

Executive Director's Summary Report

to the Board of Trustees
of the
Efficiency Maine Trust

February 28, 2018

1. Communications

A) Awareness and Press

- Press
 - The Executive Director appeared on a WERU call-in show about the Home Energy Savings Program on February 14, 2018.
 - Efficiency Maine was mentioned in coverage of the Weatherize Rockland initiative and a new grant available from the Maine Community Foundation.
- Events
 - Staff exhibited at the Falmouth Energy Fair (January 27)
 - Staff exhibited at a Weatherize Mt. Desert Island Event (January 28)
 - Staff presented at a Summit Natural Gas event: "Natural Gas-Fired Technology and Utility Open House" (February 8)
 - Staff exhibited at the Maine Home and Remodeling Show (February 10-11)
 - Staff participated in an open house at the Cornerspring Montessori School, Belfast (February 10)
- Website and Outreach (January)
 - 24,496 website visits (compared to 24,400 visits in December)
 - 22,466 unique visits
 - 7,481 visits were driven through digital ads
 - Facebook
 - 3,120 fans (62 new)
 - 70,584 reached through advertising
- Call Center (January)
 - 1,320 inbound phone calls (98% answered within 20 seconds)
 - 709 inbound emails
 - 1,250 inbound mail (mostly rebate claims)

B) Government Relations

- Legislation
 - Staff has been monitoring the following bills at the Legislature:
 1. LD 1487 – An Act to Control Electricity Transmission Costs through the Development of Nontransmission Alternatives
 2. LD 1741 – Resolve, Establishing the Commission to Study Energy Storage
 3. LD 1700 – An Act to Protect ME Residents and Businesses from Rising Electricity Costs
 4. LD 260 – An Act to Create the Maine Energy Office

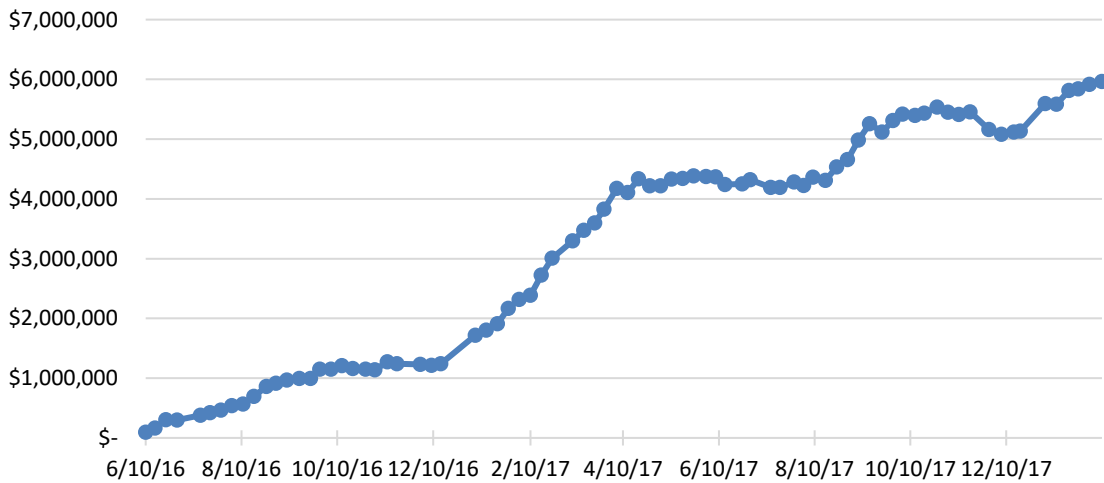
5. LD 822 – An Act to Ensure Fairness Among Large Consumers of Natural Gas
6. LD 897 – An Act to Authorize a General Fund Bond Issue to Encourage Efficient Biomass Thermal and Power Projects in Maine
7. LD 1657 – An Act to Update the Allowance Budget for RGGI

2. Program Highlights¹

A) C&I Prescriptive (CIP) Program – Electric Measures

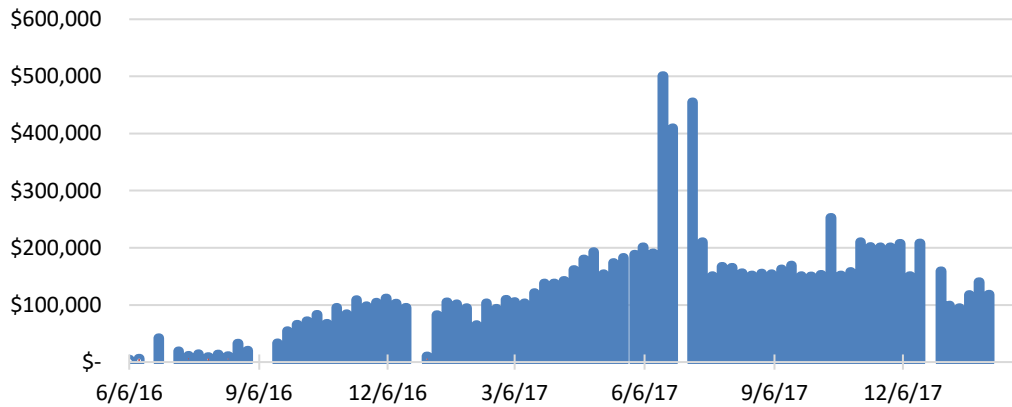
- The number of pending projects (pipeline) has remained relatively consistent and represents 95 projects with a potential of \$5.9 million in incentives.
- Distributor lighting sales have decreased (not all January invoices have been received). Discounts on Mogul bulbs (Hi/Lo Bay and outside pole lights) were reduced on January 1. Sales volume information:
 - i. 57% are screw-bulb (33% of discounts paid)
 - ii. 43% are mogul and T8 linear replacement lamps (67% of discounts paid)
- Twenty-six distributors are currently participating.
- The delivery team completed 24 physical inspections of contractor-installed measures, mostly lighting projects. Additional verifications on self-installed projects were completed for 24 projects.

C&I Prescriptive Program Electric Measures - Pipeline



¹ The Updated Financials table reported for each Program reflects data pulled from the Trust’s financial management system mid-month; the Summary Program Update table is pulled from the Efficiency Maine project tracking database on February 12, 2018 to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of January 2018).

C&I Prescriptive Program Electric Measures - Incentives Paid



Updated Financials	Program Investment
FY18 Program Budget	\$10,800,137
7/1 to 1/31 Spending	\$5,994,916
Percent of Budget Spent to Date	56%
Percent of Year Passed	59%

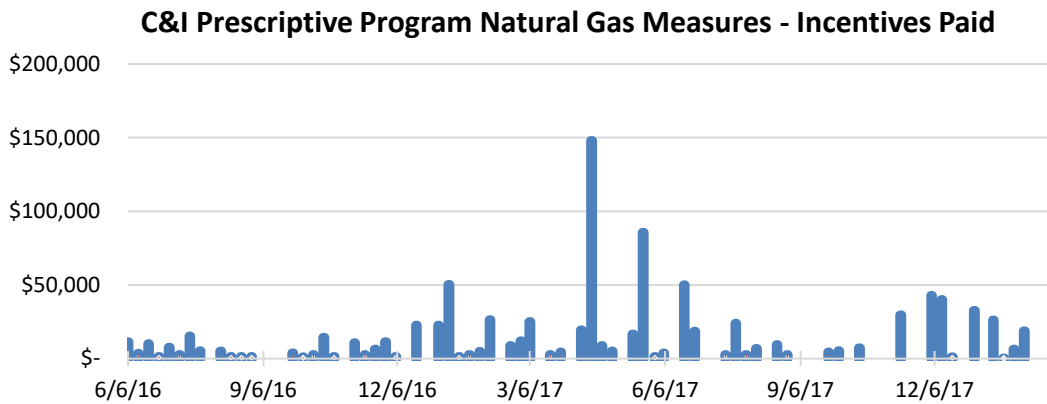
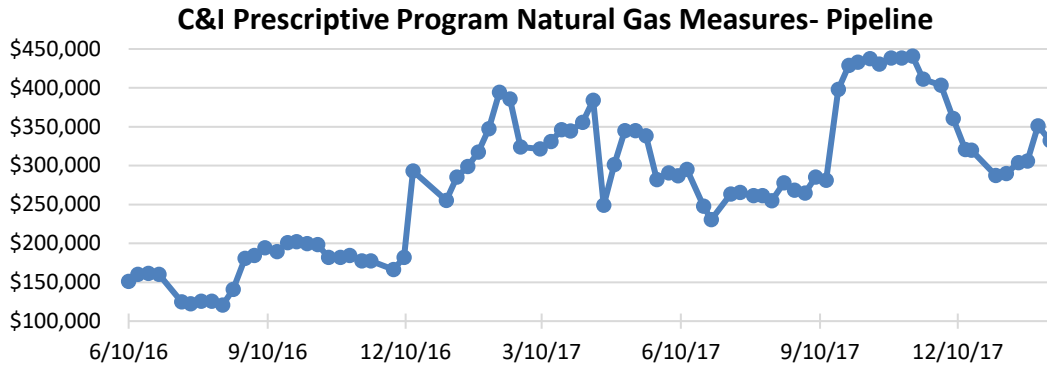
Summary Program Update	Annual kWh Savings	Annual MMBtu Savings*	Participants
Start of fiscal year to 1/31	48,234,633	(58,414)	1,066

*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

Project Type (through 1/31)	Participants
Lighting Solutions (not including DSIL)	839
Heating and Cooling Solutions	196
Compressed Air Solutions and Other	27
Agricultural Solutions	4

B) C&I Prescriptive Program – Natural Gas Measures

- The current pipeline of pending projects is approximately \$330,000 in incentives, representing 19 projects.
- To date, 52 total natural gas units have been installed through the distributor discount initiative.
- Commercial cooking equipment will be rolled out through a mid-stream channel on March 1.



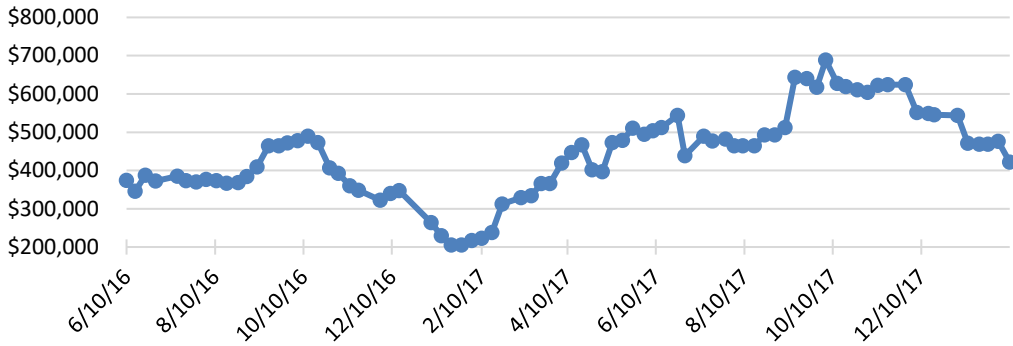
Updated Financials	Program Investment
FY2018 Program Budget	\$2,088,872
7/1 to 1/31 Spending	\$590,770
Percent of Budget Spent to Date	28%
Percent of Year Passed	59%

Summary Program Update	Annual MMBtu Savings	Projects
Start of fiscal year to 1/31	12,979	57

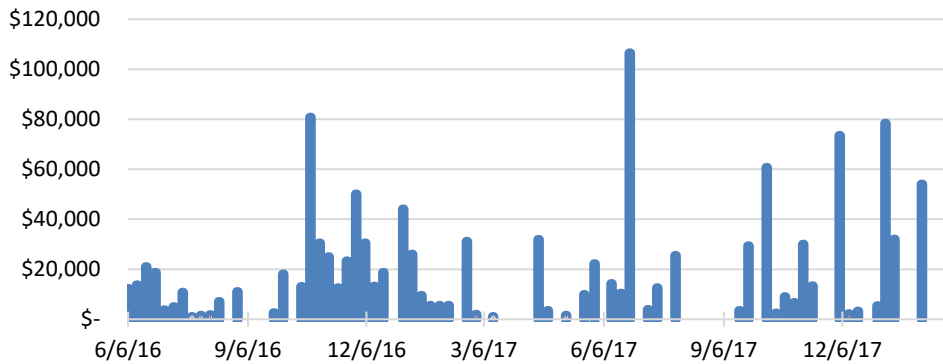
C) C&I Prescriptive Program – All Fuels (e.g., Oil and Propane) Measures / Heating Solutions

- The current pipeline of pending projects is approximately \$420,000 in incentives, representing 31 projects.
- To date, 24 total propane units have been installed through the distributor discount initiative.

C&I Prescriptive Program All Fuels Measures - Pipeline



C&I Prescriptive Program All Fuels Measures - Incentives Paid



Updated Financials	Program Investment
FY2018 Program Budget	\$1,554,025
7/1 to 1/31 Spending	\$530,504
Percent of Budget Spent to Date	34%
Percent of Year Passed	59%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Projects
Start of fiscal year to 1/31	170	20,428	110

D) C&I Custom Program

- Since the last Board meeting, the pipeline of small custom projects has added 3 new projects worth \$228,000 in incentive offers. The total small custom pipeline is \$281,000 in incentive offers.

- The C&I Custom Program Review Committee met in January and awarded two large projects worth \$660,000 in incentive offers.
- Program staff received applications for 2 new scoping audits and 1 Technical Assistance (TA) Study.
- Projects that reduce the consumption of unregulated fuels (biomass, oil, propane, etc.) are now eligible for incentives. The program’s Thermal Program Opportunity Notice (PON) has been updated accordingly.
- Program staff is reaching out to newly eligible large natural gas customers to inform them of incentive offerings and encourage efficiency investment.

Updated Financials	Program Investment
FY2018 Program Budget	\$14,437,135
7/1 to 1/31 Spending	\$1,816,942
Percent of Budget Spent to Date	12%
Percent of Year Passed	59%

Additional Details on FY 2018 Financials	Program Investment
Expenditures	\$1,816,942
Committed	\$6,279,729
Pipeline	\$876,281
Total (Expenditures, Committed, & Pipeline)	\$8,972,952
Percent of Budget	62%

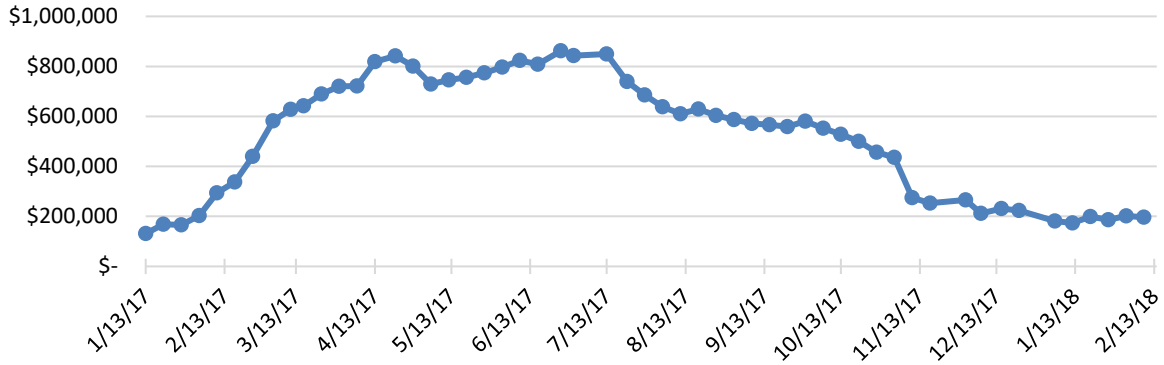
Summary Program Update	Annual MMBtu Savings	Annual kWh Savings	Participants
Start of fiscal year to 1/31	30,333	5,347,603	20

E) Small Business Initiative (SBI)

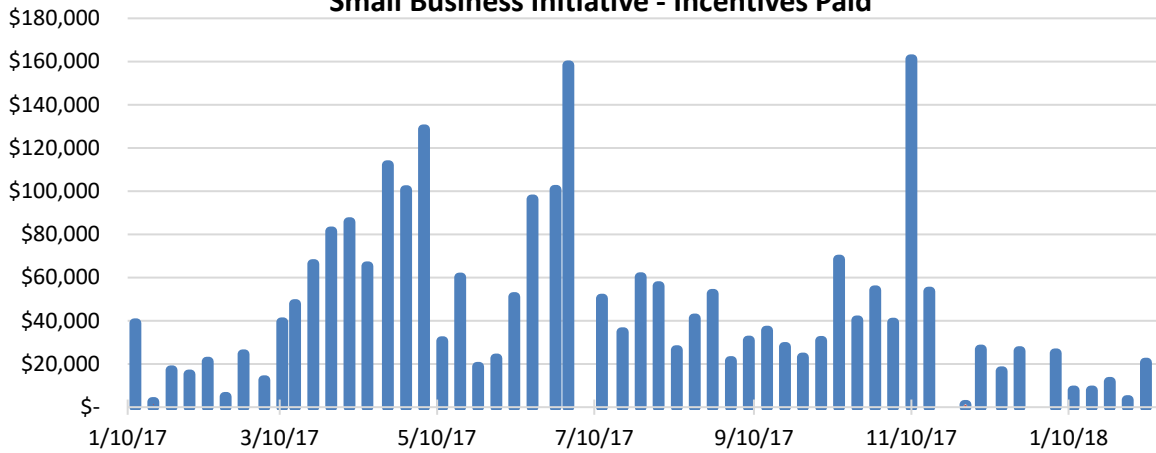
- Regions 5 (Lakes Region-Raymond-Fryeburg) and 6 (Western Mountains-Bethel-Skowhegan) are no longer accepting new projects. Region 6 has been fully closed out and final Region 5 projects in the queue are underway and will be completed soon.
- The program team will continue using CMP customer data to identify remaining eligible small businesses (SGS rate classes) to target in Region 7 (Sanford-Berwicks area); new projects will be accepted for Region 7 until February 28. There are currently 8 participating contractors in Region 7 with projects underway.
- The updated Energy Assessment Tool (EAT) was finalized and distributed this month, and the Region 7 pipeline is starting to grow.
- Region 8 was rolled out in January and consists of the Route 25 corridor, Gorham west to New Hampshire.

- The delivery team conducted additional contractor outreach and held a contractor refresher/training lunchtime event this month for new and existing contractors.

Small Business Initiative - Pipeline



Small Business Initiative - Incentives Paid



Updated Financials	Program Investment
FY18 Program Budget	\$2,556,587
7/1 to 1/31 Spending	\$1,100,262
Percent of Budget Spent to Date	43%
Percent of Year Passed	59%

Summary Program Update	Annual MMBtu Savings	kWh Savings	Participants
Start of fiscal year to 1/31	(2,632)	1,525,789	140

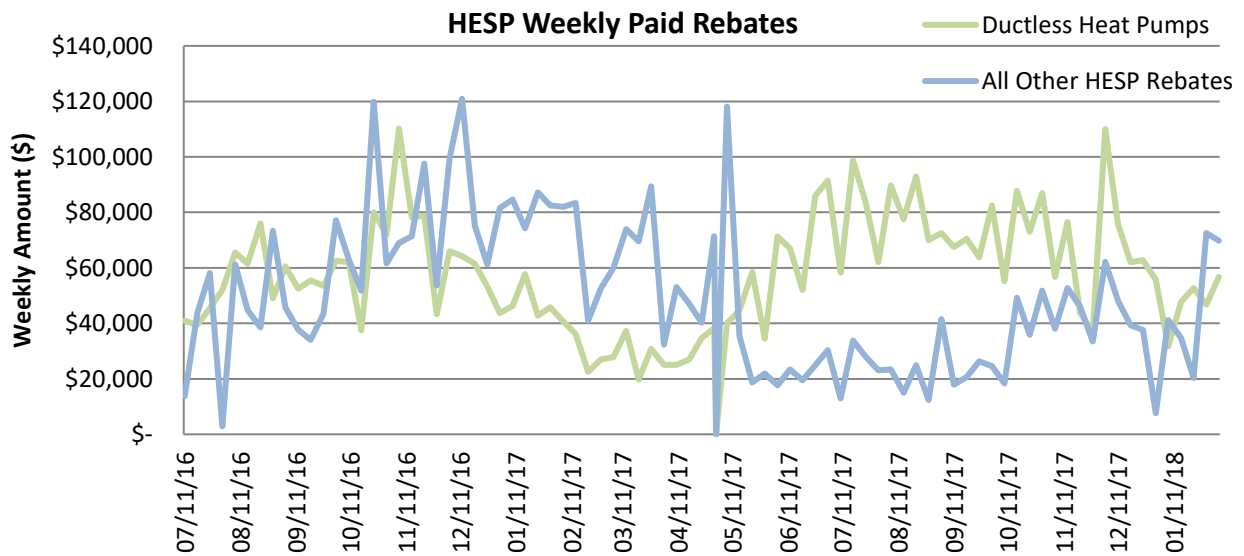
F) Commercial New Construction Program

- This program is suspended and is no longer accepting new enrollments; several projects awarded in FY2017 are pending completion. Customers continue to have access to incentives through the CIP program, many of which are relevant to new construction.
- The Maine Coast Waldorf High School project (Freeport) was completed, with incentives paid in January.

Updated Financials	Program Investment
FY2018 Program Budget	\$1,155,677
7/1 to 1/31 Spending	\$30,730
Percent of Budget Spent to Date	3%
Percent of Year Passed	59%

G) Home Energy Savings Program (HESP)

- The number of rebates in January was up 14% over January 2017 (1,032 vs 909) as newly restored rebates kicked in January 1. Fiscal year-to-date rebated measures are up 9% over last year (7,119 in FY2018 vs 6,503 in FY2017). Additional steps are being taken to increase demand, including updates to marketing materials, participation at energy-related events, and forms and outreach to vendors.
- Forty-five loans were funded in January, one of the busiest months ever as our service provider processes the backlog created when transitioning to a new team and location. Applications for new loans have been temporarily suspended while the backlog is being cleared.



Updated Financials	Program Investment
FY18 Program Budget	\$10,413,415
7/1 to 1/31 Spending	\$3,934,919
Percent of Budget Spent to Date	38%
Percent of Year Passed	59%

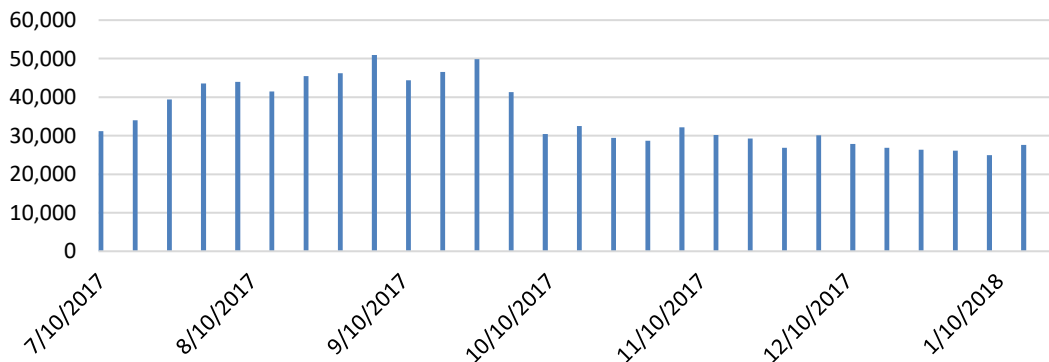
Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Measures
Start of fiscal year to 1/31	9,487,308	41,426	4,934

Project Type (through 1/31)	Units
Electric Measures	3,505
All Fuels Measures	1,429

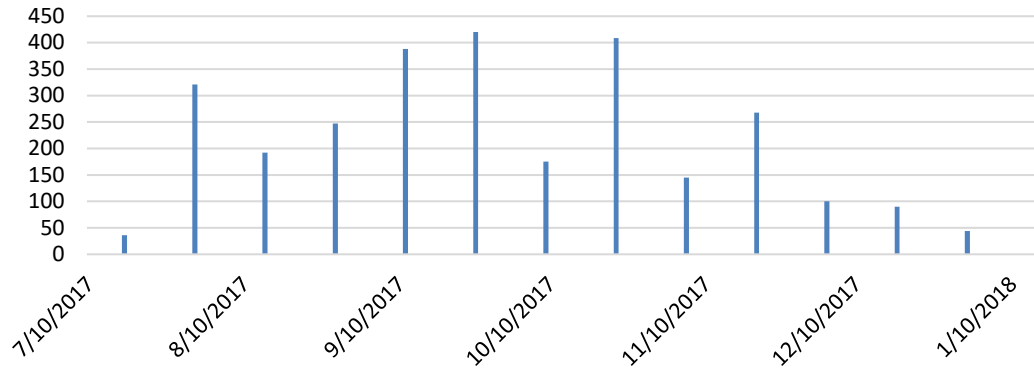
H) Consumer Products Program

- The program is on target to invest all funds and exceed savings goals for the year. As mentioned in previous Executive Director Reports, the program reduced incentives and marketing for certain measures in the fall to manage the available budget.

Weekly Bulb Sales YTD – Retail (Unaudited Estimate)



Weekly HPWH Sales YTD (Unaudited Estimate)



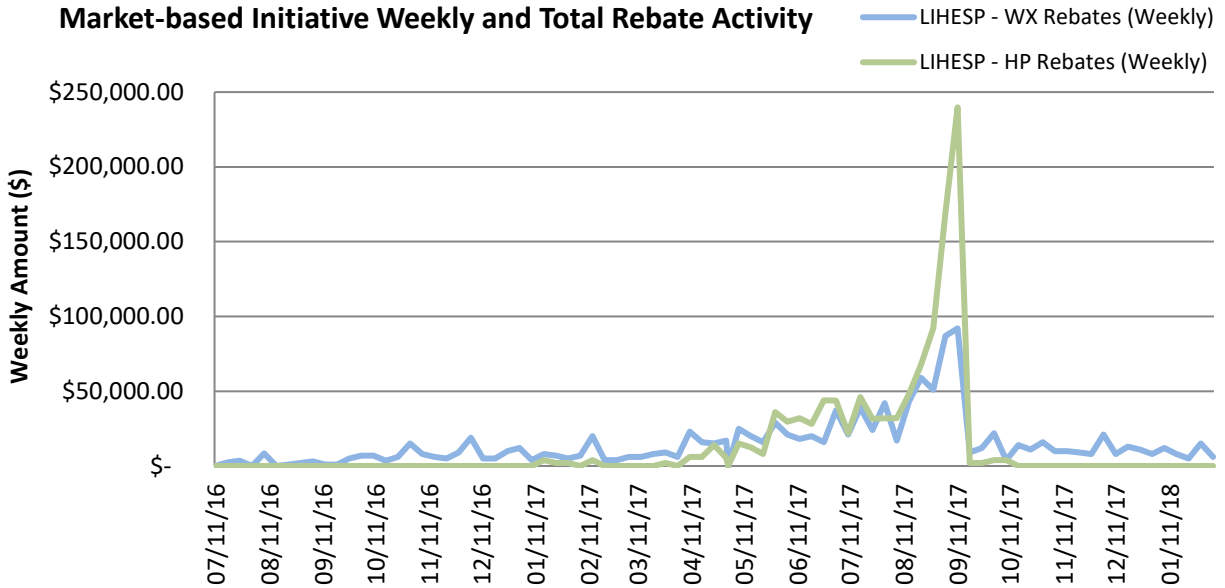
Updated Financials	Program Investment
FY18 Program Budget	\$12,008,432
7/1 to 1/31 Spending	\$4,733,367
Percent of Budget Spent to Date	39%
Percent of Year Passed	59%

Summary Program Update	Annual MMBtu Savings	Annual kWh Savings	Appliance Rebates	Light Bulbs
Start of fiscal year to 1/31	(46,246)	46,302,514	8,998	1,174,774

I) Low Income Initiatives

- In January, 226 new customers joined the electric utilities' Arrearage Management Program (AMP); 26 specifically requested and were shipped DIY kits with LEDs and/or low-flow devices.
- The Low Income Direct Mail initiative also has offered to send DIY kits to low-income households on the LIHEAP list if they indicate they are interested and will install the products. The program has partnered with the Department of Health and Human Services to identify approximately 160,000 additional households that are LIHEAP-eligible. Low Income Direct Mail cards will be sent to small batches of these households on a weekly basis.
- The Low Income Direct Install Program offers free installations of heat pump water heaters to eligible households. We are reaching out to new plumbers to increase capacity. We have revamped all documentation for this initiative to streamline our approach and increase the pace of installation.
- Low Income Natural Gas has been focusing on multiunit opportunities. Staff have been conducting walkthroughs in and modeling the potential savings opportunities of buildings in the Avesta Housing portfolio, but none have yet been finalized or installed.

- Weatherization projects through the market-based initiatives held strong in January, with program activity approximately two times higher than this month last year.



Updated Financials	Program Investment
FY18 Program Budget	\$8,796,824
7/1 to 1/31 Spending	\$2,938,654
Percent of Budget Spent to Date	33%
Percent of Year Passed	59%

Summary Program Update	MMBtu Savings	Annual kWh Savings	Direct Installs
Start of fiscal year to 1/31	24,684	4,898,590	364

Other Initiatives (through 1/31)	Units
LIHESP	933
Direct Mailings	3,386
Food Pantry Bulbs	125,820

J) Strategic Initiatives (Cross Cutting)

I. Evaluation, Measurement, and Verification (EM&V)

- Staff is working with a contractor to research the status of C&I lighting in Maine. The study will include phone/on-line surveys with 140 businesses as well as on-site

lighting inventories at 75 Maine businesses. The study will also interview lighting contractors to determine the capacity of the Maine contractor network to ramp up on performing comprehensive retrofit lighting projects.

- An ongoing evaluation of heat pump water heaters installed meters on units in 17 homes the week of February 5. This is round 3 of 6 metering phases.
- An ongoing evaluation of HESP installed meters in 20 homes the week of February 12. This is the third and final phase of ductless heat pump metering.

II. Forward Capacity Market

- Demand Side Analytics selected to perform the Forward Capacity Market M&V Compliance Review in support of our annual resource certification. A key component of this review will determine if the sampling used in the evaluation of our programs meets ISO NE's statistical confidence and precision requirements.
- The 12th Forward Capacity Auction cleared at \$4.631/kW-month. The Trust cleared a total of 163 MW to be delivered in 2021.

3. Administration and Finance Highlights

A) Administration

- Staff filed its semi-annual budget update to the Legislature's Energy, Utilities and Technology Committee.
- The MaineDOT signed an MOU with the Efficiency Maine Trust to have the Trust administer an electric vehicle charging station initiative using a portion of the settlement funds from Volkswagen. The term of the agreement is three years and the budget is approximately \$3 million.

B) Financial

Revenues

- The new revenues from state and regional sources through the end of January, 2017 were \$30.3 million, up from \$22.3 million as of the prior month. Approximately \$691,000 in additional revenue has been received year-to-date on interest from outstanding loans, the NTA pilot project, and other miscellaneous revenues, up from \$550,000 as of the prior month. Year-to-date we have made nearly \$483,000 in interfund transfers. The outstanding balance for revenues is just more than \$20 million for the fiscal year, not including interfund transfers.

Expenditures

- Total expenditures through the end of January, 2017 were \$27.1 million, up from \$22.7 million as of the end of the prior month. An additional \$31 million is encumbered, and \$1.3 million has been awarded to individually contracted projects the contracts for which are pending.