

Executive Director's Summary Report

to the Board of Trustees

of the

Efficiency Maine Trust

September 24, 2014

I. Communications

a. Awareness and Press

- Staff participated in the Houlton Energy Expo, Portland Greenfest, and Common Ground Fair (Unity)
- The Executive Director spoke on a panel about heating issues with the Director of the Governor's Energy Office at E2Tech's Heat of the Moment Forum on September 12
- The launch of the Small Business Direct Install Initiative was covered by the St. John Valley Times http://www.sjvalley-times.com/view/full_story/25739103/article-Efficiency-Maine-hosts-local-meetings-to-help-small-businesses-save-money?instance=main_article and Aroostook Republican <http://www.republican-me.com/caribou-news-othermenu-3.html>
- The Director of Communications addressed the Caribou Rotary Club September 10
- Staff attended an open house at the Mapleton Fire Department September 12
 - Mapleton officials offered tours of the Fire Department's new pellet boiler installed with Renewable Resource Grant funds
- Staff launched a new web resource for homeowners to take a "virtual tour" of efficiency projects and Efficiency Maine incentives
- Staff recently completed a HESP informational brochure and two case studies
- Efficiency Maine's website
 - visits totaled 27,361 in August, with 19,583 unique visits
 - compare to the same month last year the site had 15,089 total web visits and 9,584 unique visits
 - minor updates to the web page include a page dedicated to EMT videos at: <http://www.energymaine.com/energyinformation/videos/>; and an updated "library" of reports and other important documents at: <http://www.energymaine.com/about/library/>
- Business Program ads will soon appear in MaineBiz and MaineBiz online
- Efficiency Maine will be hosting a luncheon with the Maine State Chamber of Commerce at the MaineBiz Momentum Convention October 9
- Staff will be on WCSH6 Morning Report Live Thursday September 25 at 6:45 a.m.

b. Call Center

- The Call Center is under new ownership and is moving from Waldoboro to Rockland over the weekend of September 27

- The Call Center answered 372 calls week before last; 186 were HESP inquiries.

c. Government Relations

- Staff filed testimony about its programs and education activities in the docket before the PUC on the petition of Grid Solar to be designated as the Smart Grid Coordinator utility for the state of Maine
- Staff reviewed the draft Weatherization Assistance Plan of MaineHousing for the year ahead

II. Program Highlights

a. Business Program

As of 8/31/2014

i. Business Incentive Program – Electric

- \$1.56 million invested (16% of budget) invested YTD, up from \$743,000 the prior month, with 17% of the year gone by
 - Leveraging \$2.6 million in private investment
- 557 projects completed across 451 participants
- 7,440 MWh (15%) of annual savings achieved toward full year goal of 51,027 MWh

ii. Business Incentive Program – Natural Gas

- \$37,750 (7%) of budget expended with 17% of the year gone by
- Estimated annual savings of 49,000 therms achieved which is 15% of the goal

iii. Business Incentive Program – RGGI

- 63 ductless heat pumps installed
- \$90,000 (16%) of annual program budget invested at 17% of the year gone by

iv. Multi-Family Program

As of 9/05/2014

- 16 apartment units had received energy upgrades Year to Date
- Pipeline
 - 904 apartment units have been “benchmarked”
 - 30 units have had an Energy Reduction Plan submitted
 - 246 units have had applications submitted for prescriptive path incentives
 - Another 67 units have had applications submitted and reserved for custom path incentives

v. Large Customer Program

As of 9/19/2014:

Electric Savings PON

- YTD Budget Expenditures -- Awarded vs. YTD Planned Pace
 - \$3,567,250 actual vs \$3,275,000 planned pace
 - Assuming approval of projects submitted for review this month
- Year-end Investment Projection vs. Year-end Investment Goal
 - If the Board approves the draft budget adjustments at the September Board meeting, the adjusted investment goal for the full year will be up to \$13.1 million
 - Up to \$10 million of this amount is contingent on finalization of the Trust's Long Term Contract terms pending at the PUC and project commitments prior to June 30, 2015
- Annual Savings – Goal vs. Projection
 - 72,000 MWh vs. 129,000 MWh
 - 79,000 MWh savings already awarded due to one unusually large project
 - Forecasting ending year at 179% of goal

Large Customer GHG PON

- Annual Expenditure Goal is \$3,533,205
- August review committee awarded \$260,000
 - This is 44% of the pace we need to be to reach our goal, unchanged from prior month
- \$1.3 Million in projects in the pipeline

iv. Small Business Direct Install

- Staff launched the Small Business Initiative in four locations in Aroostook County in September in:
 - Van Buren with the Greater Van Buren Chamber of Commerce
 - Caribou with the Caribou Chamber of Commerce
 - Fort Kent with the Greater Fort Kent Chamber of Commerce and Northern Maine Development Commission
 - Madawaska with the Madawaska Chamber of Commerce

b. Residential

i. Home Energy Savings Program

As of 9/18/2014:

HESP Incentives

- 2,478 projects have been completed YTD with a total incentive amount of \$1,836,200 expended
- Spending in September is on pace for delivering:
 - rebates totaling \$800,000 across 1200 separate projects

- 720 heat pumps, 180 air sealing with assessment jobs, and 34 pellet boilers
- No immediate plans for program design changes
- Numerous reports from the field that energy auditors and insulation installers are adding new crews, fully booked several weeks in advance, never been busier, going into the “busy season” before winter
- Heavy interest from the media and public event organizers (conferences, workshops) about tips for how to save energy and presentations about how to access HESP rebates.

Loans

- Demand for loans has risen significantly, but there are still no defaults
- Loaning between \$325,000 - \$425,000 per month since March, compared to \$150,000-\$250,000 in the same period one year ago
- Demand has shifted heavily toward the smaller, unsecured Maine Energy Loan and away from secured PACE loans

ii. Residential Lighting and Appliance Program

As of 9/11/2014:

Lighting

- 670,000 bulbs have been moved YTD, up from 400,000 last month, which is a pace of 101% of goal, with a goal of ending the year at 2.2 million bulbs
- 18,000 MWh annual energy savings goal has been achieved, up from 9,000 MWh reported last month
 - 36% of the year-end goal with only 22% of the year gone by
- \$1.58 million of the budget has been invested, which is at 101% of investment pace goal for this point in the year from a total budget of about \$5.7 million
- Best deals are the \$1 ten-pack of CFLs at Walmart and a \$5 two-pack of 60-watt-equivalent LEDs at Home Depot

Appliances

- 331 heat pump water heaters have been installed YTD, up from 203 a month ago
- 17% of annual energy savings goal has been reached with 21% of the year gone by
- \$149,000 has been expended from an original budget allocation of \$909,000
- The team is developing a plan to invest an additional allocation of the budget per the adjustments authorized at the August Board Meeting, some of which allocation will be used for the lighting initiative and some of which will be used for the appliance initiative

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

As of 9/10/2014:

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)
- The team has decided to use “direct install” for a suite of measures, anchored by heat pump water heaters and complemented by additional lost-cost, easy-to-install measures (CFLs, aerators and low flow showerheads) that will be “direct installed” in appropriate homes if consented to by the customer
 - This strategy is projected to enable the program to invest more funds, more cost-effectively, more quickly

Natural Gas/Unitil Only

- \$76,000 expended to date
- Awaiting Board approval of allocation of carry forward balance from FY14 in budget adjustment in order invest balance
- 21 units weatherized YTD
- \$200 – average deemed energy savings per year per unit

Any Fuels Initiative (RGGI Funded)

- 15 mini-split heat pumps installed YTD out of a yearlong goal of 160
- Average cost for unit plus installation is \$2,346 per unit
- \$50,000 expended YTD from annual budget of \$500,000

iv. Summit Natural Gas Initiative (As of 9/10/2014)

- Program-to-date: 118 claims received, 55 claims paid (up from 46 last month) constituting total rebate payments of \$41,000
- Efficient replacement heating systems are outpacing inefficient conversion burners 8:5

c. Strategic Initiatives

i. Evaluation & Data Analysis

- Appliance Program Evaluation
 - Final Report is completed and published on the website
- Technical Reference Manuals

- Both the Commercial and Residential Technical Reference Manuals (TRMs) for FY15 have been published to the website

ii. Innovation Pilots

- Dana Fischer is taking over management of the Innovation Pilot program for FY15.

iii. Forward Capacity Market

- ISO staff accepted EMT's proposed price and forecast for our distributed generation resource

III. Administration and Finance Highlights

a. Administration

- The audit team from Macdonald Page completed its audit of FY14, delivering an "unqualified opinion" with no "adjustments" on the financials, and finding no "significant deficiencies" or "material weaknesses" regarding procedures to ensure compliance on use of federal funds
- The Trust has hired Tim Reed to fill the vacancy of Communications Manager created when Dr. Stephenson replaced the outgoing Director of Communications

b. Financial

As previously reported to the Finance Committee, as of 8/31/2014:

- Revenues
 - Budgeted revenue receipts from sources in Maine and the region (ISO-NE) are \$13.5 million year to date, out of a total of \$56.4 million budgeted through the August Board meeting for use in fiscal year 2015. This amount factors in up to \$10 million contingent upon completing qualifying projects in the Large Customer Program, as well as 6.5 million of carry-forward funds identified and allocated at the July and August Board meetings)
 - Zero funds associated with \$673,000 in federal grants have been drawn down to date, nor has the Trust performed any interfund transfers
 - The Trust has received just over \$56,000 in miscellaneous revenues (such as interest and payments from Summit Natural Gas)
- Expenditures
 - Year to date, the Trust has encumbered \$43 million of the FY15 budget; up to \$18.5 million of this budgeted is slated for direct payment to qualifying projects in the Large Customer Programs with the remainder set aside for Cross-Cutting Programs (e.g., program evaluations), inter-agency payments, and administrative costs
 - Recorded expenditures as of August 30 are \$4 million. As noted above in this report, the three programs that lagged most significantly in expenditures last year have accelerated and caught up to forecasted pace (Large Customer, Business Incentive, HESP) so that they are on track to fully invest their budgets in FY15.