

# Executive Director's Summary Report

## to the Board of Trustees of the Efficiency Maine Trust

October 3, 2018

### 1. Communications

#### A) Awareness and Press

- Press
  - The Trust's selection of the City of Rockland as the Trust's Hastings awardee at the Trust's Annual Symposium was covered by Midcoast outlets (<https://knox.villagesoup.com/p/rockland-receives-energy-efficiency-award-from-efficiency-maine/1777304>).
- Events
  - The Trust's Annual Symposium and Public Hearing on the Triennial Plan were held August 24, 2018 at the University of New England in Portland.
  - Staff exhibited at the Portland Greenfest on September 8.
  - Staff exhibited at a Town and Country Credit Union event in Portland on September 8.
  - Staff exhibited at the Common Ground Fair on September 21-23.
- Website and Outreach (August)
  - 19,823 website visits (compared to 18,095 visits in July)
    - 17,087 unique visits
    - 7,899 visits were driven through digital ads
  - Facebook
    - 3,194 fans
- Call Center (August)
  - 1,636 inbound phone calls (95% answered within 20 seconds)
  - 936 inbound emails
  - 1,861 inbound mail (mostly rebate claims)

#### B) Government Relations

- Public Utilities Commission (PUC)
  - Staff attended an Arrearage Management Program (AMP) stakeholder meeting, presenting its plan to prioritize outreach to AMP participants as part of the Trust's direct-install initiative to install heat pump water heaters in eligible homes.
  - In response to a notice of inquiry, Trust Staff provided PUC staff with an overview of the Trust's Technical Reference Manuals (TRMs) during a workshop event. The PUC will respond with follow-up questions in the coming weeks.
  - In July, 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 Triennial Plan IV. The Trust and its contractor team (Synapse) generated

responses to data requests in preparation for a Technical Conference in mid-October.

- Rulemakings
  - Staff filed the two adopted rules with the Attorney General’s (AG’s) office for approval as to form and legality.
  - After receiving the AG’s approval of the rules, Staff filed the required documents with the Secretary of State. The rules became effective in September.

## 2. Program Highlights<sup>1</sup>

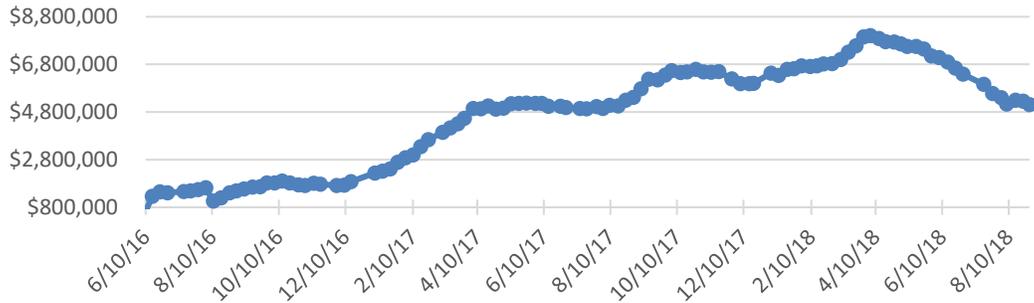
### A) C&I Prescriptive (CIP) Program

- The pipeline of electricity conservation measures saw a decrease in the weekly totals over the last several weeks due to the switch that only allows eligibility for retrofit measures (not “lost opportunity” measures). There has also been a learning curve in contractor use of the Cost-Effective Lighting Investment Calculator (CLIC).
- The program team conducted 8 counter days with lighting distributors throughout August and into September with one more scheduled for early October. Counter days provide “hands-on” support to QPs submitting lighting retrofit projects.
- Total volume for lighting sales through the “distributor channel” decreased in July. Sales volume information:
  - 56% are standard screw-in LED bulbs (34% of discounts paid)
  - 44% are mogul and T8/T5 linear replacement lamps (66% of discounts paid)
- Total heating equipment sales since July 2017:
  - 94 natural gas units
  - 73 propane units
  - Although no midstream sales were recorded in August, the program team successfully encouraged distributors to submit invoices for 36 instant rebates in August for payment in September.
- The program team conducted 4 counter days with heating product distributors in August.
- The program team is incorporating the smart pump measure into the ongoing heating season promotion.

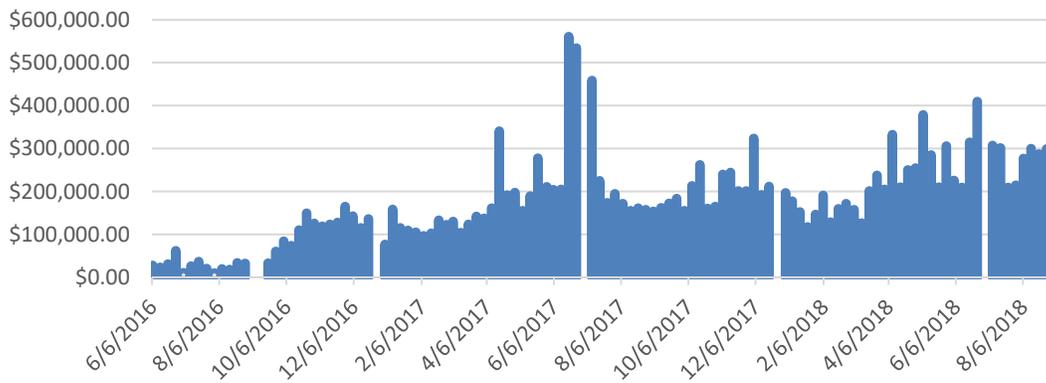
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<sup>1</sup> The Updated Financials table reported for each Program reflects data pulled from the Trust’s financial management system mid-month; the Summary Program Update table is pulled from the Efficiency Maine project tracking database on September 17, 2018, to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of August 2018).

### CIP - Pipeline



### CIP - Incentives Paid



Updated Financials	Program Investment
FY2019 Program Budget	\$12,399,631
7/1 to 8/31 Spending	\$2,411,215
Percent of Budget Spent to Date	19%
Percent of Year Passed	17%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings*
Start of fiscal year to 8/31	16,053,906	(14,496)

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

Project Type (through 8/31)	Participants
Lighting Solutions (not including Distributor Screw-In LEDs)	416
Electric Heating and Cooling Solutions	98
Compressed Air Solutions and Other	12
Natural Gas Heating and Cooling Solutions	4
Unregulated Fuels Heating and Cooling Solutions	2

**B) C&I Custom Program**

- The C&I Custom Program Review Team met once and approved 4 projects worth \$1.2 million in incentive offers.
- The pipeline has grown modestly, adding 3 new projects. The total pipeline now consists of 5 projects worth \$385,000 in incentive offers.
- Program staff reviewed 2 project proposals that did not meet the program requirements and were ultimately denied.
- Program staff received an application for 1 new scoping audit

<b>Updated Financials</b>	<b>Program Investment</b>
FY2019 Program Budget	\$8,111,275
7/1 to 8/31 Spending	\$162,039
Percent of Budget Spent to Date	2%
Percent of Year Passed	17%

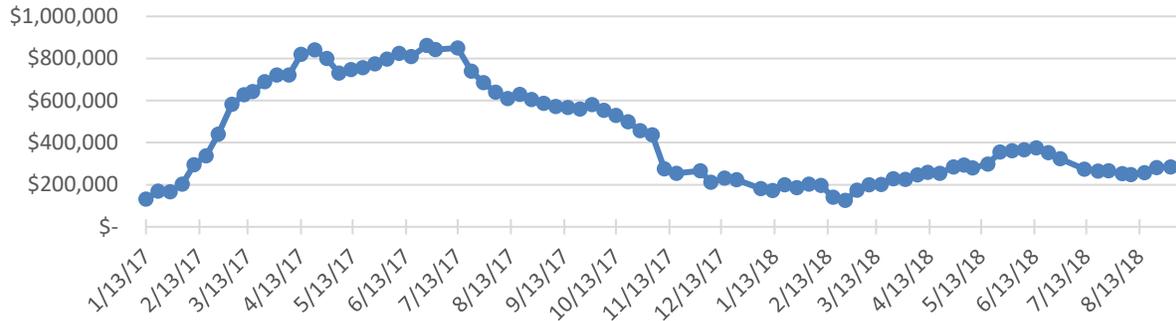
<b>Summary Program Update</b>	<b>Annual kWh Savings</b>	<b>Participants</b>
Start of fiscal year to 8/31	844,241	2

<b>Additional Details on FY 2018 Financials</b>	<b>Program Investment</b>
Expenditures	\$162,039
Committed	\$7,111,139
Pipeline	\$385,207
Total (Expenditures, Committed, and Pipeline)	\$7,658,386
Percent of Current Budget (no carryforward)	94%
Percent of Estimated Budget (with carryforward)	49%

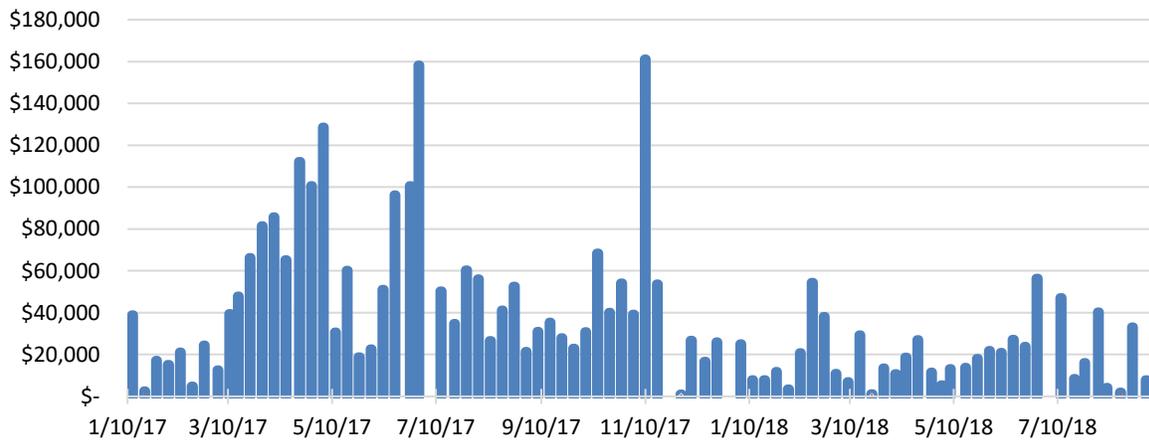
**C) Small Business Initiative (SBI)**

- Activities in Region 7 (Sanford/Berwicks) ended in August.
- No new customers are being accepted for Region 8 (Route 25 Corridor – Gorham and West), and the program team is pushing contractors to move forward and complete the projects in the pipeline for this region. There are 11 contractors in Region 8 with projects underway, which are anticipated to be completed by the end of September.
- Ten contractors are on board for Region 9 (Windham-Gray-New Gloucester) and projects are underway. CMP customer data was used to target outreach for the region. The program ran a summer promotion for eligible customers, which provided a higher incentive (90% of the total project cost) if they committed to a lighting assessment.
- Eight contractors are on board for Region 10 (Ellsworth). Three projects have been completed and paid, and contractors are working through a pipeline of pending lighting assessments and projects.
- The delivery team conducted contractor outreach for Region 11 (Orono/Old Town) and held a contractor information/training event on August 13. Contractors are signing up for the initiative. Staff are waiting for data from the utility before commencing direct customer outreach activities.

### SBI - Pipeline



### SBI - Incentives Paid

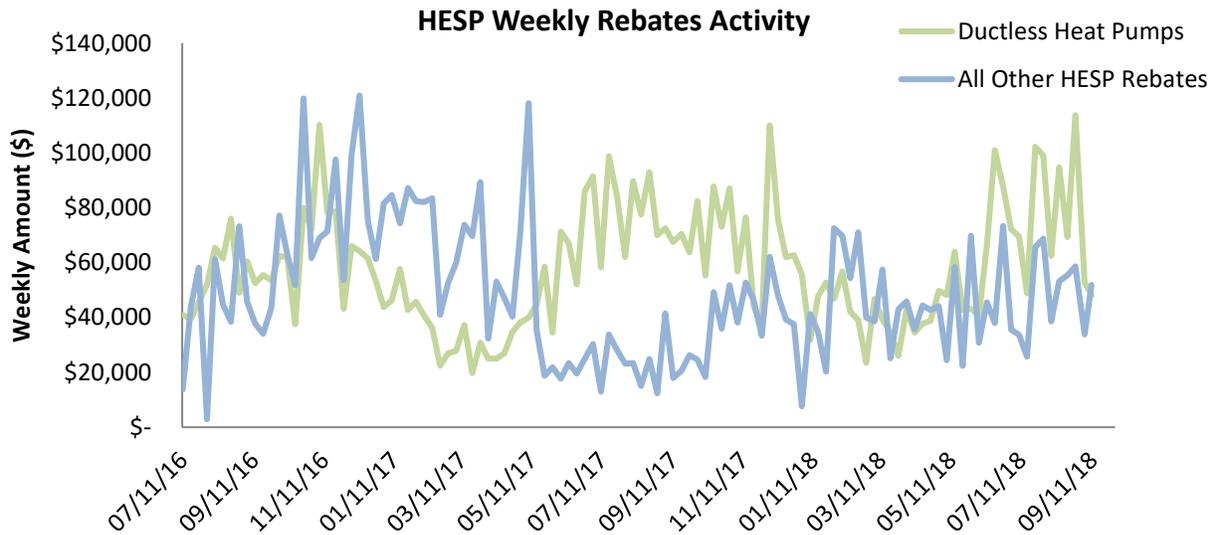


Updated Financials	Program Investment
FY2019 Program Budget	\$2,682,187
7/1 to 8/31 Spending	\$162,606
Percent of Budget Spent to Date	6%
Percent of Year Passed	17%

Summary Program Update	kWh Savings	Annual MMBtu Savings	Participants
Start of fiscal year to 8/31	356,074	(580)	25

**D) Home Energy Savings Program (HESP)**

- The number of rebates in August 2018 was down 8% from August 2017 (1,110 vs 1,211).
- Nevertheless, fiscal year-to-date (YTD) rebated measures are up 12% over last year (2,378 vs 2,131).
- Program changes launched in May (increased incentives and streamlined eligibility criteria) are starting to drive increased customer participation.
- 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.



Updated Financials	Program Investment
FY2019 Program Budget	\$8,430,576
7/1 to 8/31 Spending	\$1,225,551
Percent of Budget Spent to Date	15%
Percent of Year Passed	17%

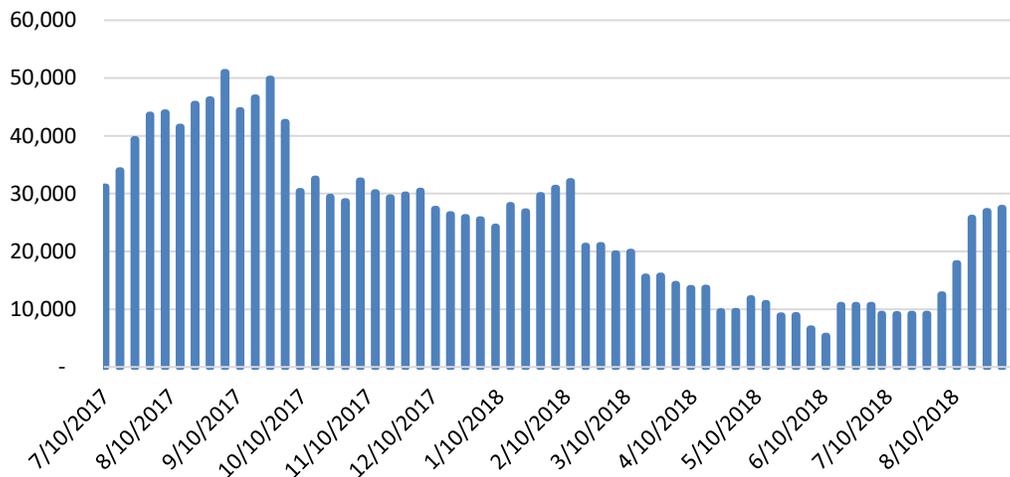
Summary Program Update	Annual kWh Savings	Annual MMBtu Savings
Start of fiscal year to 8/31	3,167,012	11,716

Project Type (through 8/31)	Units
Electric Measures	1,210
All Fuels Measures	435

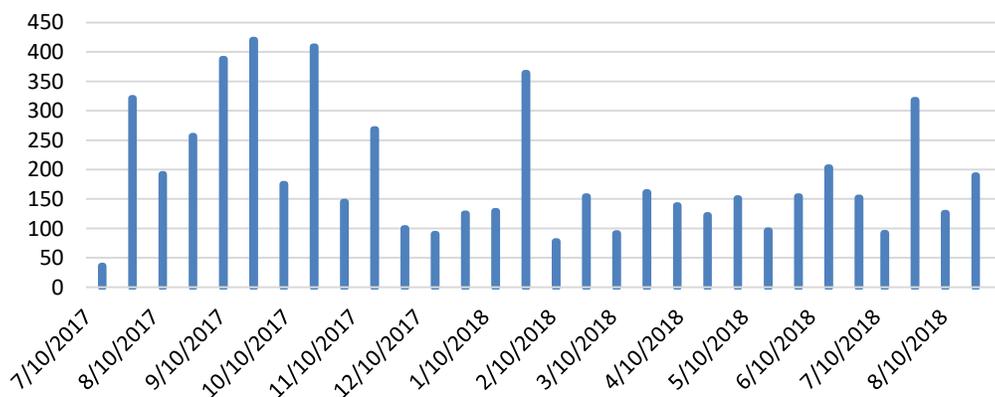
**E) Consumer Products Program**

- [ENERGY STAR’s 2017 Unit Shipment Data Summary Report](#) shows that 72,000 heat pump water heaters were shipped nationally in calendar year 2017. Efficiency Maine rebated more than 6,500 units in 2017, over 9% of the country’s shipments.
- In response to delivery team urging, manufacturers have cut prices on heat pump water heaters to actively participate in the program. Maine now has some of the lowest pricing. Retailers and distributors continue to aggressively promote heat pump water heaters in prime store locations such as the front aisle by the cash registers.
- Over 200 stores across the state have got promotional displays featuring LED bulbs discounted by Efficiency Maine.

**Weekly Bulb Sales – Retail (including unaudited estimates)**



**Weekly HPWH Sales (including unaudited estimates)**



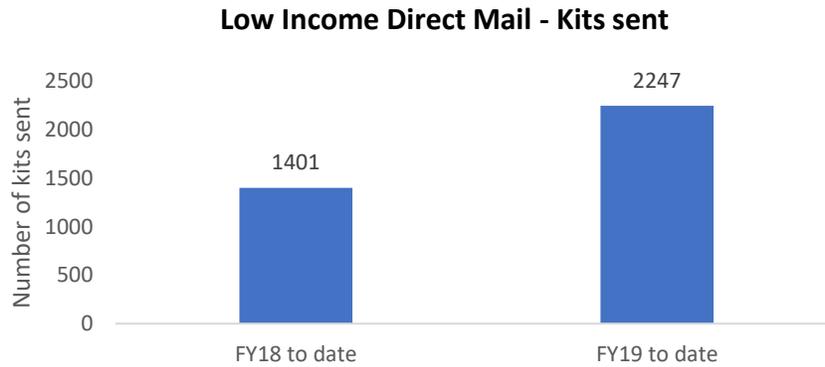
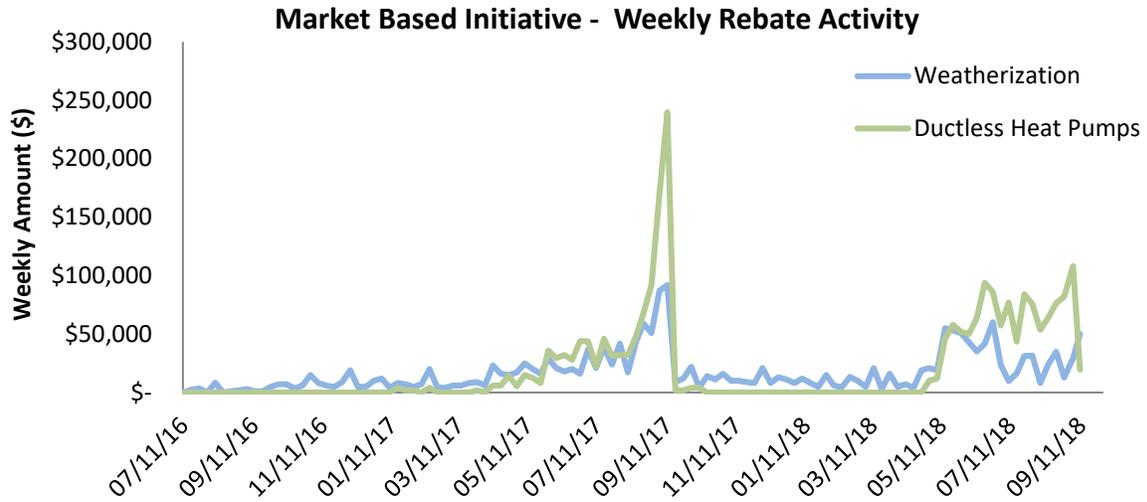
<b>Updated Financials</b>	<b>Program Investment</b>
FY2019 Program Budget	\$13,177,276
7/1 to 8/31 Spending	\$743,004
Percent of Budget Spent to Date	6%
Percent of Year Passed	17%

<b>Summary Program Update</b>	<b>Annual kWh Savings</b>	<b>Annual MMBtu Savings</b>
Start of fiscal year to 8/31	3,835,930	3,180

<b>Rebate Type (through 8/31)</b>	<b>Projects</b>
Appliances	2387
Light Bulbs	62,294
Smart Thermostats	468

#### **F) 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. Year-to-date requests are at 2,247 kits, almost double from this time last year.
- The Trust continues to participate in the electric utilities' Arrearage Management Program (AMP). Twenty-nine new customers entered the program so far this year. This program year, the program will include HPWHs through the direct install initiative in addition to tips and Do-It Yourself kits.
- The market-based Affordable Heat Initiative (AHI) offers enhanced rebates on ductless heat pumps and insulation to eligible homeowners who complete an air sealing measure. Year-to-date heat pump installations are up 25% (341 vs 271) compared to last fiscal year.
- The Low Income Direct Install (LIDI) initiative offers installations of heat pump water heaters (HPWHs) to eligible households requiring no customer co-pay. To date this fiscal year, 113 units have been installed, totaling 15% of the yearly goal (750 installs).
- The Trust is now offering an installation rebate of \$400 to qualifying low income households for the installation of a heat pump water heater to replace a broken electric water heater. The installation rebate is in addition to the \$750 rebate on heat pump water heaters offered through the Consumer Products Program.
- For Low Income Natural Gas initiatives, the program team has identified 34 multifamily weatherization projects (158 units) in Lewiston (Unitil territory) with cost-effective opportunities in basements and some attics. A Request for Qualifications (RFQ) has been finalized to secure a vendor in servicing these projects.



Updated Financials	Program Investment
FY2019 Program Budget	\$5,328,899
7/1 to 8/31 Spending	\$902,345
Percent of Budget Spent to Date	17%
Percent of Year Passed	17%

Summary Program Update	MMBtu Savings	Annual kWh Savings
Start of fiscal year to 8/31	10,123	(259,211)

Initiative (through 8/31)	Units
Direct Installs	93
Market-based Installs	655

### **G) Renewable Energy Demonstration Grants Program**

- Staff signed contracts with the 3 winning bidders from the Renewable Energy Community Demonstration Projects in Affordable Housing RFP (Dennysville Housing, Milbridge Harbor Apartments, and the Portland Housing Development Corporation).

### **H) Strategic Initiatives (Cross Cutting)**

#### **I. Innovation**

- Staff held a kick-off meeting with ReVision Energy to launch their two Load Management Innovation pilots
- In August, the third intervention email was sent to customers as part of the Low Income Behavioral Pilot. In September, the team will pull electric usage data for both the control and treatment groups.
- The Advanced Rooftop Unit Controllers pilot has installed 7 of 15 units. Staff anticipate completing installations by the end of October.

#### **II. Evaluation Measurement and Verification**

- The evaluator has started phase 6 of 6 of metering for the Heat Pump Water Heater (HPWH) Impact Evaluation

## **3. Administration and Finance Highlights**

### **A) Administration**

- DHHS has informed the Trust by email that, contrary to earlier indications, DHHS will not share with the Trust any lists of means-tested Maine households that are eligible for state or federal low-income programs due to concerns of confidentiality.
- The Trust received the final draft of the annual audit from the independent auditors at Rudyan, Kierstead and Ouellette (RKO). The auditors issued an unqualified opinion with no findings of material weaknesses or significant deficiencies.
- Upon approval by the Board, the audit will be submitted to the State of Maine.
- Staff is in the process of phased turnover of laptops, replacing several that are more than 4 years old.

### **B) Financial**

#### Revenues

- The new revenues from state and regional sources through the end of August 2018 were \$7.9 million out of a total expected annual revenues of \$55.5 million. Approximately \$0.1 million in additional revenue has been received year-to-date on interest from outstanding loans and other miscellaneous revenues. Year-to-date we have made no interfund transfers. The outstanding balance for revenues is just under \$49.1 million for the fiscal year, not including interfund transfers.

## Expenditures

- Total expenditures through the end of August 2018 were \$6.3 million, of which:
  - \$360,000 was spent on Administration
  - \$9,000 was spent on Public Information
  - \$49,000 was spent on Evaluation, Measurement and Verification
  - \$19,000 was spent on Innovation pilots
  - \$900,000 was spent on Low Income Initiatives
  - \$743,000 was spent on the Consumer Products Program
  - \$1.2 million was spent through HESP
  - \$2.4 million was spent through the C&I Prescriptive Program
  - \$162,000 was spent on the C&I Custom Program
  - \$163,000 was spent on the Small Business Initiative
  - \$322,000 was spent in Inter-Agency Transfers
- An additional \$1.2 million has been awarded but finalization of the contracts is pending.