

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

**March 27, 2013**

<b>I. Communications</b>
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**a. Government Affairs**

The Appropriations Committee and Energy and Utilities Committee jointly held a public hearing on the Trust's budget allocation in the biennial budget on March 15. Staff presented the budget to the committees. Representatives of Mechanical Services, Inc., ENE, NRCM, and Steve Ward testified in support of the budget. Nobody testified in opposition. The budget allocation for FY14 and FY15 reflects the recommendation of the PUC in its order issued on March 6.

On March 21, the Energy and Utilities Committee held a work session on the Trust's budget allocation at which Staff presented an overview of how the budget amount was derived and answered questions. There was no public testimony. The committee tabled the item to allow more time to provide additional information.

The Energy and Utilities Committee also held a public hearing two weeks ago on Sen. Katz bill LD 697. The sponsor requested amending the bill to continue the PUC's authority to review and approve utility proposed alternative heating pilot projects for alternative heating systems. There was extensive testimony about the appropriate use of ratepayer funds versus utility shareholder funds, and the existing authority of the PUC to allow some amount of fuel switching costs to be paid from rates (as happened recently in the Summit Natural Gas case).

**b. Awareness and Press**

The Executive Director was interviewed about the Triennial Plan on [MPBN's Morning Edition](#) which appeared in two different segments on March 25 and 26. WBLM's Morning Show and WHOM's Morning Show also ran short interviews with Efficiency Maine about the Triennial Plan and promotion of the Air Seal Deal. A March 3 [Portland Press Herald article](#) discussed the cost effectiveness of air sealing and Efficiency Maine's Air Sealing Program. The Press Herald also celebrated Efficiency Maine's Triennial Plan in a March 10th editorial, "[Our View: Efficiency Maine has a plan to save our state money](#)" The

[Lewiston Sun Journal](#) also ran an Efficiency Maine OpEd reporting on the results in the Annual Report on March 17.

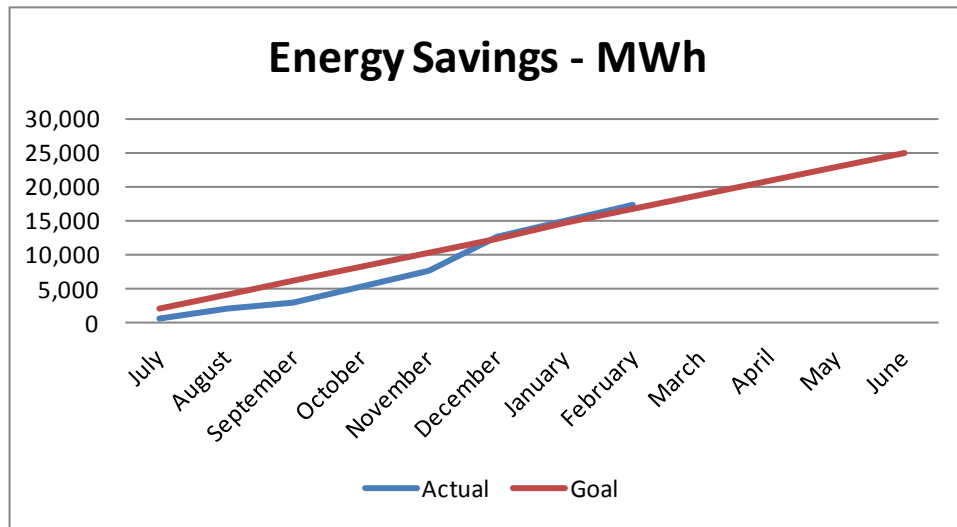
**II. Program Highlights**

**a. Business Program**

**i. Business Incentive Program – Electric**

As of the end of February:

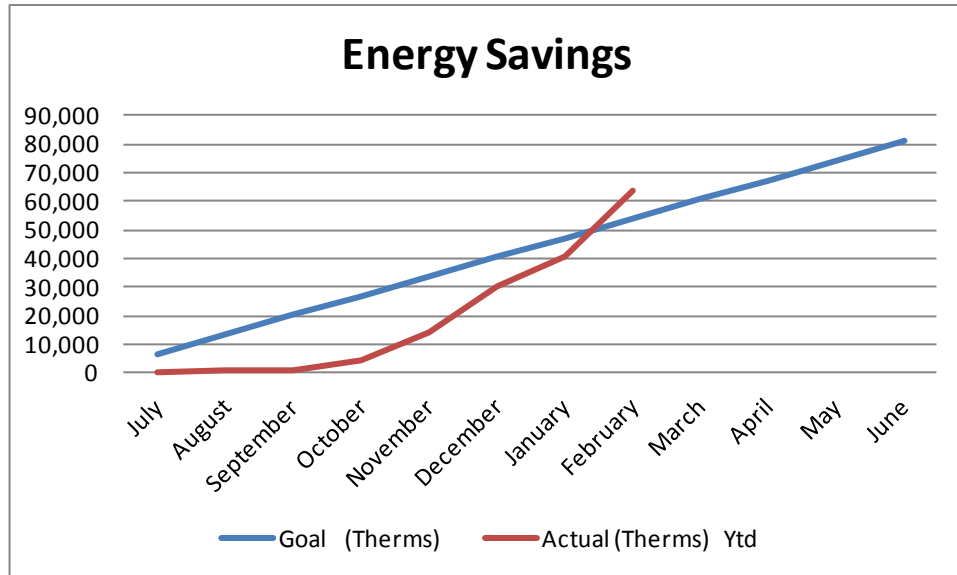
- This program has installed 1,324 projects, providing a combined First Year Savings of 17,291 MWh.
  - This constitutes 69% of goal at 67% of the year gone.
- Incentive Paid year-to-date (YTD) are \$2,417,066, which is slightly ahead of budget



**ii. Business Incentive Program (Natural Gas)**

As of the end of February:

- 12 projects were completed in February
- 56 projects completed YTD
- Incentive payouts \$123,306 YTD from an annual budget of \$179,306
  - 64,023 Therms saved, which is 79% of goal at 67% of the year gone



### iii. Multi-Family Program

As of 3/15/2013:

- units in the pipeline
  - 2055 units have submitted for program participation
  - 1622 units have completed benchmarks, which is 65% of goal
  - 860 units have had audits submitted
    - Modeling Path 585 units
    - Prescriptive path 275 units
  - 703 units have submitted an audit which has been approved
  - 412 units have reserved project incentives
    - 30 units with approved audits have confirmed they are not moving forward
  - 51 units completed retrofits

### iv. Small Business Direct Install

Through 03-15-2013:

- 48 audits have been scheduled
- Process has been established with utilities to qualify customers for on-bill financing
- Initial outreach has been done in Presque Isle
- #1 call driver for the Call Center

### v. Large Customer Program

- A review team including Jim Atwell, Tom Tietenberg and Michael Barden selected winners of the most recent competitive solicitation for Large Customer projects this month
- The awardees and those who were not awarded have been notified

- Staff is waiting for the 14 day appeal period to pass, and for projects to be put under contract, before widely publicizing the recipients

**b. Residential**

**i. Maine BetterBuildings Loan Program**

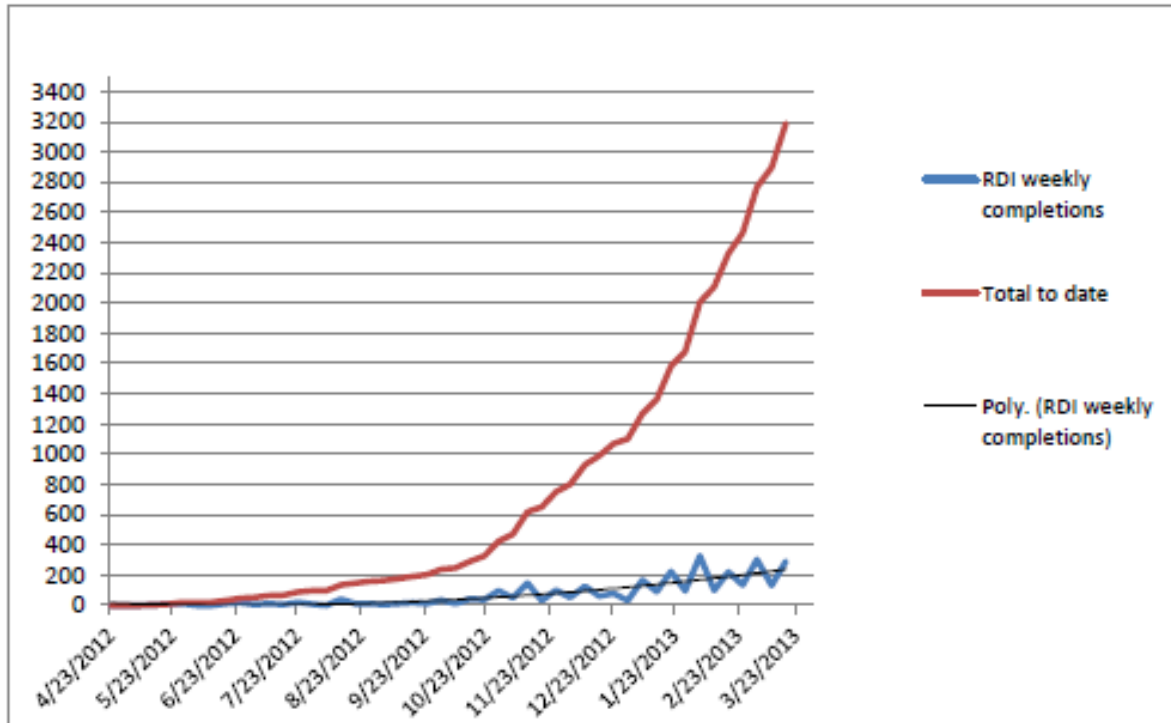
PACE & PowerSaver Loans

We have closed more than 60 PowerSaver loans as we approach the one year mark with the programming. We believe that Efficiency Maine has issued the most PowerSaver loans in the country.

Air Seal Deal

Through 3/21/2013:

- we have 3205 completed Air Sealings.
  - 454 in the past 2 weeks, 1600 in the past 8 weeks and 2100 since the beginning of the year.
- We are just shy of the 200 unit mark on Air Sealings in Unitil (natural gas) territory, where double incentives are offered, out of 500 units allocated.



Our analysis of the reported Air Seal projects is that roughly 10% of them have led to deeper energy retrofits, without any direct communication or intervention from the Trust.

## ii. Renewables

The solar rebate program is quickly running through remaining funds. 22 PV installations and 8 solar thermal systems were installed in February.

## iii. Residential Lighting and Appliance Program

### Lighting

As of 3/22/2013

- The program has climbed to 95% of savings pace and the full year forecast is now 99% of savings goal (69GWh/yr vs 70 GWh/yr goal)
- Over 10,000 LED's have been sold, mostly the new \$10 Home Depot and \$5 Lowes 60-watt equivalent, omni-directional bulbs

### Appliances

- The program is progressing at 42% of savings pace and forecasting finishing at 50% of goal
- The program is progressing at 43% of budget pace and projecting to finish the year at 62% of budget (\$1.4M vs \$2.2M)
- We are starting a radio/print/direct mail marketing plan which we hope will drive a new segment of buyers into stores

## iii. Low-Income

- Savings is progressing at a pace of 130% of goal and forecasting finishing the year at 159% of goal (4.8 GWH/yr vs 2.9 GWH goal)
- 1,224 units have been upgraded YTD, which is 71% of pace, and forecasting to finish year at 2,207 units (94% of goal)
- We are slightly behind on spending down the budget, progressing at 71% of investment pace and forecasting finishing at 90% of budget
- 536 heat pumps have been installed YTD, averaging \$2,186 each
  - We are projecting installing about 960 by year-end

## c. Innovation

- All but 14 of the 100 additional rebates that BHE funded are reserved
- Board's Strategic Plan Committee reviewed a Staff proposal to fund another 130 installations by taking \$120,000 of leftover funds from a discontinued initiative that should be committed before the end of the fiscal year

<b>III. Administration and Finance Highlights</b>
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**a. Administrative Policies**

Staff drafted a new Procurement Policy that is discussed with the Finance Committee. It draws from elements of the FAME and Maine State policies, as well as from the University of Maine policy.

**b. Grant Administration**

Staff continues to work with municipalities to wrap up their projects before the May deadline on the EECBG Grant from US DOE. Staff is making good progress in collecting final documentation of project activities.

Staff collaborated with the Governor's Energy Office to complete its final "draw down" of federal funds for the ARRA State Energy Program (SEP), thus completing oversight of a successful three-year, \$25.5 million initiative.

Staff also received a letter from US DOE indicating that it had reviewed the Trust's audit reports from FY11, including the corrective actions that were planned for improving oversight of compliance, and reported that the Trust need take no further action.