

Executive Director's Summary Report

to the Board of Trustees
of the
Efficiency Maine Trust

April 29, 2020

1. Public Information and Outreach

A) Awareness and Press

- Press
 - The most recent issue of *Green and Healthy Maine HOMES* included a piece on electric vehicle rebates (<https://greenmainehomes.com/blog/2020/4/10/new-rebates-offer-incentives-for-mainers-to-switch-to-electric-vehicles>). Efficiency Maine rebates for electric vehicle fleet purchases were mentioned in a *Portland Press Herald* article on the Kennebunk's recent electric vehicle purchase (<https://www.pressherald.com/2020/03/05/going-green-kennebunk-fire-chief-chooses-tesla/>).
 - The Maine Public Utilities Commission's (PUC's) award to Efficiency Maine for two EV pilot projects was discussed in *electrive.com* (<https://www.electrive.com/2020/03/03/usa-maine-approves-500k-for-ev-charging-stations/>).
 - Efficiency Maine's targeted funding for school lighting retrofit projects and planned projects in Houlton were covered by *The County* (<https://thecounty.me/2020/04/15/news/sad-70-approves-led-lighting-projects>).
 - *Ensisia* and a number of other outlets featured a piece on Efficiency Maine's microgrid pilot with Isle au Haut (<https://ensia.com/features/isle-au-haut-renewable-energy-electricity-microgrid/>).
 - An April 17 *PBS NewsHour* story on beneficial electrification mentioned Maine's 100,000 heat pump initiative (<https://www.pbs.org/newshour/science/to-cut-carbon-emissions-a-movement-grows-to-electrify-everything>).
 - The Executive Director was quoted in a *Portland Press Herald* piece on the coronavirus's impact on clean energy contractors (<https://www.pressherald.com/2020/04/20/maines-clean-energy-progress-stopped-cold-by-coronavirus/>).
 - Efficiency Maine rebates for high-efficiency heat pumps were included in an Earth Day article published in the *Sun Journal* (<https://www.sunjournal.com/2020/04/21/earth-day-ideas-for-a-greener-tomorrow/?rel=related>).
- Events
 - The Executive Director was a panelist at the opening plenary of the American Council for an Energy-Efficient Economy's (ACEEE's) 2020 Rural Energy Conference on February 25.
 - Staff spoke at a sustainable homes event in Freeport on February 27.
 - Staff spoke at a heat pump information session for new home builders on February 27.

- Staff presented at the Air Conditioning Associate of Northern New England Meeting on March 3.
- Staff exhibited at a GrowSmart Maine weatherization event in Wells on March 5.
- Staff spoke at the 2020 Vision event in Norway, Maine on March 5.
- Staff presented on an E2Tech Panel, “Achieving Maine’s Climate Goals: Focus on Transportation and Heating” on April 22.
- Staff presented to the York Rotary Club regarding the Trust’s EV programs via a Zoom call on April 17.
- Staff suspended participation in all in-person meetings or events outside of the office consistent with the Governor’s executive orders on COVID-19.
- Website and Outreach
 - 23,449 website visits (compared to 29,554 visits in February)
 - 13,946 unique visits
 - 5,646 visits website driven through digital ads
 - Facebook
 - 3,589 fans
- Call Center (March)
 - 1,926 inbound phone calls received – a near record high
 - 98% answered within 20 seconds (vs. a goal of 90%)
 - 761 inbound emails
 - 7,919 pieces of inbound mail (4th highest in last 2 years)
 - Agents are working from home following the emergency standard operating procedure (SOP) used for snowstorms. All their resources (phone system, documentation, call logging system, customer enrollment, etc.) are cloud-based.

B) Government Relations

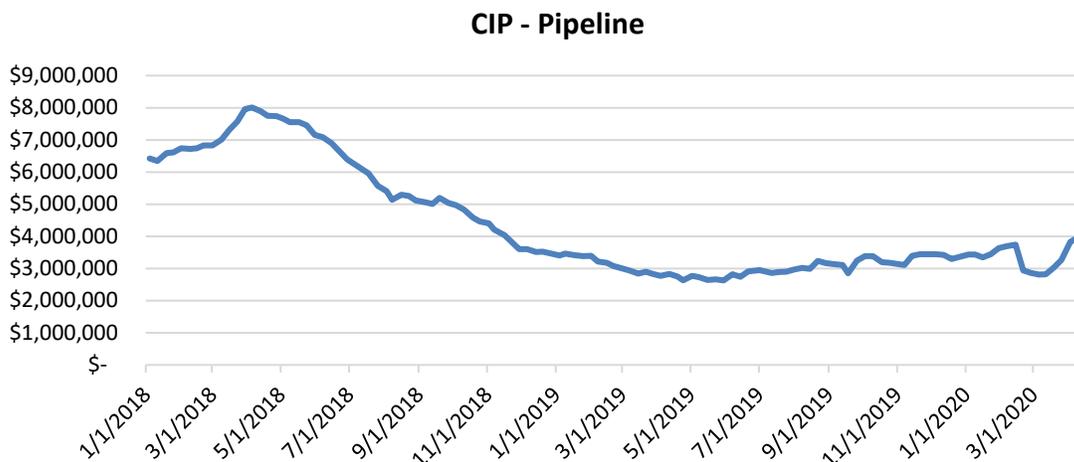
- Maine Public Utilities Commission (PUC)
 - The Trust’s consultants for non-wire, transmission and distribution system alternatives (NWAs) filed a report on behind-the-meter potential in CMP’s proposed Section 31 upgrade (Brunswick Area) in Docket number 2019-00309.
 - The Trust attended a case conference on CMP’s proposed Section 80 rebuild in the Camden Rockland area.
 - The Trust participated in the Emergency Rulemaking docket on exclusion criteria for NWAs.
 - The Trust has been working with the Maine Office of the Public Advocate (OPA) and their consultants on developing a cost-benefit analysis for NWAs.
 - The Trust filed its Annual Update for Fiscal Year 2020 in the Triennial Plan Case. The Commission approved the changes associated with that update on April 15.
- Maine Climate Council
 - The Executive Director, assisted by Staff, co-chaired multiple meetings of the Work Group on Buildings-Infrastructure-Housing. The Work Group compiled a suite of eight broad strategies, comprising dozens of individual policy or program proposals, to reduce carbon emissions from the Buildings sector in Maine. These strategies were submitted to consultants who will model the emissions reductions and cost-effectiveness of the proposals. Key elements of the suite of strategies include increased use of heat pumps and heat pump water heaters, increased weatherization of existing buildings, and more stringent building codes governing new construction. Increased use of renewable fuels, electric vehicles (EVs), EV

chargers, and Non-Wires Alternatives are prominent elements of the Buildings Work Group and other work groups (the Energy Work Group, Transportation Work Group) of the Council.

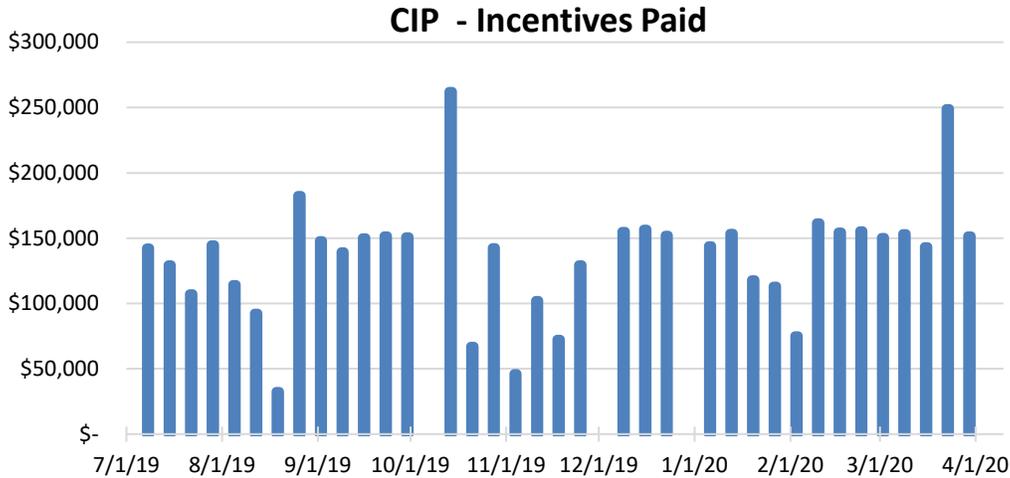
2. Program Highlights¹

A) C&I Prescriptive (CIP) Program

- Lighting projects submissions have remained steady, with over 1,180 lighting projects submitted to date. The program has a pipeline of over \$3.97 million in pending projects.
- With consultation from the Qualified Partner HVAC Advisory Group and findings from a study on variable refrigerant flow (VRF) systems, the Program introduced new measures for Packaged Terminal Heat Pumps (PTHPs) and Single-Phase VRF systems on April 1. In addition, the existing VRF measure was extended to include retrofit as well as new construction applications.
- A Funding Opportunity Notice (FON) for School Lighting Retrofits was issued in February. The program recently extended the due date for project proposals to May 1, 2020 due to COVID-19. To date, applications for 22 school projects have been submitted, representing nearly \$500,000 in incentives.
- A second FON was recently issued seeking applications for Parking Lot and Street Pole Light retrofit projects. Applications will be accepted through June 15, 2020 for projects that can be completed by October 31, 2020 (the end of Daylight-Saving Time).
- A third FON to target the hospitality sector is currently under development. The focus is on replacing (retrofit) Packaged Terminal Air Conditioning units (PTAC) with PTHP units while lodging facilities are vacant.
- All on-site program delivery activity, such as inspections, have been put on hold due to COVID-19. Inspections will be handled by phone and/or video, where appropriate. The program will be researching alternative options into virtual inspections and pictures from customers.



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 23, 2020, to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of March 2020).



Updated Financials	Program Investment
FY2020 Program Budget	\$17,184,059
7/1 to 3/31 Spending	\$5,921,457
Percent of Budget Spent to Date	34%
Percent of Year Passed	75%

Additional Details on FY2020 Financials	Program Investment
Expenditures	\$5,921,457
Committed Pipeline	\$3,974,553
Total (Expenditures, Committed, & Pipeline)	\$9,896,010
Percent of Current Budget	58%

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	34,591,913	(10,328)
Thermal Programs	-	23,395

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

Project Type (through 3/31)	Projects
Prescriptive Lighting Solutions	1,063
Electric Heating and Cooling Solutions	330
Compressed Air Solutions and Other	44
Natural Gas Heating and Cooling Solutions	22
All Fuels Heating and Cooling Solutions	10

B) C&I Custom Program

- The C&I Custom Program Review Team met once and approved 2 projects worth \$34,000 in incentive offers.

- The pipeline has remained steady, now consisting of 7 projects worth roughly \$264,000 in incentive offers after adjusting for probability of completion.
- Program staff received 2 new scoping audit requests.
- Program staff did not receive any new Technical Assistance (TA) Study applications.
- Program staff reviewed 2 project proposals that did not meet the program requirements and were ultimately denied.

Updated Financials	Program Investment
FY2020 Program Budget	\$14,189,007
7/1 to 3/31 Spending	\$3,216,381
Percent of Budget Spent to Date	23%
Percent of Year Passed	75%

Additional Details on FY2020 Financials	Program Investment
Expenditures	\$3,216,381
Committed	\$5,970,716
Pipeline	\$264,000
Total (Expenditures, Committed, & Pipeline)	\$9,451,097
Percent of Current Budget	67%

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings
Electric Programs	1,123,338	-
Thermal Programs	(54,744)	17,398

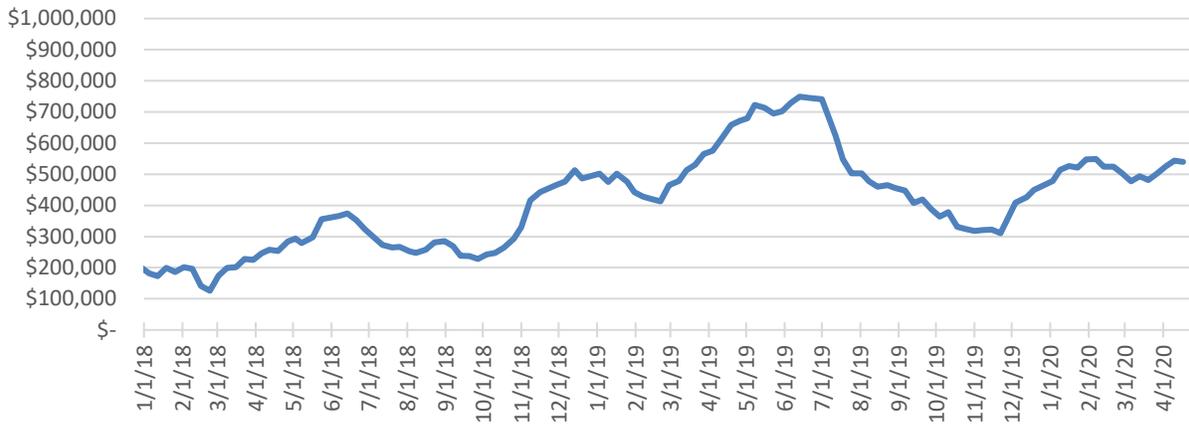
C) Small Business Initiative (SBI)

- Region 15 (Augusta) accepted new projects through March 31. Some businesses are still able to proceed with assessment/installations at this time, while projects for other businesses are being delayed.
- Region 16 (Calais to Lubec) is underway. Nine contractors are on board for the region. The rate of incoming projects has slowed down over the last month, but contractors have remained busy building up a queue, completing assessments and some installations.
- Region 17 (Dover-Foxcroft area) is active. A total of 11 contractors are participating in this region with some early projects underway, and the project pipeline for this region has grown this month.
- Region 18 (Millinocket area) was rolled out this month. A contractor informational webinar was held on March 19, and 13 contractors have signed on to participate. An introductory mailer was sent out last month, and customers have started requesting assessments. Projects have not commenced in this region yet given the current situation with the COVID-19 pandemic, but the program team anticipates the project pipeline to grow quickly once projects begin.
- Utility data has been obtained and scrubbed for Region 19 (Brewer). The program anticipates rolling out Region 19 when the COVID-19 orders are relaxed.

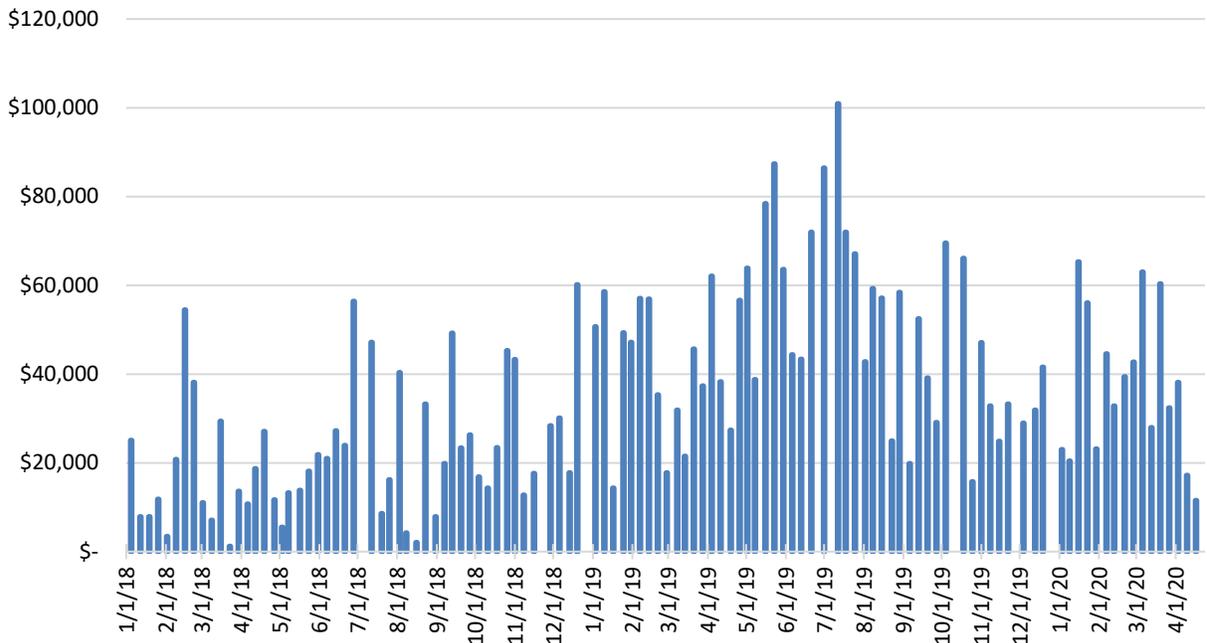
SBI Activities	Region 14	Region 15	Region 16	Region 17	Region 18
Launch Date	4/2019	9/2019	10/2019	1/2020	2/2020
Assessments Requested/Assigned	291	148	140	94	9
Assessments Completed	257	133	119	70	8
Pre-approved Projects	224	119	113	57	7
Signed SOWs	199	98	96	46	3
Installations Underway	3	5	11	11	-
Projects Completed	195	84	61	8	-
Anticipated Closeout	3/2020	4/2020	5/2020	6/2020	7/2020

Region 14 covers Bangor and Hampden; Region 15 covers the Augusta area; Region 16 covers Calais and eastern Washington County; Region 17 covers the Dover-Foxcroft area; and Region 18 covers the Millinocket area

Small Business Initiative - Total Project Pipeline



SBI - Total Incentives Paid



Updated Financials	Program Investment
FY2020 Program Budget	\$3,442,187
7/1 to 3/31 Spending	\$1,847,221
Percent of Budget Spent to Date	54%
Percent of Year Passed	75%

Additional Details on FY2020 Financials	Program Investment
Expenditures	\$1,847,221
Committed Pipeline	\$539,412
Total (Expenditures, Committed, & Pipeline)	\$2,386,633
Percent of Current Budget	69%

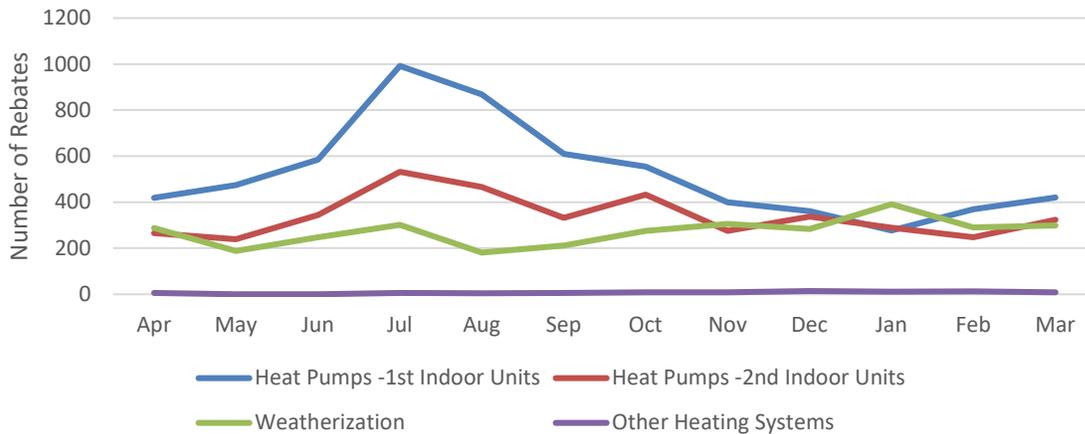
Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	4,040,773	(3,716)

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

D) Home Energy Savings Program (HESP)

- The number of March rebates in this Program were up 9% compared to March of 2019
 - Heat pump rebates were up 28%
 - Weatherization rebates were down 20%
- For the period July through March, the total number of rebates are down 1% over last year.
 - The number of heat pump rebates is up 1%.
 - The number of weatherization rebates is down 13%.
- In-home inspections have been replaced by video/phone inspections since the COVID-19 orders have been issued.
- Installations are increasingly limited to unoccupied homes: new construction, recent sales where owners have not yet moved it, and homes where owners can move out during the upgrade.
- FY2020 is expected to be a record high year for heat pumps, although significant growth in the rate of installations will be needed to be on pace to reach 100,000 over the next 4 years.

HESP Number of Rebates - Last 12 Months



Updated Financials	Program Investment
FY2020 Program Budget	\$13,719,061
7/1 to 3/31 Spending	\$7,410,395
Percent of Budget Spent to Date	54%
Percent of Year Passed	75%

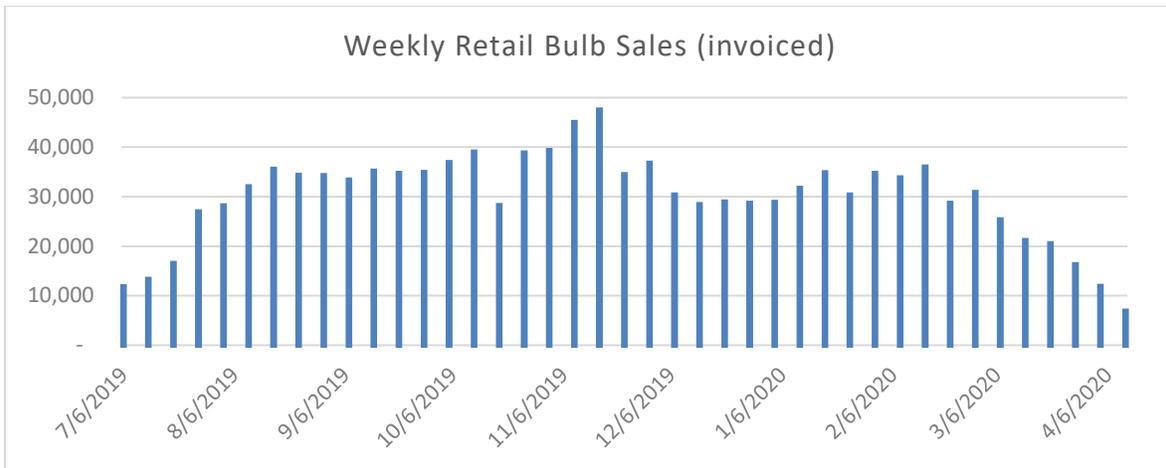
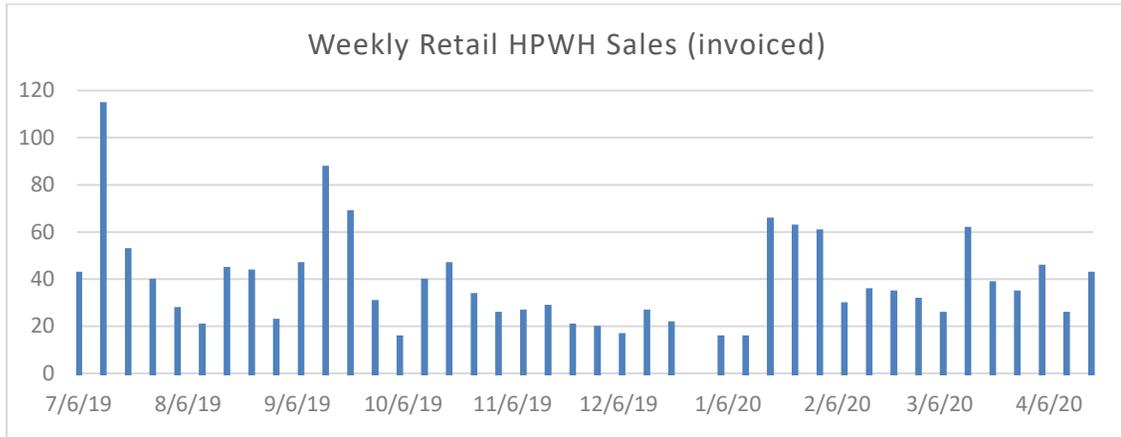
Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings
Electric Programs	(4,590,496)	71,571
Thermal Programs	206,678	27,924

Project Type (through 3/31)	Participating Households
Electric Measures	6,269
All Fuels Measures	1,482
Natural Gas Measures	14

E) Retail Initiatives Program

- The field team typically visits every major retailer of LEDs, heat pump water heaters (HPWHs), clothes washers, and room air purifiers each week to ensure pricing is correct, signage is in place, claim forms are available, and store personnel are trained. The team reports that foot traffic in retail stores is down significantly due to COVID-19.
- Though anticipated shortages of China-sourced LEDs have reduced the forecast, discounted LEDs are available in over 300 stores and the program team projects nearly 1.7 million bulbs will receive rebates this fiscal year – a 4-year high.

- The program is working on rolling out an instant rebate coupon for heat pump water heaters at Home Depot in May.



Updated Financials	Program Investment
FY2020 Program Budget	\$8,211,793
7/1 to 3/31 Spending	\$5,576,936
Percent of Budget Spent to Date	68%
Percent of Year Passed	75%

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	36,828,438	(3,744)
Thermal Programs	-	1,933

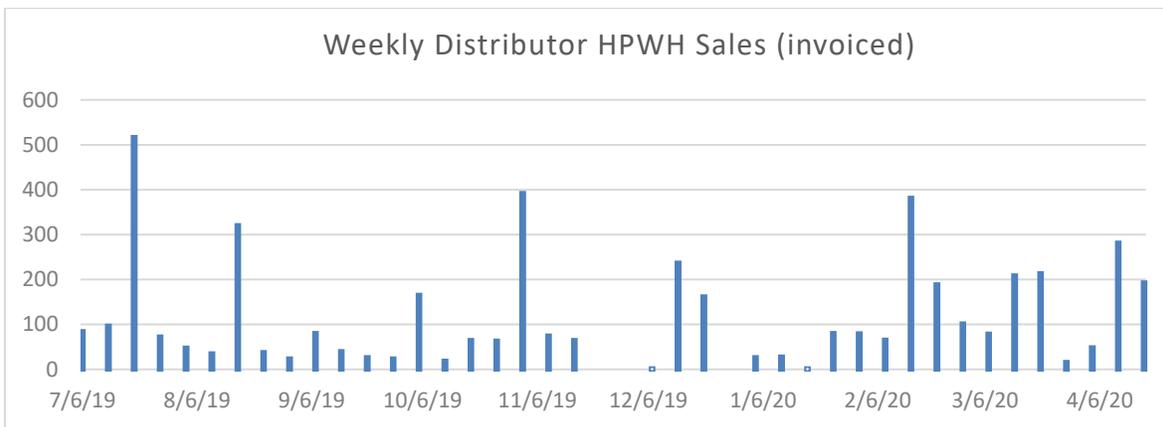
*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

Rebate Type (through 3/31)	Projects
Light Bulbs	1,025,575
Appliance Rebates	7,828

Rebate Type (through 3/31)	Projects
Smart Thermostats	-

F) Distributor Initiatives Program

- Where able, field representatives continue to visit most stores and distributors and report that contractor activity is reduced. Some distributors are closed to visitors and are only loading from their loading docks.
- A \$500 instant discount for ENERGY STAR® “combi” boilers and instantaneous water heaters was launched March 1 for Unifil, Maine Natural Gas, and Maine Natural Gas customers.
- The market share for ECM circulator pumps has jumped several-fold in response to a January 1 increase in the incentive from \$50 to \$75 and the introduction of a \$3 per pump administrative fee. Though the increase came after the peak boiler replacement season, the forecast for the year has increased significantly.
- Following are statistics on lighting sales and discounts paid through the “distributor channel” to date. The distributor lighting initiative has a \$56,000 pipeline of larger, pre-authorized projects.
 - 14% are screw-bulb (8% of discounts paid)
 - 86% are mogul and T8, T5, and T5HO linear replacement lamps (92% of discounts paid)



Updated Financials	Program Investment
FY2020 Program Budget	\$11,918,772
7/1 to 3/31 Spending	\$6,207,007
Percent of Budget Spent to Date	52%
Percent of Year Passed	75%

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	18,225,547	(7,886)
Thermal Programs	-	8,322

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

Rebate Type (through 3/31)	Units	Projects
Distributor Lighting	93,143	-
Distributor HVAC (Oil)	-	1,783
Distributor HVAC (Electric)	-	2,680
Distributor Hot Water (Electric)	-	4,151

G) Low-Income Initiatives

- Low Income Direct Mail:** This initiative offers energy-saving devices to households that opt in for self-install. Since July 1, 2019, the Trust has fulfilled 9,500 kits. The Maine Department of Health and Human Services (DHHS) has sorted participants who opted in for a self-install kit in FY2019. In mid-February, they started sending a new offer to approximately 155,000 households that had not yet opted in to receive any combination of LEDs, energy-saving aerators, or a showerhead. The Trust does not anticipate any substantial impacts on programmatic activity resulting from COVID-19 as this program is administered exclusively through the mail.
- Low Income Heat Pump Water Heater Initiative:** This effort provides free heat pump water heaters for eligible low incomes homes that have existing electric resistance units. The Trust has fulfilled 625 installations since July 1, with an additional 309 in the pipeline and a goal to sign up 1,000 installations by July 1, 2020. To this end, the Trust is conducting outreach to landlords where low-income tenants are paying their own electric bills. The program has seen a slowdown from COVID-19 but continues to take reservations and is optimistic that it can commit all FY2020 electric funding before year-end. The Trust is encouraging installers and customers work with each other on scheduling, and has advised customers that no one will lose a reservation if their installation is delayed.
- Arrearage Management Program (AMP):** The Trust will offer AMP customers the same tips and Do-It Yourself (DIY) kits, as well as offer them heat pump water heaters when conditions allow. The Trust has enrolled 767 new participants to the AMP program to date in FY2020: 42% have asked for a kit, with 100% receiving customized tips for reducing electric usage at home. Community Action Program (CAP) agencies are assisting in enrolling new applicants and offering financial coaching to help ensure success.
- Electric Reduction Initiative:** This pilot intends to reduce the electric consumption in high-usage low-income homes where residents are using inefficient electric means to heat during the winter months. Eligible measures under this pilot include weatherization, insulation, and heat pumps. Participating homes are being metered for electric consumption with analysis beginning in 2020. COVID-19 has prevented field representatives from retrieving meters at this time.
- Affordable Heat Initiative:** Re-launched in late November 2019, this program now offers a \$1,500 incentive to install a qualifying wall-mounted heat pump when homeowners have property values assessed below county-based thresholds (i.e., half of the median home value for the county). Low Income Home Energy Assistance Program (LIHEAP) households are eligible for a \$2,000 incentive. A prequalified reservation is required from the installer for this program. Weatherization incentives (\$600 in air sealing, 80% of the cost of insulating zones up to \$2000 per zone) are available to eligible low-income homes. Uptake has been

slow. New marketing materials are now available to help encourage households to plan their projects, as COVID-19 has halted much of the installation work.

Updated Financials	Program Investment
FY2020 Program Budget	\$7,587,733
7/1 to 3/31 Spending	\$2,073,115
Percent of Budget Spent to Date	27%
Percent of Year Passed	75%

Additional Details on FY2020 Financials	Program Investment
Expenditures	\$2,073,115
Committed Pipeline	\$1,260,914
Total (Expenditures, Committed, & Pipeline)	\$3,334,029
Percent of Current Budget	43%

Energy Savings (through 3/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	336,645	(84)
Thermal Programs	(367,883)	4,527

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

Initiative (through 3/31)	Units
Direct Installs	38
Market-based Installs	96

H) Renewable Energy Demonstration Grants Program

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

I) Electric Vehicle (EV) Initiatives

- Electric Vehicle Supply Equipment (EVSE) Initiative
 - The PUC issued an order awarding funds to EMT to implement two new rounds of grants statewide for public Level 2 chargers, which we expect to launch this summer.
 - Our Phase III RFP is expected to be released this summer to fund the remaining DC Fast chargers funded with VW funds. Specific locations have not been determined yet, but staff has been collaborating with Georgetown University to analyze locations along priority corridors to help inform those decisions.
- EV Accelerator
 - Since Labor Day 2019, 400 electric vehicles have been rebated through the 48 participating car dealers. 40 additional rebates have been issued for vehicles sold directly to customers (where there is no in-state dealer for the particular brand of EV being purchased). The program has seen a slowdown on the number of EV rebates issued, declining from approximately 20 rebates per week to about five per week.
 - Following is a brief summary of the number of rebates by technology:

Type	Number of Rebates
BEV (all-electric)	241
PHEV (plug-in hybrid)	159
Total	400

Updated Financials	Electric Vehicle Supply Equipment	EV Accelerator Program
FY2020 Program Budget	\$2,142,041	\$1,139,471
7/1 to 3/31 Spending	\$751,491	\$669,180
Percent of Budget Spent to Date	35%	59%
Percent of Year Passed		75%

- EV -- Education and Outreach
 - Several public presentations on the EV programs were cancelled due to COVID-19.
 - Staff continues to refine and implement the EV Public Education and Outreach plan having made great progress on EV web page content, EV messaging, promotional collateral for participating car dealers, and radio ads. Staff also provided content about our EV programs for distribution in the Maine Auto Dealers' Association (MADA) newsletter and placed several on-going digital ads.
 - As a part of the EV Pilot proposal awarded by the PUC, staff also made progress on a plan to implement the creation of two new "how-to" guidebooks with accompanying short videos focused on EV charging at home and away.
 - Green & Healthy HOMES magazine ran a story about Efficiency Maine's EV rebate Accelerator program in April.

J) Strategic Initiatives

- Innovation
 - The results of the Low-Income Behavioral Pilot are undergoing a final review by the Staff.
 - ReVision Energy has completed the installation of two battery storage systems at Hyatt Place in Portland and Bar Harbor Public Works. The system for the third site, at Plastech, will likely be installed by mid-May. The Trust is working with ReVision Energy to reassess current project timelines to ensure comprehensive pilot results.
 - The test year continues for the Residential Distributed Energy Resources (DER) aggregation and controls pilot. ReVision Energy opted to not conduct any "events" in March as participants adjust to new stay-at-home orders. The Trust does not anticipate any deviation from the current project schedule.
 - Energy Solutions has collaborated with the Trust's Custom Program deliver team, ERS, to complete preliminary customer acquisition efforts. The Trust anticipates moving forward with the installation of phase change material systems in early summer.
 - Isle au Haut Electric Power Company (IaHEPC) has continued its preparation of sites and installation of measures. IaHEPC does not anticipate COVID-19 disrupting the schedule for installations planned for Phase 2.

- **Evaluation, Measurement & Verification**
 - Nothing new to report.

3. Administration and Finance Highlights

A) Administration

- The Trust has hired Kate Rankin to serve as Senior Communications Manager. Kate lives in Jefferson and comes to the Trust with more than 25 years of experience in marketing and strategic communications at firms like ADP and AT&T.
- The Trust also said good-bye to Michelle Fenlason last month as she headed off to Florida for her next adventure.
- Staff met with the landlord for the office in Augusta to negotiate terms for a new lease.

B) Financial

Revenues

- The new revenues from state and regional sources through the end of March 2020 were \$54.92 million out of a revised total expected annual revenue of \$68.24 million. Approximately \$700,000 in additional revenue has been received year-to-date on interest from outstanding loans and other miscellaneous revenues. Year-to-date, the Trust has made interfund transfers of \$2.37 million.

Expenditures

- Total expenditures through the end of March 2020 were \$40.2 million of which approximately:
 - i. \$4.41 million was spent on Administration (excluding interfund transfers)
 - ii. \$86,300 was spent on Public Information
 - iii. \$367,000 was spent on Evaluation work
 - iv. \$67,400 was spent on Innovation pilots
 - v. \$2.07 million was spent on Low Income Initiatives
 - vi. \$5.58 million was spent on Retail Initiatives Program
 - vii. \$6.21 million was spent on the Distributor Initiatives Program
 - viii. \$7.71 million was spent through HESP
 - ix. \$5.92 million was spent through the C&I Prescriptive Program
 - x. \$3.22 million was spent on the C&I Custom Program
 - xi. \$1.85 million was spent on the Small Business Initiative
 - xii. \$1.34 million was spent in Inter-Agency Transfers
 - xiii. Another \$41.6 million is encumbered across all budget categories but is not yet spent.