

Executive Director's Summary Report

to the Board of Trustees

of the

Efficiency Maine Trust

January 14, 2014

I. Communications

a. Awareness and Press

- Efficiency Maine's Annual Event will be held Thursday January 29, 2015 at the Governor Hill Mansion
- The Portland Press Herald featured the energy efficiency measures implemented by Cuddledown on November 20, 2014, "Cuddledown upgrades lighting to keep costs down in Yarmouth headquarters" (<http://www.pressherald.com/2014/11/20/cuddledown-upgrades-lighting-to-keep-costs-down/>)
- Mitigating energy costs through energy efficiency and Efficiency Maine's Business Incentives were covered in *Mainebiz* December 1, 2014, "Rate shock spurs closer look at energy efficiency for Maine businesses" (<http://www.mainebiz.biz/article/20141201/CURRENTEDITION/311259994/rate-shock-spurs-closer-look-at-energy-efficiency-for-maine-businesses>)
- The Bangor Daily News discussed energy efficiency as a solution to reduce the impact of electricity price increases in a December 6, 2014 editorial, "Using less is Maine's only option to dull winter electricity price spike" (<http://bangordailynews.com/2014/12/06/opinion/editorials/using-less-is-maines-only-option-to-dull-winter-electricity-price-spike/>)
- Residential Program Manager Andy Meyer was interviewed for the Portland Press Herald's Source, "Meet Andy Meyer: Efficiency Maine manager lights our way to energy-smart homes" (<http://www.pressherald.com/2014/12/21/meet-andy-meyer-efficiency-maine-manager-lights-our-way-to-energy-smart-homes/>)
- Mitigating energy costs through energy efficiency and St. Joseph College's large-scale lighting retrofit were covered by MPBN, "Maine Business Bracing for Steep Energy Price Hikes in New Year" (<http://news.mpbnet/post/maine-businesses-bracing-steep-energy-price-hikes-new-year>)
- Home weatherization and energy loans were covered in the *Bangor Daily News* story on Millinocket's adoption of the PACE ordinance, "Council vote enables Millinocket residents to apply for home energy improvement loans" (<http://bangordailynews.com/2014/12/27/news/penobscot/council-vote-enables-millinocket-residents-to-apply-for-home-energy-improvement-loans/>)
- Efficiency Maine's program for upgrading the efficiency of snow guns was included in the Winter 2015 issue of *Skiing* magazine, "Guns and Money"

- The Director of Communications and Business Program Manager addressed the Maine Development Foundations’ Downtown Institute on December 10, 2014
- The Business Program Manager presented at the Maine Rural Water Association’s Conference on December 11, 2014
- The Business Program Manager presented at a Small Business Initiative Kick-off on December 17, 2014
- The Residential Program Manager Dana Fischer spoke at a Bowdoin College Staff Professional Development Day on January 6, 2015
- Staff participated in a Portland Board of Realtor’s event on November 19, 2014; Maine Indoor Air Quality’s Pretty Good House Symposium on December 2, 2014; USDA Housing Committee on December 16, 2014; and Waterville Chamber of Commerce events on December 10, 2014 and January 8, 2015
- Efficiency Maine’s website
 - visits totaled 31,645 visits in November and 28,488 in December
 - compare with 32,441 in October and 16,424 in November 2013 and 14,992 in December 2013
 - 43,898 were unique visits over November and December
 - www.energymaine.com saw a 72% increase in web traffic between calendar year 2013 and 2014

	Visits		
	2013	2014	% Change
January	14,378	26,577	85%
February	13,251	22,501	70%
March	15,253	24,459	60%
April	14,153	24,049	70%
May	15,212	22,842	50%
June	14,882	23,672	59%
July	16,504	27,349	66%
August	15,089	27,362	81%
September	20,007	34,252	71%
October	19,108	32,441	70%
November	16,424	31,645	93%
December	14,992	28488	90%
Total	189,253	325,637	72%

- Staff is undertaking a number of Google Ad and web page optimizations to continue to grow engagement

b. Call Center

- The Call Center has been averaging 314 calls a week in November and December 2014
- Snapshot Second Quarter FY15:
 - Handled 4,807 inbound calls

- Coordinated calls to 214 multifamily property owners and 204 small businesses on behalf of the Multifamily Program and Small Business Initiative

c. Government Relations

- Staff submitted the FY14 Annual Report to the Chair’s of the Legislature’s Committee on Energy, Utilities and Technology and the Maine PUC
- Staff participated in the hearing in the Smart Grid Coordinator docket at the Maine PUC

II. Program Highlights

a. Business Program

i. Business Incentive Program – Electric

As of 1/8/2015:

- \$5.8 million invested (65% of budget) invested YTD, with 50% of the year gone by
 - Leveraging \$9.9 million in private investment
 - December burn rate was \$834,000/month
- 1,896 projects completed (up from 1,270 last month) across 1,623 participants
- 28,000 MWh of annual savings achieved, or 55% of the way to the full year goal of 51,027 MWh with 50% of the year gone by

ii. Business Incentive Program – Natural Gas

As of 12/24/2014

- \$82,696 (16%) of \$500,000 budget expended with 42% of the year gone by
- 25 projects completed
- 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
 - Making a push to move several large custom projects

iii. **Business Incentive Program – RGGI**

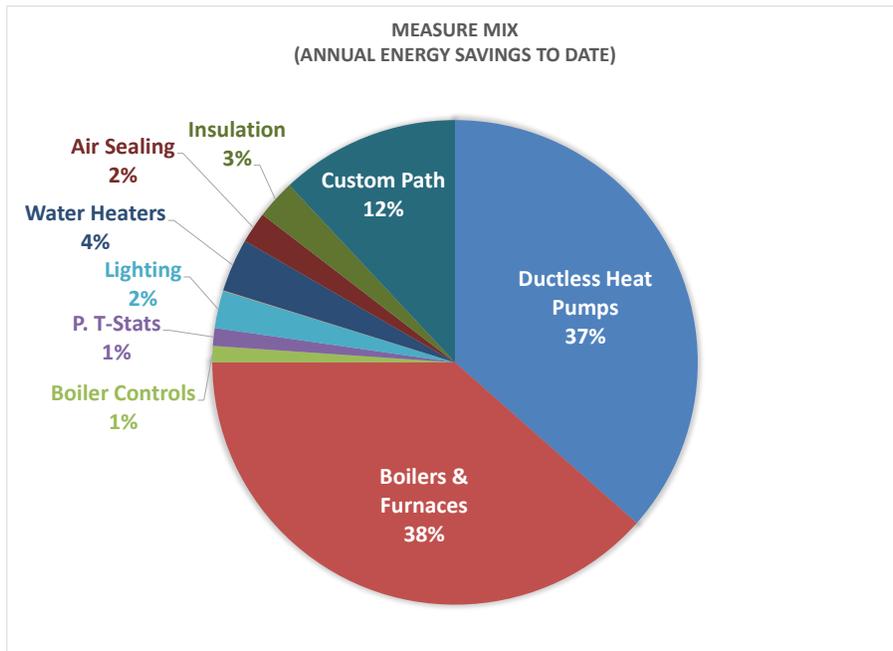
As of 12/1/2014

- 205 ductless heat pumps installed
- \$358,000 (42%) of annual program budget invested at 42% of the year gone by
 - Leveraged \$1.5 million in private investment

iv. **Multi-Family Program**

As of 1/08/2014

- 754 units in 59 buildings have received some form of efficiency upgrade YTD
- 5,265 MMBtu savings so far of against a year end goal of 24,400 MMBtu
- 1,352 units have been benchmarked, achieving 50 % of the annual goal at the half-way point of the year
- The Prescriptive Path is now open to all Qualified Partners and Residential registered Vendors.



v. Large Customer Program

Electric Savings PON

As of 1/8/2015:

- Program has awarded \$5.3 million for new projects YTD
 - 45% of the way to goal with 52% of the year gone by
 - These committed projects are projected to save 96,000 MWH/year
- Forecasting completing the year with commitments of \$8.1 million
 - 68% of full budget if we include 100% of the Long Term Contract authorization
 - But significantly in excess of the \$3.7 million of forecasted cash revenues if we were not to include the Long Term Contract authorization
 - Therefore we will be using a significant portion of the Long Term Contract authorization
 - The total incentive requests in the pipeline is \$11.8 million
- Forecasting ending the year awarding projects that are estimated to deliver a combined 108,000 MWH savings/year
- Outreach
 - Staff and delivery team (DT) met with a major hospital about developing a multi-year plan for efficiency investments
 - Launched aggressive outreach campaign for vendors and engineering firms to inform them about the program changes in the GHG PON that would allow for retro-commissioning.
 - DT approved two technical assistance applications bringing the total for the year to 9
 - The DT conducted 3 new scoping audits bringing the total on the year to 13

Large Customer GHG PON

- The program instituted two important changes:
 - Lowered the amount of GHG per dollar threshold, allowing for extensive retro-commissioning that would include boiler and building controls
 - Shifted to allocating GHG funds to CHP projects in connection with the thermal savings
- Forecasting committing 100% of budgeted funds in FY 15

iv. Small Business Direct Install

As of 12/24/2015:

- 100 projects completed YTD
- \$418,803 of incentives paid YTD
- Projecting slightly more than 1 million kWh estimated First-year savings from projects completed YTD
- Of the first 58 completed projects, breakout of basic performance metrics:

Completed SBI Projects (58 project)	
Average Project Cost	\$5,156
Average Project Incentive	\$4,300
Average Incentive (% of project cost)	83%
Average Project kWh Savings (1st yr)	9,502
Average Project kWh Savings (Lifetime)	123,526
Average Business Annual Savings (\$*)	\$1,235
Average Business Monthly Savings (\$*)	\$103
* Assumes \$0.13 Blended rate	

- Pipeline of projects in process:

Pipeline SBI Projects (102 project)	
Average Project Cost	\$10,620
Average Project Incentive	\$8,684
Average Incentive (% of project cost)	82%
Average Project kWh Savings (1st yr)	14,576
Average Project kWh Savings (Lifetime)	189,490
Average Business Annual Savings (\$*)	\$1,895
Average Business Monthly Savings (\$*)	\$158
* Assumes \$0.13 Blended rate	

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

As of 12/24/2014

- Pipeline is now full compared to budget
 - Projecting finishing the fiscal year with 100% of funds committed to specific projects
- \$89,970 (18%) expended from annual budget of \$506,000.

b. Residential

i. Home Energy Savings Program

As of 1/9/2015:

HESP Incentives

- 6,331 rebates have been issued YTD with a total incentive amount of \$4.8 million expended YTD out of a total budget of \$10.2 million
 - \$774,000 expended on incentives for 956 projects in December
- \$4,971 average project cost
- \$765 average incentive (15% of project cost)
- Program delivery team costs ~10%

- Measures YTD
 - 4,274 heat pumps
 - 506 attic insulations
 - 99 exterior wall insulations
 - 402 basement foam projects
 - 1,140 air sealing with assessment
 - 201 pellet boilers
 - 548 conventional fuel boilers and furnaces

Loans

- \$686,000 loaned to 82 projects in the month of December
- \$3.0 million in new loans closed in the first half of FY15

ii. Residential Lighting and Appliance Program

As of 1/08/2015:

Lighting

- Nearly 1.8 million bulbs have been moved YTD
- Program has met 84% of annual energy savings goal with 59% of the year gone by
 - Program is shifting to apply revised savings estimates based on analysis and suggestions from independent, third-party evaluation in progress
 - Staff is applying revisions to 2014 Annual Report and will re-issue report
- \$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)
- Program design changes are being implemented to mitigate risk of bulbs being transported for use outside of Maine
- Press reports of a box truck carrying discounted bulbs out-of-state have been further researched by staff and delivery team
 - Note that press stories incorrectly reported that the truck carried “state subsidized bulbs” whereas in fact they were “bulbs discounted by retail stores”
 - Our MOUs with participating retail stores only require us to reimburse bulb discounts when the sales conform to the terms of our agreement, which includes limiting sales to 12 units per purchase
 - In the case of the box truck reported in the press, the bulbs were sold to the purchaser by the pallet, vastly in excess of the program limit
 - Bulbs sold in excess of the limit will not receive reimbursement from the Trust, and therefore are not “state subsidized”
- Field survey work is being conducted to estimate impacts of out-of-state bulb purchases

Appliances

- 2040 heat pump water heaters have been installed YTD, up from 606 in mid-November
- 1,940 MWh/year savings completed toward goal of 6,100 MWh/yr

- \$520,000 has been expended from the revised budget allocation of \$1.64 million

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

As of 1/9/2015:

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 has launched
 - Goal of 777 projects

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)

- 141 mini-split heat pumps installed YTD (up from 115 last month) toward a yearlong goal of 152
- Average cost for unit, including installation, is \$2,350 per unit
- \$418,000 invested in heat pump installations expended YTD from annual budget of \$500,000

c. Strategic Initiatives (Cross Cutting)

i. Evaluation & Data Analysis

- Residential Lighting Program is drafted and receiving final reviews before publication

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.

- The Trust traded away some surplus obligation for the upcoming compliance period, incurring no losses or penalties

III. Administration and Finance Highlights

a. Administration

- Staff filed the completed A-133 audit with the federal government
- Katy Charrette was hired as a Communications Manager

b. Financial

As previously reported to the Finance Committee, as of 12/31/2014:

- Revenues
 - Budgeted revenue receipts from sources in Maine and the region (ISO-NE) are \$22.9 million YTD (not including the Maine Yankee Phase 2 payment), up from \$13.2 million reported in November
 - The revenues are relative to \$45.6 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 \$1.75 million in interfund transfers YTD, up from \$1.45 million reported in November
 - The Trust has received just more than \$349,000 in miscellaneous revenues (such as interest, payments for the Boothbay NTA Pilot, payments from Summit Natural Gas, etc.) YTD
- Expenditures
 - YTD, the Trust has expended \$21.6 million, up from \$11.5 million reported in November, not including an additional \$8 million in commitments made for projects funded through the Large Customer Programs
 - In total, \$35 million is encumbered under contracts or pending contract signings to deliver the Trust's suite of programs and individual projects