

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

February 25, 2014

I. Communications

a. Awareness and Press

- Efficiency Maine's Annual Event was held Thursday January 29, 2015 at the Governor Hill Mansion
 - Over 200 registrants and 150 participants (despite the blizzards)
 - Two Workshops "Using New Smart Technology to Lower Energy Bills for Maine Businesses" and "Maine's Path to Affordable Home Heating"
 - Keynote "Pursuing Maine's Least-Cost Energy Resources: The Forecast for 2015"
 - Networking Reception
 - 25 Businesses were recognized for outstanding contributions to energy efficiency in Maine
- The Grants to Green Award for Unity College was covered in a number of news outlets (<http://www.dailyjournal.net/view/story/2443563f3b314b5c8f121921ef2c42dd/ME--Unity-College-Energy/>)
- Senator Angus King toured energy efficiency projects at Mt. Abram funded, in part, with Efficiency Maine incentives (<http://news.mpbnet/post/angus-king-tours-mt-abram-renewable-energy-projects>)
- The Executive Director and Residential Program Manager Dana Fischer spoke at the Portland Rotary Club on January 15, 2015
- Residential Program Manager Andy Meyer spoke at the Falmouth Energy Fair on January 24, 2015
- Residential Program Manager Dana Fischer spoke at the Maine Association of Building Energy Professionals Annual Meeting on February 10, 2015
- The Executive Director spoke at the USM Corporate Partners Breakfast on February 12, 2015
- Business Program Manager Rick Meinking spoke at the Maine Wood Products Association Annual Meeting on February 17, 2015
- Efficiency Maine's website
 - visits totaled 31,860 visits in January
 - compare with 26,577 visits in January 2014
 - 23,664 were unique visits; 4,093 visits were driven through digital ads
 - Staff is undertaking a number web page optimizations to continue to grow engagement

b. Call Center

- The Call Center averaged 300 calls a week in January 2015
- The Call Center averaged 75 email inquiries a week in January 2015

c. Government Relations

- Staff provided an “orientation” briefing to the Legislature’s Energy, Utilities and Technology Committee
- Staff filed written comments and participated in a public hearing at the Maine PUC on a rulemaking regarding the “cap” that governs utility procurement of energy efficiency resources
- Staff filed two reports with the Legislature
 - Report of Quasi-State Entities on Contributions, Travel, etc.
 - Semi-Annual Financial Update

II. Program Highlights

a. Business Program

i. Business Incentive Program – Electric

As of 1/31/2015:

- 33,376 MWh annual savings (calculated) YTD
 - 65% of annual goal (51,027MWh) at 58% of year gone by
 - 663,351 MWh lifetime savings
 - Compare to 34,438 MWh annual savings for entire FY14
- 2,353 projects completed
- 2,011 participants
- \$6,423,051 in incentives paid YTD
 - 97% of revised budget of \$6,602,499
- \$12,633,358 in private funds invested by participants
- \$934,889 expended on program delivery
 - 89% of revised budget of \$1,045,856

ii. Business Incentive Program – Natural Gas

As of 1/31/2015

- 37 projects completed
- \$113,037 in incentive paid
 - 14% of budget (\$814,778)
- Intensified outreach showing results:

- Prescriptive measures pipeline - \$24,000 of project incentives
- Custom measure pipeline - \$120,000 of project incentives

iii. Business Incentive Program – RGGI

As of 1/31/2015

- 287 projects completed
- \$537,800 paid in incentives
 - 71% of budget 9\$750,0000 at 58% of year complete
- \$2,235,210 leveraged in participant investment

iv. Multi-Family Program

As of 2/13/2015

- 29% of annual savings goal (24,404 MMBtu/yr) reached with 60% of the year gone by
- Delivery team projecting ending year expending 100% of budget (\$1.3 million)
- Delivery costs have exceeded original projections so rebates are being reduced
 - \$1,500 heat pump rebate is being shifted to \$1,000
 - custom rebates will drop to \$500/apartment effective 2/28/2015

v. Large Customer Program

- Outreach
- Received utility data from the major utilities for customers over 400 KW and are using it to target scoping audits
- Approved two new technical assistance studies
- Scheduled three new scoping audits
- Introduced the program to the new owners of a major pulp producer.

Electric Savings PON

As of 2/20/2015:

- Forecasting:
 - Completing the year committing \$8.1 million
 - Encumbering 100% of the \$3.7 million new revenues budgeted to the program this year
 - Committing \$4.4 million of the \$8 million Long-Term Contract authorization
 - 108,000 MWH in annual savings
- \$5.3 million awarded YTD
- \$11.8 million = Total incentive requests in the pipeline

Large Customer GHG PON

- The program increased the per-project cap to \$1 million
- Anticipate committing all GHG project funds in FY 15
 - Already awarded \$1.5 million in projects
 - Another \$1.5 million of projects are in the pipeline
 - Forecasting \$600,000 of delivery expenses by year end

iv. Small Business Direct Install

As of 2/14/2015:

- 189 projects completed
- \$877,714 paid in incentives
- 2,242 MWh in annual savings calculated

	Assessments	Project Completions	Notes
Region 1 (Caribou, Ft Kent, Madawaska, Van Buren)	328	122	2/20/2015 end date
Region 2 (Houlton)	99	77	
Region 3 (Norway, Oxford, Paris)	24	4	3 new designated contractors added
Region 4 (Waterville, Winslow, Oakland, Fairfield)	3	0	Launched late January
Total	423	203	

Marketing Outreach – Progress Update

- Region 1
 - End of program date is February 20.
 - Exit program ad ran in St. John *Valley Times* on February 11.
- Region 3
 - Western Maine Economic Development Council event will spotlight local businesses that have participated in the SBDI program.
 - Chamber Newsletter -- Case Study/Success Story – Downeast Machine & Mallard Mart
- Region 4
 - All leads called for a follow-up
 - Program flyers are being developed with customized contractor contact information

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

As of 2/20/2015

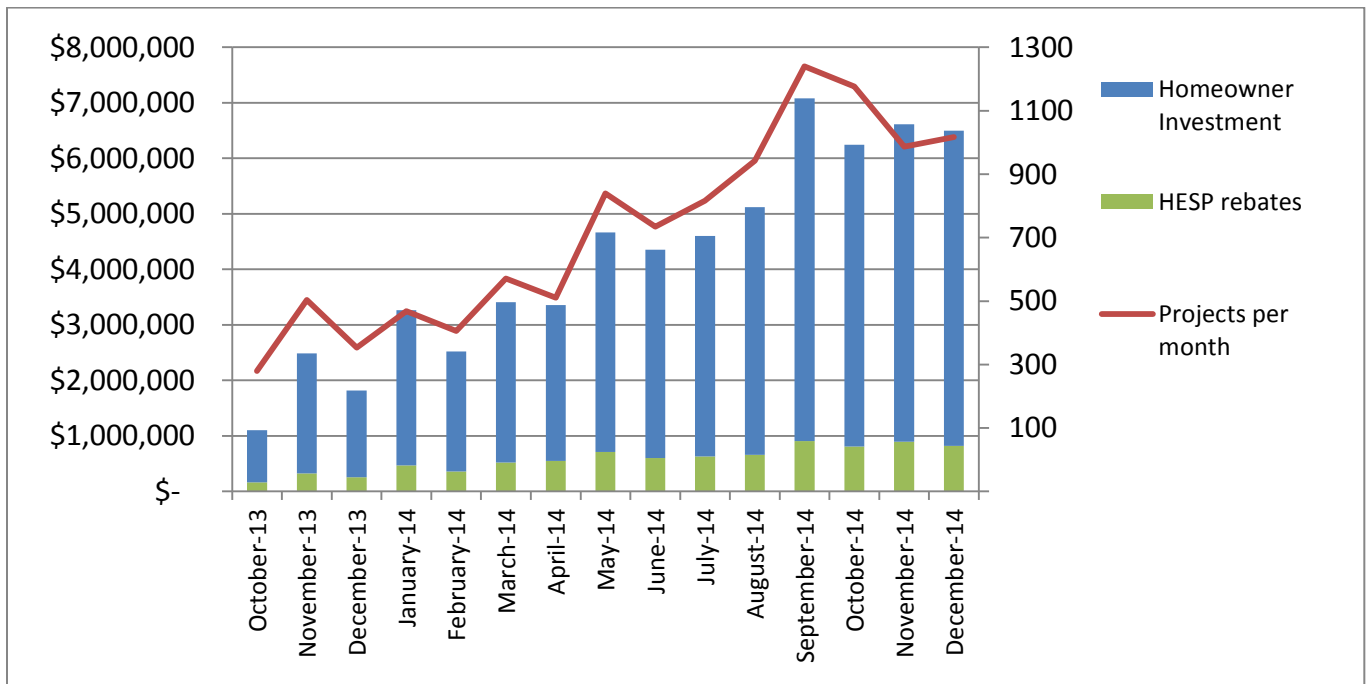
- No new updates
- Pipeline is full compared to budget (\$500,000)
 - Projecting finishing the fiscal year with 100% of funds committed to specific projects

b. Residential

i. Home Energy Savings Program

As of 2/20/2015:

HESP Incentives

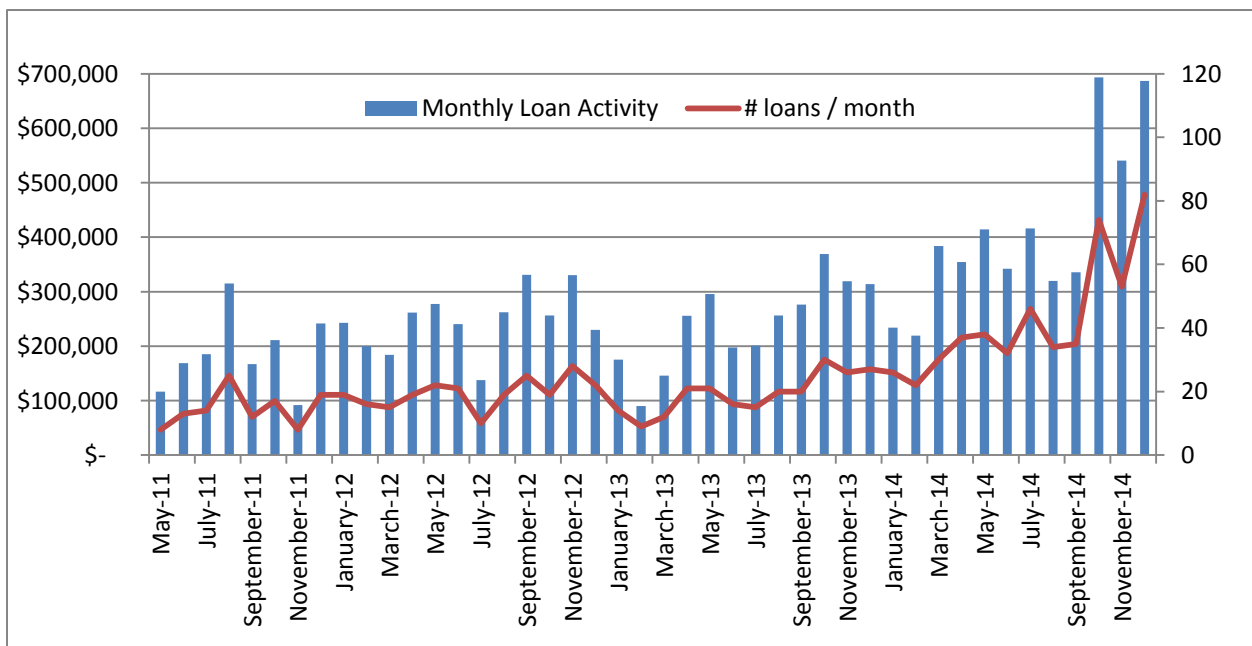


- Total expended FY15 HESP rebates and delivery in 7 months: \$6.3 million
- Total for remaining 5 months: \$3.7M
- January Highlights:
 - \$727,000 rebates in 774 projects, slightly less than in December
 - Slow month for heat pumps,
 - Big month for boilers and insulation
 - 152 HE conventional boilers and furnaces.
 - 352 heat pumps
 - 29 pellet boilers

- 13 pellet stoves
- 222 air sealing rebates
- 158 homes receiving insulation
- Average total project cost \$6500
- Average rebate \$900
- Distribution of projects by total project cost:
 - 1/3 less than \$3,000 (Avg. \$2,200)
 - 1/3 between \$3,000 and \$5,000 (Avg. \$3,650)
 - 1/3 greater than \$5,000 (Avg. \$10,500)
- February so far -- Program activity in the past 2 weeks has slowed due to levels of snow impeding installation and consumer perception that it is harder to engage contractors mid-winter

Loans

- 372 loans closed
- \$9,100 average loan amount
- More than \$3.6 million in loans YTD
 - Surpassing at 65% of year gone by the entire amount loaned in FY14
- January:
 - \$505K in 58 loans closed
 - Only 70 applications received, but only 14 (20%) declined
- First half of February:
 - \$201,000 in 21 closed loans
 - 30 applications received



ii. Residential Lighting and Appliance Program

As of 2/12/2015:

Lighting

- Nearly 2.3 million bulbs have been moved YTD, up from 1.8 million last month
 - Forecasting more than 3.2 million bulbs by year end
- \$7.4 million of actual and projected incentives and delivery YTD,
 - Forecasting ending the year at 100% of program investment goal (\$11 million)

Appliances

- 3,040 heat pump water heaters have been installed YTD, up from 2,040 in January
- \$664,000 has been expended from the revised budget allocation of \$1.64 million, up from \$520,000 the prior month.

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

As of 2/12/2015:

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 766 projects
 - Budget of \$1.5 million
 - MOUs have been executed with all participating CAP agencies
 - Implementation was put on hold until January to await higher efficiency model in order to improve cost-effectiveness

Natural Gas/Unitil Only

- No change; Budget fully invested

Any Fuels Initiative (RGGI Funded)

- 145 mini-split heat pumps installed YTD; Forecasting 222 by year end
- \$418,000 invested in heat pump installations expended YTD from annual budget of \$706,000 with 62% of the year gone by

c. Strategic Initiatives (Cross Cutting)

i. Evaluation & Data Analysis

- Staff received and reviewed bids for three RFPs, including the Evaluation of the large Customer Program, the Evaluation of the Business Incentive Program, and the Residential Baseline Study Services.

ii. Innovation Pilots

- No updates to report

iii. Forward Capacity Market

- The Trust successfully implemented its FCA 9 strategy
 - The Trust's FCM obligation does not include any incremental EE resource from FCA 9, which will enable our total FCM obligation (169 MW by the FCA 9 compliance period of 2018-2019) to get back in balance with our actual budgets
 - FCA 9 did add a limited 4 MW of distributed generation (DG) resource for the Trust

III. Administration and Finance Highlights

a. Financial

As previously reported to the Finance Committee, as of 1/31/2015:

- Revenues
 - Budgeted revenue receipts from sources in Maine and the region (ISO-NE) are \$32.7 million YTD (not including the Maine Yankee Phase 2 payment), up from \$22.9 million reported in January
 - 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 \$2.4 million in interfund transfers YTD, up from \$1.75 million reported in January
 - The Trust has received just more than \$406,000 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 \$26.1 million, up from \$21.6 million reported in January, not including an additional approximate \$8 million in commitments made for projects funded through the Large Customer Programs
 - An additional \$31.8 million is encumbered under contracts or pending contract signings to deliver the Trust's suite of programs and individual projects
 - Another \$5.5 million is being held for statutory commitments to rate relief, agency transfers, and a loan offset fund