

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

October 23, 2013

I. Communications

a. Awareness and Press

- This month, Efficiency Maine participated in the MMA Conference, MaineBiz Momentum Convention, Lamey Wellehan Solar Fair, Maine Health Care Association Conference, and the Island Energy Conference.
- Efficiency Maine's training team (Dale Carnegie and Vermont Energy Investment Corp.) completed six trainings for Trade Allies (Qualified Partners and Residential Registered Vendors) in September and October
 - 76 students participated in the 6 trainings held in Bangor and in South Portland.
 - The Program Team is currently reviewing participant feedback and is evaluating Customer Service and Sales trainings as annual offerings.
- The Communications Team completed a case study video about Wyman's of Maine and recently shot footage of small business customers and a residential heat pump installation in Presque Isle.
- The Communications Team completed a written report on the municipal energy efficiency projects funded through ARRA EECBG funds. The report was distributed to all participants at the MMA Conference.
- On October 21, the Kennebec Journal reported on Kyle Murdoch receiving a national award for young entrepreneurs and noted that his Sea Hag lobster processing facility had received a grant from Efficiency Maine.
- There have been several press stories around the Trust's launch of incentives to support home energy upgrades. Among them were the St. John Valley Times story ("As heating season begins, heating fuel prices holding steady") of October 12; and the Bangor Daily News story ("New Efficiency Maine Rebates Offer Homeowners up to \$1500") on October 4.

b. Government Relations

- The executive director participated in two meetings of the Legislature's public meetings on renewable energy policy. The Trust is responsible for administering a very small R&D program

for renewables, and was previously responsible for administering a rebate program for small, customer-sited solar and wind projects. Both programs are under discussion in the legislative forum.

- Staff has been monitoring the ISO rules changes for Forward Capacity Auction 9 and analyzing their potential impact on Maine FCM resources. Staff also is working to register the Trust's distributed generation assets with the ISO and preparing to bring them to a commercial status by 11/1/13.
- Staff met individually with representatives of three of the four natural gas utilities, and also separately with PUC staff, and intends to file a plan of action with the PUC in the next month. The plan will be to conduct a study of the cost-effective energy savings potential in Maine reflecting updated natural gas prices and equipment performance.

c. Call Center

- Handled 421 calls last week, including a spike from 124 HESP calls and 97 Appliance Rebate calls
- The center beat its 20 second answer rate (82% actual vs. 80% goal) but missed its 45-second answer rate (84% vs 95% goal)
- Two additional agents have been trained to try to achieve 45-second goal
- The project is favorable to budget

II. Program Highlights

a. Business Program

i. Business Incentive Program – Electric

As of 9.30.2013

- 5,504MWh annual (69,000 MWh lifetime) saved year to date
 - 17% of goal reached at 25% of year
 - Compares favorably to FY-13, which at this point in the year had saved 3,011 MWh (12% of goal at 25% of year)
- 495 projects completed (488 prescriptive – 6 Custom – 1 Technical Assistance)
 - 388 customers participated
 - Incentives Paid: \$712,489 (15% of \$4,730,324 budgeted)
 - Participant cost: \$2,012,870
- Program is exploring adding measures to the prescriptive menu
 - Prescriptive Linear LED Measures (Interior Space Lighting)
 - Program is exploring adding Prescriptive Horizontal LED Refrigerator Case Lighting
- New Qualified Partner Training scheduled for November 6th

ii. Business Incentive Program (Natural Gas)

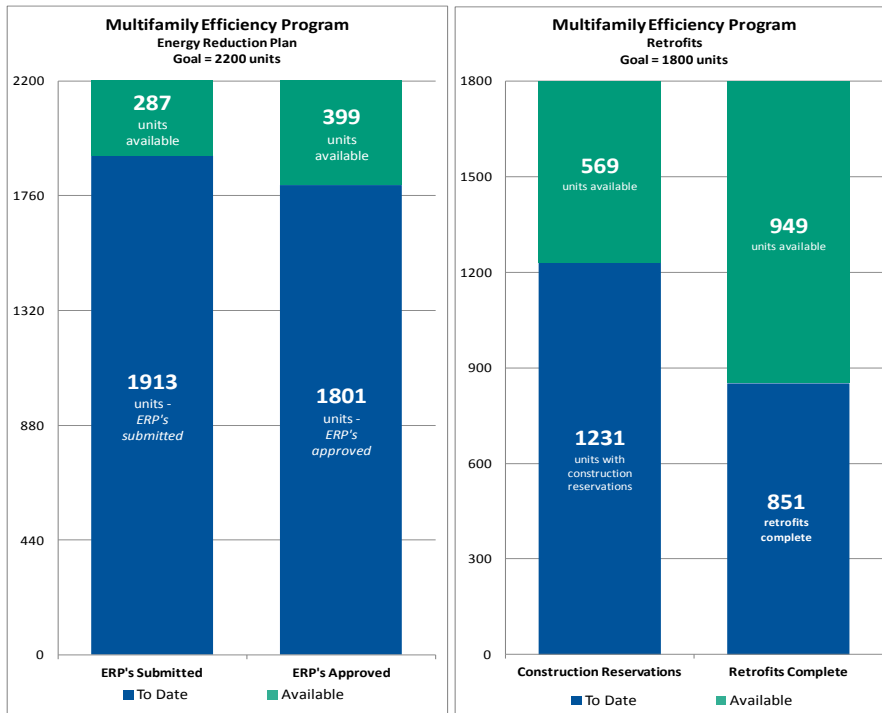
As of the end of 9/30/2013:

- 23,933 Therms saved annually (478,692 Therms lifetime), which is 23% of goal at 25% of year completed
 - Savings compares favorably to FY-13 in which, at this point, the program was starting up and had only saved 923 Therms annually, or 1% of its goal
- 16 projects completed
 - 15 customers have participated
 - Incentives Paid \$28,309 (14% of the \$200,000 budgeted)
 - Participant cost \$20,452
- Program Delivery is under budget

iii. Multi-Family Program

As of 10/18/2013:

- units in the pipeline
 - 3058 units submitted for program participation
 - 2868 units with completed benchmarks now 115% of goal of 2500
 - 1913 units with audits submitted
 - Modeling Path 1093 units (57%)
 - Prescriptive Path 820 units (43%)
 - 1801 units with an approved audit – 87% of goal of 2200
 - 1231 units have reserved project incentives
 - 851 units completed retrofits – 47% of Goal (1800) (93 Completed Projects)
 - 438 units with approved audits have confirmed not moving forward



iv. Small Business Direct Install

Completed Projects:	86	as of 10/17/2013
Total Energy Savings:	770,007 kwh	
Lifetime Savings (13yrs measure life)	10,010,091 kwh	
Average \$ Project Size:	\$3,660.66	
Average Project Incentive:	\$2,027.11	55.4%
Average Annual \$ Savings (\$0.13/kWh):	\$1,163.96	\$97.00 monthly Savings
Average Annual KWh savings (project):	8,954 kWh	

v. Large Customer Program

- The Large Customer Review Committee Awarded UPM Madison \$130,505 for the “Broke and Headbox Screening Retrofit” project
- \$2.6 Million of project proposals are now in the pipeline for review and decisions this fiscal year (29% to goal with 30% of year complete)
- Staff conducted targeted outreach in Aroostook County, meeting with 14 potential customers over four days and identifying at least 4 major projects that show good potential for meeting the criteria of the Program Opportunity Notice (PON)
- We anticipate releasing a companion PON targeting greenhouse gas (GHG) savings, consistent with the directives of the recently amended RGGI statute, before the end of October
- The first project from the University of Maine system is expected to be on the November agenda for the Large Customer Program Review Committee.

b. Residential

i. Home Energy Savings Program

HESP Incentives

- Raising awareness about this incentive and related weatherization programs is ongoing, including:
 - Earned media
 - Advertising in fall home improvement periodicals
 - Encouraging co-marketing conducted (and funded) independently by participating contractors

- 70 HESP project incentives have been paid as of 10/21/2013
- 50 additional projects have been submitted for processing in our weekly check runs
- Processed prescriptive menu projects include:
 - 56 Assessments with air sealing
 - 12 Next step bonuses
 - 12 basement insulation projects
 - 11 attic insulation projects
 - 1 pellet boiler and 1 pellet stove
 - 3 central heating systems
- Inspections have started with 14 completed and inspection scheduled to occur daily at high percentage rate ensure contractors understand program rules and expectations early on
- The heat pump incentive transitioned over to the HESP process this week
 - 102 heat pumps were processed as of last week through the appliance program, 36 were processed on 10/22/2013, and there are dozens more in process
- In Q3 of this calendar year we closed 55 loans with an average value of \$13,300 (\$733,000 total) with a total loan amount closed above \$6.7 million
- The new Efficiency Maine Energy Loans are expected to be available in the next 2 weeks as contract work is in final draft stage and testing of the underwriting software configuration is almost complete

RGGI Low Income

- Staff has met with most CAP agencies and MSHA and is preparing a written plan of program design for use of \$500,000 of RGGI funds to complement or supplement the CHIP program

ii. Residential Lighting and Appliance Program

As of 10/18/2013:

Lighting

- Savings: The program is progressing slightly ahead of the savings goal, and projects ending the year selling 1.9 million bulbs to achieve 102% of the 63,000 MWh/year goal
- Budget: The program is progressing slightly ahead schedule on the goal of expending the full budget \$4.4 million budget, and projects finishing year-end right at goal
- The program is currently budget constrained; it could save more energy cost-effectively by incentivizing more bulbs if the budget were increased
- Retailers are promoting both CFL multi-packs and LEDs

Appliances

- A statewide rebate for ductless heat pumps was launched on September 3
- The program is on track to exceed the 2,000 heat pump water heater goal, an increase of 700% from the prior year

iii. Low-Income (Low Income Electric Heat Multifamily Weatherization)

As of 10/18/2013:

- The program is projecting achieving 150% of the annual goal of 1,300 MWh/year
- 424 units have been weatherized so far this fiscal year and is forecasting reaching 940 units by year end
- Budget – 157% of investment pace, forecasting ending at 100% of budget (\$2.2M).
- 290 heat pumps have been installed so far with a forecast of 643 installed at the end of the program year.

c. Cross-Cutting Programs

i. Evaluation & Data Analysis

- The Residential Direct Install and Revolving Loan Fund Program third-party evaluation is complete and available online.

ii. Innovation Pilots

- Staff attended the Smart Grid and Energy Efficiency Conference in Washington D.C.
- Retroficiency Pilot: All data analysis has been conducted for Bangor Hydro territory businesses. Those results will be presented to business owners after they are merged with the portfolio results from the businesses located in CMP territory.
- Ecobee Pilot: 8 units have been installed in 2 buildings. A number of potential sites have been identified and are under evaluation.

- FirstFuel Pilot: 64 school buildings have volunteered to participate. The next phase of the project is data acquisition.

III. Administration and Finance Highlights

a. Administration

- Staff entered a 1 year lease for meeting and telecommuting space in Westbrook

b. Financial

- Revenues
 - We are forecasting \$38,528,555 in new revenues this year from Maine and Regional policies/programs. Year to date we have collected \$7,637,738.
 - We are forecasting \$812,580 in miscellaneous revenues in the form of loan repayments, of which we have received \$14,465 to date.
 - We are forecasting \$4,911,486 in revenues from federal grants this year. Year to date we have drawn down \$45,577.
 - We have budgeted an interfund transfer of \$1,550,514, primarily to fund the Trust's administrative costs, but have not yet made the transfer.
- Expenditures
 - Our full annual budget approved in July contemplates \$65,028,151 in expenditures, (which we are asking to be adjusted up to \$68,409,927 million at the October 23, 2013 Board meeting to reflect final close-out figures derived from the recently completed Financial Audit)
 - Year to date, we have paid out \$6,844,096 and show another \$27,441,862 encumbered in contracts, and \$254,705 awarded but not yet under contract.
 - A balance of \$31,287,488 (\$14.5 million of which is for the Revolving Loan Fund) is shown on the most recent monthly reports to be encumbered or used for self-administered programs, but will be significantly changed if the proposed budget adjustments are approved at the October 23 Board meeting.