

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

March 26, 2014

I. Communications

a. Awareness and Press

- Staff issued a press release on Heat Pump Water Heater milestone to 65 news organizations statewide
- Program Managers from Trust's Residential and Business Programs presented at the NESEA Conference in Boston

b. Government Relations

- The Appropriations Committee of the Maine Legislature is working on a Supplemental Budget for Fiscal Year 2015.
 - Proposal has been made to take 25% or more of the RGGI funds in FY15 and put it in the General Fund
 - Staff provided testimony at public hearing
 - Vote is expected March 27 or 28
- Other Legislation
 - The Governor held a press conference to build support for his proposal to increase funding for Efficiency Maine's Home Energy Savings Program (HESP) with \$1 million of proceeds from proposed increased timber harvesting on state forest lands. A public Hearing was held on March 25.
 - The Governor presented a bill to promote "transformational business expansion projects" to Maine, defined as projects costing more than \$50 million and a net gain of at least 1,500 job opportunities. The bill includes a provision to take RGGI funds from Efficiency Maine to reimburse a portion of the project's electricity costs for 5 years. Depending on how the bill is interpreted, Staff estimates that this could cost between \$5 million and \$15 million per project per year.
 - A bill to establish a \$1 million/year rebate program for solar installations has passed the Energy, Utilities and Technology Committee (EUT). The program would be run by Efficiency Maine. An amendment has been discussed that would make ductless heat pumps for low income customers eligible for funding from this program.
 - A separate bill directing the Maine PUC to study the economic costs and benefits of solar energy also passed the EUT.

- A bill (LD 1825) proposes to establish a new Utility Arrearage Management Program. Under the program, eligible low income customers who agree to pay off a portion of past arrearages on electric bills would receive information and outreach from Efficiency Maine about options for reducing their consumption and, where appropriate, would receive efficiency measures funded by Efficiency Maine’s Low Income Program. Details of what measures and funding levels to offer would need to be developed.
- Annual Update to the PUC in the Triennial Plan docket
 - Staff participated in a Technical Conference to review the updated EMT budgets and performance metrics that resulted from last year’s Omnibus Energy Bill
- The Trust filed its contribution to the 2013 Annual RGGI Report to the Energy, Utilities and Technology Committee

II. Program Highlights

a. Business Program

i. Business Incentive Program – Electric

As of 2/28/2014:

- 20,318MWh (264GWh lifetime)
- 1,560 projects completed (1,530 prescriptive – 29 Custom – 1TA)
- 1,256 customers participated
- Incentives of \$2,374,440 have leveraged private investment of \$6,551,936

Program YTD Comparison	FY-14	FY-13	Diff.
Energy Savings (1st yr)	20,318MWh	18,573MWh	1,745MWh
Completed Projects	1,560	1,324	236
Incentives Paid	\$2,374,440	2,417,066	(\$42,626)
Program Delivery	\$778,782	1,273,656	(\$494,874)

ii. Business Incentive Program (Natural Gas)

As of 2/28/2014:

- 103,454 Therms saved (1st year), or 37% of goal at 67% of year completed
 - Lifetime Savings 2,069,140 therms
- Incentive payouts \$119,099 (22% of Revised Budget \$534,458- Old Budget \$200,000)
- Delivery Cost \$9,788(Old Budget \$50,000 – Revised \$132,908)
- 74 Completed Projects

- 42 Participants

iii. Multi-Family Program

As of 3/14/2014:

- units in the pipeline
 - 3,673 units submitted for program participation
 - 3,3475 units with completed benchmarks now 139% of goal (2500)
 - 384 Benchmark reports have been sent
 - 2,443 units with audits submitted
 - Modeling Path 1104 units (45%)
 - Prescriptive path 1339 units (55%)
 - 2,418 units with an approved audit – 110% of Goal (2200)
 - 1,715 units with reserved project incentives
 - 1,690 units completed retrofits – 93% of Goal (1800)
 - 26% Average energy savings per project

iv. Large Customer Program

Electric Savings PON

As of 3/21/2014:

- Awarded \$3.5 MM in projects fiscal year to date
 - 38% of progress to goal with 72% of the year gone
- \$308K awarded in the past month
- Additional \$6.5 MM in projects are in the pipeline
- Forecasting that the program will end the fiscal year at \$8 MM committed
- Scheduled outreach events to A&E firms over the next three weeks to advise them about the Technical Assistance Incentives
- Now marketing the first round of Scoping Audits

Greenhouse Gas Saving PON

As of 3/21/2014:

- \$100,200 in incentives awarded to date
- Program design modifications implemented
 - Lower the minimum project incentive available (“floor”) to \$50,000
 - Increase outreach in parallel with electric kWh PONs

b. Residential

i. Home Energy Savings Program

HESP Incentives

As of 3/21/2014:

- 2300 individual homes upgraded to date
- \$1.8 million in incentives in the HESP program thus far
 - Average project cost - \$4,800
 - Average rebate amount - \$800 (17% of total project cost, leveraging private funds for 83% of project cost)
- Installations to date include:
 - 668 Air Sealing with Assessment
 - 1366 ductless heat pumps
 - 73 pellet boilers and 22 geothermal systems
 - 300 attic insulations
- Inspections completed
 - 616, or 19%, of all HESP projects
- Public Information and Marketing
 - An RFP for the delivery of coordinated home energy retrofit education and outreach efforts in targeted communities was awarded to two organizations: The Island Institute and Sustain Mid-Maine (working in Waterville, Winslow, Fairfield area).

Loans

- \$8 million in closed loans
- 173 towns registered as PACE towns (representing more than 75% of the state population)

ii. Residential Lighting and Appliance Program

As of 3/21/2014:

Lighting

- 93% of annual savings goal completed with 69% of the year gone by
- 109% of budget pace and with a year-end projection of 100% of budget (\$6.2M budget)
- Best deals: 10 cent CFLs at Wal-Mart, 12 cent CFLs at Sam's Club, \$4 LEDs (60W equivalent) at Batteries Plus in Bangor, and three 40W-equivalent LED globes for \$5 at BJ's

Appliances

- 84% of annual savings goal with 75% of the year gone by
- Projecting ending year at 100% of adjusted \$3.2M budget allocation
- Marketing initiative to promote heat pump water heater showing progress in re-establishing demand after tax-credit decline

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

Low Income Electric Heat Multifamily Weatherization

As of 3/21/2014:

- No change
- Forecasting ending year the at 111% of electric savings goal of 1,300 MWh
- 675 units weatherized to date
- Forecasting ending year at 100% of \$2.2 million budget
- 516 heat pumps installed to date

RGGI Low Income Initiatives

- E-CHIP (Efficient – Central Heating Improvement Program)
 - This initiative is being implemented through the CAP agencies
 - 7 claims for \$14,251 have been submitted, and the pace is picking up
- A portion of the RGGI funds allocated for Low Income initiatives will be directed to installing heat pumps in qualifying homes

iv. Summit Natural Gas Initiative

- The Trust recently received an advance payment of \$30,000 from Summit to draw down against future rebate claims
- The first residential rebate claim was filed last week

c. Cross-Cutting Programs

i. Evaluation & Data Analysis

- Multifamily Efficiency Program Evaluation
 - pending receipt of Final Report
 - presentation at 3/26 board meeting
- Appliance Program Evaluation
 - Draft Report has been submitted and is under review by Staff
- Lighting Program Evaluation
 - Evaluation team is analyzing customer survey data and on-site lighting inventory data
 - 534 light loggers collecting data
- Low-Income Multifamily Program Evaluation
 - Contract awarded to NMR Group and subcontractor Energy Futures Group and Discovery Research Group (surveys)
 - debriefs scheduled with 5 bidders next week

- Forward Capacity Market Annual M&V Compliance Review
 - peak activity time for Cadmus review of FCM reported savings and our reporting processes
 - draft report is due in April (final submission due to ISO-NE in May)
- effRT
 - working with Direct Technology on multiple projects:
 - collecting Tax Status for 1099 reporting; uploading Multifamily Efficiency Program data from TRC database into effRT
 - refinements to FCM reports
 - documentation of Benefit-Cost model and FCM reporting processes
- TRMs (Technical Reference Manuals)
 - working with Cadmus on additions to the TRMs for the next program year
 - will be adding Multifamily Efficiency Program to Commercial TRM
 - adding HESP measures to Residential TRM

ii. Innovation Pilots

- Interval Data Pilot:
 - Schools:
 - FirstFuel has run its model on 59 Maine school buildings from CMP and Bangor Hydro
 - Efficiency Maine has reviewed the portfolio of buildings
 - Next month we will be sharing findings with school administrators
 - 25 buildings will receive in-depth remote audits
 - Building Portfolio Pilot:
 - Initial remote-audit results have been shared with three of the four building owners
 - ERS and Retroficiency have completed 4 of the planned 20 on-site audits to verify remote audit findings
 - Smart Thermostat Pilot:
 - More than 50 of 200 thermostats have been installed by Thayer Corporation
 - The pilot participant identification and site assessment process is on-going

III. Administration and Finance Highlights

a. Administration

- Personnel -- Laura Martel has been hired as the new Research and Data Analyst. Laura has a master's degree in engineering from Penn State and worked for the past 14 years at Lockheed Martin. She will start April 7, 2014.

- Disaster Recovery Plan – Staff has been working on developing and implementing a Disaster Recovery Plan on the recommendation of the auditor. Steps have included shifting electronic document backup from an old tape system to a standalone, hardwired, hard drive housed in an off-site location, backing up daily, and storing old, retired laptops for emergency use.

b. Financial

As of 2/28/2014:

- Revenues
 - Revenues received from sources in Maine and the region (ISO) are \$28 million year to date, having received 71% of forecast revenues with 66% of the year complete
 - Another \$3 million in revenues from federal sources has been drawn down, with another \$2.6 million remaining to be drawn down
 - All Maine Yankee Settlement funds for Year 1 were received by the end of January, 2014
- Expenditures
 - Year to date, we have paid out \$21.9 million and show another \$28.9 million in encumbered or pending contracts

c. Forward Capacity Market

- Completed the first step of existing capacity qualification
- Investigating possibility of issuing an RFQ for metering of distributed generation