

Executive Director's Summary Report

to the Board of Trustees
of the
Efficiency Maine Trust

May 23, 2018

1. Communications

A) Awareness and Press

- Press
 - Efficiency Maine incentives were mentioned in an article about Speedway 95's upgrade to LED lights (<http://bangordailynews.com/2018/05/10/sports/auto-racing-sports/speedway-95-opens-season-saturday-but-will-debut-brighter-look-next-week/>)
- Events
 - Staff exhibited at Jackson Labs (April 27)
 - Staff presented at the Affordable Housing Coalition Landlord Meeting (May 2)
 - Staff presented at the Kiwanis Club of Sanford (May 9)
 - Staff presented at Weatherize Ellsworth (May 9)
 - Staff presented at the MaineHousing Landlord Outreach Breakfast (May 17)
 - Staff exhibited at the Home Garden Flower Show in Fryeburg (May 19-20)
 - Staff exhibited at the Vassalboro Senior Services Fair (May 23)
- Website and Outreach (April)
 - 24,242 website visits (compared to 20,169 visits in March)
 - 17,021 unique visits
 - 8,590 visits were driven through digital ads
 - Facebook
 - 3,155 fans
 - 29,686 reached through advertising
- Call Center (April)
 - 1,159 inbound phone calls (99% answered within 20 seconds)
 - 709 inbound emails
 - 1,207 inbound mail (mostly rebate claims)
 - RFP for three years of Call Center Services was released 3/15, six bids were received 5/4 and an award announcement is planned for 5/31/18 for a 7/1/18 start date.

B) Government Relations

- Public Utilities Commission (PUC)
 - EMT filed its annual Request for Procurement to the PUC on May 1, requesting the utility-funded budget for the upcoming fiscal year. This year's filing contained a request

for the FY2019 electric procurement, and a request for an extension to file the FY2019 natural gas procurement; while the PUC approved EMT's electric procurement adjustment in the FY2018 Annual Update, the natural gas adjustment request is still under deliberation by the PUC. Once the PUC comes to a decision, EMT will file the FY2019 natural gas procurement request.

- Staff attended a stakeholder meeting dealing with northern Maine's grid issues (May 9).
- Staff has filed multiple requests for Protective Orders from the Commission to direct the utilities to deliver to the Trust confidential customer data – including contact information and energy usage. The Commission has agreed to issue the orders, but significant elements of the data have not (as of this writing) been delivered which is leading to delays in program implementation and analysis of MACE for the next Triennial Plan. Staff has reached out to the utilities to discuss if there is any way we could help to expedite the transfer of the data or if we should seek more prescriptive orders from the Commission.
- Staff organized and hosted a Stakeholder meeting to gather comments on the Electric Vehicle Supply Equipment Initiative being funded with VW settlement funds. 20 stakeholders participated in person and another 20 participated by phone.

2. Program Highlights ¹

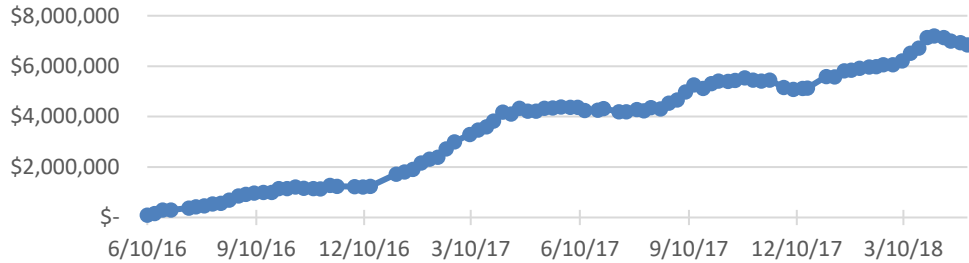
A) C&I Prescriptive (CIP) Program – Electric Measures

- Incentives for certain new interior lighting fixtures and retrofit kits were discontinued on May 1, 2018. The discontinued measures included:
 - S21 -- Recessed, surface and pendant-mounted LED downlights
 - S51 and S81 -- Space lighting design with new LED luminaires
 - S52 -- LED Retrofit Kits for luminaires
 - S61 -- High/Low Bay lighting with new LED luminaires
 - S62 -- LED retrofit kits for high/low bay fixtures
- Distributor lighting sales increased for March, with 26 distributors currently participating. Sales reports indicate that approximately 40% are screw-in bulbs and 60% are mogul and T8 linear replacement lamps
- The delivery team completed 14 physical inspections of contractor-installed measures, 13 lighting and 1 HVAC electric project. 29 additional verifications on self-installed projects were completed.
- Planning for the Program Year 2019 (PY19) Annual Certification is underway. On-site trainings and webinars have been scheduled throughout the month of June. Dates, locations and registration links were announced in the E-News and are posted on the Qualified Partner website.
- The team hosted the third Lighting Advisory Group meeting in April. The topics discussed included deemed values for labor cost and employing a widget incentive approach instead of an energy saving incentive approach.

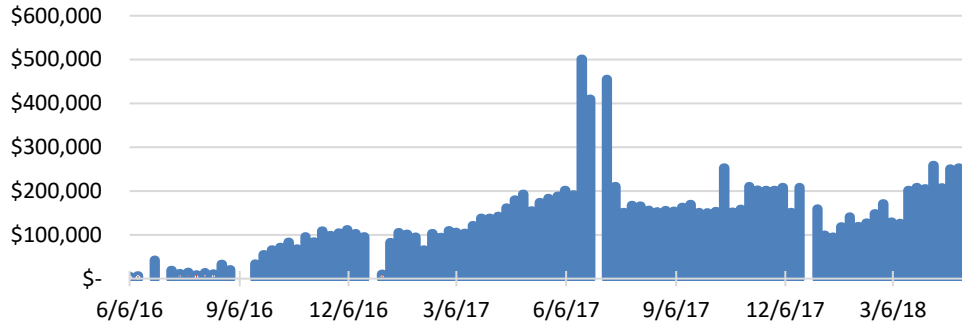
¹ The Updated Financials table reported for each Program reflects data pulled from the Trust's financial management system mid-month; the Summary Program Update table is pulled from the Efficiency Maine project tracking database on May 15, 2018, to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of April 2018).

- The team is looking at seven new lighting measures and is reviewing the cost data provided by distributors and evaluating them for cost-effectiveness.
- In preparation for PY19, the team is completing a review of completed project invoices and researching pricing online for all lighting measures.

C&I Prescriptive Program Electric Measures - Pipeline



C&I Prescriptive Program Electric Measures - Incentives Paid



Updated Financials	Program Investment
FY18 Program Budget	\$11,299,137
7/1 to 4/30 Spending	\$9,107,344
Percent of Budget Spent to Date	81%
Percent of Year Passed	83%

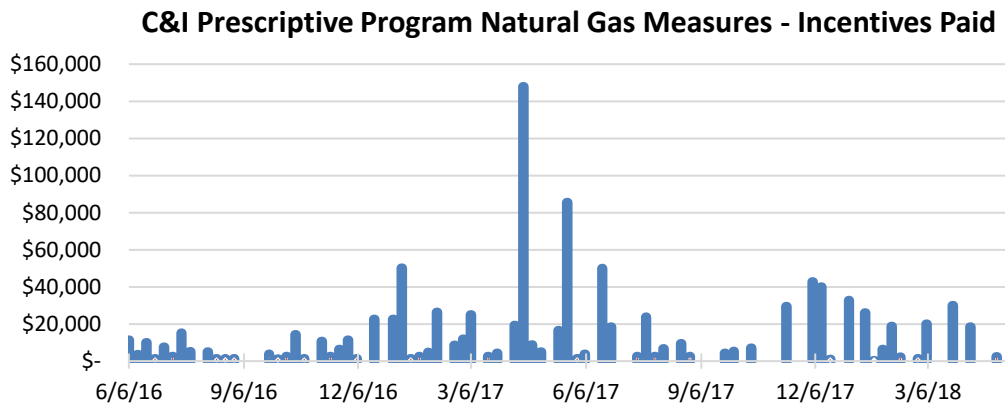
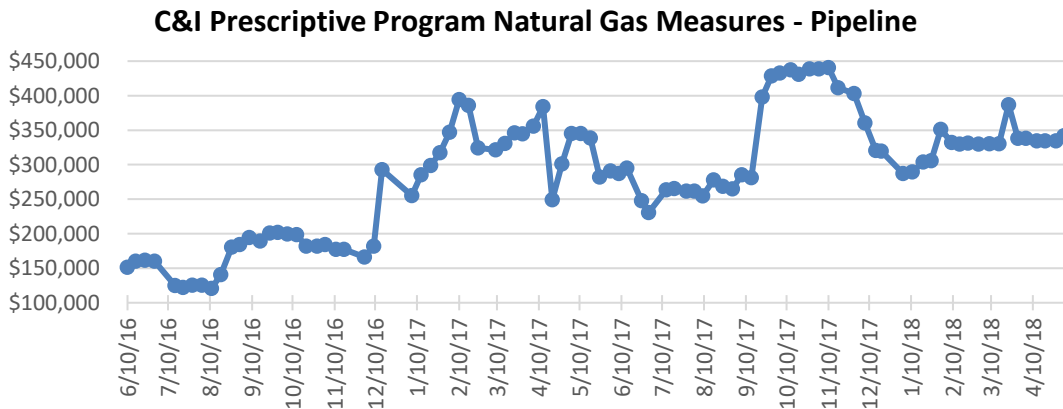
Summary Program Update	Annual kWh Savings	Annual MMBtu Savings*	Participants
Start of fiscal year to 4/30	76,053,700	(86,764)	1,515

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

Project Type (through 4/30)	Participants
Lighting Solutions (not including DSIL)	1,222
Heating and Cooling Solutions	256
Compressed Air Solutions and Other	33
Agricultural Solutions	4

B) C&I Prescriptive Program – Natural Gas Measures

- The current pipeline of pending projects is approximately \$340,000 in incentives, representing 21 projects.
- To date, 59 total natural gas units have been installed through the distributor discount initiative.
- A counter day was held at Coastal Winair in Biddeford to promote programs to Unitil Natural Gas customers.
- In preparation for PY19, the team is analyzing pricing for all measures by reviewing completed project invoices, reaching out to local distributors, and researching prices online.
- The Program is preparing to launch a promotion beginning late Spring/early Summer and ending in October



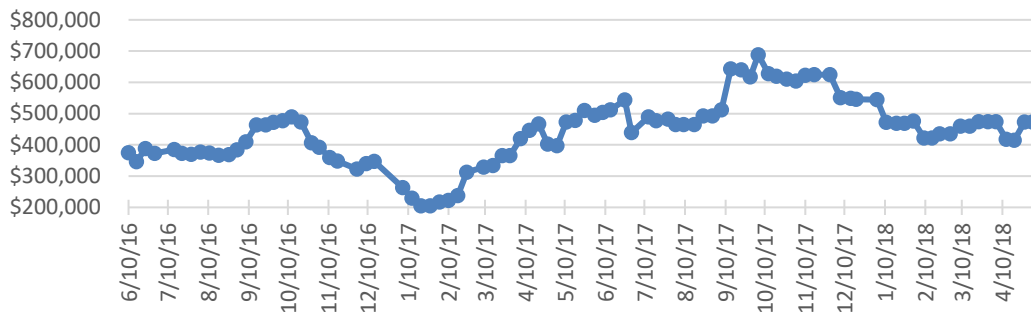
Updated Financials	Program Investment
FY18 Program Budget	\$2,088,872
7/1 to 4/30 Spending	\$736,535
Percent of Budget Spent to Date	35%
Percent of Year Passed	83%

Summary Program Update	Annual MMBtu Savings	Projects
Start of fiscal year to 4/30	18,940	67

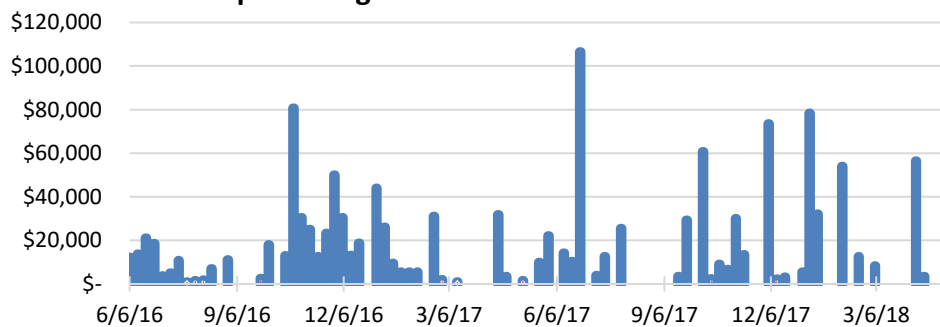
C) C&I Prescriptive Program – All Fuels (e.g., Oil and Propane) Measures / Heating Solutions

- The current pipeline of pending projects is approximately \$473,000 in incentives, representing 34 projects.
- To date, 30 total propane units have been installed through the distributor discount initiative.
- In preparation for PY19, the team is completing a review of completed project invoices, reached out to local distributors and is researching web pricing for all measures.

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 4/30 Spending	\$687,894
Percent of Budget Spent to Date	33%
Percent of Year Passed	83%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Projects
Start of fiscal year to 4/30	170	30,749	125

D) C&I Custom Program

- Program staff implemented the new *C&I Custom Review Team Procedures and Protocols* presented at the April Board Meeting. Substantive changes include the following:
 - The Review Team now reviews *all* custom projects, regardless of incentive size.
 - The Review Team has a formal option to seek a third-party opinion regarding EMT's project analysis.
 - Each Review Team meeting includes a short briefing on recently rejected projects.
- The C&I Custom Program Review Team met in early May and awarded two projects worth \$98,700 in incentive offers.
- Since the last Board meeting, the pipeline has grown modestly, adding 5 new projects worth \$178,000 in incentive offers. The total pipeline now consists of 12 projects worth \$1,173,000 in incentive offers.
- Program staff reviewed 3 project proposals that did not meet the program requirements and were not advanced.
- Program staff received an application for 1 new scoping audit and finalized 1 previously initiated scoping audit.

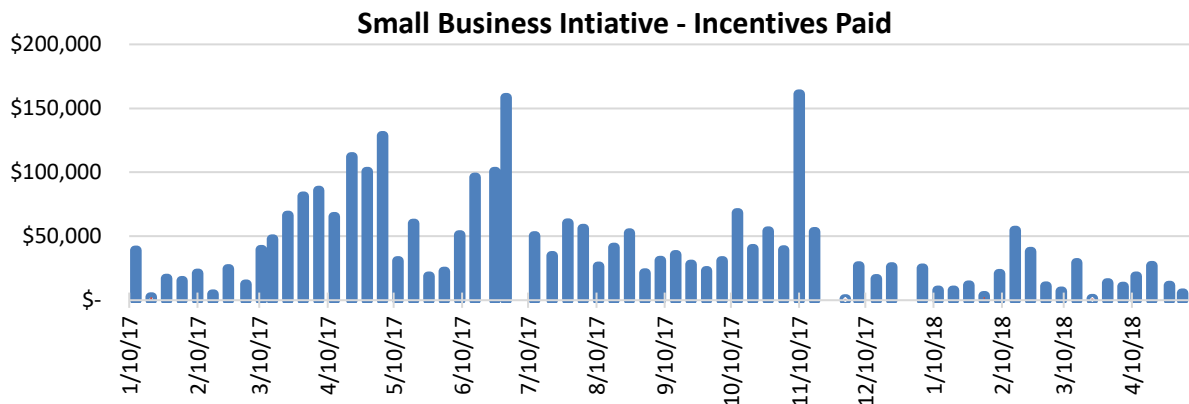
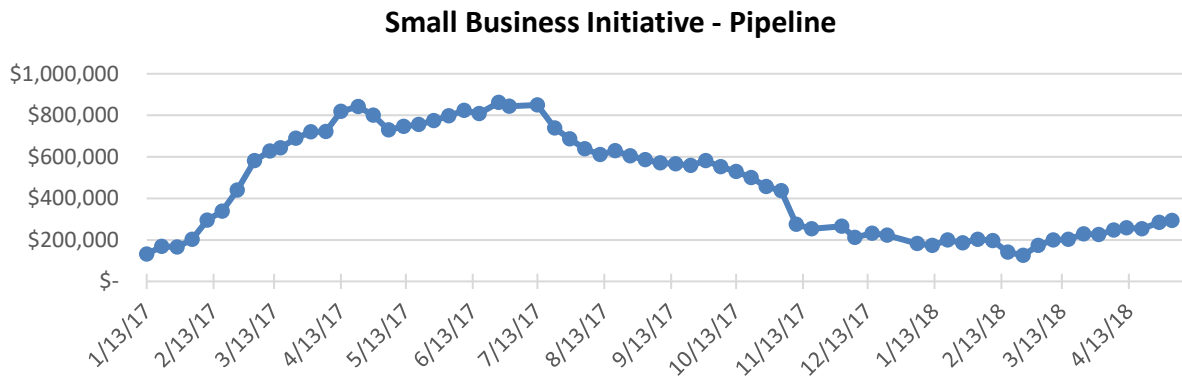
Updated Financials	Program Investment
FY18 Program Budget	\$14,352,443
07/1 to 4/30 Spending	\$2,710,505
Percent of Budget Spent to Date	19%
Percent of Year Passed	83%

Additional Details on FY 2018 Financials	Program Investment
Expenditures	\$2,710,505
Committed	\$5,462,345
Pipeline	\$1,173,030
Total (Expenditures, Committed, & Pipeline)	\$9,345,879
Percent of Budget	65%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Participants
Start of fiscal year to 4/30	8,365,369	45,110	25

E) Small Business Initiative (SBI)

- There are nine contractors working in Region 8 (Route 25 corridor, Gorham west). The delivery team has been conducting contractor outreach in April and the program team has developed new case studies for program marketing. 21 participants were signed up for assessments in Region 8 as a result of field visits.
- The Region 9 territory was defined (Windham-Gray-New Gloucester), and the delivery team will start conducting outreach there once CMP customer data is received.
- The team has been developing an SBI landing page for the Efficiency Maine website to launch in May.
- The delivery team issued an RFP for the supply of lighting equipment to SBI for FY2019. Bids are due May 18.



Updated Financials	Program Investment
FY18 Program Budget	\$2,556,587
07/1 to 4/30 Spending	\$1,397,397
Percent of Budget Spent to Date	55%
Percent of Year Passed	83%

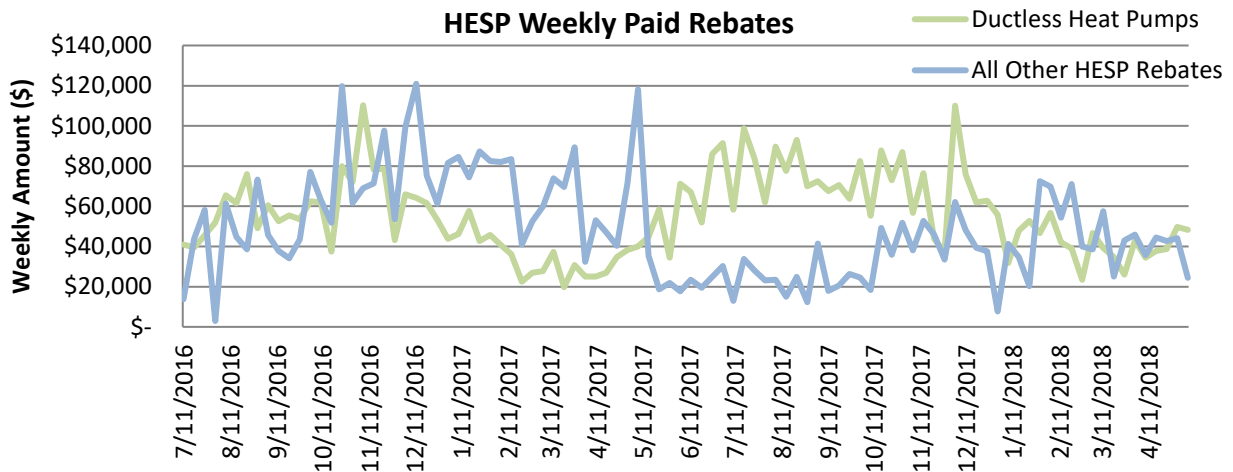
Summary Program Update	kWh Savings	Annual MMBtu Savings	Participants
Start of fiscal year to 4/30	1,959,052	(3,421)	182

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.

G) Home Energy Savings Program (HESP)

- The number of rebates in April 2018 was up 12% from April 2017 (678 vs 605). Fiscal year-to-date rebated measures are up 7% over last year (9,195 in FY2018 vs 8,565 in FY2017). To increase demand, the website and marketing materials have been updated and staff attended 9 outreach events in April.
- Twenty-nine loans were funded in April. This is a 3% decline compared to April of 2017 and a 21% increase year-to-date (YTD) over FY2017.
- On May 1, several program enhancements were launched.
 - weatherization rebates were increased,
 - eligibility requirements were simplified on wood stoves, boilers, furnaces, and geothermal heat pumps, and,
 - ducted, air-source heat pumps were removed from the program.



Updated Financials	Program Investment
FY18 Program Budget	\$11,363,415
7/1 to 4/30 Spending	\$5,462,424
Percent of Budget Spent to Date	48%
Percent of Year Passed	83%

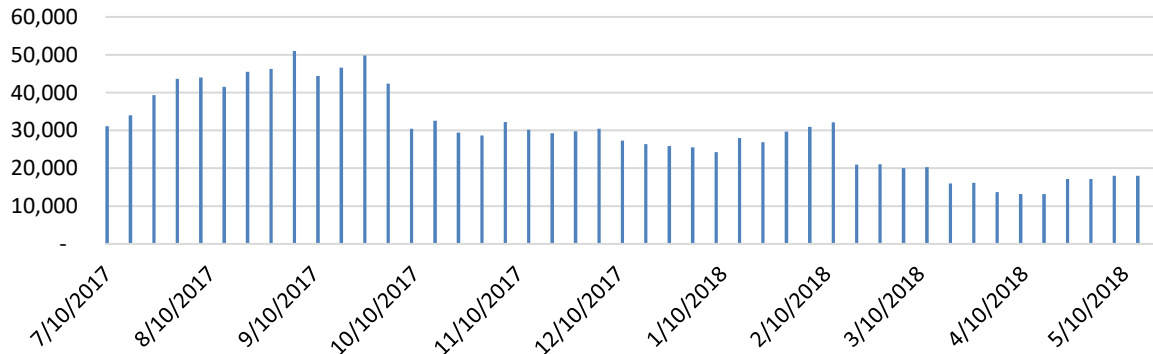
Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Measures
Start of fiscal year to 4/30	11,949,586	64,128	2,205

Project Type (through 4/30)	Units
Electric Measures	4,358
All Fuels Measures	2,205

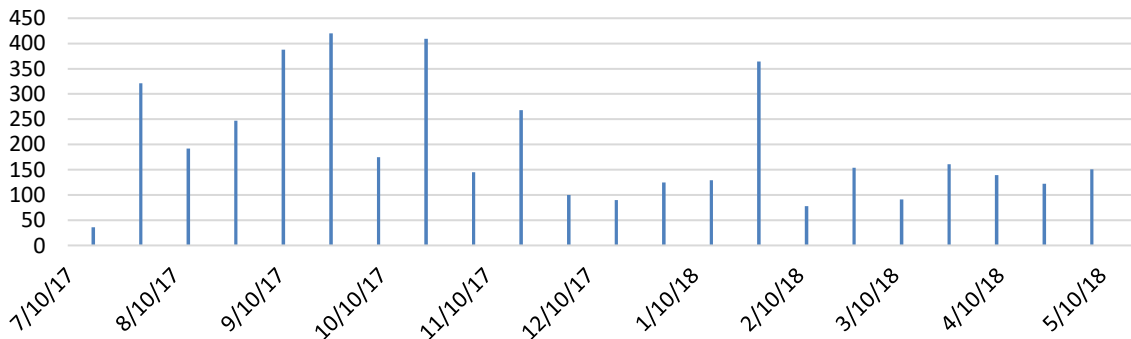
H) Consumer Products Program

- 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.
- A rebate for “smart” thermostats was added to the program in April.

Weekly Bulb Sales YTD – Retail (including unaudited estimates)



Weekly HPWH Sales YTD (including unaudited estimates)

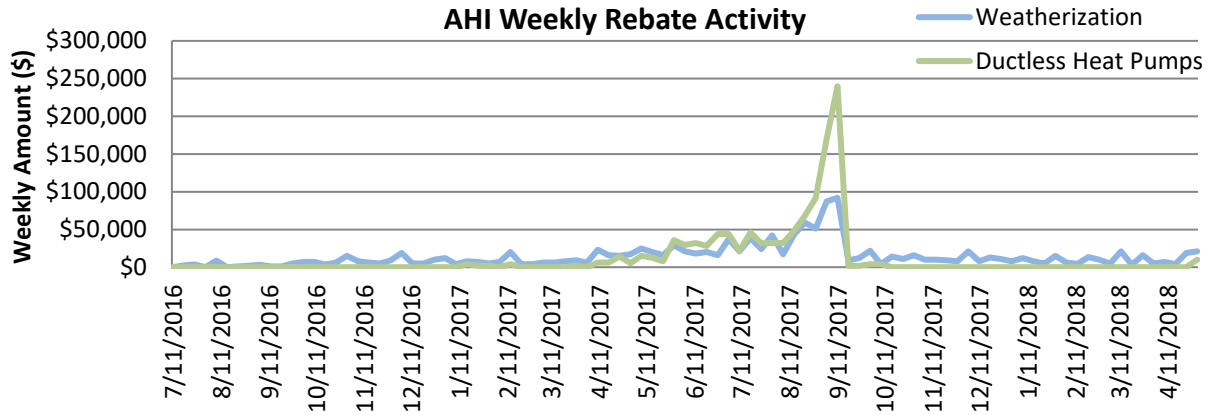


Updated Financials	Program Investment
FY18 Program Budget	\$12,158,432
7/1 to 4/30 Spending	\$9,393,890
Percent of Budget Spent to Date	77%
Percent of Year Passed	83%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Appliance Rebates	Light Bulbs
Start of fiscal year to 4/30	56,802,607	(55,295)	12,384	1,433,739

I) Low Income Initiatives

- The Low Income Direct Mail Initiative continues to offer DIY kits to low-income households that are LIHEAP-eligible.
 - Offers are being mailed out to households in the Department of Health and Human Services (DHHS) database in increments of 2,000 households per week.
 - Our fulfillment center will crosscheck for previous direct mail participation (as the program offers one kit per household) and send offers of LEDs, and water saving devices.
 - Those who opt in will be added to our larger low-income database for further outreach and cross-marketing.
- The Trust continues to participate in the electric utilities' Arrearage Management Program (AMP). 17 new customers entered the program this month.
- The Low Income Direct Install initiative offers free installations of heat pump water heaters (HPWHs) to eligible households. 36 HPWHs were installed in April.
- The Low Income Natural Gas Initiative has been focusing on opportunities in multi-unit buildings. Staff continue to investigate savings opportunities and have gained access to Section 8 landlord lists through Maine Housing and are conducting outreach to landlords of facilities located in natural gas territories.
- The market-based Affordable Heat Initiative (formerly LIHESP) has restarted an enhanced rebate on ductless heat pumps. These incentives are available to low income homeowners after an upgrade bundle (weatherization) project has been completed.



Updated Financials	Program Investment
FY18 Program Budget	\$8,796,824
7/1 to 4/30 Spending	\$3,679,826
Percent of Budget Spent to Date	42%
Percent of Year Passed	83%

Summary Program Update	MMBtu Savings	Annual kWh Savings
Start of fiscal year to 4/30	27,123	5,220,270

Other Initiatives (through 4/30)	Units
Direct Installs	457
Market-based Installs	1,054
Direct Mailings	3,467
Food Pantry Bulbs	125,820

J) Strategic Initiatives (Cross Cutting)

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

- The Forward Capacity Market M&V Compliance Review for the Efficiency Maine Trust was completed. The third-party reviewer found that the Efficiency Maine Trust FCM portfolio is fully compliant with ISO-NE’s M&V requirements.

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.
- The Advanced Rooftop HVAC Unit Controls pilot has identified 8 participants. Installations are anticipated to begin in late May.

3. Administration and Finance Highlights

A) Administration

- Staff was contacted by Tyler Technologies, the vendor of the Trust's financial management system, and advised that the version of the software currently used by the Trust will no longer be supported starting at some point in 2019.
 - The Staff's IT team and consultant have determined that upgrades will need to be made to the Trust's server system to accommodate the planned upgrade to the financial management system.
- The Director of Finance and Administration has received price quotes on health care options for FY2019.

B) Financial

Revenues

- The new revenues from state and regional sources through the end of April 2018 were \$42.8 million, up from \$35.5 million as of the prior month. Approximately \$1.02 million in additional revenue has been received year-to-date on interest from outstanding loans, the NTA pilot project, and other miscellaneous revenues, up from \$962,000 as of the prior month. Year-to-date we have made approximately \$715,000 in interfund transfers. The outstanding balance for revenues is just under than \$7.4 million for the fiscal year, not including interfund transfers.

Expenditures

- Total expenditures through the end of April 2018 were \$40 million, up from \$35.2 million as of the end of the prior month. An additional \$27.2 million is encumbered. As of the end of April, there were no additional amounts that had been awarded but not yet encumbered.