

Executive Director's Summary Report

to the Board of Trustees
of the
Efficiency Maine Trust

April 24, 2019

1. Communications

A) Awareness and Press

- Press
 - The *Lewiston Sun Journal* did a spread on heat pumps. See, <https://www.sunjournal.com/2019/04/22/experts-you-can-save-money-and-help-the-planet-with-a-heat-pump/> and <https://www.sunjournal.com/2019/04/22/heat-pump-myths/>
 - Ductless heat pump rebates were mentioned in articles by the *Kennebec Journal* (<https://www.centralmaine.com/2019/04/09/steven-kahl-electric-economy/>) and *Seacoast Online* (<https://www.seacoastonline.com/news/20190409/all-electric-economy-will-power-future>).
 - Efficiency Maine was mentioned in coverage of solar bills at the legislature (<https://www.timesrecord.com/articles/maine-1/solar-bills-passage-prompts-optimism-in-the-industry/>).
 - Efficiency Maine's involvement with the Regional Greenhouse Gas Initiative (RGGI) was covered by the *Bangor Daily News* as part of a piece about regional cap and trade efforts on transportation (<https://bangordailynews.com/2019/04/02/politics/daily-brief/under-mills-maine-is-watching-a-regional-effort-to-curb-transportation-emissions/>).
 - Efforts surrounding electric vehicle charging stations and rebates on electric vehicles in Maine were covered by the *Bangor Daily News* (<https://bangordailynews.com/2019/04/18/homestead/electric-vehicles-gaining-traction-in-maine/>).
 - Efficiency Maine's Small Business Initiative was mentioned in coverage of A Climate to Thrive, a grassroots organization in Waldo County (<https://waldo.villagesoup.com/p/local-climate-to-thrive-group-seeks-members/1809721>).
- Events
 - Staff presented and exhibited at the Old House Trade Show, March 30-31.
 - Staff attended a distributor event on heat pumps, April 17.
 - Staff were interviewed about heat pumps by WGME CBS 13, April 4.
- Website and Outreach (March)
 - 24,811 website visits (compared to 28,486 visits in February)
 - 15,010 unique visits
 - 5,091 visits were driven through digital ads
 - Facebook
 - 3,291 fans
- Call Center (March)
 - 1,300 inbound phone calls received

- 96% answered within 20 seconds (vs. a goal of 90%) despite high volume and recent staff turnover
- 570 inbound emails
- 1,143 pieces of inbound mail

B) Government Relations

- Public Utilities Commission (PUC)
 - Staff prepared and submitted Briefs in the Triennial Plan IV proceeding.
 - Staff reviewed the utilities’ proposals for a settlement in the non-wires alternative docket.
- Legislature
 - Staff provided testimony and technical information on several bills at the Legislature, including:
 - LD 614 – a bill on EV programs at the Trust
 - LD 1282 – a bill proposing a Green New Deal for Maine
 - LD 1299 – a bill promoting EVs for municipalities (bill withdrawn)
 - LD 1398 – a bill to require the Trust to support residential new construction;
 - LD 1464 – a bill promoting “beneficial electrification” for heating and transportation.

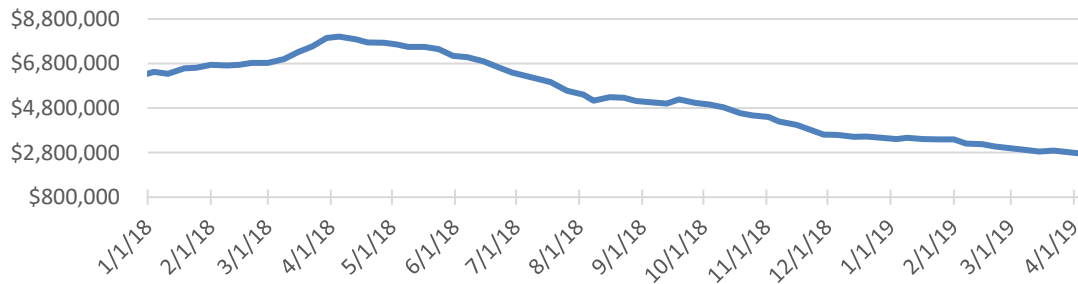
2. Program Highlights¹

A) C&I Prescriptive (CIP) Program

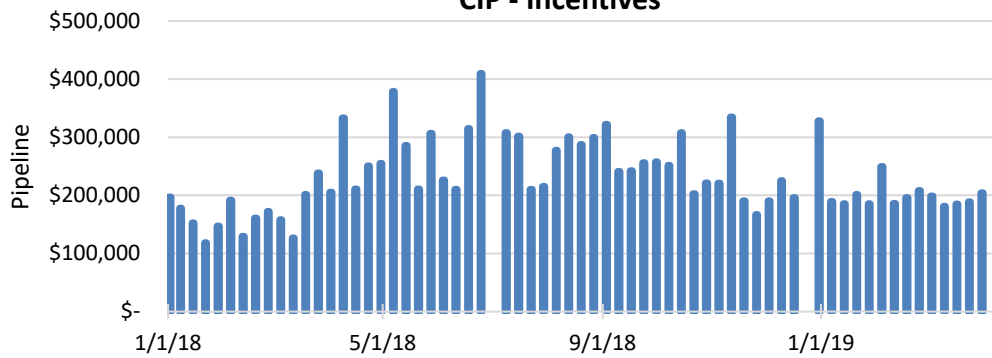
- Overall, the program is on target. Including the \$2.49 million pipeline of committed projects across all funding sources, the program is at 74% invested at 75% through the fiscal year.
- Program activity remains strong. Staff anticipates investing all electric funds this year
- Total volume for lighting sales through the distributor channel increased through March.
 - 37% are screw-in bulbs (21% of discounts paid)
 - 63% are mogul and T8 linear replacement lamps (79% of discounts paid)
- Program participation in the HVAC distributor program is seasonal; nevertheless, participation over the past few months has been higher than the same time period last year.
- The program team reviewed Technical Reference Manual (TRM) values and recent material prices in preparation for the fourth quarter. No changes were made to incentives or discounts.

¹ The Updated Financials table reported for each Program reflects data pulled from the Trust’s financial management system mid-month; the Energy Savings table reflects data pulled from the Efficiency Maine project tracking database on April 16, 2019, to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of March 2019).

CIP - Program Pipeline



CIP - Incentives



Updated Financials	Program Investment
FY2019 Program Budget	\$17,460,592
7/1 to 3/31 Spending	\$10,451,894
Percent of Budget Spent to Date	60%
Percent of Year Passed	75%

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	87,442,622	(89,978)
Thermal Programs	102,509	56,372

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

Project Type (through 3/31)	Units	Projects
Distributor Lighting Solutions	152,471	
Prescriptive Lighting Solutions		1,852
Electric Heating and Cooling Solutions		390
Compressed Air Solutions and Other		118
Natural Gas Heating and Cooling Solutions		21
All-Fuels Heating and Cooling Solutions		90

B) C&I Custom Program

- The C&I Custom Program Review Team met twice and approved 3 projects worth \$516,000 in incentive offers.
- The pipeline has grown modestly, adding 4 new projects. The total pipeline now consists of 6 projects worth \$564,000 in incentive offers.
- Program staff reviewed 4 project proposals that did not meet the program requirements and were ultimately denied.

Updated Financials	Program Investment
FY2019 Program Budget	\$14,797,439
7/1 to 3/31 Spending	\$2,219,788
Percent of Budget Spent to Date	15%
Percent of Year Passed	75%

Additional Details on FY 2019 Financials	Program Investment
Expenditures	\$2,219,788
Committed	\$9,197,129
Pipeline	\$563,983
Total (Expenditures, Committed, & Pipeline)	\$11,980,900
Percent of Budget	81%

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	4,180,620	9,202
Thermal Programs		1,212

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

C) Small Business Initiative (SBI)

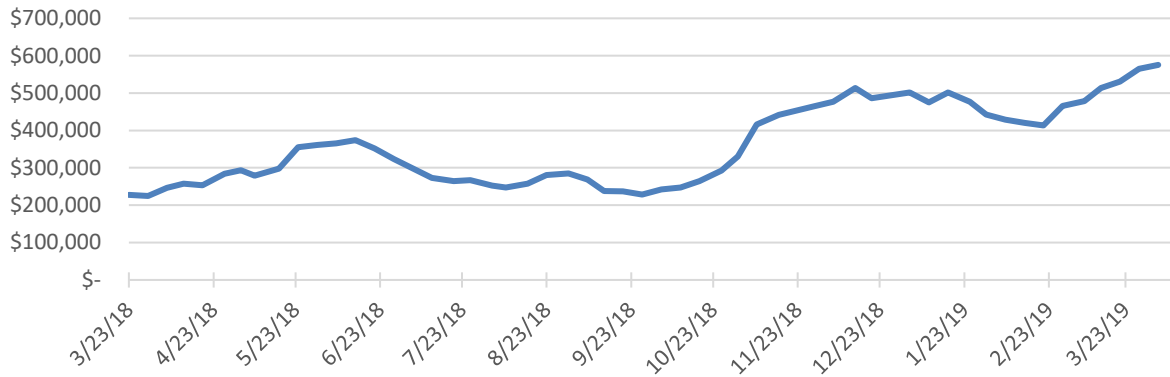
- The program has supported 328 projects year-to-date in FY2019, compared to 257 in all of FY2018.
- Staff closed out the remaining projects in Region 9, which covered Windham, Gray, and New Gloucester.
- A promotion for apartment building owners was announced to customers in Region 11, where approximately 40 percent of the eligible utility accounts are housing properties. The promotion offers enhanced incentives for lighting upgrades in exterior and common areas.
- The program team is launching a 14th region in the Bangor area, with contractor and customer outreach getting underway.

SBI Activities	Region 10	Region 11	Region 12	Region 13
Launch Date	7/2018	8/2018	1/2019	2/2019
Assessments Requested/Assigned	277	32	74	74
Assessments Completed	242	26	45	45
Pre-approved Projects	229	20	40	39
Signed SOWs	179	15	25	26

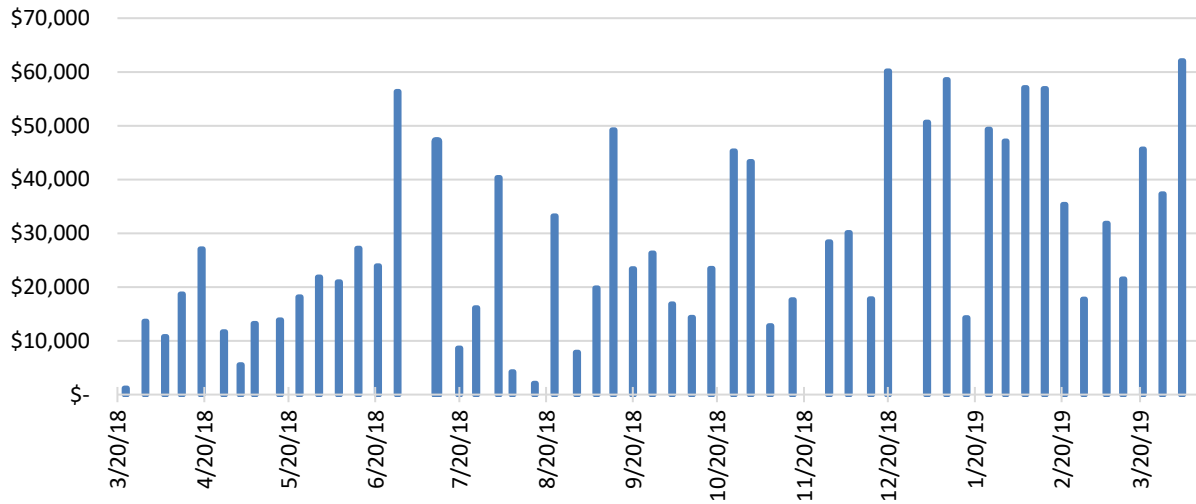
Installations Underway	29	7	5	7
Projects Completed	129	7	9	5

Region 10 covers the Ellsworth area; Region 11 covers Old Town and Orono; Region 12 covers Hallowell, Gardiner, and Chelsea; and Region 13 covers Burnham to Hermon.

SBI - Pipeline



SBI - Incentives Paid



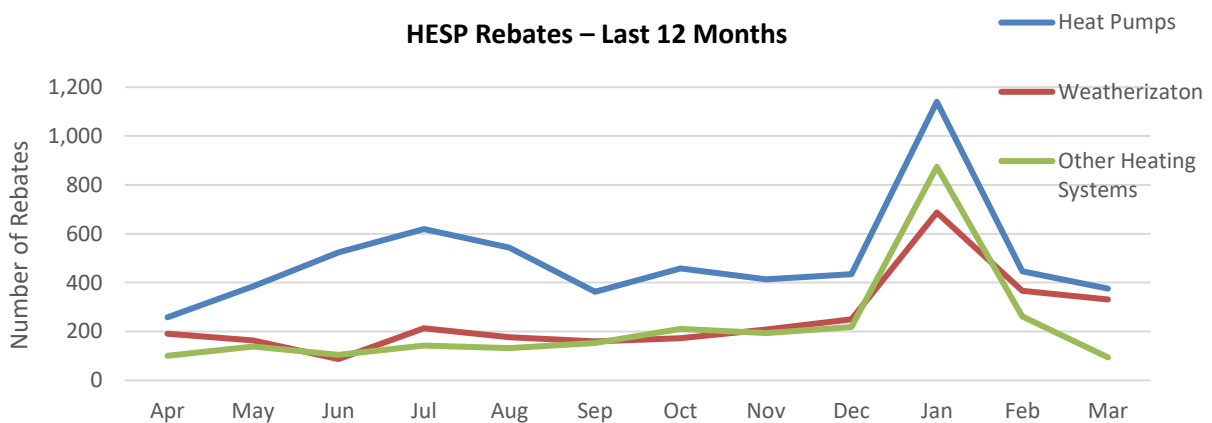
Updated Financials	Program Investment
FY2019 Program Budget	\$3,556,369
7/1 to 3/31 Spending	\$1,303,091
Percent of Budget Spent to Date	37%
Percent of Year Passed	75%

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	2,422,411	(2,574)

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

D) Home Energy Savings Program (HESP)

- The number of rebates in March 2019 was up 51% compared to March 2018, and fiscal year-to-date (YTD) rebated measures are up 43% over last year. This increase in the number of units is being seen across measures:
 - Heat pumps are up 28% YTD vs last year.
 - Insulation and air sealing rebates are up 42% YTD vs last year.
 - Boiler and furnace rebates are up 92% YTD vs last year.
 - Pellet and wood stove rebates (suspended 12/31/2018) were up 880% vs last year.



Updated Financials	Program Investment
FY2019 Program Budget*	\$11,685,960
7/1 to 3/31 Spending	\$7,577,234
Percent of Budget Spent to Date	65%
Percent of Year Passed	75%

*Note that the program budget includes up to \$1.35 million in RGGI funds that are intended to be carried forward into FY2020.

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings
Electric Programs	13,319,595	
Thermal Programs	528,195	80,696

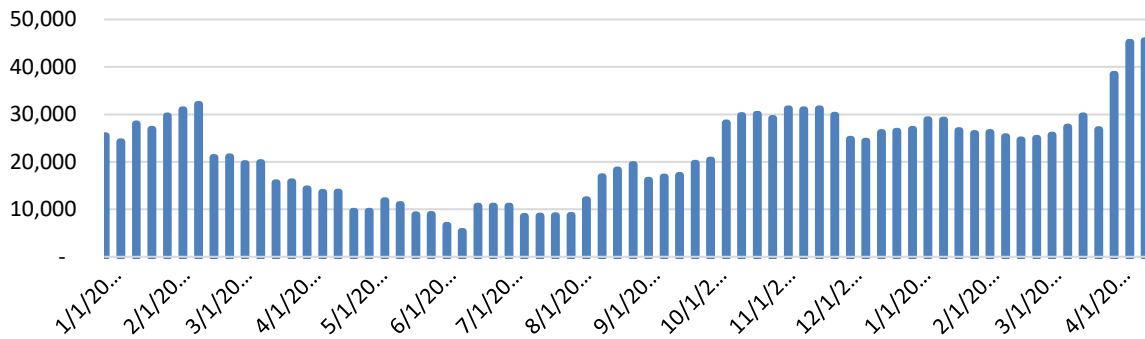
Project Type (through 3/31)	Participating Households
Electric Measures	5,082

Project Type (through 3/31)	Participating Households
All Fuels Measures	3,386
Natural Gas Measures	408

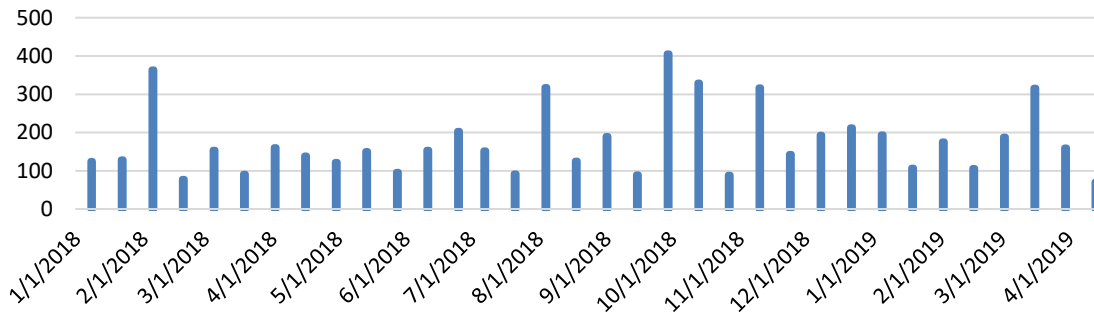
E) Consumer Products Program

- The program team has launched a promotion for distributors that sell heat pump water heaters for \$250 or less and the response has been favorable. The team is forecasting a record 7,789 units this fiscal year.
- Over 200 stores across the state have promotional displays featuring \$0.50 and \$1 LED bulbs discounted by Efficiency Maine. Best prices are posted on efficiencymaine.com. The team is forecasting nearly 1.5 million LEDs this fiscal year.

Weekly Bulb Sales – Retail (including unaudited estimates)



Weekly HPWH Sales (including unaudited estimates)



Updated Financials	Program Investment
FY2019 Program Budget	\$13,995,604
7/1 to 3/31 Spending	\$6,284,037
Percent of Budget Spent to Date	45%
Percent of Year Passed	75%

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	33,895,284	(24,478)
Thermal Programs	2,322	6,527

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

Rebate Type (through 3/31)	Projects
Light Bulbs	831,368
Appliance Rebates	10,421
Smart Thermostats	680

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. Staff has seen strong investment in this initiative with 21,492 kit requests processed this program year and forecast a strong final quarter with help from the Maine Department of Health and Human Services (DHHS).
- The Trust continues to participate in the electric utilities' Arrearage Management Program (AMP). Staff has processed 423 enrollments this fiscal year and is working through a backlog of enrollments from Central Maine Power. Staff is exploring opportunities for weatherization and ductless heat pump installations in electrically heated homes.
- The market-based Affordable Heat Initiative (AHI), which offers enhanced rebates on ductless heat pumps and insulation to eligible homeowners, is currently suspended. All funds for this initiative are fully invested for this fiscal year.
- The Low Income Direct Install (LIDI) initiative offers free installations of heat pump water heaters (HPWHs) as a retrofit measure to eligible households. So far this fiscal year, 311 HPWHs have been installed, with another 150 in the pipeline. Staff invited the Community Action Program (CAP) agencies to participate in delivery of HPWHs and have already begun to see the positive impact.
- Staff completed a low income natural gas project in multifamily housing in Until territory, successfully investing the budget. Staff is now looking to replicate the project in the Bangor Natural Gas and Maine Natural Gas territories.

Updated Financials	Program Investment
FY2019 Program Budget	\$9,134,120
7/1 to 3/31 Spending	\$3,894,142
Percent of Budget Spent to Date	43%
Percent of Year Passed	75%

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	8,778,661	(1,323)
Thermal Programs	(2,690,343)	48,131

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

Initiative (through 3/31)	Units
Direct Installs	282
Market-based Installs	1,917

G) Renewable Energy Demonstration Grants Program

- The Trust has no new information to report this month.

H) Electric Vehicles

- **EV Charging Initiative**
 - Staff finalized and signed the contract for Phase 1. This phase involves the installation of level 3 charging stations at specific sites.
 - Staff released a Request for Proposals (RFP) for Phase 2, which involves Level 2 chargers. A bidder’s conference will be held April 26 and applications are due July 10.

I) Strategic Initiatives (Cross Cutting)

I. Innovation

- The Low Income Behavioral Pilot is progressing smoothly. Due to initial delays in obtaining data, the pilot was extended to June 31. The final awardee has been announced and Staff are waiting on CMP to provide the control group usage data for the analysis.
- In the Commercial Demand Response pilot, Revision Energy finalized negotiations for system costs with a vendor while continuing to expand efforts to market and promote the program. Staff anticipate pushing the timeline of the pilot “test year” out to accommodate additional measure installations before the “test year” begins.
- Revision Energy continues to aggressively expand the sales and marketing effort for the Residential aggregation and controls pilot for distributed energy resources (DERs). Revision Energy closed sales for heat pumps, HPWH and battery systems but continues to look for suitable EV charger sites. Revision Energy will be increasing the pace of installation to get all systems installed and integrated on the software platform by June.

II. Evaluation, Measurement & Verification

- The Trust has no new information to report this month.

3. Administration and Finance Highlights

A) Administration

- The RFP for administering the Commercial & Industrial Prescriptive Program and the Distributor Lighting Initiative was awarded to GDS Associates Inc.
- The RFP for administering the Small Business Initiative was awarded to GDS Associates Inc.
- The RFP for administering the Commercial & Industrial Custom Program was awarded to Energy & Resource Solutions, Inc.
- The RFP for administering the Retail Initiatives Program and the Distributor Initiatives Program was awarded to CLEAResult Consulting Inc.
- The RFP for administering the Home Energy Savings Program and the Low Income Initiatives was awarded to CLEAResult Consulting Inc.

B) Financial

Revenues

- The new revenues from state and regional sources through the end of February 2019 were \$45.4 million (up from \$39.3 million through the end of February) out of a total expected annual revenue of \$55.5 million. Approximately \$0.95 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 interfund transfers of \$1.86 million. The outstanding balance for revenues is approximately \$9.8 million for the fiscal year, not including the balance of interfund transfers.

Expenditures

- Total expenditures through the end of March 2019 were \$39.5 million (up from \$34.6 in the last report), of which approximately:
 - i. \$2 million was spent on Administration (excluding interfund transfers)
 - ii. \$176,000 was spent on Public Information
 - iii. \$304,000 was spent on Evaluation work
 - iv. \$124,000 was spent on Innovation pilots
 - v. \$3.8 million was spent on Low Income Initiatives
 - vi. \$6.2 million was spent on the Consumer Products Program
 - vii. \$7.5 million was spent through HESP
 - viii. \$10.4 million was spent through the C&I Prescriptive Program
 - ix. \$2.2 million was spent on the C&I Custom Program
 - x. \$1.3 million was spent on the Small Business Initiative
 - xi. \$3.1 million was spent in Inter-Agency Transfers