

**Executive Director's Summary Report  
to the Board of Trustees  
of the  
Efficiency Maine Trust**

**July 1, 2013**

<b>I. Communications</b>
--------------------------

**a. Government Affairs**

- LD 1559 (the Omnibus Energy Bill) became law on June 26, 2013. The law includes multiple provisions that relate to Efficiency Maine, chief among them:
  - Funding from the Maine Yankee Settlement will be directed to the electricity conservation budgets at Efficiency Maine for FY14, FY15 and FY16. The amounts for the first two years will come close to fulfilling the increases recommended in the PUC's order approving the Triennial Plan, while the amount for the third year will be \$2 million;
  - The long-term contract order to fund electricity efficiency measures in the Large Customer Program, as recently approved by the PUC, is approved;
  - Maine's ongoing participation in the Regional Greenhouse Gas Initiative, as amended, is approved and the changes are made to how the auction revenues from that participation are to be used, including:
    - 35% for residential heating solutions
    - 50% for electric and/or thermal solutions, including for commercial and industrial customers
    - 15% for targeted rate relief (via the PUC);
  - Expansion of the natural gas conservation programs, and associated revenue collection, to cover all gas utilities in Maine;
  - Changes to the Targets that are to be advanced by the Efficiency Maine Triennial Plan;
  - Requirements that non-transmission alternatives, such as energy efficiency, demand response and distributed generation, be analyzed prior to the PUC approving certain transmission system upgrades.
- Other legislation of note:
  - Proposals to reinstate a charge to fund solar rebates were rejected.
  - A bill to authorize Efficiency Maine to work with schools and, if funds allow, to help fund efficiency projects and receive repayment over time, was approved.

**b. Awareness and Press**

There has been significant press coverage of the Omnibus Energy Bill. WCSH Channel 6 News ran a story on home weatherization on May 29 that gave good coverage to Efficiency Maine’s program and the positive impact on local contractors. Director Stoddard’s half-hour interview about Efficiency Maine’s business programs ran on WLOB’s Box Talk Radio show (<http://boxtalkradio.com/page/2/>) in the first week of June.

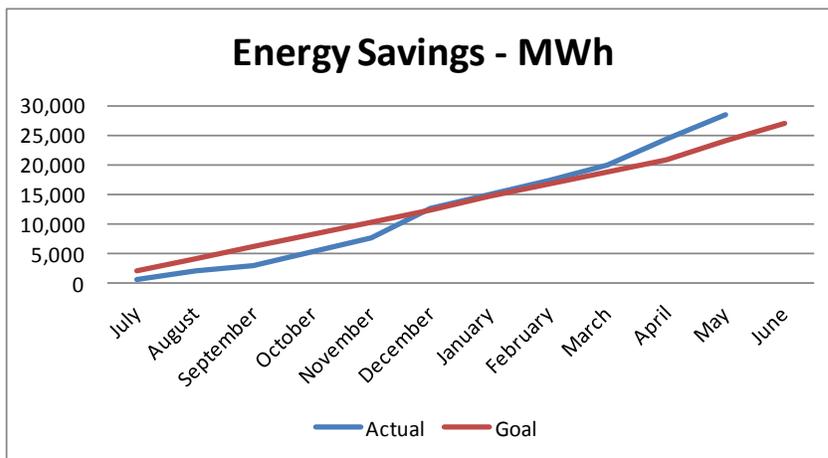
**II. Program Highlights**

**a. Business Program**

**i. Business Incentive Program – Electric**

As of 5/31/2013:

- 28,397 MWh saved, or 105% of goal at 92% of the program year completed
- 1,633 projects completed
  - Incentives Paid \$3,021,046 (\$56,000 above budget)
  - Added \$500,000 to the budget from surplus RGGI revenues



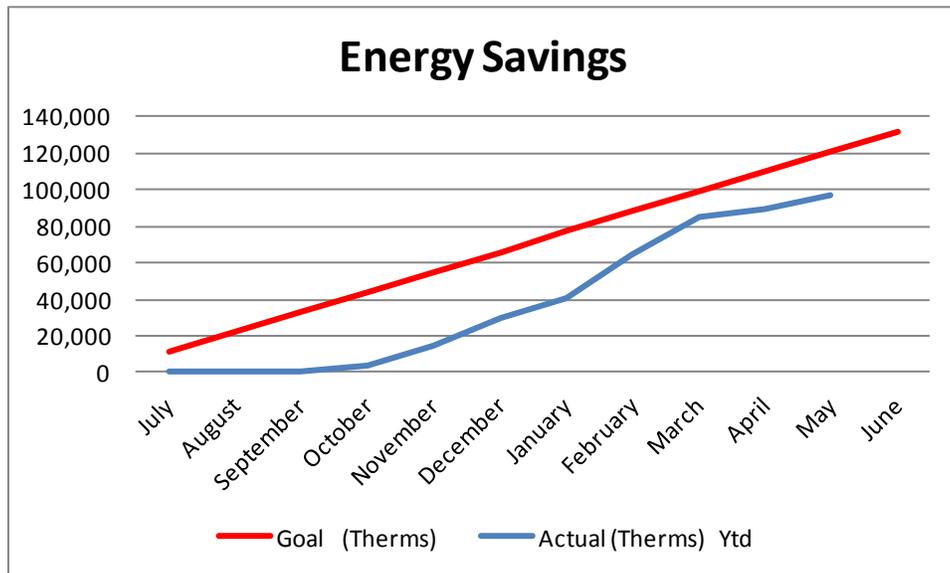
Incentives Paid YTD – Actual vs Budgeted

	Actual	Budget
July	\$255,209	\$287,087
August	\$350,733	\$574,174
September	\$474,557	\$861,261
October	\$844,455	\$1,148,348
November	\$1,162,343	\$1,435,435
December	\$1,859,904	\$1,722,522
January	\$2,113,441	\$2,009,609
February	\$2,417,066	\$2,296,696
March	\$2,640,141	\$2,583,783
April	\$3,021,046	\$2,870,870
May	\$3,452,724	\$3,407,957
June		\$3,945,044

ii. Business Incentive Program (Natural Gas)

As of 5/31/2013:

- 94 projects completed to date
- 96,507 Therms saved to date, which is 73% of annual goal at 92% of the year completed
- Incentive payouts \$173,199 (from a revised budget \$247,869)



iii. Multi-Family Program

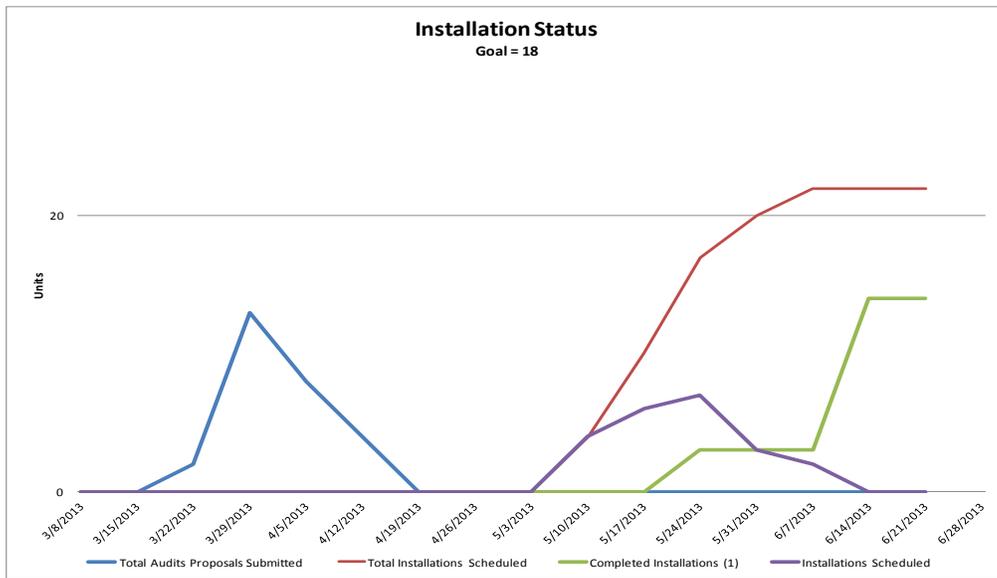
As of 6/24/2013:

Program Metric	Current Status	Program Goal	% of Goal
Benchmarks	2738	2500	110%
Audits (ERP's)	1601	2200	73%
Retrofits	<b>249</b>	1800	14%

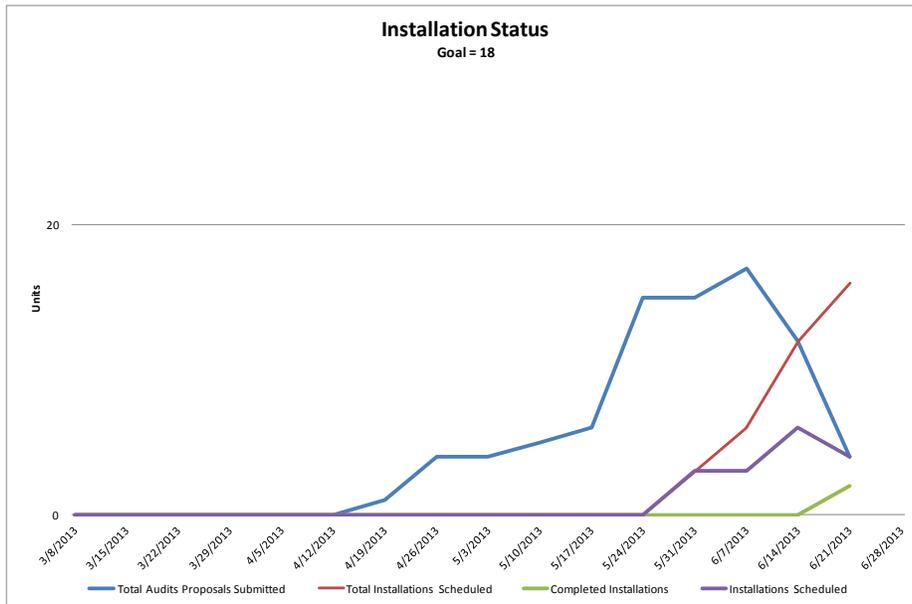
iv. Small Business Direct Install

Completed Project – Machias & Presque Isle Regions			
# of Projects	Total Project Costs	Annual kWh Savings	Annual KW Savings
<b>16</b>	<b>\$53,372</b>	<b>133,477</b>	<b>50.117</b>

Machias



## Presque Isle



### v. Large Customer Program

The spring round of competitively bid projects under this program continue to complete their contracts between the awardee and the Trust.

Additionally, Efficiency Maine has been working with staff in the University of Maine system to screen potential projects for a large, multi-campus, multi-fuel package of energy efficiency upgrades to be financed through this program. A preliminary list of projects has been identified as being cost-effective and ready for implementation. Next steps include seeking University approval to move forward with the projects and associated contracting.

### b. Residential

#### i. Maine BetterBuildings Loan Program

##### Air Seal Deal

There have been 5059 air sealing projects completed in FY13 with more than 650 in the past month. Activity in air sealing continues at a brisk rate despite the warm weather.

##### Revolving Loan Fund

- We are mailing out 254,000 brochures in property tax bills in 106 municipalities over the next 3 months
- There has been a 0% default rate in the program

- We received 16 applications last week. Four were declined. There were six closings (\$85,000) which occurred last week bringing the program total to 452 loans with a total amount lent of \$5.72 million.
- Of the total lent, we are expecting to reach \$1 million in total HUD PowerSaver loans shortly. Maine holds approximately 30% of all PowerSaver loans in the US, which ranks Maine #1 in the country.
- Staff has spoken to the Board about exploring the introduction of 2 new loan products targeting the energy retrofits of residential housing. The two types of products being contemplated relate to:
  - Smaller, unsecured loans that rely principally on a FICO score for underwriting standards, (not a loan-to-value test or a debt-to-income test). This tool could be an instrumental complement to rebate incentives if the RGGI law is changed to require more heating savings programs for residential customers.
  - Loans for owners of properties comprising multiple residential buildings on a single parcel but no more than 4-units per structure.
- We now have 162 towns participating in PACE with the recent addition of Jonesboro. We have heard from Gouldsboro this week that they passed PACE last week and Dixfield is planning a vote on PACE in July.

## **ii. Residential Lighting and Appliance Program**

### Lighting

As of 6/22/2013:

- The program is at 97% of savings pace and the full year forecast is to reach 105% of the savings goal of 70,000 MWh/year
- The program is at 98% of investment pace, forecasting 92% of the \$4.9 million budget
- Over 30,000 LED's have been sold since they were first included in the program in November
  - Our current rate is about 2,000 per week

### Appliances

- The program is forecasting finishing at 69% of the annual savings goal (of 29,000 units goal and 7,400 MWh saved), reflecting the fact that the program did not start until January
- The program is at 85% of budget pace and projecting to finish the year at 88% of budget (\$2.2 million)
- The program processed claims for 82 heat pump hot water heaters in the past 2 weeks

## **iii. Low-Income**

- Energy savings are at 145% of the annual savings goal and we are forecasting finishing the year at 152% of the goal of 3,600 MWh
- Units – 2,000 units have been upgraded
- Budget – We are forecasting finishing the year at 98% of program budget (\$5.5 million)
- 1,237 heat pumps have been installed PYTD, averaging \$2,063 each. Projection is for 1,352 units/yr.

### **c. Renewables**

- This week the renewable (solar) rebate program accepted its final reservation as the funds for the program were exhausted
- In the past month we issued a notice to all vendors that the available budget for solar rebates was nearly gone, and a process was described for reserving the last available rebates
- We anticipate all work on all projects to be completed by November 30th.
- In the course of calendar years 2011, 2012, 2013, with the combination of ARRA and remaining SBC Solar/wind dollars, Efficiency Maine will have invested more than \$2.5 million in more than 1,000 solar installations all over the state.
- Solar installers will remain a listed category on our online locator tool and eligible to be included in any financing package (e.g., PACE loans).

### **d. Innovation**

- Bangor Hydro Heat Pump Pilot
  - 829 rebates have been reserved in the initial 9 months. The original goal was 330 in 11 months
  - 568 are now installed, 261 in the pipeline
  - The program expects to complete its expanded goal in June
- Smart Meter Pilots
  - Efficiency Maine awarded three contracts for pilot projects to demonstrate options for using “incremental” (hourly or 15-minute increments) usage data in commercial / non-profit buildings
  - The winning teams are: (1) FirstFuel; (2) ecobee/Thayer Corp/Electricity Maine; and (3) Retroficiency/ERS
  - The Trust has held kick-off meetings with each of the three teams

### **e. Strategic Initiatives**

- Non-Transmission Alternatives (NTA)
  - EMT is nearing completion of the NTA project and is on track to deliver nearly double what was originally projected with 298.7 kW of reduction. This reduction includes 2,100 LED’s at 28 businesses delivered through a direct install LED initiative. In addition, there were 35 projects processed with an NTA bonus through the business program
- FCM
  - EMT has begun reporting results from the Appliance rebate program and the Large Customer Program. EMT is on track to meet our FCA 4 obligation. Finally, the major task of compiling and submitting the FCA 8 qualification package to ISO-NE was completed on June 24th.
- Avoided Energy Supply Cost Report

- Synapse has completed and staff has reviewed all of the analysis for the 2013 AESC report. We have two weeks to submit final comments and then the final report will be ready for dissemination in the middle of July.

#### **f. Evaluation & Data Analysis**

In the past month Efficiency Maine completed the following:

- Multifamily - Awarded contract for evaluation of the Multifamily Efficiency Program to Opinion Dynamics (sub Lexicon); held kickoff meeting at EMT offices on June 6<sup>th</sup>. Evaluation team is finalizing work plan and activities will get underway later this month.
- Residential Retail - Awarded contract for evaluation of the Residential Retail Products Programs to NMR Group (sub Nexant); planning for kickoff meeting in early July; project will begin with impact and process evaluation of the Appliance Rebate Program.
- PACE/RDI – Finalized work plan for the next (final) phase of the evaluations of PACE/PowerSaver and RDI, which is scheduled to be completed by 9/30/13. Preparing for launch of customer surveys.
- FCM - Completed and filed 2013 FCM Measurement and Verification Compliance Review
- TRMs – Finalizing the development of updated Residential and Commercial TRMs for program year 2014
- Surveys – Staff completed 3 national surveys in June: CEE Existing Homes Program Survey, the CEEE State Scorecard survey, and the ACEEE Survey on Evaluation Practices.

<b>III. Administration and Finance Highlights</b>
---

#### **a. Administrative Policies**

There is nothing new to report this month.

#### **b. Grant Administration**

At the encouragement of the US DOE, Efficiency Maine submitted a request for an extension of Multi-Family retrofit program.

Efficiency Maine is working with the Governor’s Energy Office (GEO) to review a notice of a competitive funding opportunity (FOA) issued by the US DOE last week and to determine what proposal(s) for Maine might be worthwhile submitting.

#### **c. Financial**

As of May 31, revenues for the fiscal year are \$28.8 million. This revenue is added to a balance of \$37.5 that was carried forward at the beginning of the year, plus \$0.3 million in interfund transfers.

Expenditures year-to-date show \$28.3 million spent, with another \$19.6 million under contract and \$4.1

million awarded but pending finalization of contracts. Significant funds will move into the expended category as year-end invoices are processed. The lion's share of the funds that are encumbered but not spent are connected to multi-year ARRA awards that, to be conservative, we budgeted all in FY13 even though we understand that much of it will be actually spent in FY14. A smaller fraction of the funds that are encumbered but not yet spent relate to programs that started later or slower than initially projected (e.g., Small Business Direct Install) or unforecasted revenue increases (e.g., RGGI) that arrived part way through the fiscal year.

The year-end audit process commenced last month. Pre-audit meetings were held to plan out the audit, and initial documentation was shared.