

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

April 29, 2014

I. Communications

a. Awareness and Press

- Outreach Events in March:
 - Communications Manager Katye Charette addressed the Maine Summer Camps Association
 - Efficiency Maine held a Small Business Initiative Success Story Telling Session in South Paris
 - Communications Manager Katye Charette spoke to the Maine Summer Camps Association
 - Residential Program Manager Dana Fischer spoke at the Solarize Freeport Information Session and the Peaks Island Energy Committee Meeting
 - The Business Program Manager addressed the Maine Council of Churches
 - The Director of Communications exhibited at the Maine Science Festival
 - Residential Program Manager Andy Meyer spoke at the Plumbing, Heating and Cooling Contractors Association Annual Expo
 - Residential Program Managers Andy Meyer and Dana Fischer spoke at the Old House Trade Show
 - Residential Program Manager Andy Meyer spoke at the USDA Multifamily Property Owners, Presque Isle
 - The Executive Director spoke at the UtilityVision Conference in Boston MA

- Outreach Events in April:
 - The Executive Director spoke at the Maine State Chamber Energy Summit
 - The Executive Director and Residential Program Manager Dana Fischer spoke at the Biomass Heating the Northeast Expo
 - Residential Program Manager spoke at Maine Indoor Air Quality Council Annual Conference and the MaineHousing Maine hoMEworks Meeting
 - The Business Program Manager and Communications Manager held three Qualified Partner Stakeholder Meetings in Augusta, Bangor and Portland
 - The Business Program Manager spoke at the Food for Thought Forum in Augusta and the Maine Water Utilities Energy Use Efficiency Meeting in Portland
 - The Executive Director spoke at the Bangor Rotary with Board Member Don Lewis

- The *Boston Globe* featured the Island Institute's weatherization program and Efficiency Maine's Home Energy Savings Program incentives:
<http://www.bostonglobe.com/metro/2015/03/15/energy-program-helps-maine-islands-feel-heat/nrq4y1KF3D4Xvyc0KvR3wM/story.html>
- The large number of participants in the Business Incentive Program and changes to incentive amounts was covered by the *Portland Press Herald* and the *Bangor Daily News*:
<http://www.pressherald.com/2015/04/08/efficiency-maine-scales-back-rebates-for-businesses-lighting/> <http://bangordailynews.com/2015/04/07/politics/efficiency-maine-retroactively-cuts-reimbursement-rates/>
- Efficiency Maine was mentioned frequently in the press in March and April in discussions of the recent PUC ruling on the cap of electrical energy efficiency procurement.
- Efficiency Maine's website
 - visits totaled 24,215 visits in February and 26,180 in March
 - compare with 22,501 visits in February 2014 and 24,459 in March 2014
 - in February, 18,063 were unique visits; 4,314 visits were driven through digital ads
 - in March, 19,210 were unique visits; 3,524 visits were driven through digital ads
 - Staff is undertaking a number web page optimizations to continue to grow engagement and support the Triennial Plan stakeholder process

b. Call Center

- The Call Center averaged 301 calls a week in February and March 2015
- The Call Center averaged 87 email inquiries a week in February and March 2015

c. Government Relations

- Staff testified "Neither for nor Against" various bills at the Legislature, including:
 - Conducting a study of future Demand Response opportunities or processes for Maine
 - Wood Stove promotional programs
 - Promotion of solar power on agricultural facilities
 - Fixing the missing "and" in the statutory language about the cap for utility funding of Efficiency Maine's electricity budget
 - Allowing consumer owned utilities to receive funds from
 - Exemption of certain very large natural gas customers from paying in to EMT's Natural Gas Conservation Fund (and removing them from eligibility to receive incentives from said Fund)
- Activity at the PUC included:
 - Received approval for the revised performance metrics for Year 3 of the Triennial Plan (FY2016) and for funding by the utilities in an amount, together with Maine Yankee Funds, sufficient to meet the Recommended MACE budget approved by the PUC on March 6, 2013
 - Participated in a Technical Conference on a gas utility proposal to promote gas service to commercial and industrial customers

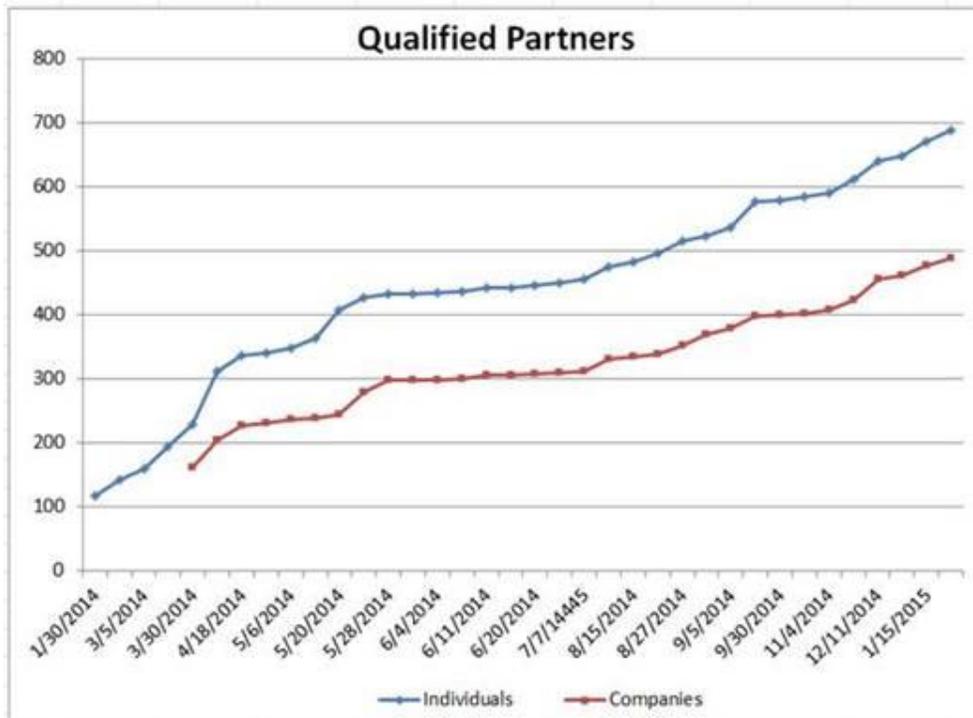
II. Program Highlights

o Business Program

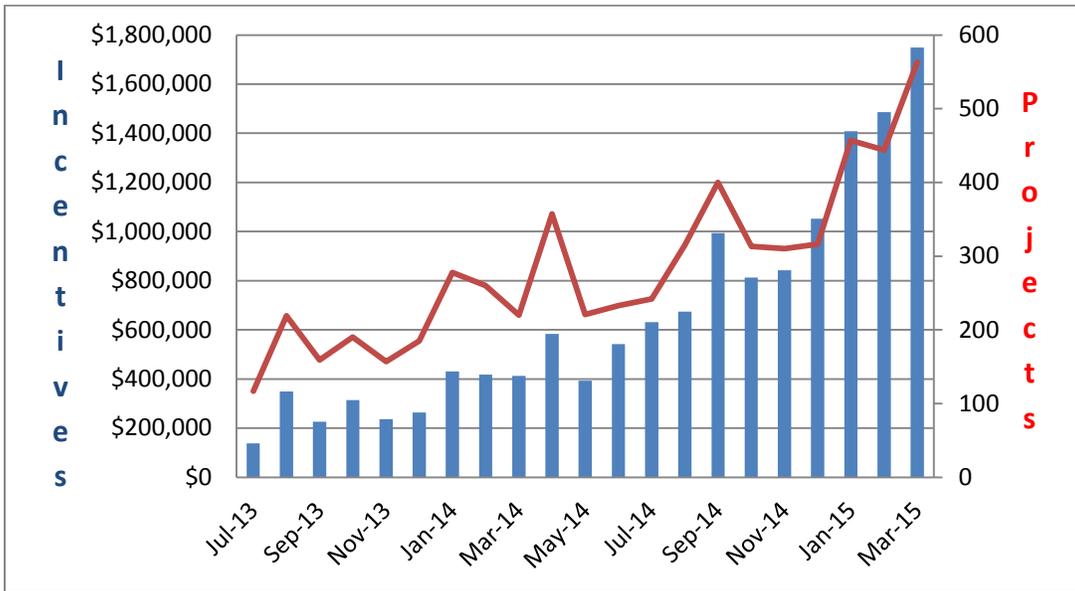
i. Business Incentive Program – Electric

As of 3/31/2015:

- 3,358 projects completed YTD
- Achieving 45,543 MWh in first year savings
 - o 663,351 MWh lifetime
 - o 89% of goal with 75% of the year complete
 - o Up from 33,376 MWh in first year savings as of 1/31/2015
 - o Compare to the 34,438 MWh first year savings for entire FY14
- 2,877 participants
- \$9,612,583 incentives paid YTD
- Leveraging \$18,522,970 in participant investment in energy efficiency
- Increased the number of Qualified Partner contractors, vendors and suppliers (700 individuals) who are trained to facilitate efficiency projects.



- Participation levels and incentive expenditures over the past year and a half



ii. Business Incentive Program – Natural Gas

- No new information.

iii. Business Incentive Program – RGGI

As of 3/31/2015

- 382 heat pump projects completed in Maine businesses and institutions
 - up from 287 as of 1/31/2015
 - 376 participants
- \$851,100 paid in incentives
 - 85% of Budget at 75% of year gone by
- Leveraged participant investments of \$3,464,930

iv. Multi-Family Program

As of 4/10/2015

- Currently at 94% of annual savings goal (24,404 MMBtu/yr) reached with 76% of the year completed
- Delivery team projecting ending year expending 100% of budget (\$1.3 million)

v. Large Customer Program

Electric Savings PON

As of 4/20/2015:

- Remaining budget balance is \$8.3 million, some of which is contingent funding from the Long Term Contract, if needed
 - \$2.9 Million has been awarded but is not yet under contract
 - \$3.2 is in the pipeline and expected to come before the Large Customer Review Committee this fiscal year
- 108,000 MWH in first year savings forecasted

Large Customer GHG PON

- Anticipate committing all GHG project funds in FY 15
 - Remaining budget is \$1.7 million
 - \$1.3 million of projects recently awarded
 - \$500,000 is in the pipeline, though not all of these projects are likely to be reviewed before year-end

iv. Small Business Direct Install

As of 3/31/2015:

- 339 completed projects
- \$1,575 average annual savings for participating businesses
 - \$131 average monthly savings (assuming \$0.13/kWh blended rate)
 - 157,500 kWh average first year savings per project
- \$1.77 million expended YTD

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

As of 4/29/2015

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

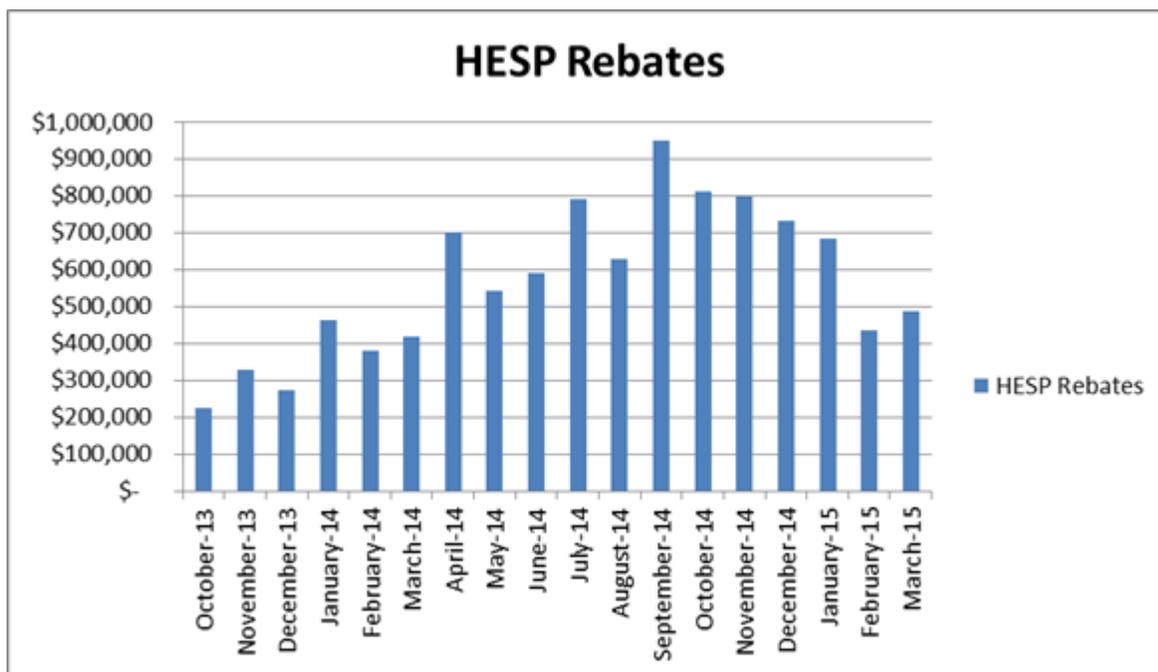
b. Residential

i. Home Energy Savings Program

As of 3/31/2015:

HESP Incentives

- Total expended FY15 HESP rebates through Q3, including natural gas incentives for Unutil customers and delivery charges: \$7.5 million
- 1,013 total measures completed in March, including:
 - 226 air sealing and assessment
 - 224 ductless heat pumps (5,070 for the YTD, almost exactly double the amount in FY14's 9 months of HESP)
 - 121 high-efficiency conventional boilers
- Demand slowed slightly more than expected in February, and while rebounding in March still warrants some renewed marketing
 - Digital marketing efforts kicked off last week with Google Ads and Network, YouTube(s), Hulu and Pandora to get homeowners to plan upgrades this spring and summer



Loans

- Loan closing and application volume was sluggish in March with a total of \$207,000 and 28 loan closings in March
 - 26 unsecured Energy Loans, 1 PACE loan, 1 PowerSaver loan
 - The two weeks of April included more than \$215,000 in closings
- Total loans closed in 4 years: \$13.5 million
- Total closed in FY15 YTD: \$4.2 million

ii. Residential Lighting and Appliance Program

As of 4/10/2015:

Lighting

- Nearly 2.6 million bulbs have been moved YTD, up from 2.3 million as of mid-February
 - Forecasting more than 3 million bulbs by year end
 - 443,500 MWh projected future savings
- \$8.5 million in actual and projected incentives and delivery YTD
 - Forecasting ending the year at 125% of energy savings target and 95% of program investment goal (\$11.2 million)

Appliances

- 3,040 heat pump water heaters have been installed YTD, up from 2,040 in January
- \$952,000 has been expended (up from \$664,000 in mid-February) from the budget of \$1.4 million
 - Forecasting expending 100% of the budget by year-end

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

As of 4/10/2015:

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
 - 139 installed since the launch in January, forecasting more than 700 by year-end
 - Budget of \$1.5 million
 - 9 CAP agencies involved
 - sub-contracted with 20 plumbers to perform installations
 - have presented 438 work orders
 - 344 units have already been picked up for delivery and installation

Natural Gas/Unitil Only

- \$200,000 remaining in budget
- New measures being introduced to incentivize high-efficiency furnaces and boilers

Any Fuels Initiative (RGGI Funded)

- 180 mini-split heat pumps installed YTD (up from 145 in mid-February)
 - Forecasting 223 by year-end
- \$571,000 in heat pump installations expended YTD from annual budget of \$706,000 with 76% of the year gone by

c. Strategic Initiatives (Cross Cutting)

i. Evaluation & Data Analysis

- Residential Baseline Study for the Triennial Plan is on schedule
 - Field Technicians will be conducting home visits with blower door tests in the coming weeks
 - Approximately 50% of telephone survey participants have volunteered for home visits
- C&I Baseline Study for the Triennial Plan has received protective order from PUC to gather confidential consumer data and is now working with utilities to collect the data
- Updated MACE Potential Study is on schedule after receiving approval from the PUC to receive utility data

ii. Innovation Pilots

- No updates to report

iii. Forward Capacity Market

- The Trust is preparing its qualification package for FCA 10
- FCM Compliance Evaluation for ISO-NE's is complete and shows that EMT's Demand Reduction Value exceeds the 80/10 requirement imposed by ISO-NE

III. Administration and Finance Highlights

a. Financial

As previously reported to the Finance Committee, as of 3/31/2015:

- Revenues
 - Budgeted revenue receipts from sources in Maine and the region (ISO-NE) are \$40.1 million YTD. 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 through a PUC-approved long-term contract contingent upon completing qualifying projects in the Large Customer Program
 - On April 17, the Executive Committee approved a budget adjustment to move the Phase 2 Maine Yankee Payment into the FY15 revenue budget and allocate that amount to the Business Incentive 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 has performed \$2.0 million in interfund transfers YTD out of a full-year budgeted amount of \$2.4 million
- The Trust has received just more than \$428,000 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 \$38.6 million, up from \$26.1 million reported in February, not including an additional approximate \$8 million in commitments made for projects funded through the Large Customer Programs
 - An additional \$25 million remains encumbered under contracts or pending contract signings to deliver the Trust's suite of programs and individual projects
 - Another \$2 million is being held for statutory commitments to rate relief, agency transfers, and a loan offset fund