

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

November 19, 2014

I. Communications

a. Awareness and Press

- Staff has scheduled the Annual Event for Thursday January 29 at the Governor Hill Mansion
- Staff participated in the Housing Policy Conference
- The Business Program Manager and Residential Program Manager spoke at the Island Energy Conference
- The Business Program Manager launched the Small Business Initiative in Houlton and Norway
- The Strategic Initiatives Program Manager and Executive Director spoke at the Maine Hospital Association's Southern Maine meeting
- Staff launched a web-based awareness campaign focused on Unitil Natural Gas customers
- Staff has recently undertaken a large-scale web optimization effort
- Efficiency Maine's website -- visits totaled 32,441 visits in October 2014
 - compare with 34,252 in September 2014 and 19,108 in October 2013
 - 22,880 were unique visits

b. Call Center

- The Call Center averaged 369 calls a week in the past month
 - Calls are down slightly from last month's average of 434 calls per week

c. Government Relations

- Staff completed a draft of the FY14 Annual Report for Board review and approval
- Staff made compliance filings at the Maine PUC related to the Triennial Plan (updated budget allocations)
- Staff responded to 64 data requests from parties in the proceeding at the Maine PUC about the natural gas "potential study" and the proposed expansion of the Natural Gas Conservation Program pursuant to the Omnibus Energy Bill

II. Program Highlights

a. Business Program

As of 10/31/2014

i. Business Incentive Program – Electric

- \$3.6 million invested (41% of budget) invested YTD, up from \$2.7 million the prior month, with 33% of the year gone by
 - Leveraging \$6.3 million in private investment (up from \$4.7 last month)
- 1,270 projects completed (up from 957 last month and 557 the month before) across 1,056 participants
- 20,256 MWh of annual savings achieved, or 40% of the way to the full year goal of 51,027 MWh with 33% of the year gone by
- Custom projects
 - Pipeline consists of 33 projects under consideration, representing 5,686 MWh annual savings and more than \$650,000 in incentives
- Program Development
 - Growing # of qualified partners (QPs): 424 companies and 600 individuals
 - Launched the new QP training in an online format, with tracking capability, providing easier access for busy contractors/vendors
 - Focus groups:
 - Focus group for Advanced Lighting Controls, planning meeting 1st week of December with combination of manufacturers, suppliers and installers
 - Reached out to HVAC installers for upstream HVAC program – initial responses received show installer interest and significant opportunity for roof-top units that are currently missed opportunities for existing HVAC program
 - Potential Up-streaming HVAC – In development
 - New measures in development:
 - LED roadway fixtures for utility pole-mounted applications: retrofit (replacement of existing), new fixtures (not retrofit kits), for municipalities only
 - LED stairway lighting (includes integrated controls)
 - LED interior luminaires for direct/indirect lighting (include strip lighting)
 - Upstream lighting (LED Screw-In's) for wholesalers – going live 12/1/2015
- Recent Outreach
 - Presented “Managing Energy Costs” for Long Term Care facilities @ Maine Health Care Association
 - Attended GrowSmart Summit
 - Served on Energy Panel for Androscoggin Chamber of Commerce

ii. Business Incentive Program – Natural Gas

- \$116,000 (15%) of \$500,000 budget expended with 33% of the year gone by
- 22 projects completed by 19 participants
- Pipeline of projects:
 - 13 projects representing \$27,350 in incentives and 394,656 Therms in annual savings
- Outreach:
 - New Efficiency Maine ads are appearing in Unitil territory
 - Staff met with Unitil representatives to discuss collaboration promoting Efficiency Maine programs and efficiency upgrades

iii. Business Incentive Program – RGGI

- 157 ductless heat pumps installed
- \$259,000 (32%) of annual program budget invested at 33% of the year gone by
 - Leveraged \$1.1 million in private investment

iv. Multi-Family Program

As of 11/14/2014

- 7% of annual goal for number of units improved with 35% of the program year passed.
- The Prescriptive Path is now open to all Qualified Partners and Residential registered Vendors.

v. Large Customer Program

As of 11/14/2014:

Electric Savings PON

Outreach Activities of note since the last board meeting (roughly a month):

- Maine Hospital Association CEO meetings: In the last six weeks we have meet with over 20 Hospital CEO in Regional meetings in Houlton, Bangor, Lewiston-Auburn, and Biddeford
- Met with very large customers (one considering a very large CHP investment, another considering a major investment in modern pumping technology)
- The Delivery Team (DT) approved one Technical Assistance application bringing the total for the year to seven
- The DT conducted 3 scoping audits bringing the total on the year to 10
- Program is forecasting that we will complete the year committing \$8.07 million
 - 68% of goal, but taking significant advantage of the long term contract
 - This amount is based on probability of close from the total of \$12.3 million in the pipeline
- We are forecasting that we would end the year with 126,000 MWH is annual savings
 - Pro-rated based on probability of close from the total of 168,000 MWH/year in the pipeline
 - Projects committed YTD will save 84,000 MWH per year
- YTD, program has committed \$2.9 million, 25% of the way to goal with 40% of the year gone

Large Customer GHG PON

- We have \$1.3 million in the pipeline pro-rated on based on probability of close that is only \$731,000
 - \$1.3 million is 31% of the goal of \$3.9 million
- The GHG PON has been the priority for outreach in the last month and while we have found additional projects most of the prospects have fallen out of the pipeline because they have a payback before incentive of less than a year
- The program is looking at changes to the PON that would allow the DT to focus on a different set of technologies than we currently have been targeting
 - Planning to roll out these changes in early December

iv. Small Business Direct Install

As of 10/31/2014

- 32 projects complete since September launch
 - Invested \$158,900 in incentives, saving 327,900 kWh per year
- 82 projects in the pipeline
 - Forecasting \$500,000 in incentives used and saving 1.26 million kWh per year with these projects in the pipeline
- Launched Program in Houlton (October 21-22)
 - 2 Kick-off events yielded 34 initial sign-ups
 - Boy Scouts service project schedule for Week of Nov 17th
- Launching Program in Western Maine (Norway, Poland, Mechanic Falls, Oxford, Paris) beginning November 17th

v. Commercial New Construction (Maine Advanced Buildings – MAB)

- Pipeline includes
 - Cobscook Learning Center (10,000 sq ft) and
 - Wells High School (85,000 sq ft),
 - both projects are still actively moving forward and in the design match phase and preparing submittals
 - Dropped two projects from the pipeline for lack of progress on holistic, custom approach; project developers opting to pursue upgrades through prescriptive measures in the Business Incentive Program
- Outreach:
 - Held discussions on 9 buildings of interest, but have not seen a commitment for participation.
 - Underway with plan to reach out to A/E firms, previously contacted in the spring, for status update on potential projects and feedback on program requirements.

b. Residential

i. Home Energy Savings Program

As of 10/31/2014:

HESP Incentives

- 4,400 rebates have been issued YTD with a total incentive amount of \$3.2 million expended YTD
- Insulation
 - 700 air sealing and assessments completed
 - 425 envelop insulation measures completed
- 3,250 heat pumps have received rebates YTD accounting for half the incentives
- 92 Unutil Natural Gas projects are picking up
 - \$59,000 in incentives
- Other Central Heating Systems
 - 130 central pellet boilers and 19 geothermal heat systems installed
 - 285 central high-efficiency boilers and furnaces installed
- Program Design Issues
 - On November 12, Staff instituted three minor modifications to the HESP program guidelines based on comments received from stakeholders and two discussions at the Board's Program Committee:
 - Wood and pellet stoves – rebate is increased to \$500 for eligible units/installations
 - Pellet boilers and Geothermal – rebate is capped at 1/3 of total project cost, not to exceed \$5,000; a grace period is in place for projects contractually committed to as of the announcement of the modification
 - Geothermal Heat Pumps – the eligibility requirement requires an ENERGY STAR Tier 3 rating and eliminates the former requirement of a COP of 4.0 or greater

ii. Residential Lighting and Appliance Program

As of 11/14/2014:

Lighting

- Nearly 1.4 million bulbs have been moved YTD, up from 857,000 last month, and 114% of goal for this point in the year
- Program has met 62% of annual savings goal (64.7 million kWh) with 41% of the year gone by
- \$4.38 million of the budget has been invested, which is 110% of investment pace and forecasting ending the year at 100% of investment goal (\$8.8M goal)

Appliances

- 606 heat pump water heaters have been installed YTD
- 17% of annual savings goal completed with 38% of the year gone by

- \$277,000 has been expended, 87% of goal for this point of the year, from a revised budget allocation of \$1.64 million
- New rebates for washers, dehumidifiers, room air purifiers are live in stores now
- HPWH mark downs will launch very soon
- Additional measures under consideration include: programmable thermostats, aerators, low flow showerheads, tank wrap and pipe wrap

iii. Low-Income (electric, natural gas, and “any fuels”)

As of 11/14/2014:

Electric

- A portion of the Retail Lighting Program budget is being funded with electric conservation funds earmarked for the benefit of low income customers;
- CFLs are being distributed through the emergency food system for low income customers (food pantries)
- New bundled measure of Heat Pump Water Heater plus CFLs will launch in mid-January, 2015

Natural Gas/Unitil Only

- \$77,000 expended to date out of full year budget of \$82,000
- 172% of energy savings goal achieved
- 21 units weatherized

Any Fuels Initiative (RGGI Funded)

- 115 mini-split heat pumps installed YTD (up from 65 last month) toward a yearlong goal of 152
- Average cost for unit, including installation, is \$2,362 per unit
- \$365,000 invested in heat pump installations expended YTD from annual budget of \$500,000

c. **Strategic Initiatives (Cross Cutting)**

i. Evaluation & Data Analysis

- No updates to report

ii. Innovation Pilots

- No updates to report

iii. Forward Capacity Market

- Team is taking care of monthly maintenance:
 - Reporting of monthly additions to our energy efficiency (EE) resource
 - Reporting monthly performance of our distributed generation (DG) resource
 - Reporting on EMT progress toward future assets.
- Completed the data request from the EE forecast working group.

III. Administration and Finance Highlights

a. Administration

- Staff filed the completed A-133 audit with the federal government

b. Financial

As previously reported to the Finance Committee, as of 10/31/2014:

- Revenues
 - Budgeted revenue receipts from sources in Maine and the region (ISO-NE) are \$13.2 million YTD (not including the Maine Yankee Phase 2 payment), up from \$7.3 million last month
 - The revenues are relative to \$47.6 million budgeted from these sources for use in fiscal year 2015, an amount that factors in up to \$8 million contingent upon completing qualifying projects in the Large Customer Program.
 - A \$50,000 contingency in federal revenues appears in the budget, to reflect prior years' experience, and none of this amount has been drawn down to date;
 - The Trust performed \$1.45 million in interfund transfers, unchanged from last month
 - The Trust has received just more than \$168,000 in miscellaneous revenues (such as interest, payments for the Boothbay NTA Pilot, payments from Summit Natural Gas, etc.)
- Expenditures
 - YTD, the Trust has expended \$11.5 million, up from \$9.1 million last month, not including an additional \$5.4 million in commitments made for projects funded through the Large Customer Program
 - \$47.6 million is encumbered under contracts to deliver the Trust's suite of programs