

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

**April 30, 2014**

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

**a. Awareness and Press**

- Staff issued a press release on a project at the Lincoln Pulp and Tissue mill. The release resulted in a lengthy story in the *Bangor Daily News* (4/23/2014) and also an evening news story on WLBZ TV, Channel 2, in Bangor.
- Staff has been working to complete several new educational videos about home weatherization. These videos will be posted on the website shortly.
- Executive Director presented at the Maine Water and Sustainability Conference April 1, Augusta and at the Northeast Biomass Heating Expo, April 10, Portland
- Program Manager Fischer presented at the Greater Portland Board of Realtors Annual Meeting on April 24, Portland
- The *Portland Press Herald* ran an Op Ed piece from East Brown Cow (commercial real estate manager) favorably mentioning its efficiency projects using Efficiency Maine incentives
- US DOE ran a blog post praising Efficiency Maine's accomplishments with weatherization programs over the past few years using ARRA funds (<https://www.facebook.com/#!/eeregov/posts/10153969450175062>)
- Staff sent a press release to 60 news organizations statewide regarding the record number of heat pump water heaters installed through the Efficiency Maine Residential Appliance Program
- Staff produced and distributed "2013 Year in Review" (highlighting success stories of last fiscal year, as well as First Triennial Plan period)
- Distributed Circuit electronic newsletter

**b. Government Relations**

- The Appropriations Committee of the Maine Legislature removed from consideration prior proposals to raid Efficiency Maine funds for FY14 or FY15 and the State's Supplemental Budgets were approved with no changes to Efficiency Maine's funding.
- Other Legislation
  - The Governor's bill 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 was not passed by the Legislature.

- The Governor’s bill to promote “transformational business expansion projects” to Maine, which included a provision to use RGGI funds from Efficiency Maine to reimburse a portion of a project’s electricity costs for 5 years, was not passed by the Legislature.
- A bill to (re)establish at Efficiency Maine a \$1 million/year rebate program for solar installations and ductless heat pumps was vetoed by the Governor.
- A bill directing the Maine PUC to study the economic costs and benefits of solar energy was enacted.
- A bill was enacted to establish a new Utility Arrearage Management Program, which would involve Efficiency Maine providing information about options for reducing consumption and linking participating customers to Efficiency Maine’s Low Income Program.
- Staff provided data responses and comments to the PUC in the Triennial Plan docket regarding the updated EMT budgets and performance metrics that resulted from last year’s Omnibus Energy Bill.
- Staff requested a Protective Order from the Maine PUC directing natural gas utilities to provide certain data to the Trust, as authorized by statute, in order to complete the Natural Gas Energy Efficiency Baseline and Potential Study. Staff further requested that the data be “designated confidential information.”
- Staff completed separate MOUs with the Governor’s Energy Office for matching contributions on certain State Energy Plan funds and with the Maine Department of Environmental Protection (DEP) to cover administrative costs of the DEP associated with Maine’s involvement with the RGGI auctions.

<b>II. Program Highlights</b>
-------------------------------

**a. Business Program**

**i. Business Incentive Program – Electric**

As of 3/31/2014:

- 22,872 MWh 1<sup>st</sup> year savings
  - 40% of revised goal at 67% of year completed
  - 9% ahead of last year’s year-to-date savings
  - 297,000 MWh projected lifetime savings
- 1,785 projects completed
  - 1,750 prescriptive
  - 29 Custom
  - 1 Technical Assistance
- 1,437 participants served
  - \$2,786,306 paid in incentives
  - \$7,578,335 in private investment leveraged
- Marketing and Education
  - New Qualified Partner Training will be held May 8 at Sportsman Alliance of Maine (Augusta)
  - Redesigned exclusive Qualified Partner website
  - Redesigned Qualified Partner Locator – Efficiency Maine Website

- Chamber Mailings – Bangor & Androscoggin Chamber
- Rolled out Summertime T-12 promotion (“Bounty” on T-12s)
- Advertising in local newspapers and MaineBiz
- Emerging program design issues
  - Variable Refrigerant Flow measures in development – July 1 rollout
  - Potential Up-streaming HVAC incentives under consideration – Possible July 1 rollout
  - Program is investigating incentives for Roof Top Units & Potential Custom project track

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

As of 4/30/2014:

- No update

**iii. Multi-Family Program**

As of 3/31/2014

- Federally funded program:
  - 3,716 units submitted for program participation
  - 3,503 units with completed benchmarks (140% of goal)
  - 2,455 units with audits submitted
    - 45 % Modeling Path
    - 55% Prescriptive Path
  - 1,806 units completed retrofits (100% of goal)
    - 26% Average energy savings per project
- RGGI funded continuation of program since 3/31:
  - 75 units (at 10 properties) in the project pipeline
  - \$104,000 in reserved incentives

**iv. Large Customer Program**

Electric Savings PON

As of 4/22/2014:

- Awarded \$3.9 million in projects this fiscal year
  - 42% of progress to goal with 81% of the year gone
  - \$417,000 awarded in the past month
- Identified an additional \$5.4 million of promising projects in the pipeline
- Forecast that the program will end the fiscal year with \$8 million committed.
  - Four projects potentially eligible for between \$0.8 - \$2 million in incentives are pressing to meet the end of the fiscal year deadline
- Met with three of nine in-state A&E firms over the next three weeks to brief them on the availability of incentives for Technical Assistance
- Rolled out the initial marketing of Scoping Audits with limited but promising responses

## Greenhouse Gas Saving PON

As of 4/23/2014:

- There is an encouraging uptick in activity
- We do not forecast committing all the funds in this fiscal year, but expect to commit any carry forward plus next year's budget by the end of next fiscal year
- \$553,720 awarded to date
  - 26% to goal 81% of year complete
  - \$453,000 awarded since last month

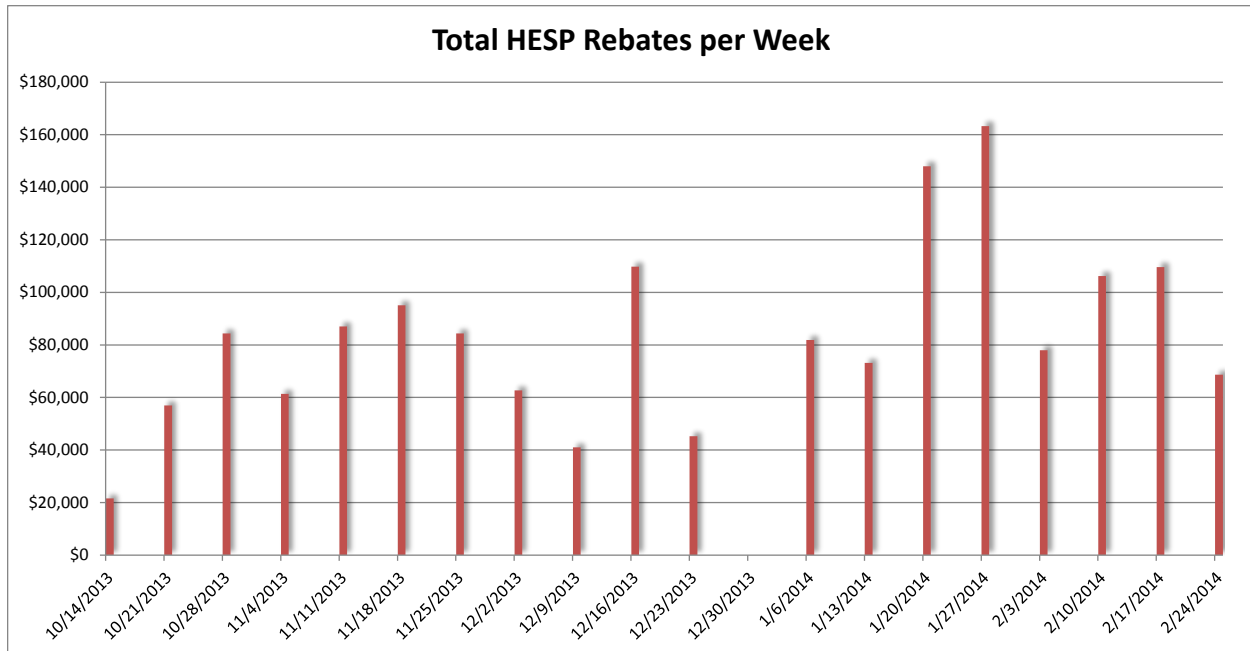
### **b. Residential**

#### **i. Home Energy Savings Program**

### HESP Incentives

As of 4/29/2014:

- 3,042 individual homes upgraded to date completing 4,242 separate measures
- \$2.5 million in incentives in the HESP program thus far
  - More than \$700,000 in the past 5 weeks
  - Average project cost - \$4,900
  - Average rebate amount - \$840 (17% of total project cost, leveraging private funds for 83% of project cost)
- Installations since 9/11/2013:
  - 979 - Air Sealing with Assessment
  - 1540 - ductless heat pumps
  - 132 pellet boilers and 23 geothermal systems
  - More than 400 attic insulations and 285 basement insulations
- Inspections completed
  - 736, or 17%, of all HESP projects
- Marketing
  - Started short "pre-roll" video ad campaign promoting HESP on Hulu, YouTube
  - Started "Good Choice" print ads promoting HESP and energy efficiency measures
  - Continued Google ad campaign promoting HESP incentives



**ii. Residential Lighting and Appliance Program**

As of 4/18/2014:

Lighting

- 102% of annual goal completed with 89% of the year gone by
- projecting ending the year at a record 2.6 million efficient bulbs sold achieving savings of 93,000 MWh/year
- projecting expending 95% of \$6.3 million budget by year-end
- Best deals: 10 cent CFLs at Wal-Mart, \$4 LEDs (60W equivalent) at Batteries Plus in Bangor and BJ's three for \$5 LEDs (40W-equivalent globes)

Appliances

- 87% of annual savings goal with 83% of the year gone by
- projecting ending the year saving 6,900 MWh/year, or 99% of goal
- projecting expending 99% of revised budget of \$3.1M by year-end
- Concerted marketing for heat pump water heaters appears to be reversing the recent decline in demand for this measure that occurred after the sunset of the federal tax credit

**iii. Low-Income (electric, natural gas, and "all fuels")**

Electrically Heated Multifamily Weatherization

As of 4/25/2014:

- 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

#### Any Fuels Initiative (RGGI Funded)

- E-CHIP (Efficient – Central Heating Improvement Program)
  - This initiative is being implemented through the CAP agencies
  - In 5 months, 17 E-CHIP heating systems worth \$34,000 have been installed and progress and remains slow
  - In 2 months, 15 heat pump opportunities have been identified and installed, expending worth \$47,000 of the budget
  - York CAP has invested all of its allotment of funds
  - Thanks to a competitive procurement process, the average heat pump price is \$2,600, installed
  - The program team is optimistic that all funds will be invested

#### iv. Summit Natural Gas Initiative

- Rebate claims are now being processed by Efficiency Maine and the pace is expected to pick up as the ground has thawed

#### **c. Cross-Cutting Programs**

##### **i. Evaluation & Data Analysis**

- Multifamily Efficiency Program Evaluation
  - Final Report has been completed; contract complete
- Appliance Program Evaluation
  - Final Report pending; in final review/revision
- Lighting Program Evaluation – no change
  - Evaluation team is analyzing customer survey data and on-site lighting inventory data
  - 534 light loggers collecting data
- Low-Income Multifamily Weatherization Program Evaluation
  - Kickoff Meeting was held with evaluator -- NMR
  - Updated Work Plan submitted
  - Staff responding to data requests from evaluation team
- Forward Capacity Market Annual M&V Compliance Review
  - Revised Draft under review; Final submission due to ISO-NE in May
- effRT – no change:
  - working with Direct Technology on multiple projects:
    - uploading Multifamily Efficiency Program data from TRC database into effRT
    - making refinements to FCM reports

- documenting Benefit-Cost model and FCM reporting processes
- TRMs (Technical Reference Manuals) – no change:
  - 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

- Schools
  - FirstFuel is scheduling webinars to share pilot findings with school administrators
  - FirstFuel will review 25 buildings in-depth with school administrators and share a building energy overview with the other program participants
- Building Portfolio Pilot
  - Remote audit results have been shared with the four building owners
  - Over half of the on-site audits have been conducted
  - Retroficiency and ERS will share the findings of the on-site audits with building portfolio owners next month
- Smart Thermostat Pilot
  - More than 75 of the 200 thermostats have been installed by Thayer Corporation
  - The pilot participant identification and site assessment process is on-going

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

### a. Administration

- Revisions were made to the Personnel Manual and reviewed with the Finance and Administration Committee.

### b. Financial

As of 3/31/2014:

- Revenues
  - Revenues received from sources in Maine and the region (ISO) are \$31.3 million year to date, having received 80% of forecast revenues with 67% of the year complete
  - Another \$4.1 million in revenues from federal sources has been drawn down, with another \$1.6 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 \$27 million and show another \$26.2 million in encumbered or pending contracts

### c. Forward Capacity Market

- Staff is preparing for the potential implementation of performance based incentives per the draft Forward Capacity Auction (FCA) 9 Rules
- Submitted Existing Qualification Challenge data for FCA 9