

Executive Director's Summary Report

to the Board of Trustees
of the
Efficiency Maine Trust

June 27, 2018

1. Communications

A) Awareness and Press

- Press
 - A Custom Program project at the Portland Water District was featured in the Portland Press Herald (<https://www.pressherald.com/2018/06/07/odor-complaints-drop-after-12-million-portland-wastewater-plant-upgrade/>)
 - The Trust's presentation of the Electric Vehicle Supply Equipment Plan at a recent EV Symposium was featured on WABI TV, Bangor (<http://www.wabi.tv/content/news/Future-of--484428261.html>)
 - An LED project at Speedway 95 was covered in the Bangor Daily News (<https://bangordailynews.com/2018/05/10/sports/auto-racing-sports/speedway-95-opens-season-saturday-but-will-debut-brighter-look-next-week/>)
 - Weatherize Ellsworth was covered by the Ellsworth American (<https://www.ellsworthamerican.com/maine-news/weatherize-ellsworth-wants-to-lower-your-heating-bills/>)
 - The Trust's decision to exclude Cannabis operations from program participation was covered by the Portland Press Herald (<https://www.pressherald.com/2018/06/17/cannabis-businesses-shut-out-of-state-energy-efficiency-programs/>)
 - The Executive Director was quoted in a *Mainebiz* piece on electric vehicle infrastructure (<http://www.mainebiz.biz/article/20180625/CURRENTEDITION/306209995>)
 - Program Manager Andy Meyer was interviewed by *WGME Channel 13* for a piece on keeping your house cool without air conditioning (<http://wgme.com/features/real-estate-report/keeping-your-house-cool-without-air-conditioning>)
- Events
 - The Executive Director presented the EVSE Plan at an EV symposium (June 2)
 - The Deputy Director presented at the East End Wastewater Treatment Facility ribbon-cutting ceremony (June 6)
- Website and Outreach (May)
 - 18,437 website visits (compared to 24,242 visits in April)

- 16,029 unique visits
 - 7,165 visits were driven through digital ads
 - Facebook
 - 3,174 fans
- Call Center (May)
 - 1,392 inbound phone calls (95% answered within 20 seconds)
 - 709 inbound emails
 - 1,274 inbound mail (mostly rebate claims)
 - SaviLinx call center in Brunswick, our current provider, won the contract for the next three years of service in a competitive solicitation.

B) Government Relations

- Public Utilities Commission (PUC)
 - The PUC approved EMT's natural gas procurement adjustment request in the FY2018 Annual Update. This action formally authorizes the Trust to carry forward natural gas funds into next fiscal year and forego collection of the FY2019 assessment for the first two quarters of the year. The Trust will file its final carryforward figures in the fall, at which point the PUC will determine whether the assessment should be reinstated for the last two quarters.
 - The PUC initiated an inquiry to obtain information and comment from the Trust and interested persons regarding assumptions and calculations that will be used in the Fourth Triennial Plan.
 - In response to the Trust's recent requests for utility data under two Protective Orders, the PUC directed the utilities to deliver to the Trust confidential customer data (including contact information and energy usage). After significant delays in receiving data for previous requests, the PUC, at the Trust's request, imposed a 3 week response requirement for all EMT data requests.

2. Program Highlights¹

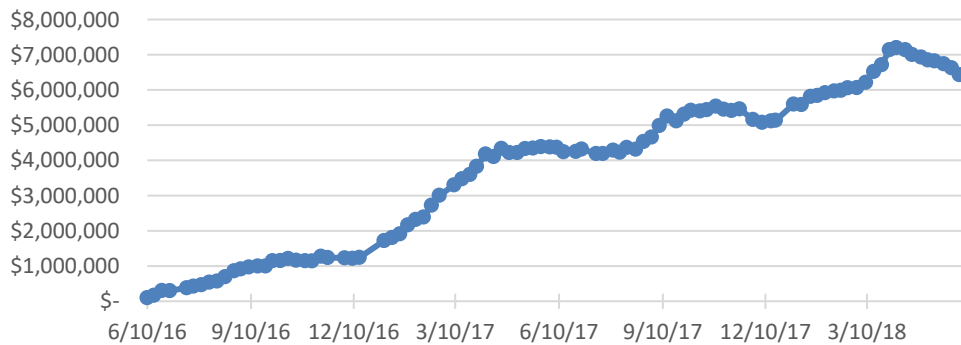
A) C&I Prescriptive (CIP) Program – Electric Measures

- The pipeline of proposed prescriptive electric projects has seen a slight decrease in the weekly totals over the last nine weeks.
- Total volume for Distributor lighting sales for April were slightly lower than March. May sales are expected to be roughly the same. Sales volume information:
 - i. 40% are screw-bulb;
 - ii. 60% are mogul and T8 linear replacement lamps;
 - iii. Twenty-six distributors are currently participating.

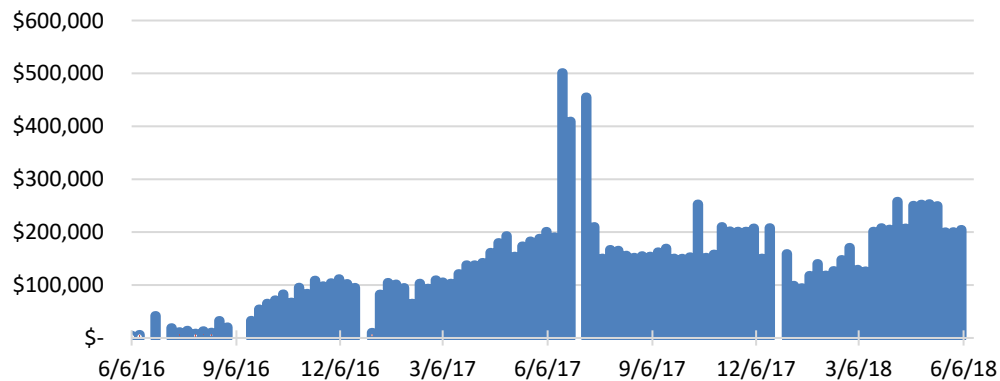
¹ The Updated Financials table reported for each Program reflects data pulled from the Trust's financial management system mid-month; the Summary Program Update table is pulled from the Efficiency Maine project tracking database on June 14, 2018, to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of May 2018).

- The delivery team completed 5 physical inspections of contractor-installed measures, 3 lighting and one HVAC electric project. One additional verification on a self-installed project was completed.
- PY19 Qualified Partner Annual Certification kicked off on 6/13 in Augusta. 230 QPs have registered for on-site trainings in one of four locations. 546 have registered for a webinar.
- Staff hosted the final Lighting Advisory Group meeting in May. The topics discussed included deemed values for labor cost and ideas about providing incentives under a \$/widget and/or \$/energy savings approach.
- In preparation for PY19, the team looked at 7 new lighting measures, reviewed cost data provided by distributors and completed a review of completed project invoices and online pricing for all lighting measures.
- In preparation for PY19, the team is completing a review of completed project invoices and researching web pricing for all lighting measures.

CIP Electric Measures - Pipeline



CIP Electric Measures - Incentives Paid



Updated Financials	Program Investment
FY18 Program Budget	\$11,299,137
7/01 to 5/31 Spending	\$10,237,559
Percent of Budget Spent to Date	91%
Percent of Year Passed	92%

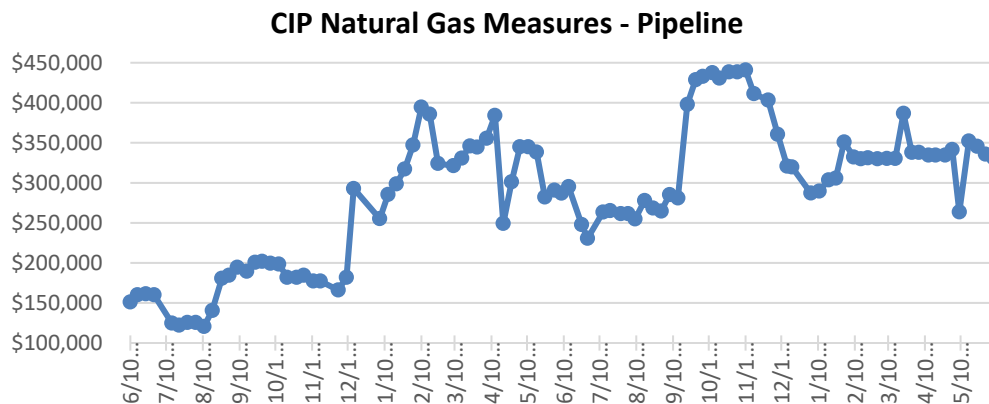
Summary Program Update	Annual kWh Savings	Annual MMBtu Savings*	Participants
Start of fiscal year to 5/31	87,154,935	(99,453)	1,758

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

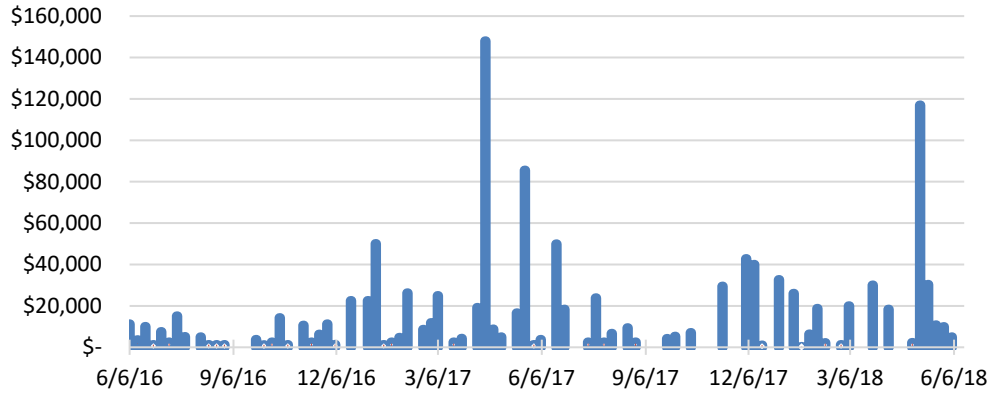
Project Type (through 5/31)	Participants
Lighting Solutions (not including DSIL)	1,437
Heating and Cooling Solutions	278
Compressed Air Solutions and Other	39
Agricultural Solutions	4

B) C&I Prescriptive (CIP) Program – Natural Gas Measures

- The current pipeline of pending projects is approximately \$330,000 in incentives, representing 17 projects.
- To date, 61 total natural gas units have been installed through the distributor discount initiative.
- The delivery team completed one physical inspections of contractor-installed measures.
- In preparation for PY19, the team completed a review of completed project invoices, pricing provided by local distributors and online pricing for all HVAC measures. The results led to one discount change for small boilers in the distributor discount initiative.
- The program is preparing to launch a heating season promotion on 7/1/18 to run through the end of October.



CIP Natural Gas Measures - Incentives Paid



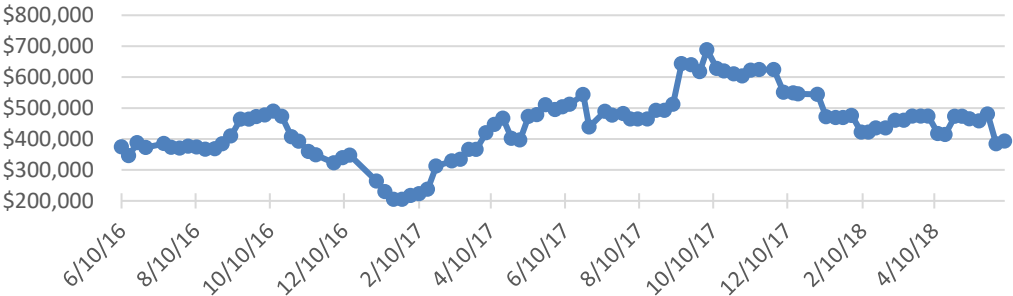
Updated Financials	Program Investment
FY18 Program Budget	\$2,088,872
7/01 to 5/31 Spending	\$913,130
Percent of Budget Spent to Date	44%
Percent of Year Passed	92%

Summary Program Update	Annual MMBtu Savings	Projects
Start of fiscal year to 5/31	25,399	76

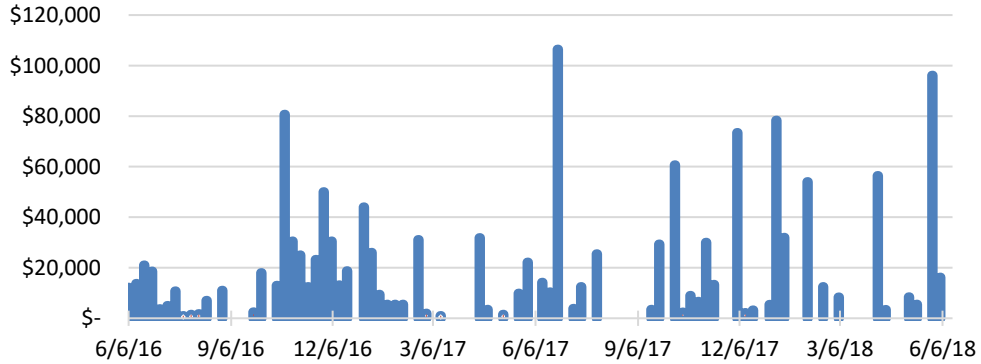
C) C&I Prescriptive (CIP) Program – All Fuels (e.g., Oil and Propane) Measures / Heating Solutions

- The current pipeline of pending projects is approximately \$393,000 in incentives, representing 27 projects.
- To date, 35 total propane units have been installed through the distributor discount initiative.
- In preparation for PY19, the team completed a review of completed project invoices, pricing provided by local distributors and online pricing for all HVAC measures. The results led to one discount change for small boilers in the distributor discount initiative.

CIP All Fuels Measures - Pipeline



CIP All Fuels Measures - Incentives Paid



Updated Financials	Program Investment
FY18 Program Budget	\$2,054,025
7/01 to 5/31 Spending	\$810,216
Percent of Budget Spent to Date	39%
Percent of Year Passed	92%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Projects
Start of fiscal year to 5/31	170	34,871	138

D) C&I Custom Program

- The C&I Custom Program Review Team met twice and awarded 6 projects worth \$1.1 million in incentive offers.
- Since the last Board meeting, the pipeline has grown modestly, adding 3 new projects worth \$54,000 in incentive offers. The total pipeline now consists of 7 projects worth \$700,000 in incentive offers.
- Program staff reviewed 3 project proposals that did not meet the program requirements and were ultimately denied.
- Program staff received an application for 1 new Technical Assistance study and finalized 1 previously initiated scoping audit.

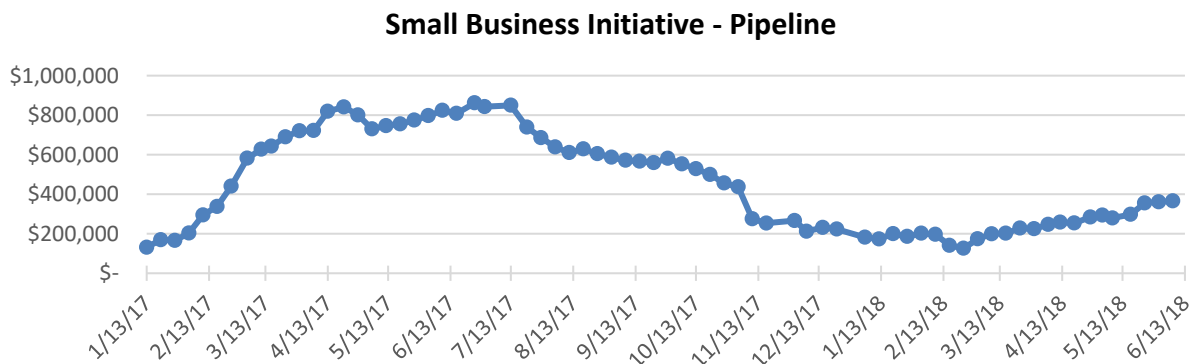
Updated Financials	Program Investment
FY18 Program Budget	\$14,352,443
7/01 to 5/31 Spending	\$2,937,109
Percent of Budget Spent to Date	20%
Percent of Year Passed	92%

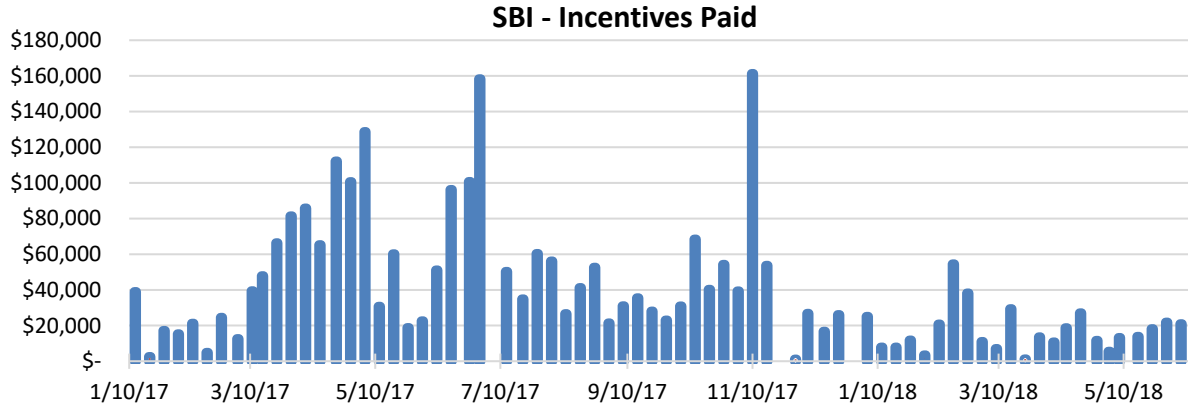
Additional Details on FY 2018 Financials	Program Investment
Expenditures	\$2,937,109
Committed	\$5,320,848
Pipeline	\$236,424
Total (Expenditures, Committed, & Pipeline)	\$8,494,381
Percent of Budget	59%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Participants
Start of fiscal year to 5/31	8,756,099	34,565	31

E) Small Business Initiative (SBI)

- The program team has been working on closing out Region 7 (Sanford/Berwicks) by the end of this program year. Nine out of 11 participating contractors in Region 7 have projects that are in progress.
- In Region 8 (Route 25 Corridor – Gorham and West), the program team is using customer utility data to conduct targeted outreach activities in. Outreach included a call campaign and the development of 2 case studies, which have both been completed. As a result, the Region 8 pipeline has been increasing. There are 11 contractors on board for Region 8.
- There are now 8 participating contractors in Region 9 (Windham-Gray-New Gloucester) with initial projects underway. Targeted outreach is underway for the region utilizing customer utility data.
- The delivery team commenced contractor outreach for Region 10 (Ellsworth) and will be scheduling a contractor information/training session late-June or early July. The team has started running local paper ads in Region 10 to create a “Buzz.”
- The delivery team received proposals from four lighting distributors in response to the FY2019 Supplier RFP issued on April 26th. The selected Supplier for next program year will be formally announced in the immediate future.
- An informational page dedicated to the SBI has been added to the Efficiency Maine website: <https://www.energymaine.com/at-work/small-business-initiative/>





Updated Financials	Program Investment
FY18 Program Budget	\$2,556,587
07/1 to 5/31 Spending	\$1,482,334
Percent of Budget Spent to Date	58%
Percent of Year Passed	92%

Summary Program Update	kWh Savings	Annual MMBtu Savings	Participants
Start of fiscal year to 5/31	2,120,876	(3,699)	197

F) Commercial New Construction Program

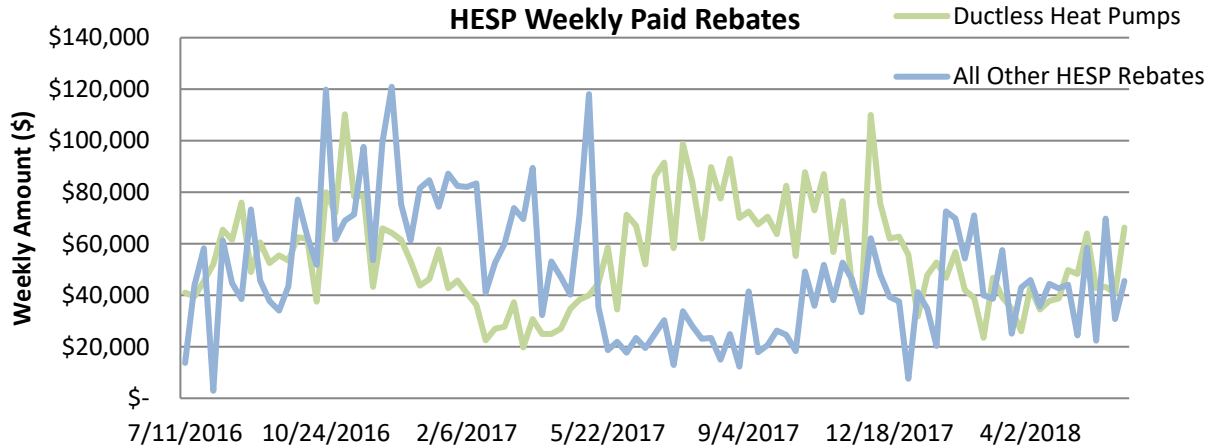
- This program is suspended and is no longer accepting new enrollments; several projects awarded in FY2017 are pending completion. Customers continue to have access to incentives through the CIP program, many of which are relevant to new construction.

Updated Financials	Program Investment
FY18 Program Budget	\$1,155,677
7/1 to 5/31 Spending	\$41,784
Percent of Budget Spent to Date	4%
Percent of Year Passed	92%

Summary Program Update	kWh Savings
Start of fiscal year to 5/31	64,582

G) Home Energy Savings Program (HESP)

- The number of rebates in May 2018 was down 20% from May 2017 (758 vs 949). Fiscal year-to-date (YTD) rebated measures are up 5% over last year (9,953 in FY2018 vs 9,514 in FY2017).
- To increase demand, the website and marketing materials have been updated and staff attended 9 outreach events in May.
- Thirty-seven loans were funded in May. This is 19% more than May of 2017 and a 21% increase YTD over FY2017.



Updated Financials	Program Investment
FY18 Program Budget	\$11,363,415
7/01 to 5/31 Spending	\$6,009,714
Percent of Budget Spent to Date	53%
Percent of Year Passed	92%

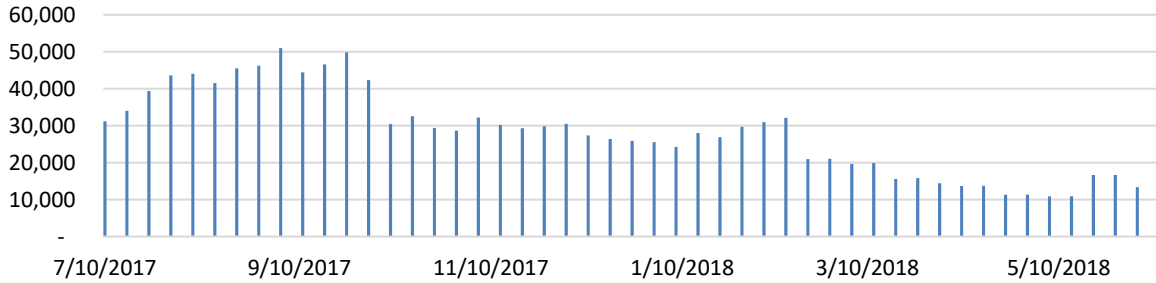
Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Measures
Start of fiscal year to 5/31	13,060,328	70,376	2,451

Project Type (through 5/31)	Units
Electric Measures	4,760
All Fuels Measures	2,451

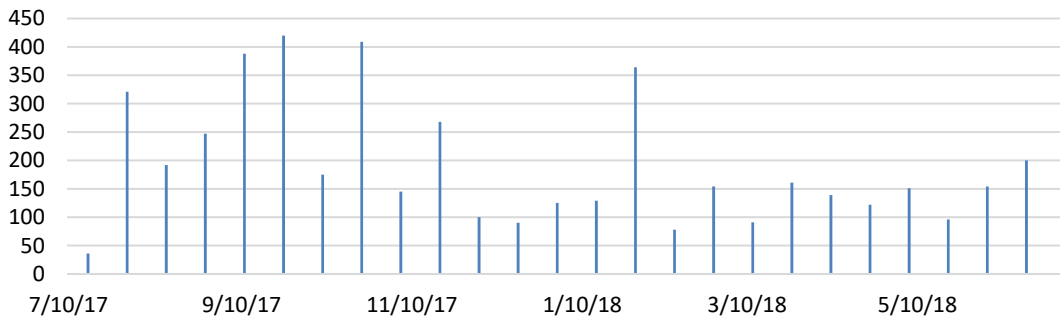
H) Consumer Products Program

- 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. Among other changes, LED coupons have been discontinued, and delivery of LEDs through food pantries or through distributors were moved to other program channels.

Weekly Bulb Sales YTD – Retail (including unaudited estimates)



Weekly HPWH Sales YTD (including unaudited estimates)



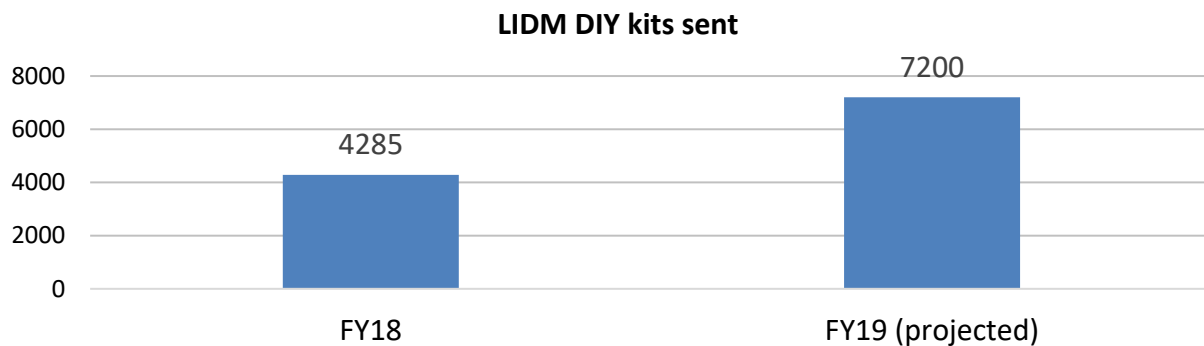
Updated Financials	Program Investment
FY18 Program Budget	\$12,158,432
7/1 to 5/31 Spending	\$10,017,612
Percent of Budget Spent to Date	82%
Percent of Year Passed	92%

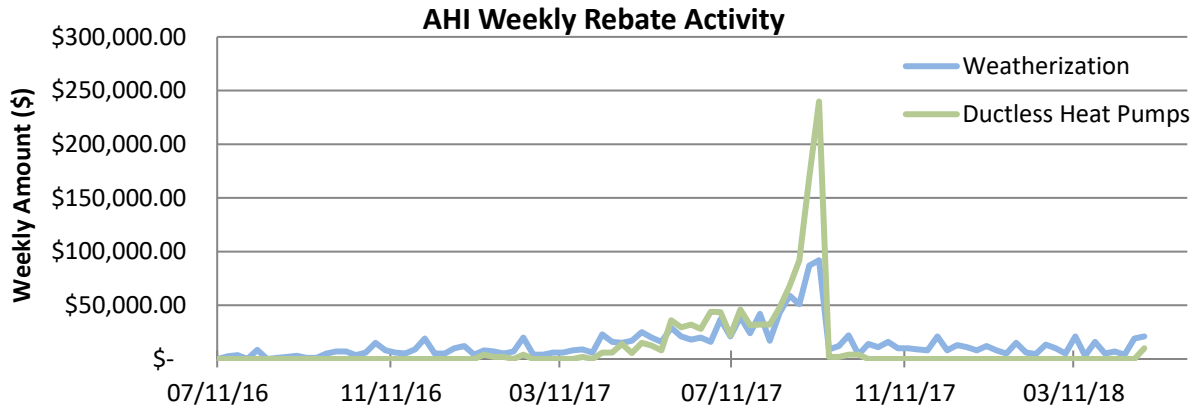
Summary Program Update	Annual kWh Savings	Annual MMBtu Savings
Start of fiscal year to 5/31	58,718,029	(53,721)

Rebate Type (through 5/31)	Projects
Appliances	13,717
Light Bulbs	1,463,740
Smart Thermostats	126

I) Low Income Initiatives

- The Low Income Direct Mail (LIDM) 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. 624 kits were sent out in May, a significant increase from the average of 160 kits per month. Staff attribute this success to the DHHS partnership.
- The Trust continues to participate in the electric utilities' Arrearage Management Program (AMP). 54 new customers entered the program this month and 46 DIY kits were requested.
- The Low Income Natural Gas Initiative has been focusing on multiunit opportunities. 12 properties were pre-screened and added to the pipeline in May.
- The market-based Affordable Heat Initiative (AHI) offers enhanced rebates on ductless heat pumps and insulation to eligible homeowners who complete an energy upgrade bundle. May saw 130 more Energy Upgrade Bundle projects and 82 more Ductless Heat Pump projects than the previous month. Staff are adjusting program design to enable a sustainable pace of investment.
- The Low Income Direct Install (LIDI) initiative offers installations of heat pump water heaters (HPWHs) at no cost to eligible households. 35 HPWHs were installed in May, and the pipeline grew to 234. Distributor pricing for the next program year will dictate whether this is a viable measure for FY19.





Updated Financials	Program Investment
FY18 Program Budget	\$8,796,824
7/1 to 5/31 Spending	\$4,161,512
Percent of Budget Spent to Date	47%
Percent of Year Passed	92%

Summary Program Update	MMBtu Savings	Annual kWh Savings
Start of fiscal year to 5/31	35,570	5,045,112

Other Initiatives (through 5/31)	Units
Direct Installs	514
Market-based Installs	1,373
Direct Mailings	3,467
Food Pantry Bulbs	125,820

J) Strategic Initiatives (Cross Cutting)

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

- Metering was completed in phase 5 (of 6) of the Heat Pump Water Heater Evaluation.
- Ductless heat pump metering was completed in phase 3 (of 3) of the Home Energy Savings Program Impact Evaluation.
- On-site lighting inventories were completed in 76 commercial and industrial facilities as part of the State of C&I Lighting in Maine study.

II. Innovation

- Staff received 10 proposals in response to its RFP for Load Management Innovation Pilots. The Review Team selected the following 2 proposals for award:
 1. Commercial Energy Storage Proposal (\$204,000)

- a. 600 kWh of PV-powered battery storage at 10 different small and medium-sized businesses in Maine
- b. Remote discharge of storage systems to simulate grid interactivity
- c. Simulation of potential revenue streams from ancillary grid services
- 2. Aggregated Distributed Energy Resources (DER) Proposal (\$161,000)
 - a. Operate fleet of 50-100 dispatchable smart DERs (DHPs, HPWHs, EV chargers, batteries) in residential and small commercial settings
 - b. Using Virtual Peaker software, run a series of demand response use cases using both automated controls and centralized dispatch
- CMP has assigned new staff to work with the Trust and the Trust’s contractor on the Low Income Behavioral Pilot. This has increased progress on the pilot. A survey has been approved by all parties and will go out in June.

3. Administration and Finance Highlights

A) Administration

- Annual audit commenced with on-site work by the independent auditor, RKO.

B) Financial

Revenues

- The new revenues from state and regional sources through the end of May 2018 were \$44.1 million, up from \$42.8 million as of the prior month. Approximately \$1.1 million in additional revenue has been received year-to-date on interest from outstanding loans and other miscellaneous revenues, up from \$1 million 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 \$6 million for the fiscal year, not including interfund transfers.

Expenditures

- Total expenditures through the end of May 2018 were \$43.8 million, up from \$40 million as of the end of the prior month. An additional \$23.7 million is encumbered.