

Executive Director's Summary Report

to the Board of Trustees
of the
Efficiency Maine Trust

April 25, 2018

1. Communications

A) Awareness and Press

- Press
 - Staff has been contacted by two reporters regarding the December decision on Medical Cannabis. We are expecting some stories to run in the near future.
 - Efficiency Maine was mentioned in stories covering recently completed Maine Advanced Building (MAB) projects in Freeport and Belfast.
- Events
 - Staff presented at the Maine Restaurant and Lodging Expo (March 28).
 - Staff hosted a Counter Day at Coastal Winair in Biddeford (March 29).
 - The Executive Director spoke at an event at the recently completed Maine Coast Waldorf School in Freeport (March 30).
 - Staff exhibited at the Lion's Club Home and Garden Show, Augusta (April 6-8).
 - Staff exhibited at the Unutil Energy Fair in Saco (April 12).
 - Staff exhibited at the Portland Home Show (April 13-15).
 - Staff made a presentation at the Sierra Club "Brown Bag Lunch" series about Residential Programs and Collective Purchase (April 18).
 - Staff exhibited at a Kennebunk Earth Day Fair (April 21).
 - Staff exhibited at the York Energy and Sustainability Fair (April 22).
 - Staff presented at a workshop hosted by St. Paul's Church, Brunswick (April 22).
 - Staff presented at a DIY Energy Efficiency workshop hosted by Americorps in Brunswick (April 23).
 - Staff exhibited at the TD Bank EcoFair in Portland (April 24).
- Website and Outreach (March)
 - 20,169 website visits (compared to 20,084 visits in February)
 - 17,365 unique visits
 - 8,773 visits were driven through digital ads
 - Facebook
 - 3,154 fans (13 new)
 - 155,612 reached through advertising
- Call Center (March)
 - 1,155 inbound phone calls (98% answered within 20 seconds)

- 636 inbound emails
- 999 inbound mail (mostly rebate claims)
- 105 completed program evaluation surveys

B) Government Relations

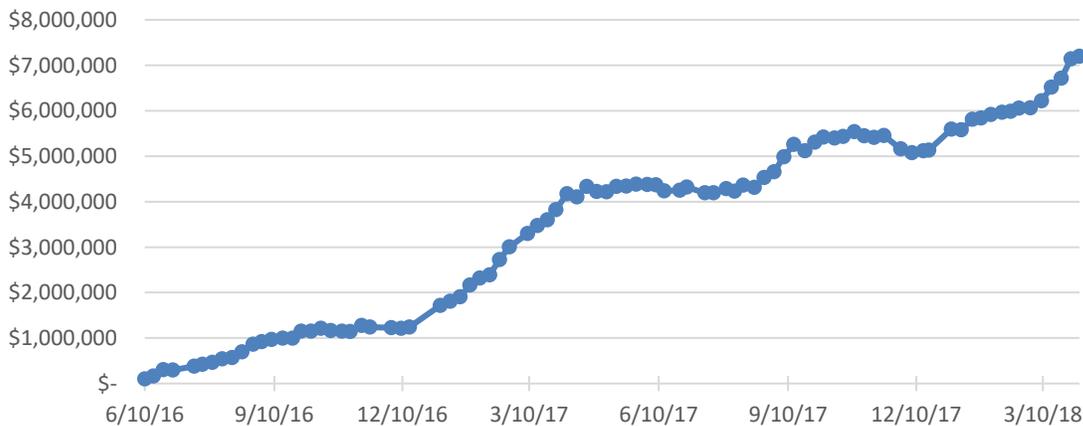
- Legislation
 - Staff has been monitoring the following bills at the Legislature:
 - LD 1657 – An Act to Update the Allowance Budget for RGGI
 - LD 1741 – Resolve, Establishing the Commission to Study Energy Storage
 - LD 1700 – An Act to Protect ME Residents and Businesses from Rising Electricity Costs
 - LD 1745 – An Act Regarding a Biomass-generated Energy Purchase and Sale Agreement and Payments to Contractors
 - LD 1848 – An Act to Extend the Arrearage Management Program
 - LD 260 – An Act to Create the Maine Energy Office
 - LD 1487 – An Act to Control Electricity Transmission Costs through the Development of Nontransmission Alternatives
 - LD 822 – An Act to Ensure Fairness Among Large Consumers of Natural Gas
 - LD 1895 – An Act Regarding Energy Costs
 - LD 1896 – An Act to Improve Efficiency Through Electric Rate Design
- Public Utilities Commission (PUC)
 - Staff attended a Technical Conference for the 2018 EMT Annual Update; it focused largely on a proposed natural gas adjustment for FY2019. Natural gas utilities filed additional data requests.
 - PUC Staff agreed to bifurcate the two issues raised in the annual update filing, bringing an electric procurement adjustment to the Commission for deliberation in advance of the natural gas adjustment request. The Commission approved EMT's electric procurement adjustment for FY2019 on April 12.
 - Staff attended a Case Conference for CMP's Portland loop expansion proposal in Docket 2011-138.
 - Staff filed a request for customer data from Central Maine Power (CMP) for the next Small Business Initiative (SBI) region, and Commercial and Industrial (C&I) natural gas accounts from all four local distribution companies (LDCs), to help plan and market our natural gas programs. On April 13, the PUC issued Protective Orders requiring the utilities to provide EMT with this data.

2. Program Highlights¹

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

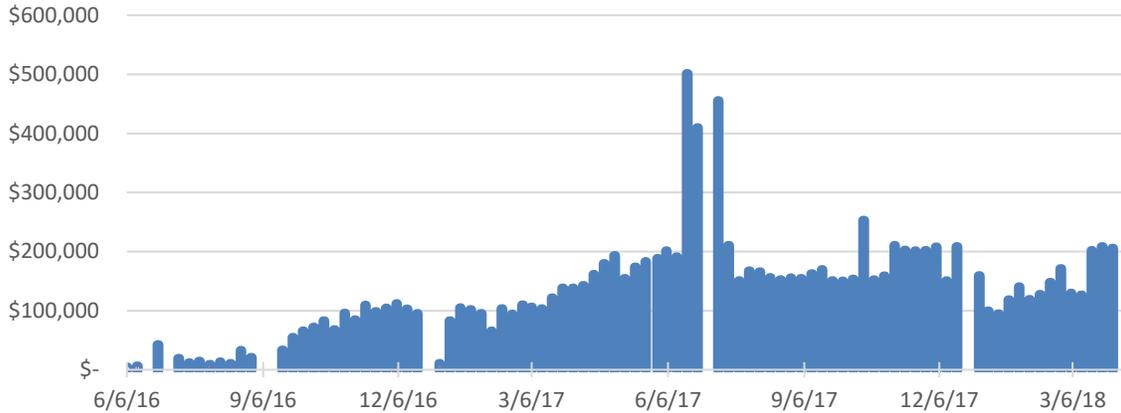
- Distributor lighting sales increased for March, with 26 distributors currently participating. Approximate sales volume information:
 - i. 45% are standard screw-in bulbs (25% of discounts paid)
 - ii. 55% are mogul and T8 linear replacement lamps (75% of discounts paid)
- The delivery team completed 9 physical inspections of contractor-installed measures -- 7 lighting and 2 compressed air projects. 52 additional verifications on self-installed projects were completed.
- The delivery team has begun planning for the FY2019 Annual Certification, on-site trainings and webinars have been scheduled throughout the month of June. Dates, locations and registration links were announced in the March E-News and are posted on the Qualified Partner website.
- The team completed an assessment of all completed projects as part of the quarterly review process. With one exception, no changes were made to incentive or discount levels for the fourth quarter. One recessed fixture model was made ineligible for prescriptive incentives due to significantly lower cost of the material, which did not justify an incentive within the parameters of the program guidelines.
- The program hosted a second Lighting Advisory Group meeting in March. The topics discussed included DesignLights Consortium (DLC) categories and new measures for FY2019; deemed values for hours of use; and development of a lighting assessment tool.
- The team is looking at four new types of lighting measures and has reached out to distributors for pricing to evaluate cost-effectiveness.

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 April 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 March 2018).

C&I Prescriptive Program Electric Measures - Incentives Paid



Updated Financials	Program Investment
FY18 Program Budget	\$10,800,137
7/1 to 3/31 Spending	\$7,624,409
Percent of Budget Spent to Date	71%
Percent of Year Passed	75%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings*	Participants
Start of fiscal year to 3/31	66,165,289	(74,448)	1,336

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

Project Type (through 3/31)	Participants
Lighting Solutions (not including DSIL)	1,530
Heating and Cooling Solutions	250
Compressed Air Solutions and Other	32
Agricultural Solutions	4

B) C&I Prescriptive Program – Natural Gas Measures

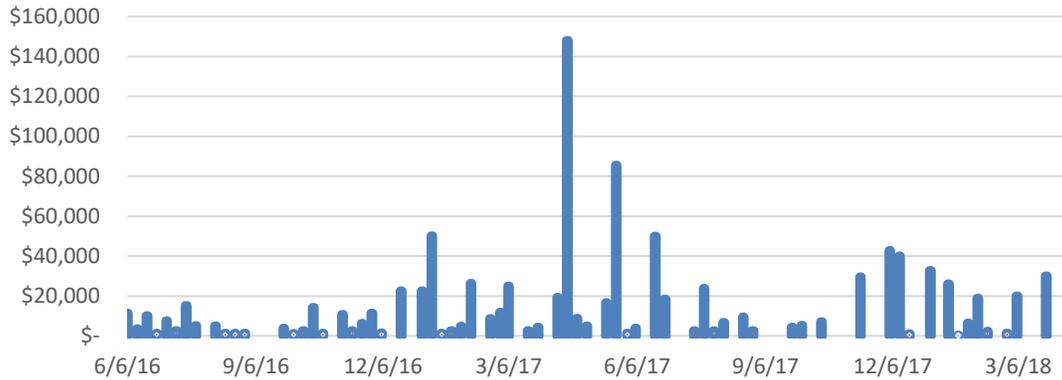
- To date, 59 total natural gas units have been installed through the distributor discount initiative.
- Commercial cooking equipment rolled out through a mid-stream channel on March 1. There are four participating distributors with executed Memorandums of Understanding (MOUs). Additional suppliers are currently reviewing draft agreements.
- The current pipeline of pending projects using the “downstream” rebates is approximately \$330,000 in incentives, representing 20 projects.

- Note that in January the Board approved adding \$200,000 in natural gas funding (from a shift of budget from the New Construction Program) to the C&I Prescriptive Program budget, which reduces the percentage spent to date.

C&I Prescriptive Program Natural Gas Measures - Pipeline



C&I Prescriptive Program Natural Gas Measures - Incentives Paid



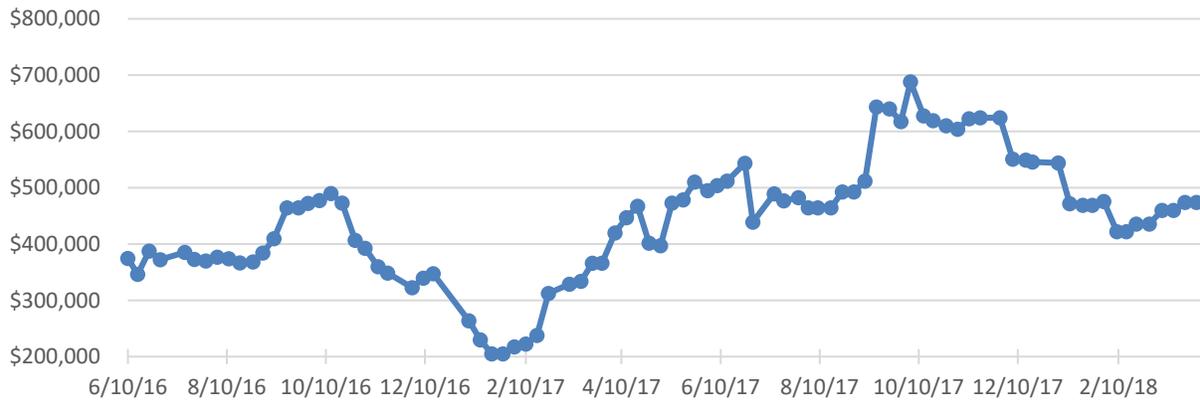
Updated Financials	Program Investment
FY18 Program Budget	\$2,088,872
7/1 to 3/31 Spending	\$696,445
Percent of Budget Spent to Date	33%
Percent of Year Passed	75%

Summary Program Update	Annual MMBtu Savings	Projects
Start of fiscal year to 3/31	18,288	65

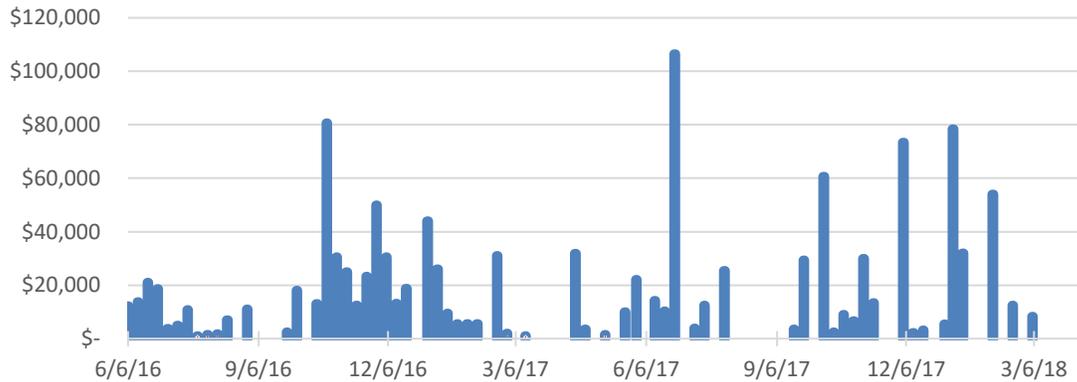
C) C&I Prescriptive Program – All Fuels (e.g., Oil and Propane) Measures / Heating Solutions

- To date, 30 total propane units have been installed through the “midstream” distributor discount initiative.
- The current pipeline of pending projects through “downstream” rebates is approximately \$473,000 in incentives, representing 33 projects.
- Note that in January and February the Board approved adding \$1.4 million in RGGI funding (from increased revenue projections and a shift from the New Construction Program) to the C&I Prescriptive Program. As a result, the percentage spent to date has significantly dropped.

C&I Prescriptive Program All Fuels Measures - Pipeline



C&I Prescriptive Program All Fuels Measures - Incentives Paid



Updated Financials	Program Investment
FY18 Program Budget	\$2,054,025
7/1 to 3/31 Spending	\$622,902
Percent of Budget Spent to Date	30%
Percent of Year Passed	75%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Projects
Start of fiscal year to 3/31	170	28,781	120

D) C&I Custom Program

- Since the last Board meeting, the pipeline of small custom projects has grown modestly, adding 1 new project worth \$12,000 in incentive offers. The total small custom pipeline now consists of 2 projects worth \$102,000 in incentive offers.
- Program staff received 1 new large custom project application that is likely to move forward to the C&I Custom Program Review Team.
- The C&I Custom Program Review Team did not meet in the month of March. Program staff anticipate that the next meeting will be in May.
- Program staff received 2 project applications that did not meet the program requirements and were not moved forward in the review process.
- Program staff finalized 1 scoping audit.
- Program staff met with representatives from the University of Maine (the new northeast CHP Technical Assistance Partnership (TAP) center) to discuss collaborating on CHP-related customer outreach moving forward.
- Note that in January and February the Board approved adding \$1 million in RGGI funding (from increased revenue projections) to the C&I Custom Program, and shifting \$500,000 in electric funding from Custom to the C&I Prescriptive Program.

Updated Financials	Program Investment
FY18 Program Budget	\$14,851,443
7/1 to 3/31 Spending	\$2,111,737
Percent of Budget Spent to Date	14%
Percent of Year Passed	75%

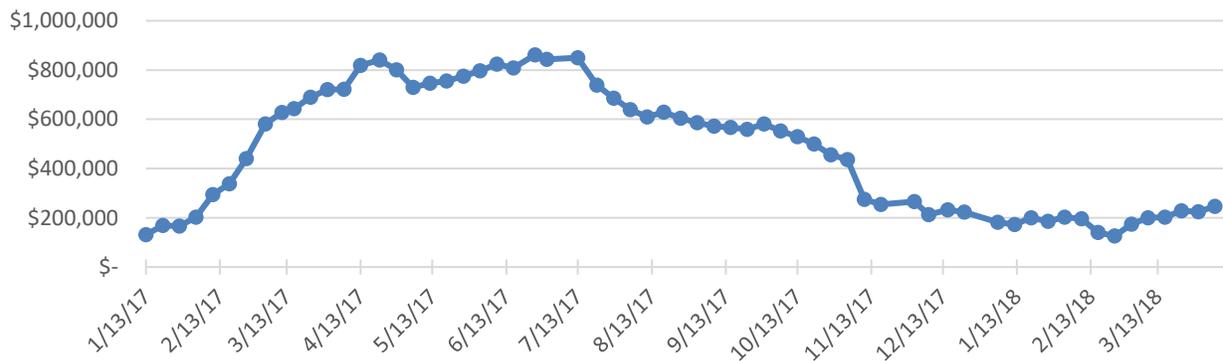
Additional Details on FY 2018 Financials	Program Investment
Expenditures	\$2,111,737
Committed	\$6,110,660
Pipeline	\$919,837
Total (Expenditures, Committed, & Pipeline)	\$9,142,235
Percent of Budget	62%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Participants
Start of fiscal year to 3/31	5,347,603	31,127	22

E) Small Business Initiative (SBI)

- The program team has continued using CMP customer data to identify remaining eligible small businesses (SGS rate classes) to target in Region 7 (Sanford-Berwicks area). The program accepted new projects for Region 7 through March 31. There are currently 8 participating contractors in Region 7 with projects underway.
- Nine contractors are on board for Region 8 (Route 25 corridor, Gorham west). The Region 8 pipeline has started increasing, with the first few projects completed in the region this month. Two case study projects were also identified and will be completed in April for program marketing. The program team is utilizing CMP customer data to conduct targeted outreach activities in the region. A call campaign is underway.
- The Region 9 territory was defined (Windham-Gray-New Gloucester), and the delivery team will be conducting contractor outreach and training in April.

Small Business Initiative - Pipeline



Small Business Initiative - Incentives Paid



Updated Financials	Program Investment
FY18 Program Budget	\$2,556,587
7/1 to 3/31 Spending	\$1,306,633
Percent of Budget Spent to Date	51%
Percent of Year Passed	75%

Summary Program Update	kWh Savings	Annual MMBtu Savings	Participants
Start of fiscal year to 3/31	1,797,282	(3,139)	164

F) Commercial New Construction Program

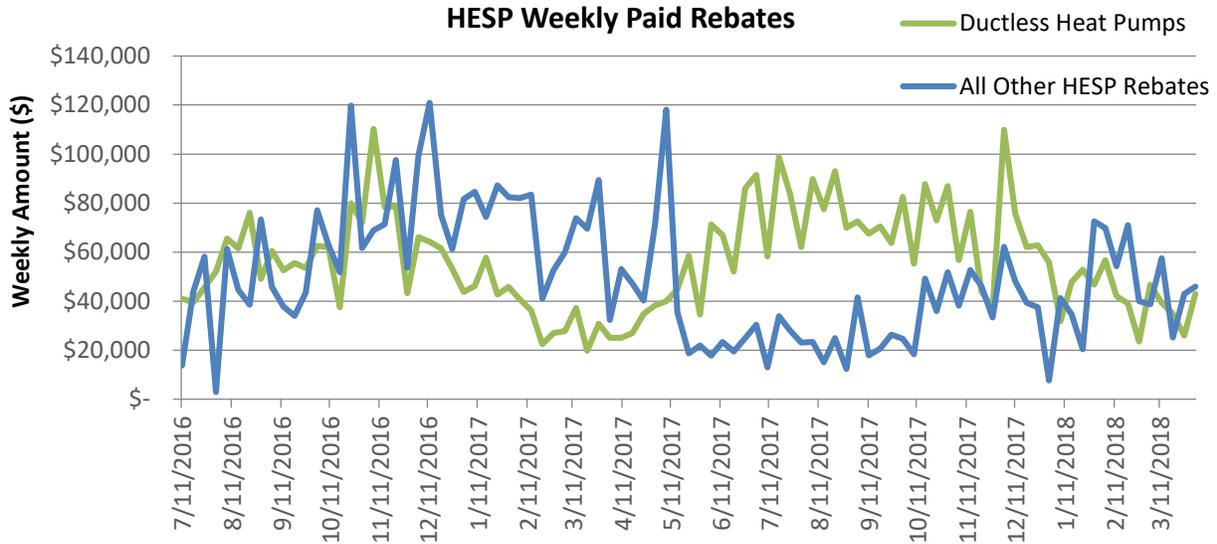
- This program is suspended and is no longer accepting new enrollments; several projects awarded in FY2017 are pending completion. Customers continue to have access to incentives through the CIP program, many of which are relevant to new construction.

Updated Financials	Program Investment
FY18 Program Budget	\$1,155,677
7/1 to 3/31 Spending	\$33,380
Percent of Budget Spent to Date	3%
Percent of Year Passed	75%

Summary Program Update	kWh Savings
Start of fiscal year to 3/31	64,582

G) Home Energy Savings Program (HESP)

- The number of rebates in March was down 15% from March 2017 (659 vs 786). Fiscal year-to-date rebated measures are down 7% over last year (7,960 in FY2018 vs 8,517 in FY2017). To increase demand, the website and marketing materials have been updated and staff attended 3 outreach events in March and 9 in April.
- Twenty-seven loans were funded in March. This is a 29% increase over February of 2017 and a 23% increase year-to-date (YTD) over FY2017.
- As part of the Annual Update to the PUC, EMT proposed allocating an anticipated \$1.7 million in FY2018 electric funding carryforward from HESP to the electric portion of Consumer Products Program budget in FY2019. The Commissioners approved this plan.



Updated Financials	Program Investment
FY18 Program Budget	\$11,363,415
7/1 to 3/31 Spending	\$4,891,823
Percent of Budget Spent to Date	43%
Percent of Year Passed	75%

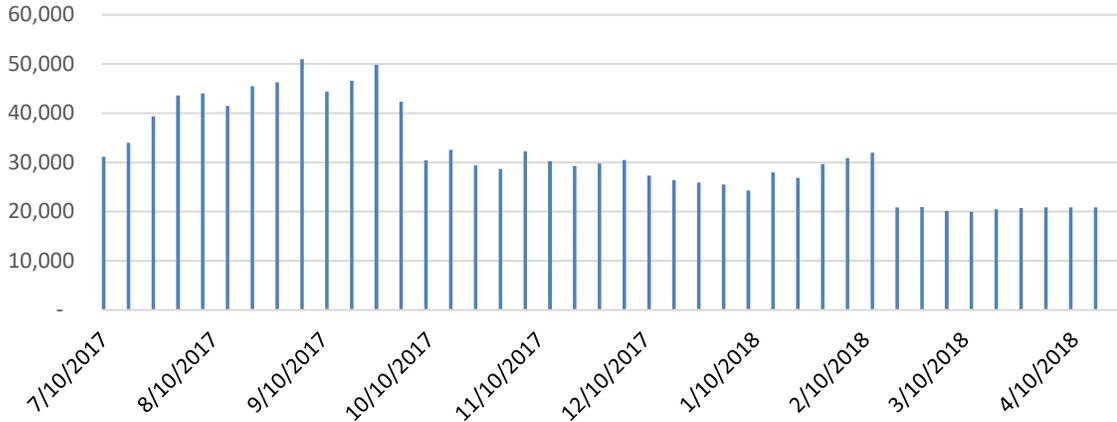
Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Measures
Start of fiscal year to 3/31	11,191,683	58,348	6,096

Project Type (through 3/31)	Units
Electric Measures	4,090
All Fuels Measures	2,006

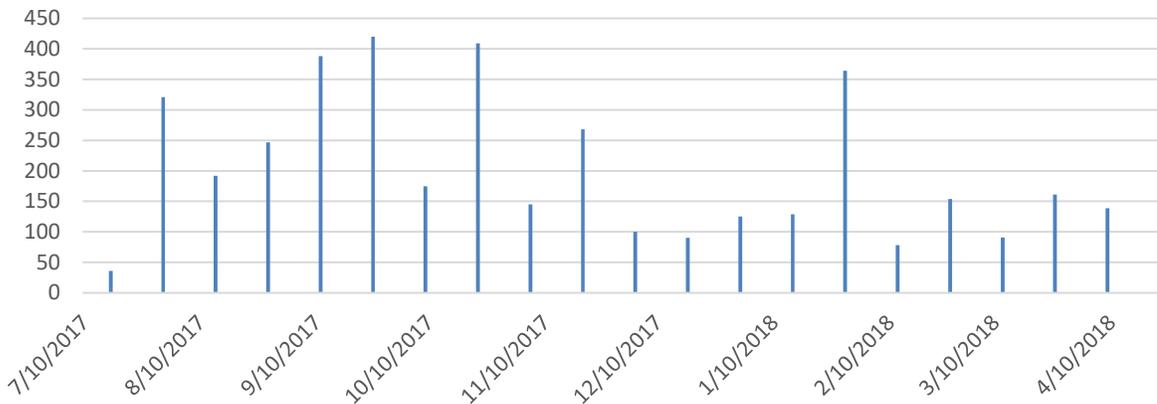
H) Consumer Products Program

- The program is anticipating investing all funds and exceeding energy 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 (including unaudited estimates)



Weekly Heat Pump Water Heater Sales YTD (including unaudited estimates)



Updated Financials	Program Investment
FY18 Program Budget	\$12,158,432
7/1 to 3/31 Spending	\$8,305,044
Percent of Budget Spent to Date	68%
Percent of Year Passed	75%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Appliance Rebates	Light Bulbs
Start of fiscal year to 3/31	51,559,070	(50,289)	11,387	1,286,396

I) Low Income Initiatives

- The Low Income Direct Mail Initiative continues to offer DIY kits to low-income households that are LIHEAP-eligible. Staff have begun outreach to qualifying households from a database maintained by the Department of Health and Human Services (DHHS). Those who opt in will be added to our larger low income database for further outreach and cross-marketing.
- With assistance from DHHS to reach a large population of low-income households through a direct mail campaign, the Trust is transitioning away from distribution of energy-saving devices through food pantries. That said, postcards from Food Pantry customers seeking energy-saving devices will be honored through the end of the program year.
- The Low Income Direct Install initiative offers free installations of heat pump water heaters to eligible households. Staff have made changes to the program to increase the number of participating plumbers. To date, there are 19 plumbers participating under the new model. In March, 4,000 customer outreach letters were sent to LIHEAP homeowners with electric resistance water heaters. The Trust has secured special pricing through Ferguson that offers the equipment at a deep discount to participating plumbers.
- The Trust continues to participate in the electric utilities' Arrearage Management Program (AMP); the Trust sends an energy usage report to 100% of AMP enrollees, offers of low-flow devices and LED bulbs, and information on ways to save energy (including how to participate in Efficiency Maine initiatives). 20 participants have requested kits this month.
- Note that in January the Board approved adding \$2 million in RGGI funding (from increased revenue projections) to Low Income Initiatives. As a result, the percentage of the total budget spent to date has significantly dropped. Unspent RGGI funding is expected to be recommended by Staff to be carried forward into the Low-Income Market-Based Initiatives for weatherization and heat pumps next year as this initiative is gaining demand. Boosting the budget for Low Income Initiatives with this forecasted carryforward would help offset the fact that, unlike last year, there will be no carryforward funding from the MPRP Settlement.

Updated Financials	Program Investment
FY18 Program Budget	\$8,796,824
7/1 to 3/31 Spending	\$3,252,082
Percent of Budget Spent to Date	37%
Percent of Year Passed	75%

Summary Program Update	MMBtu Savings	Annual kWh Savings	Direct Installs
Start of fiscal year to 3/31	26,196	5,078,192	415

Other Initiatives (through 3/31)	Units
Market-based Installs	1,004
Direct Mailings	3,467
Food Pantry Bulbs	125,820

J) Strategic Initiatives (Cross Cutting)

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

- Meters have been installed for phase 4 of 6 of the Heat Pump Water Heater Impact Evaluation.
- Evaluators completed on-site lighting surveys/inventories at 75 commercial and industrial sites across the State as part of the C&I Lighting Baseline and Potential Study.
- Staff kicked off a Low Income Interval Data Analysis with Convergence Data Analytics.
- Staff kicked off a study of Upstream HVAC Potential with Michaels Energy.

II. Innovation

- Staff released an RFP for Load Management Innovation Pilots on April 12. Through this RFP, EMT is seeking proposals to develop and implement pilot projects that demonstrate electric load management technologies and strategies. The RFP identifies 3 interest areas: residential HPWH pilots, DHP pilots, and energy storage pilots. Proposals are due May 22.
- CMP is assigning a new representative to facilitate access to utility data for the Low Income Behavioral Pilot.

3. Administration and Finance Highlights

A) Administration

- Staff completed the transition to a new telecom provider and service to the office.

B) Financial

Revenues

- The new revenues from state and regional sources through the end of March, 2017 were \$35.5 million, up from \$32.4 million as of the prior month. Approximately \$962,000 in additional revenue has been received year-to-date on interest from outstanding loans, the NTA pilot project, and other miscellaneous revenues, up from \$789,000 as of the prior month. Year-to-date we have made approximately \$624,000 in interfund transfers. The outstanding balance for revenues is just under than \$15 million for the fiscal year, not including interfund transfers.

Expenditures

- Total expenditures through the end of March, 2017 were \$35.2 million, up from \$32.6 million as of the end of the prior month. An additional \$29.9 million is encumbered, and \$23,000 has been awarded to individually contracted projects the contracts for which are pending.