |
| 7/1 to 4/30 Spending            | \$8,286,452        |
| Percent of Budget Spent to Date | 58%                |
| Percent of Year Passed          | 83%                |

| Energy Savings (through 4/30) | Annual kWh Savings | Annual MMBtu Savings |
|-------------------------------|--------------------|----------------------|
| Electric Programs             | (4,613,030)        | 72,847               |
| Thermal Programs              | 211,176            | 28,208               |

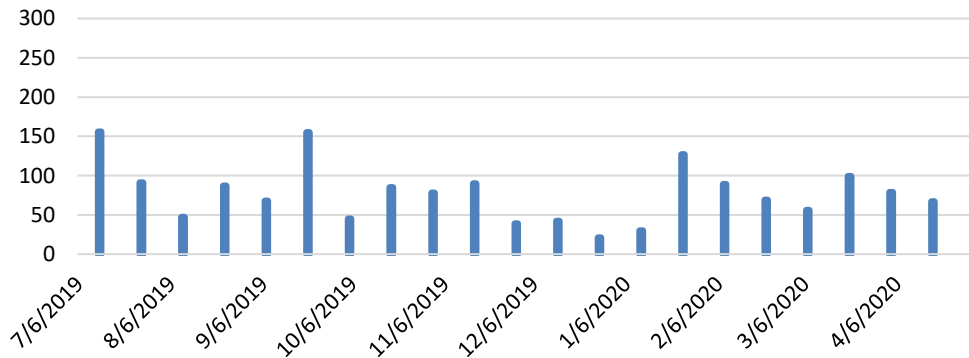
| Project Type (through 4/30) | Participating Households |
|-----------------------------|--------------------------|
| Electric Measures           | 6,355                    |
| All Fuels Measures          | 1,498                    |

| Project Type (through 4/30) | Participating Households |
|-----------------------------|--------------------------|
| Natural Gas Measures        | 18                       |

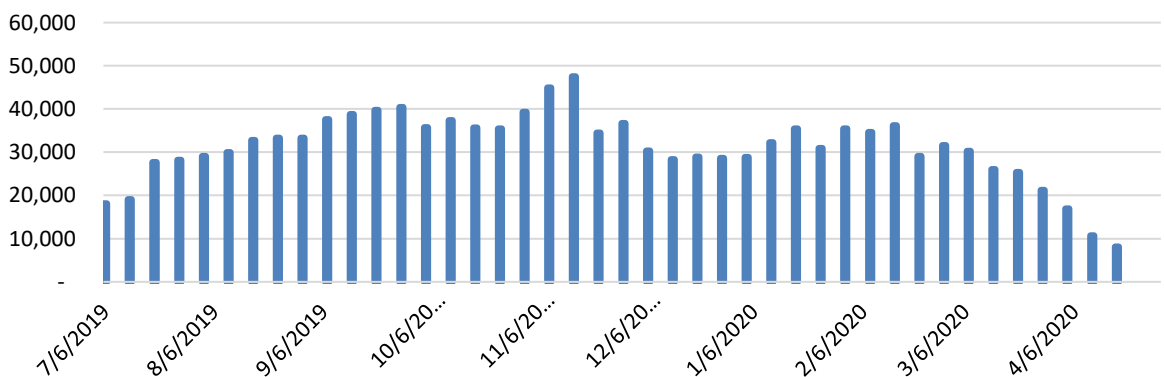
**E) Retail Initiatives Program**

- Though anticipated shortages of China-sourced LEDs have reduced the program forecast, discounted LEDs remain available in over 300 stores and the program team estimates that over 1 million LED bulbs will receive rebates this fiscal year, achieving a 4-year high.
- The program is working on rolling out an instant rebate coupon for heat pump water heaters (HPWH) at Home Depot in June once the field representatives are allowed back into the stores.
  - The Trust team has been encouraging Lowe’s to drop its prices on heat pump water heaters. Recently Lowe’s and also Home Depot each reduced their pre-incentive prices to \$999 (previously \$1,199 at Lowe’s and \$1,099 at Home Depot). Once the Trust’s incentive is factored in, the HPWH is the lowest priced water heater in the store. This is significantly increasing sales.

**Bi-Weekly Retail HPWH Sales (invoiced)**



**Weekly Retail Bulb Sales (invoiced)**





| Updated Financials              | Program Investment |
|---------------------------------|--------------------|
| FY2020 Program Budget           | \$8,211,793        |
| 7/1 to 4/30 Spending            | \$6,362,295        |
| Percent of Budget Spent to Date | 77%                |
| Percent of Year Passed          | 83%                |

| Energy Savings (through 4/30) | Annual kWh Savings | Annual MMBtu Savings* |
|-------------------------------|--------------------|-----------------------|
| Electric Programs             | 48,272,086         | (42,797)              |
| Thermal Programs              | -                  | 1,933                 |

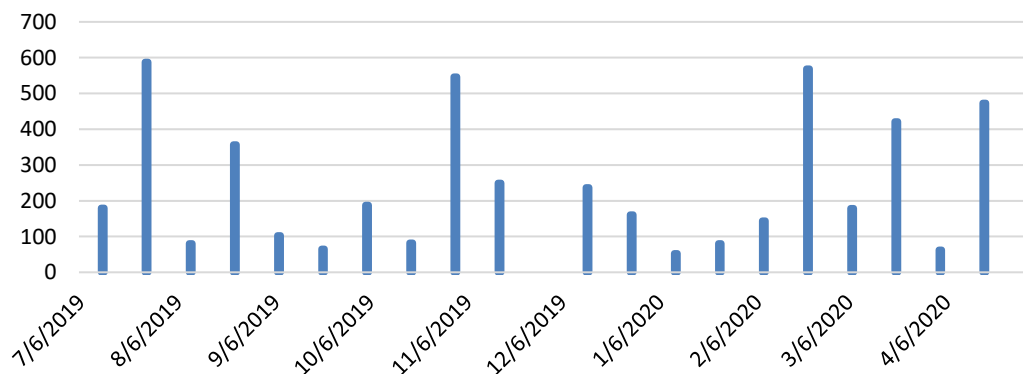
\*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

| Rebate Type (through 4/30) | Projects  |
|----------------------------|-----------|
| Light Bulbs                | 1,365,832 |
| Appliance Rebates          | 9,028     |

#### F) Distributor Initiatives Program

- Where able, field representatives continue to visit most distributors and report that contractor activity is reduced. Some distributors that temporarily had closed their counters and were only loading from their loading docks in response to the pandemic are now opening their counters again.
- A \$500 instant discount for ENERGY STAR® “combi” boilers and instantaneous water heaters was launched March 1 for Unitil, Maine Natural Gas, and Maine Natural Gas customers.
- The market share for ECM circulator pumps has jumped several-fold in response to a January 1 increase in the incentive from \$50 to \$75 and the introduction of a \$3 per pump administrative fee. Though the increase came after the peak boiler replacement season, the forecast for the year has increased significantly.

**Bi-Weekly Distributor HPWH Sales (invoiced)**



| Updated Financials              | Program Investment |
|---------------------------------|--------------------|
| FY2020 Program Budget           | \$11,918,772       |
| 7/1 to 4/30 Spending            | \$7,108,634        |
| Percent of Budget Spent to Date | 60%                |
| Percent of Year Passed          | 83%                |

| Energy Savings (through 4/30) | Annual kWh Savings | Annual MMBtu Savings* |
|-------------------------------|--------------------|-----------------------|
| Electric Programs             | 20,094,867         | (8,872)               |
| Thermal Programs              | -                  | 9,909                 |

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

| Rebate Type (through 4/30)       | Units   | Projects |
|----------------------------------|---------|----------|
| Distributor Lighting             | 101,782 | -        |
| Distributor HVAC (Oil)           | -       | 2,139    |
| Distributor HVAC (Electric)      | -       | 3,460    |
| Distributor Hot Water (Electric) | -       | 4,490    |

#### G) Low-Income Initiatives

- Low Income Direct Mail:** This initiative offers energy-saving devices to households that opt in for self-install. Since July 1, 2019, the Trust has fulfilled 10,919 self-install kits. The Maine Department of Health and Human Services (DHHS) has sorted out participants who opted in for a self-install kit in FY2019. The Trust does not anticipate any substantial impacts on programmatic activity resulting from the pandemic as this program is administered exclusively through the mail.
- Low Income Heat Pump Water Heater Initiative:** This effort replaces, at full cost, electric resistance water heaters in low incomes homes with highly efficient heat pump hot water heaters. The Trust has fulfilled 701 installations since July 1, with an additional 291 in the pipeline. The Trust has seen a slow-down stemming from COVID-19 but continues to take reservations for the program. The Trust is advising participants that they will not lose their reservation if they are reluctant to schedule an installation at this time.
- Arrearage Management Program (AMP):** This program year the Trust is offering the same tips and self-install kits, as well as offers of heat pump water heaters when conditions allow. The Trust has enrolled 871 new participants to the AMP program to date in FY2020. 42% have opted into the Trust's offers for a kit, and 100% have received customized tips for reducing electric usage at home. Community Action Program (CAP) agencies are assisting in enrolling new applicants and offering financial coaching to help ensure success.
- Electric Reduction Initiative:** This pilot intends to reduce the electric consumption in high usage low income homes where residents are using inefficient electric means to heat during the winter months. Eligible measures under this pilot are weatherization, insulation, and heat pump installation. Sixty homes were prescreened for possible cost-effective

opportunity and 17 were selected for direct install. Fifteen of these have already had the DHP installed and are waiting for follow up weatherization measures. These homes will be metered for electric consumption data gathering to be analyzed in late spring of 2020. All measures completed inspections by the Trust’s field team in December. Restrictions associated with the pandemic have prevented the Trust’s field representatives from retrieving meters at this time.

- **Affordable Heat Initiative:** Launched in late November, this program offers a \$1,500 incentive to install a wall mounted heat pump when a home’s tax assessed value is less than the Trust’s approved threshold. LIHEAP households are eligible for a \$2,000 incentive. A prequalified reservation is required from the installer for this program. Weatherization (\$600 in air sealing, 80% of insulation zones up to \$2000) cost will be available to low income homes as funding allows. New marketing materials are now available to help promote this initiative as the pandemic has halted much of this work.

| Updated Financials              | Program Investment |
|---------------------------------|--------------------|
| FY2020 Program Budget           | \$7,587,733        |
| 7/1 to 4/30 Spending            | \$2,442,355        |
| Percent of Budget Spent to Date | 32%                |
| Percent of Year Passed          | 83%                |

| Additional Details on FY2020 Financials   | Program Investment |
|---|--------------------|
| Expenditures                              | \$2,442,355        |
| Committed Pipeline                        | \$705,350          |
| Total (Expenditures & Committed Pipeline) | \$3,147,705        |
| Percent of Current Budget                 | 41%                |

| Energy Savings (through 4/30) | Annual kWh Savings | Annual MMBtu Savings* |
|-------------------------------|--------------------|-----------------------|
| Electric Programs             | 4,486,712          | (1,412)               |
| Thermal Programs              | (648,233)          | 8,063                 |

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

| Initiative (through 4/30) | Units |
|---------------------------|-------|
| Direct Installs           | 1,510 |
| Market-based Installs     | 184   |

#### 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 made progress on the program design and marketing strategy of the recent MPUC award for additional Level 2 public EV charging grants and is now developing an RFP for Level 2 charger installations.
- The Trust’s Phase III RFP using VW Settlement funds will be released this summer to fund the remaining DC Fast charging network. The Trust received analysis from Georgetown University and M.J. Bradley and Associates to help inform the process for selecting charging sites.

EV Accelerator

- 426 electric vehicles (EVs) have been rebated through the 48 car dealers participating in the EV Accelerator Program. Forty additional rebates have been issued for vehicles without a dealer in the state. There has been a slow-down in the number of EV rebates issued compared to prior months.
- Following is a brief summary of the number of rebates by technology:

| Type                  | Number of Rebates |
|-----------------------|-------------------|
| BEV (all-electric)    | 256               |
| PHEV (plug-in hybrid) | 170               |
| <b>Total</b>          | <b>426</b>        |

| Updated Financials              | Electric Vehicle Supply Equipment | EV Accelerator Program |
|---------------------------------|-----------------------------------|------------------------|
| FY2020 Program Budget           | \$2,142,041                       | \$1,139,471            |
| 7/1 to 4/30 Spending            | \$1,006,187                       | \$729,468              |
| Percent of Budget Spent to Date | 47%                               | 64%                    |
| Percent of Year Passed          |                                   | 83%                    |

Electric Vehicle Education and Outreach

- Staff continues to refine and implement its EV Public Education and Outreach Plan. This month we completed the following:
  - Launched PSAs on 5 radio stations in the Portland, Brunswick and Topsham areas about the benefits of EVs, their range and charging opportunities;
  - Mailed promotional marketing collateral to participating car dealers in time for the Memorial Day weekend;
  - Finalized additional EV related web content on our EV web pages;
  - Provided web content to participating car dealers to drive consumers to our EV web pages;
  - Provided content about driving electric for distribution in the Northern New England AAA magazine “Journey”, that reaches over 1 million AAA members in Maine, New Hampshire and Vermont; and
  - Placed another round of EV program-related digital ads.

## J) Strategic Initiatives

- **Innovation**

- The results of the Low-Income Behavioral Pilot are undergoing a final review by the Staff.
- ReVision Energy has completed the installation of two battery storage systems at Hyatt Place in Portland and Bar Harbor Public Works. The system for the third site, at Plastech, will likely be installed by the end of May. The Trust is working with ReVision Energy to reassess current project timelines to ensure comprehensive pilot results.
- The test year continues for the Residential Distributed Energy Resources (DER) aggregation and controls pilot. The Trust does not anticipate any deviation from the current project schedule.
- Energy Solutions, collaborating with ERS, has completed preliminary customer acquisition efforts. The Trust anticipates beginning the installation of phase change material systems in early summer.
- Isle au Haut Electric Power Company (IaHEPC) has continued its preparation of sites and installation of measures. IaHEPC does not anticipate COVID-19 disrupting the schedule for installations planned for Phase 2.

- **Evaluation, Measurement & Verification**

- Nothing new to report.

## 3. Administration and Finance Highlights

### A) Administration

- Staff reviewed options for health care plans for FY2021.

### B) Financial

#### Revenues

- The new revenues from state and regional sources through the end of April 2020 were \$56.48 million out of a revised total expected annual revenue of \$68.24 million. Approximately \$700,000 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 \$4.32 million.

#### Expenditures

- Total expenditures through the end of April 2020 were \$44.82 million of which approximately:
  - i. \$2.26 million was spent on Administration (excluding interfund transfers)
  - ii. \$106,600 was spent on Public Information
  - iii. \$424,000 was spent on Evaluation work
  - iv. \$69,000 was spent on Innovation pilots
  - v. \$2.44 million was spent on Low Income Initiatives
  - vi. \$6.36 million was spent on Retail Initiatives Program
  - vii. \$7.11 million was spent on the Distributor Initiatives Program
  - viii. \$8.29 million was spent through HESP
  - ix. \$6.65 million was spent through the C&I Prescriptive Program

- x. \$3.34 million was spent on the C&I Custom Program
- xi. \$1.95 million was spent on the Small Business Initiative
- xii. \$1.35 million was spent in Inter-Agency Transfers
- xiii. Another \$37.7 million is encumbered across all budget categories but is not yet spent.