

Executive Director's Summary Report

to the Board of Trustees
of the
Efficiency Maine Trust

December 19, 2018

1. Communications

A) Awareness and Press

- Press
 - The Executive Director was interviewed on the WQCB (Brewer) morning show, December 5; WBLM (Portland) morning show, December 7; the WVOM (Bangor) morning show December 12; and WKIT (Bangor) December 12.
 - The Executive Director was a guest on MPBN's *Maine Calling*, December 11.
 - Efficiency Maine's partnership with AmeriCorps and Window Dressers was mentioned in the Lewiston Sun Journal (<http://www.sunjournal.com/building-windows-and-community/>).
 - Staff appeared in *Bangor Daily News* piece on LED bulbs (<http://bangordailynews.com/2018/12/11/homestead/saving-energy-and-money-is-as-easy-as-changing-a-light-bulb/>).
 - The Executive Director was quoted in a MPBN piece on reducing personal carbon footprints (<http://www.mainepublic.org/post/amid-dire-climate-change-news-mainers-are-looking-lower-their-carbon-footprints>).
- Events
 - Staff hosted three workshops for ductless heat pump installers in Brewer, Waterville, and Portland (November 15, 27, and 29).
 - Staff spoke at a meeting of the Maine Association of School Business Officers, November 9.
 - Staff led a Lewiston Adult Education class on residential energy efficiency, November 13.
 - Staff spoke at a Maine Climate Table event for small business owners, November 15.
 - The Executive Director spoke at the Maine Energy Vision Forum, December 7.
- Website and Outreach (October)
 - 18,894 website visits (compared to 17,808 visits in September)
 - 16,029 unique visits
 - 5,132 visits were driven through digital ads
 - Facebook
 - 3,216 fans
- Call Center (September)
 - 1,381 inbound phone calls, 30% higher than the long-term average
 - 94% answered within 20 seconds (vs a goal of 90%) despite high volume and recent staff turnover
 - 704 inbound emails
 - 2,877 inbound mail, 3 times the long-term average

B) Government Relations

- Public Utilities Commission (PUC)
 - Staff filed EMT's proposed Triennial Plan IV for Fiscal Years 2020-2022 in docket #2018-00321 in early November. A Case Conference was held in mid-November to flesh out the case schedule. EMT Staff then presented an overview of the Plan at a Workshop in early December, and subsequently received numerous data requests from the intervening parties. EMT Staff are now preparing responses to those data requests, due in late December.
 - The PUC's separate inquiry regarding assumptions and calculations used in Triennial Plan IV was merged with the Triennial Plan IV docket. The Trust and its contractor team (Synapse) issued several data requests to the PUC's contractor team (London Economics International, Inc. [LEI]) regarding its alternative avoided cost study. EMT and Synapse staff attended a Technical Conference on the two potential avoided cost studies (Avoided Energy Supply Component [AESC] vs. LEI) in mid-December.

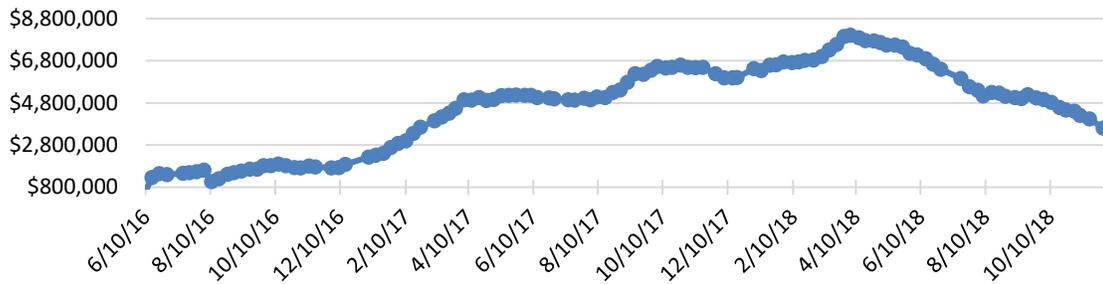
2. Program Highlights¹

A) C&I Prescriptive (CIP) Program

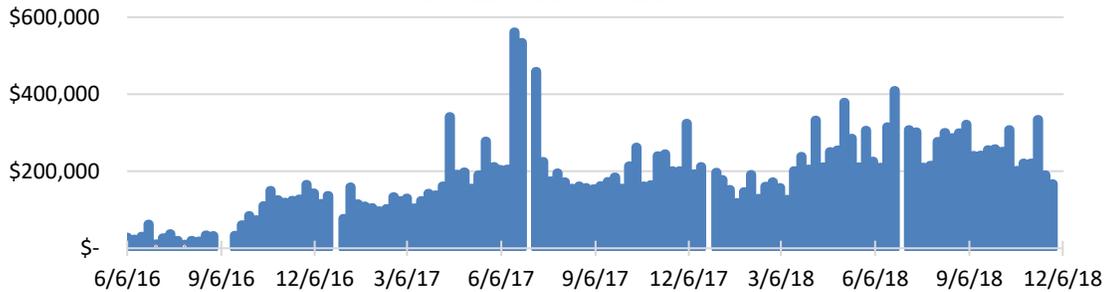
- To date, 509 projects have gone through the prescriptive pathway in the lighting retrofit program; 143 lighting projects have gone through the pay for performance pathway.
- The program team has solicited feedback from stakeholders on the **Cost-effective Lighting Investment Calculator (CLIC)**, and will consider the input for future refinements to the tool and associated training materials.
- The pipeline of pending Compressed Air projects has increased over the last three weeks.
- Total volume for lighting sales through the distributor channel increased in September and dropped slightly in October. Discounts for A-line lamps were discontinued for the Second Quarter. Sales volume information:
 - 45% are screw-in bulbs (26% of discounts paid)
 - 55% are mogul and T8 linear replacement lamps (74% of discounts paid)
- To date, 117 natural gas units and 92 oil/propane units have been installed through the distributor discount initiative, about double the rate of uptake for the equivalent period last year.
- The program wrapped up a heating season promotion that ran from July 1 through the end of October. It included sales incentives for installing contractors who purchased systems through the midstream channel, and has already generated 20 additional sales. Sales increased in September and October; November submittals are starting to come in.

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 December 6, 2018, to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of October 2018).

CIP - Pipeline



CIP - Incentives Paid



Updated Financials	Program Investment
FY2019 Program Budget	\$16,474,310
7/1 to 10/31 Spending	\$5,347,117
Percent of Budget Spent to Date	32%
Percent of Year Passed	34%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings*
Start of fiscal year to 10/31	38,395,204	(26,481)

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

Project Type (through 10/31)	Participants
Lighting Solutions (not including distributor instant discounts)	898
Electric Heating and Cooling Solutions	245
Compressed Air Solutions and Other	31
Natural Gas Heating and Cooling Solutions (not including distributor instant discounts)	37
All Fuels Heating and Cooling Solutions (not including distributor instant discounts)	36

B) C&I Custom Program

- The C&I Custom Program Review Team met twice and approved 5 projects worth \$1.7 million in incentive offers.
- The pipeline has grown modestly, adding 2 new projects. The total pipeline now consists of 10 projects worth \$1.03 million in incentive offers.
- Program staff reviewed 6 project proposals that did not meet the program requirements and were ultimately denied.
- Program staff received applications for 2 new scoping audits.

Updated Financials	Program Investment
FY2019 Program Budget	\$14,864,791
7/1 to 10/31 Spending	\$881,421
Percent of Budget Spent to Date	6%
Percent of Year Passed	34%

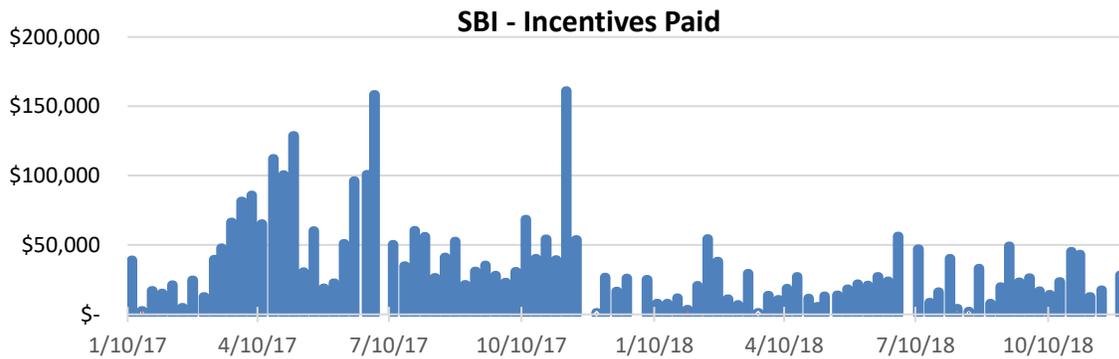
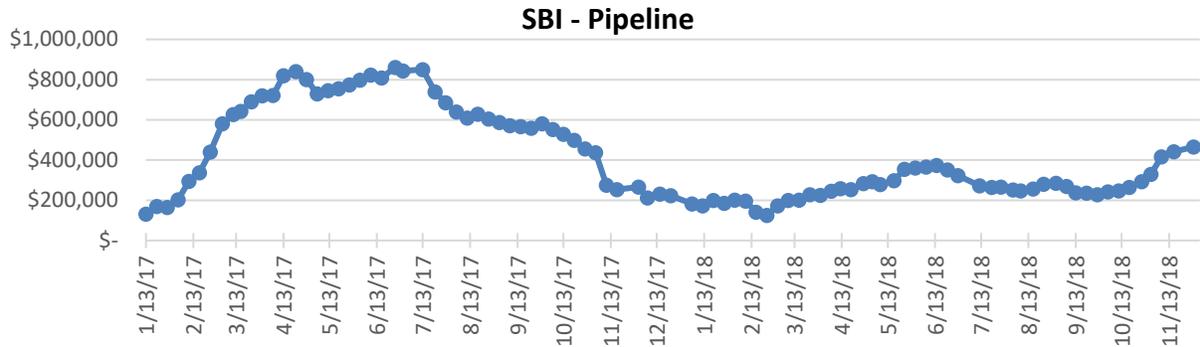
Additional Details on FY 2019 Financials	Program Investment
Expenditures	\$869,431
Committed	\$7,247,346
Pipeline	\$1,027,111
Total (Expenditures, Committed, and Pipeline)	\$9,143,889
Percent of Budget	65%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings	Participants
Start of fiscal year to 10/31	2,843,965	(3,286)	6

C) Small Business Initiative (SBI)

- There are 12 contractors on board for Region 9 (Windham-Gray-New Gloucester) with projects underway. The program team used CMP customer data to conduct targeted outreach for the region. Starting November 1, no new customers are being accepted to participate in SBI for this region. Promotional incentives were extended to all new customers who signed up for an assessment by the end date. The promotion allows customers to receive a higher incentive (90% of the total project cost). All remaining projects in Region 9 are scheduled to be completed by February 15, 2019.
- There are currently 18 contractors on board for Region 10 (Ellsworth) with projects underway. Outreach has included marketing letters with return post cards sent to eligible customers and outreach by contractors among their clients. In addition, the group A Climate to Thrive was brought on board this month to perform customer outreach on Mount Desert Island. The Region 10 pipeline has been increasing over this past month.
- Utility data was reviewed for Region 11 (Old Town-Orono) and targeted customer outreach was conducted on November 14, with additional follow-up and outreach underway. Three

participating contractors are currently on board for Region 11, and the delivery team is continuing to reach out to local contractors to increase participation. The first round of projects for the region have been assigned to participating contractors.



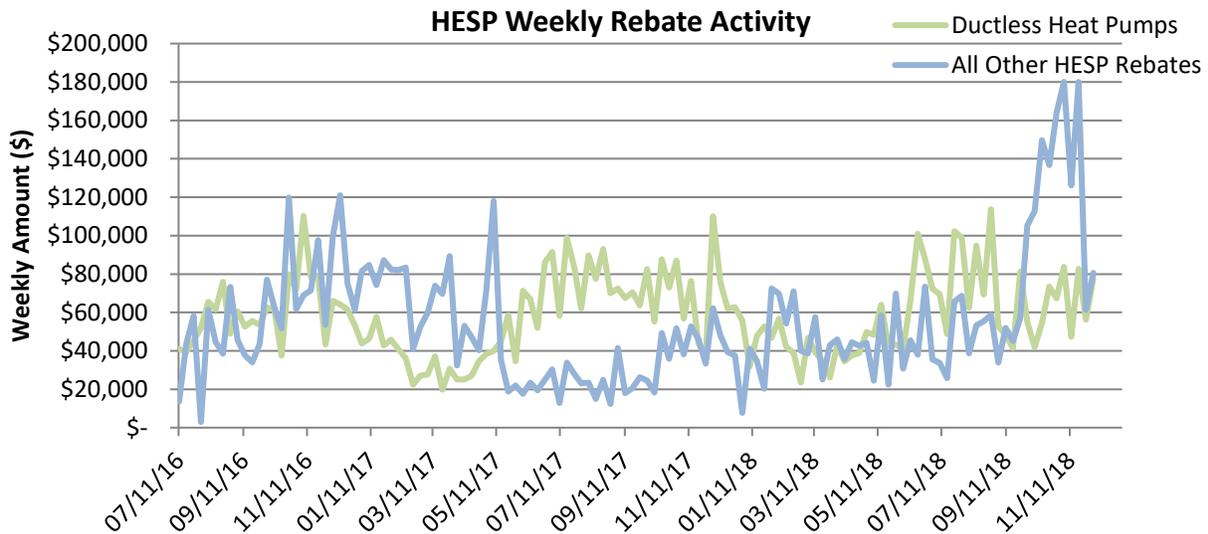
Updated Financials	Program Investment
FY2019 Program Budget	\$3,556,369
7/1 to 10/31 Spending	\$467,375
Percent of Budget Spent to Date	13%
Percent of Year Passed	34%

Summary Program Update	kWh Savings	Annual MMBtu Savings	Participants
Start of fiscal year to 10/31	908,524	(1,141)	46

D) Home Energy Savings Program (HESP)

- The number of rebates in November 2018 was down 11% compared to November 2017 (1,044 vs 1,179), but fiscal year-to-date (YTD) rebated measures are up 5% over last year (5,464 vs 5,196).

- Program changes launched in May (increased incentives and streamlined eligibility criteria) are driving increased customer participation.
 - a. Insulation and air sealing rebates are up 9% YTD vs last year (947 vs 868).
 - b. Boiler and furnace rebates are up 52% YTD vs last year (635 vs 417).
 - c. Pellet and wood stove rebates, with support from the retail field team, are up to 190 YTD compared to 22 by this point a year ago.
- Heat pumps have seen minimal program changes and are at 3,667 YTD.



Updated Financials	Program Investment
FY2019 Program Budget	\$10,306,163
7/1 to 10/31 Spending	\$2,485,245
Percent of Budget Spent to Date	24%
Percent of Year Passed	34%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings
Start of fiscal year to 10/31	4,172,598	16,804

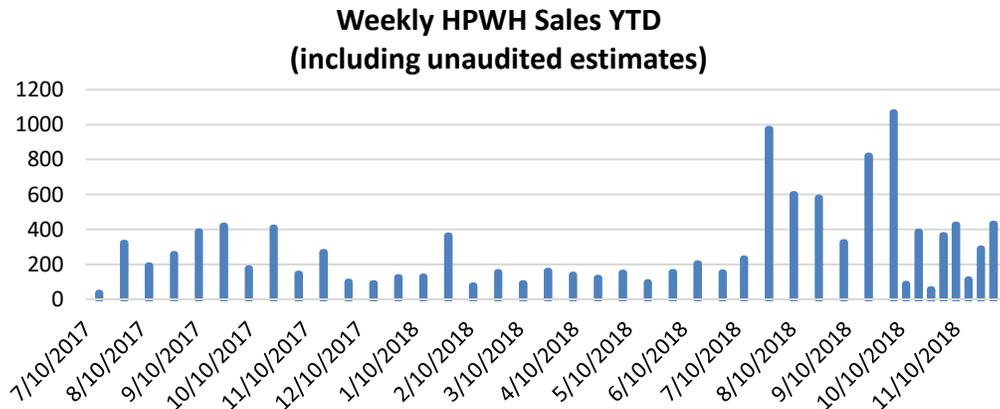
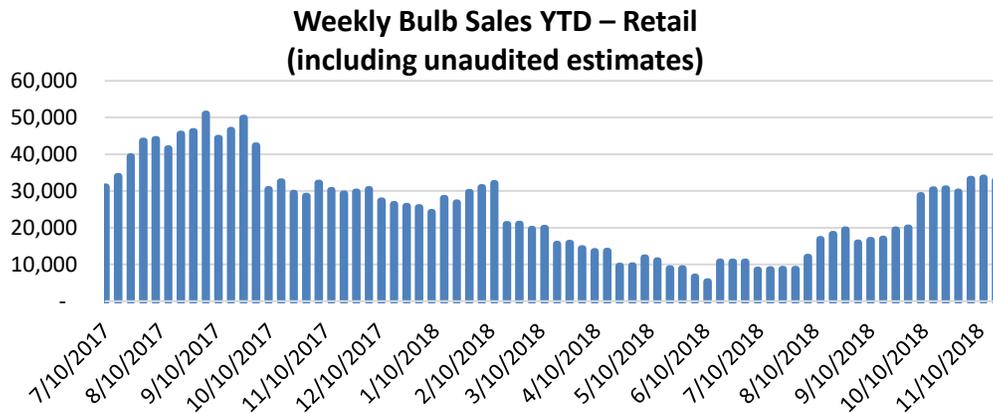
Project Type (through 10/31)	Units
Electric Measures	1,592
All Fuels Measures	642

E) Consumer Products Program

- Maine continues to have one of the most successful heat pump water heater programs in the country. To maintain momentum, the delivery team is lobbying manufacturers to lower

prices further and increase inventories in Maine. The team is forecasting 6,800 units this fiscal year.

- Over 300 stores across the state have promotional displays featuring LED bulbs discounted by Efficiency Maine. Best prices are posted on efficiencymaine.com. The team is forecasting nearly 1.6 million LEDs this fiscal year.
- Although the percentage of the budget spent in this program through the end of October is behind schedule, the pipeline of pending rebates and reports from retailers and distributors suggest that the program will fully invest its budget this year.



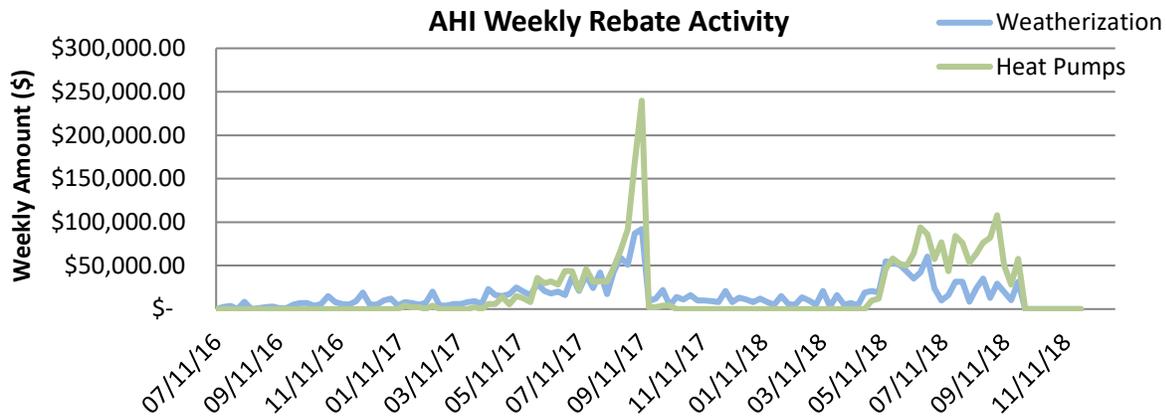
Updated Financials	Program Investment
FY2019 Program Budget	\$13,995,604
7/1 to 10/31 Spending	\$2,298,744
Percent of Budget Spent to Date	16%
Percent of Year Passed	34%

Summary Program Update	Annual kWh Savings	Annual MMBtu Savings
Start of fiscal year to 10/31	11,002,036	(159)

Rebate Type (through 10/31)	Projects
Appliances	4,731
Light Bulbs	229,248
Smart Thermostats	621

F) Low Income Initiatives

- The Low Income Direct Mail (LIDM) Initiative continues to offer Do-It-Yourself (DIY) kits (comprising LED lights and/or low-flow devices) to households that participate in state or federal low income programs. Staff have seen strong investment in this initiative and forecast another 6,000 kits for the remaining of the program year.
- The Trust continues to collaborate with the Public Utilities Commission, Office of Public Advocate, and the electric utilities in the Arrearage Management Program (AMP). The Call Center reached out to all AMP participants with a direct installation offer of HPWH's where applicable. Staff will consult with the Low Income Advisory Group on offering weatherization and ductless heat pump installations in electrically heated homes. Thus far, 297 participants have entered the AMP program this program year.
- 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. All funds for this initiative are fully invested and, on October 29, Staff suspended the program and instituted a reservations system for the remaining projects where a financial commitment had been made prior to October 29. All remaining projects will be completed by December 31.
- The Low Income Direct Install (LIDI) initiative offers free installations of heat pump water heaters (HPWHs) as a retrofit measure to eligible households. Staff are ramping up outreach using the new LIHEAP list and information from DHHS in order to meet investment goals. Staff have reached out to public housing authorities and recruited 3 additional plumbers into the initiative, bringing the total to 21. The Trust is also 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 (i.e., as a lost opportunity measure). Three projects have been completed with the additional installation rebate.
- 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. Other LDC's have been contacted to replicate this program design in their territories.



Updated Financials	Program Investment
FY2019 Program Budget	\$9,065,251
7/1 to 10/31 Spending	\$1,847,371
Percent of Budget Spent to Date	20%
Percent of Year Passed	34%

Summary Program Update	MMBtu Savings	Annual kWh Savings
Start of fiscal year to 10/31	14,850	(48,392)

Initiative (through 10/31)	Units
Direct Installs	141
Market-based Installs	877

G) Renewable Energy Demonstration Grants Program

- No new activity since the last report.

H) Electric Vehicle Supply Equipment (ESVE) Initiative

- The Trust is negotiating final terms of a contract with ChargePoint to deliver Phase 1 of the Maine Electric Vehicle Charging Initiative.
- The Trust publicly announced in a press release that ChargePoint won the solicitation to deliver Phase 1 of the Initiative.

I) Strategic Initiatives (Cross Cutting)

I. Innovation

- The Low Income Behavioral Pilot is continuing to award participants based on their engagement CMP's online Energy Manager tool.

II. Evaluation Measurement and Verification

- Staff have begun working with contractors to install meters on heat pumps in low income homes.

3. Administration and Finance Highlights

A) Administration

- Staff prepared updates to the Personnel Handbook for review and approval of the Board.
- Staff wired payment to the Maine PUC for the allocation of RGGI funds set aside for “Affected Customers” pursuant to state law. This completes payments for this purpose for the fiscal year.

B) Financial

Revenues

- The new revenues from state and regional sources through the end of October 2018 were \$19.4 million (up from \$17.6 million through the prior month) out of a total expected annual revenues of \$55.5 million. Approximately \$0.4 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 approximately \$36.3 million for the fiscal year, not including interfund transfers.

Expenditures

- Total expenditures through the end of October 2018 were \$16 million, of which approximately:
 - i. \$800,000 was spent on Administration
 - ii. \$40,000 was spent on Public Information
 - iii. \$193,000 was spent on Evaluation, Measurement and Verification
 - iv. \$43,000 was spent on Innovation pilots
 - v. \$1.8 million was spent on Low Income Initiatives
 - vi. \$2.3 million was spent on the Consumer Products Program
 - vii. \$2.5 million was spent through HESP
 - viii. \$5.3 million was spent through the C&I Prescriptive Program
 - ix. \$881,000 was spent on the C&I Custom Program
 - x. \$467,000 was spent on the Small Business Initiative
 - xi. \$1.6 million was spent in Inter-Agency Transfers