

Executive Director's Summary Report

to the Board of Trustees
of the
Efficiency Maine Trust

July 18, 2018

1. Communications

A) Awareness and Press

- Press
 - The Trust's Electric Vehicle Supply Equipment Plan was mentioned in Fosters.com in conjunction with the installation of Tesla charging stations at the Kennebunk service plazas (<http://www.fosters.com/news/20180705/tesla-charging-stations-now-at-kennebunk-service-plazas>)
- Events
 - The Trust's Annual Event and Public Hearing on the Triennial Plan will be held August 24, 2018
- Website and Outreach (June)
 - 16,461 website visits (compared to 18,437 visits in May)
 - 14,044 unique visits
 - 7,608 visits were driven through digital ads
 - Facebook
 - 3,157 fans
- Call Center (June)
 - 1,374 inbound phone calls (98% answered within 20 seconds)
 - 1,155 inbound emails
 - 1,352 inbound mail (mostly rebate claims)

B) Government Relations

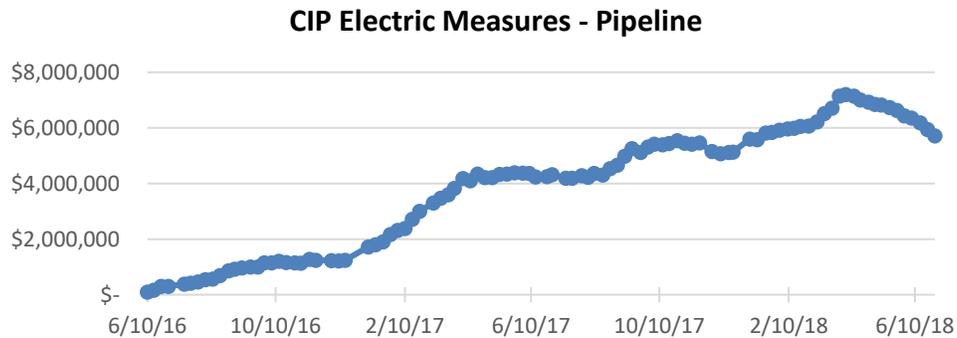
- Public Utilities Commission (PUC)
 - The PUC initiated an inquiry to obtain information and comment from the Trust and interested persons regarding assumptions and calculations that will be used in the Fourth Triennial Plan. Staff attended an initial case conference at the end of June.
 - The PUC scheduled a technical conference in the Portland area Non-Transmission Alternatives (NTA) case. The conference will provide an opportunity for Staff and parties to ask CMP questions regarding the analysis of the proposed project's "Needs" and "Solutions" and material supplied by CMP in response to oral data requests. Staff will provide any substantive updates to the Board at the August Board Meeting.

- Rulemaking
 - Staff reviewed its proposed amendments to the electric and natural gas rules with the Program Committee.
 - Staff filed a rulemaking proposal package with the Secretary of State on July 3.
 - A Notice of Proposed Rulemaking was published on July 11.
 - The public hearings are scheduled for July 31 at the Trust’s Augusta office.

2. Program Highlights¹

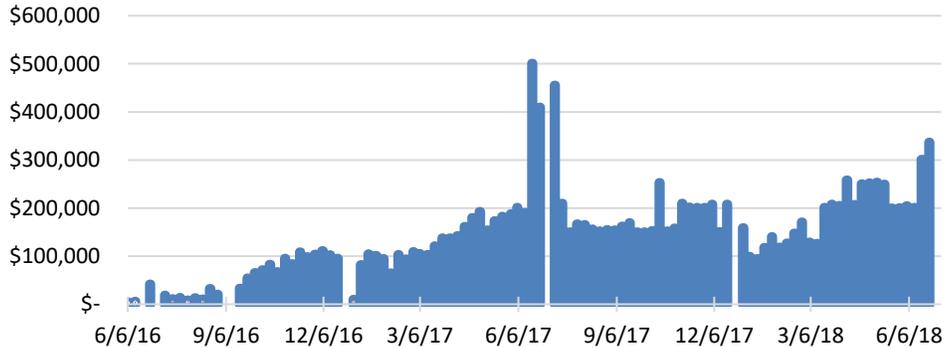
A) C&I Prescriptive (CIP) Program – Electric Measures

- The pipeline has seen a slight decrease in the weekly totals over the last nine weeks.
- Total volume for distributor lighting sales for June declined as distributors reached their budget caps. Twenty-six distributors are currently participating. Sales volume information:
 - 41% are standard screw-in bulbs (24% of discounts paid)
 - 59% are mogul and T8 linear replacement lamps (76% of discounts paid)
- FY2019 Qualified Partner (QP) Annual Certification kicked off on June 13 and completed on June 29; 810 QPs participated.
- In FY2019, the program plans to focus on lighting retrofits in existing buildings and added an additional lighting measure -- stairway luminaires with integrated controls.



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 July 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 June 2018).

CIP Electric Measures - Incentives Paid



| Updated Financials | Program Investment |
|---------------------------------|--------------------|
| FY2018 Program Budget | \$11,299,137 |
| 7/1 to 6/30 Spending | \$11,141,842 |
| Percent of Budget Spent to Date | 99% |
| Percent of Year Passed | 100% |

| Summary Program Update | Annual kWh Savings | Annual MMBtu Savings* | Participants |
|------------------------------|--------------------|-----------------------|--------------|
| Start of fiscal year to 6/30 | 95,062,609 | (108,114) | 1,965 |

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

| Project Type (through 5/31) | Participants |
|--|--------------|
| Lighting Solutions (not including Distributor Screw-In LEDs) | 2,387 |
| Heating and Cooling Solutions | 337 |
| Compressed Air Solutions and Other | 46 |
| Agricultural Solutions | 4 |

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

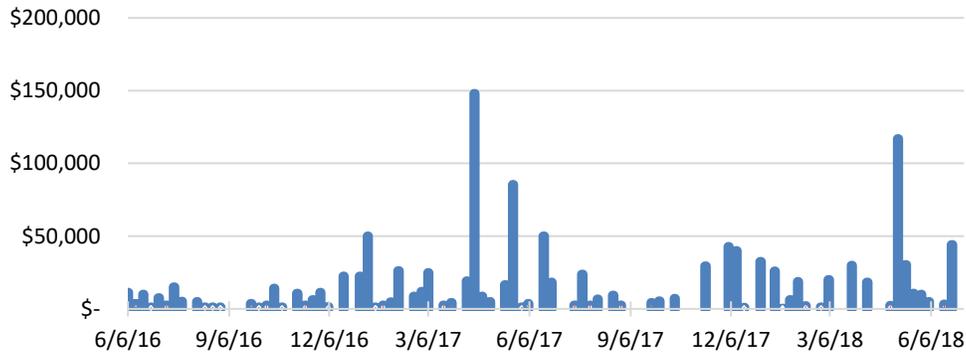
- The current pipeline of pending projects is approximately \$302,905 in incentives, representing 17 projects.
- To date, 61 total natural gas units have been installed through the distributor discount initiative, and 51 units have gone through the downstream channel.
- In preparation for FY2019, the 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 launching a heating season promotion on July 1 to run through the end of October. It will include installing contractor spiffs for midstream purchases and an aggressive distributor “counter day” schedule in September and October.

CIP Natural Gas Measures - Pipeline



CIP Natural Gas Measures - Incentives Paid



| Updated Financials | Program Investment |
|---------------------------------|--------------------|
| FY2018 Program Budget | \$2,088,872 |
| 7/1 to 6/30 Spending | \$982,279 |
| Percent of Budget Spent to Date | 47% |
| Percent of Year Passed | 100% |

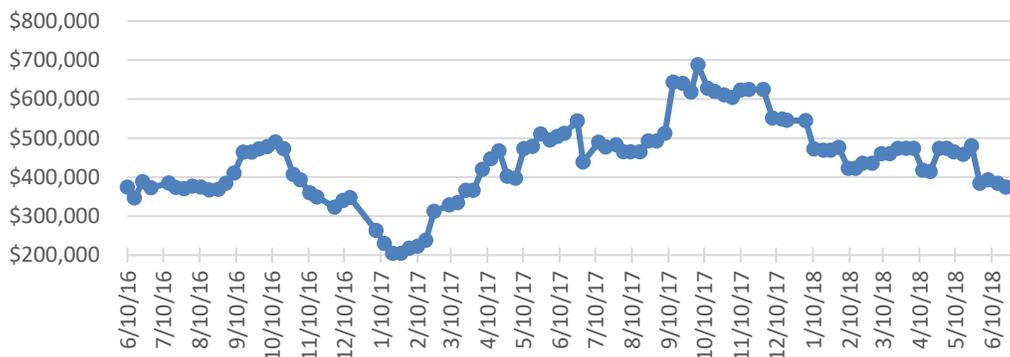
| Additional Details on FY 2018 Financials | Program Investment |
|--|--------------------|
| Budget | \$2,088,872 |
| Expenditures | \$982,279 |
| Projects Pre-approved = Projects under final inspections + projects completed pending payment through 6/11 | \$302,905 |
| Total | \$1,285,184 |
| Percent of Budget | 62% |

| Summary Program Update | Annual MMBtu Savings | Projects |
|------------------------------|----------------------|----------|
| Start of fiscal year to 6/30 | 31,155 | 80 |

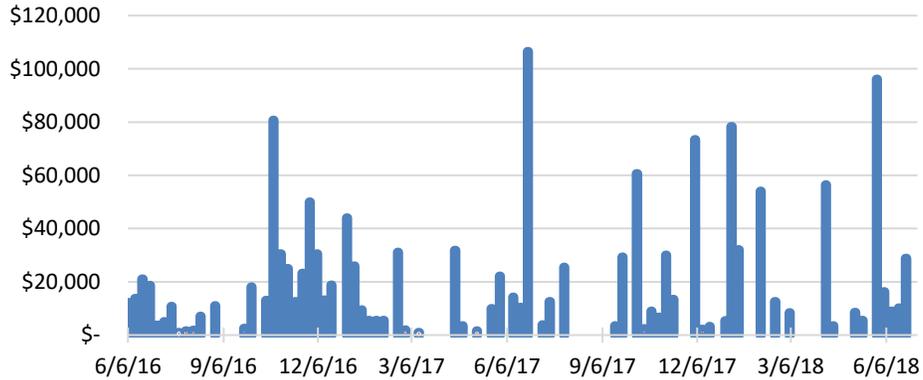
C) C&I Prescriptive (CIP) Program – All Fuels (e.g., Oil and Propane) Measures / Heating Solutions

- The current pipeline of pending projects is approximately \$377,220 in incentives, representing 24 projects.
- FY2018 ended with 98 total heating equipment units have been installed through the distributor discount initiative, and 33 units have gone through the downstream channel.
- In preparation for FY2019, the team completed a review of completed project invoices, pricing provided by local distributors, and online pricing for all HVAC measures.

CIP All Fuels Measures - Pipeline



CIP All Fuels Measures - Incentives Paid



| Updated Financials | Program Investment |
|---------------------------------|--------------------|
| FY2018 Program Budget | \$2,054,025 |
| 7/1 to 6/30 Spending | \$902,190 |
| Percent of Budget Spent to Date | 44% |
| Percent of Year Passed | 100% |

| Additional Details on FY 2018 Financials | Program Investment |
|---|--------------------|
| Budget | \$2,054,025 |
| Expenditures | \$1,270,977 |
| Projects Pre-approved = Projects under final inspections + projects completed pending payment through 6/11/18 | \$377,220 |
| Total | \$1,648,197 |
| Percent of Budget | 80% |

| Summary Program Update | Annual kWh Savings | Annual MMBtu Savings | Projects |
|------------------------------|--------------------|----------------------|----------|
| Start of fiscal year to 6/30 | 170 | 36,403 | 146 |

D) C&I Custom Program

- The C&I Custom Program Review Team did not hold any meetings.
- Since the last Board meeting, the pipeline has grown modestly, adding 2 new projects worth \$192,000 in incentive offers. The total pipeline now consists of 8 projects worth \$780,000 in incentive offers.
- Program staff reviewed 4 project proposals that did not meet the program requirements and were ultimately denied.
- Program staff received applications for 3 new scoping audits.

| Updated Financials | Program Investment |
|---------------------------------|---------------------------|
| FY2018 Program Budget | \$12,702,443 |
| 7/1 to 6/30 Spending | \$3,129,431 |
| Percent of Budget Spent to Date | 25% |
| Percent of Year Passed | 100% |

| Additional Details on FY 2018 Financials | Program Investment |
|---|---------------------------|
| Expenditures | \$3,129,431 |
| Committed | \$5,130,510 |
| Pipeline* | \$0 |
| Total (Expenditures, Committed, & Pipeline) | \$8,160,027 |
| Percent of Budget | 64% |

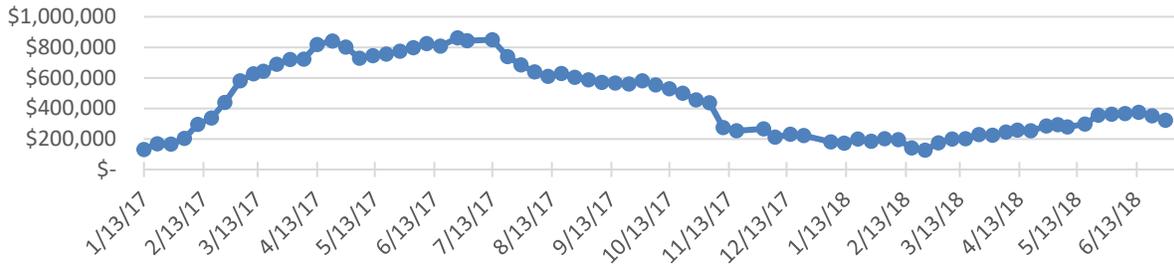
*Current pipeline is not captured, as projects will not close in FY 2018.

| Summary Program Update | Annual kWh Savings | Annual MMBtu Savings | Participants |
|-------------------------------|---------------------------|-----------------------------|---------------------|
| Start of fiscal year to 6/30 | 8,864,145 | 34,565 | 32 |

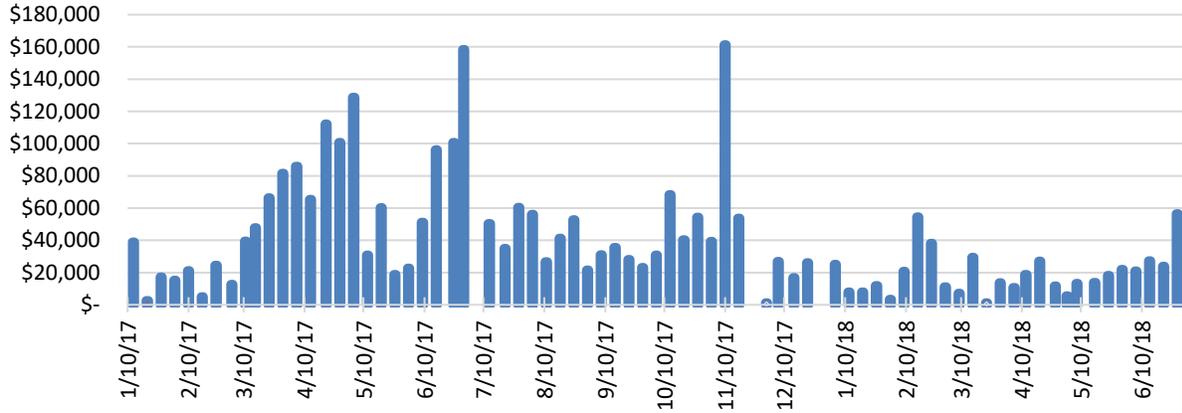
E) Small Business Initiative (SBI)

- Region 7 projects will be completed by the end of July 2018.
- The program team is utilizing CMP customer data to conduct targeted outreach activities in Region 8 (Route 25 Corridor – Gorham and West). Marketing activities have included a call campaign and the completion of two case studies that will be distributed later this month. Eleven contractors are supporting Region 8; some of these contractors are continuing to wrap up their Region 7 jobs. The Region 8 pipeline continues to grow.
- Eight contractors are on board for Region 9 (Windham-Gray-New Gloucester) with initial projects underway. The delivery team is conducting targeted outreach utilizing CMP customer data.
- The delivery team commenced contractor outreach for Region 10 (Ellsworth) and will be scheduling a contractor training session set for July 19. 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. Gilman Electric has been selected as the lighting equipment supplier for FY2019.
- An informational page dedicated to the SBI has been added to the Efficiency Maine website: <https://www.energymaine.com/at-work/small-business-initiative/>

SBI - Pipeline



SBI - Incentives Paid



| Updated Financials | Program Investment |
|---------------------------------|--------------------|
| FY2018 Program Budget | \$2,556,587 |
| 7/1 to 6/30 Spending | \$1,634,204 |
| Percent of Budget Spent to Date | 64% |
| Percent of Year Passed | 100% |

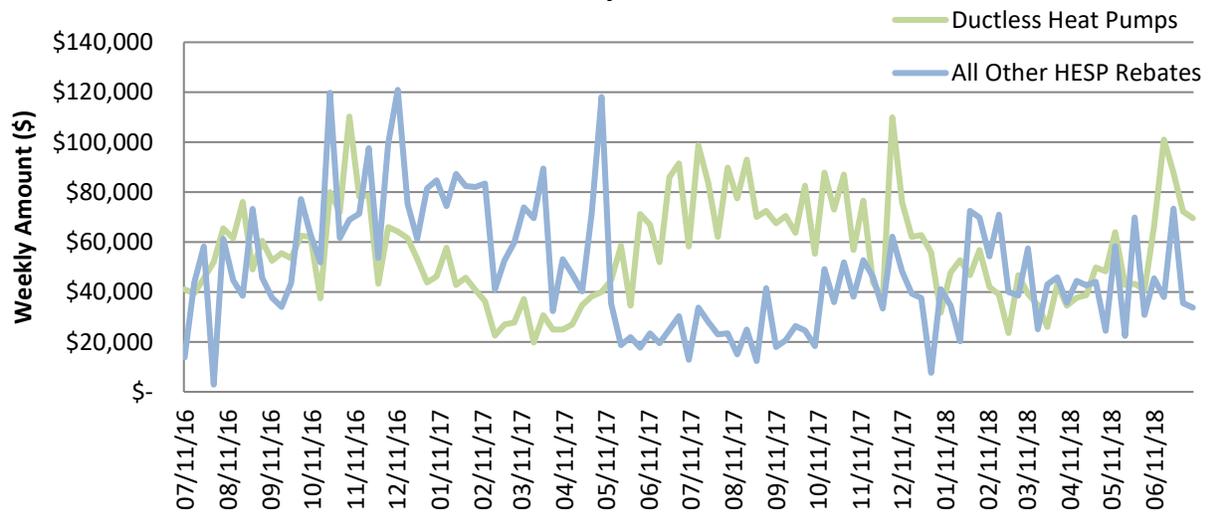
| Summary Program Update | kWh Savings | Annual MMBtu Savings | Participants |
|------------------------------|-------------|----------------------|--------------|
| Start of fiscal year to 6/30 | 2,382,024 | (4,113) | 219 |

F) Home Energy Savings Program (HESP)

- The number of rebates in June 2018 was up 19% from June 2017 (981 vs 822). Fiscal year-to-date (YTD) rebated measures are up 7% over last year (11,055 in FY2018 vs 10,336 in FY2017).

- The retail field team visited pellet and wood stove stores throughout the state to help them understand new program requirements and to install program signage.
- Thirty-seven loans were funded in June. This is 6% more than June 2017 and a 19% increase YTD over FY2017.
- The Trust switched loan processing vendors from Renew Financial to the National Energy Improvement Fund (NEIF) on July 15.
- The program stretched funding to last through the fiscal year, investing all electric funding but ending with unspent natural gas and RGGI funds. Note that significant RGGI funding was added to the budget in February; incentives were recently increased and contractor activity is starting to respond.

HESP Weekly Paid Rebates



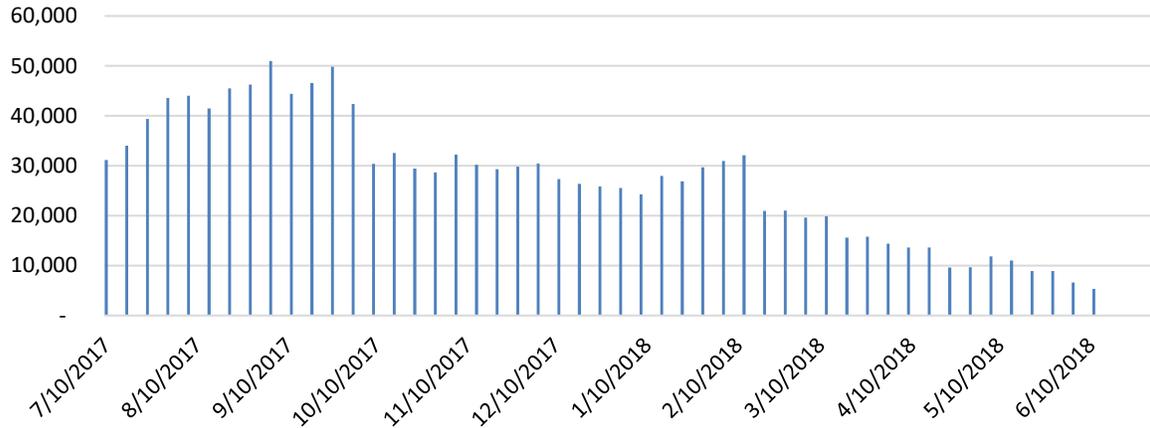
| Updated Financials | Program Investment |
|---------------------------------|--------------------|
| FY2018 Program Budget | \$11,363,415 |
| 7/1 to 6/30 Spending | \$6,623,670 |
| Percent of Budget Spent to Date | 58% |
| Percent of Year Passed | 100% |

| Summary Program Update | Annual kWh Savings | Annual MMBtu Savings | Measures |
|------------------------------|--------------------|----------------------|----------|
| Start of fiscal year to 6/30 | 14,586,334 | 76,391 | 2,647 |

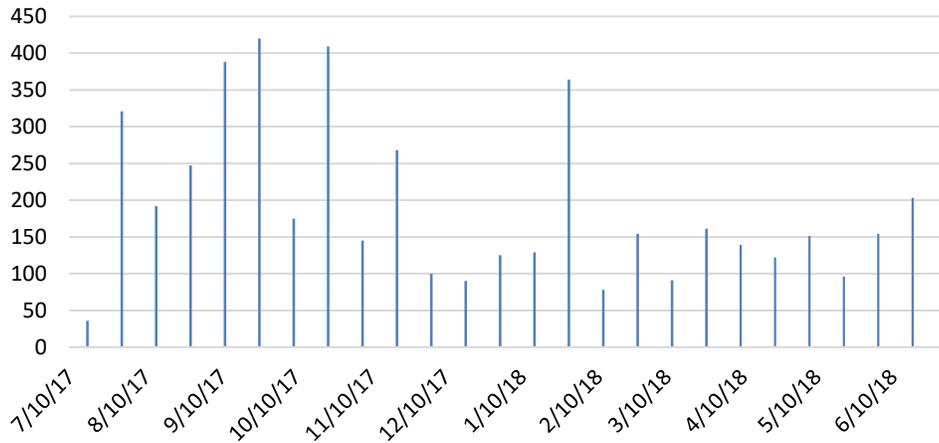
| Project Type (through 6/30) | Units |
|-----------------------------|-------|
| Electric Measures | 5,306 |
| All Fuels Measures | 2,647 |

G) Consumer Products Program

Weekly Bulb Sales YTD – Retail (including unaudited estimates)



Weekly HPWH Sales YTD (including unaudited estimates)



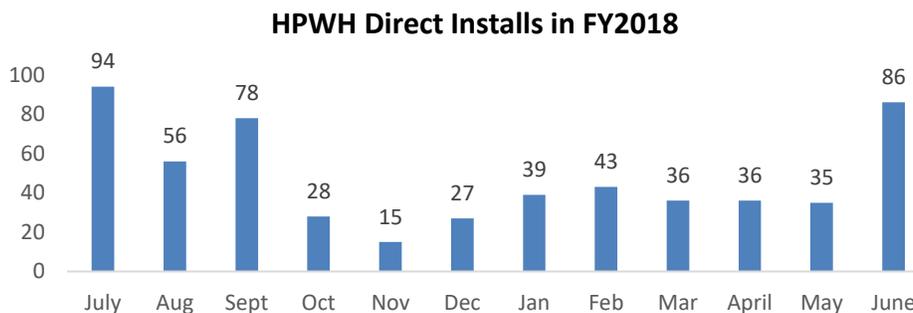
| Updated Financials | Program Investment |
|---------------------------------|---------------------------|
| FY2018 Program Budget | \$12,158,432 |
| 7/1 to 6/30 Spending | \$10,800,709 |
| Percent of Budget Spent to Date | 89% |
| Percent of Year Passed | 100% |

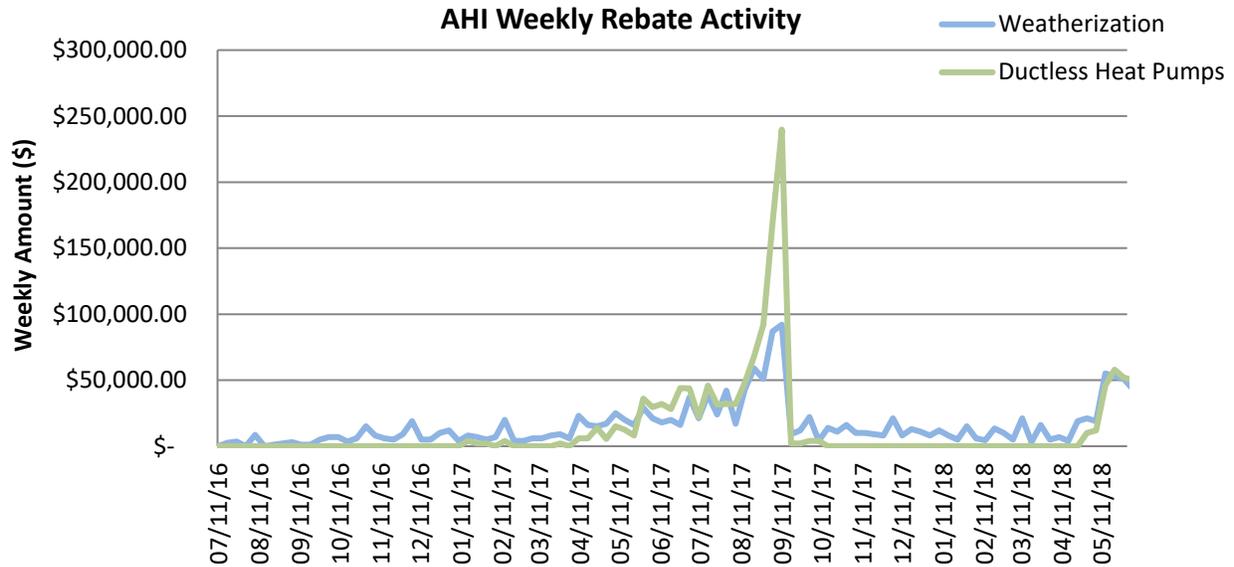
| Summary Program Update | Annual kWh Savings | Annual MMBtu Savings |
|------------------------------|--------------------|----------------------|
| Start of fiscal year to 6/30 | 61,150,783 | (51,303) |

| Rebate Type (through 6/30) | Projects |
|----------------------------|-----------|
| Appliances | 14,480 |
| Light Bulbs | 1,523,579 |
| Smart Thermostats | 362 |

H) Low Income Initiatives

- The Low Income Direct Mail (LIDM) Initiative continues to offer Do-It-Yourself (DIY) kits to households that participate in state or federal low-income programs. The pace of mailings has been increased from 2,000/week to 5,000/week.
- The Trust continues to participate in the electric utilities' Arrearage Management Program (AMP). Sixty new customers entered the program this month.
- 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. The program recently modified the basic weatherization package to align with the HESP offering of air sealing and assessment, with enhanced incentives that are lower than the former Energy Upgrade Bundle.
- The Low Income Direct Install (LIDI) initiative offers free installations of heat pump water heaters (HPWHs) to eligible households. Favorable pricing was secured for the next program year, which will help insure the cost-effectiveness of the initiative. Currently 19 plumbers are participating.





| Updated Financials | Program Investment |
|---------------------------------|--------------------|
| FY2018 Program Budget | \$8,796,824 |
| 7/1 to 6/30 Spending | \$4,848,048 |
| Percent of Budget Spent to Date | 55% |
| Percent of Year Passed | 100% |

| Summary Program Update | MMBtu Savings | Annual kWh Savings |
|------------------------------|---------------|--------------------|
| Start of fiscal year to 5/31 | 44,260 | 4,676,788 |

| Other Initiatives (through 5/31) | Units |
|----------------------------------|---------|
| Direct Installs | 541 |
| Market-based Installs | 1,703 |
| Direct Mailings | 3,467 |
| Food Pantry Bulbs | 125,820 |

I) Strategic Initiatives (Cross Cutting)

I. Innovation

- Load Management Innovation Pilot RFP:
 1. Staff is working on finalizing contracts with ReVision Energy for its two winning proposals.
 2. Staff is following up with several non-awardees to provide feedback on their submissions.

II. Renewable Resources Fund Demonstration Projects

1. The Trust has received multiple proposals in response to a recent RFP

2. The Review Team has begun reading the proposals and is expected to complete the review process prior to the next Board meeting.

III. E, M&V

- The Metrics Team is working to complete and publish updated Technical Reference Manuals.

3. Administration and Finance Highlights

A) Administration

- The Trust completed its recertification as a HUD Lender.

B) Financial

Revenues

- The new revenues from state and regional sources through the end of June 2018 were \$47.4 million, up from \$44.1 million as of the prior month. Approximately \$1.2 million in additional revenue has been received year-to-date on interest from outstanding loans and other miscellaneous revenues, up from \$1.1 million as of the prior month. Year-to-date we have made approximately \$865,000 in interfund transfers. The outstanding balance for revenues is just under than \$1.6 million for the fiscal year, not including interfund transfers.

Expenditures

- Total expenditures through the end of June 2018 were \$48.2 million, up from \$43.8 million as of the end of the prior month. An additional \$20.2 million is encumbered and \$1 million more has been awarded and is awaiting final processing before being encumbered.