

# Executive Director's Summary Report

to the Board of Trustees  
of the  
Efficiency Maine Trust

May 18, 2016

## 1. Communications

### A) Awareness and Press

- Outreach Events:
  - Staff exhibited at the Portland Home Energy Fair, TD Bank Sustainability Fair, UNUM Sustainability Fair, and the UNE Earth Day Fair.
  - The Executive Director presented at the Power Dialog event hosted by the University of Maine, April 6, 2016, and participated in a panel discussion hosted by the Muskie School, "Paris Climate Agreement: What it means for the U.S. and Maine," April 22, 2016.
- Press:
  - A City of Bangor pilot program to layer energy efficiency incentives on top of Efficiency Maine HESP incentives was covered by a number of media outlets including WABI TV (<https://wabi.tv/2016/04/11/bangor-council-approves-energy-efficiency-pilot-program>) and WLBZ2 (<http://www.wlbz2.com/news/local/bangor-unveils-energy-efficiency-incentive/141403536>).
  - MaineBiz featured energy efficiency upgrades installed at Gelato Fiasco in Brunswick (<http://www.mainebiz.biz/article/20160404/CURRENTEDITION/303309992/saving-on-energy-costs-one-gelato-flavor-at-a-time>).
  - Staff is in the process of reviewing more than 30 submissions in response to a Request for Qualifications (RFQ) for Various Communications, Marketing, and Logistical Support Services.
- Website and Outreach:
  - 21,819 website visits in April 2016
    - Compare with 24,985 visits in March 2016.
    - 16,161 unique visits occurred in April 2016.
    - 6,786 visits were driven through digital ads in April 2016.
  - Social Media
    - Facebook advertising campaigns continue to reach a significant number of Mainers; for example, the most recent post reached over 39,898 Facebook users in Maine.
    - 121 new fans in February.

## **B) Call Center**

- 850 calls received.
- 416 emails received.
- 1,028 letters received.
- 801 outbound dials to prospect for LIHESP participants and survey for Appliance Rebate Program Evaluation.

## **C) Government Relations**

- Activity at the PUC included:
  - Participating in settlement conferences and reviewing successive drafts of a stipulation aimed at addressing concerns of the PUC Staff and Parties to the proceeding.
  - Submitting comments on the NTA Coordinator inquiry.
- Bills Passed at the Legislature include:
  - LD 1398, “An Act To Reduce Electric Rates for Maine Businesses.” This bill increases the amount of RGGI revenue that is to be returned to business ratepayers. It also increases the share of revenues to be invested in residential programs.
  - LD 1558, “An Act To Enable Low-income and Other Customers Greater Access To Efficient Electric Heat Pumps through Unique Financing and Third-party Installation and Maintenance.” This bill allows transmission and distribution utilities to implement programs to provide efficient heat pumps to customers who face challenges purchasing or financing heat pumps due to income or other reasons.
  - LD 1651, “An Act to Exempt Certain Natural Gas Consumers from an Assessment and To Extend a Moratorium on Assessments for Other Large-volume Consumers of Natural Gas.” This bill extends the moratorium on collecting assessments from the state’s largest natural gas customers for one year, and makes permanent the exemption for wholesale power generators larger than 3 MW in size.
- Bills Not Passed at the Legislature include:
  - LD 1382 “An Act To Assist Low-income Electricity Consumers.” This bill called for the allocation of Maine Yankee settlement funds to invest in measures that reduce residential heating costs for low-income electricity ratepayers.
  - LD 1073, “An Act To Lower Energy Costs and Increase Access to Solar Energy for Agricultural Businesses.” This bill called for Efficiency Maine to administer a solar rebate for agricultural businesses.

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

### A) Business Incentive Program – Electric Measures

Updated Financials	Program Investment
FY2016 Program Budget	\$6,934,159
7/1 to 3/31 Spending	\$5,928,048
Percent of Budget Spent to Date	85%
Percent of Year Passed	75%

Summary Program Update	kWh Savings	Participants
Start of fiscal year to 3/31	16,961,937	681
Additions since last ED Report	N/A	1

Project Type	Projects
Prescriptive Lighting Retrofit	733
Prescriptive Lighting New Construction	57
Prescriptive HVAC	24
Prescriptive Refrigeration	4
Prescriptive VFD	7
Prescriptive Compressed Air	5
Custom Lighting	7
Custom HVAC	6
Custom Compressed Air	3
Custom Misc.	5

- The program has begun offering Qualified Partner FY2017 Certifications for the upcoming program year:
  - 5 On-site training sessions conducted – 168 attendees.
  - 1 of 6 Webinar sessions completed – 121 attendees.
- In FY2017, we will be using a more integrated approach to marketing this program’s measures as “Energy Efficiency Solutions” targeting specific industry sub-sectors or specific types of needs (e.g., Lighting Solutions, Heating Solutions, Commercial Kitchen Solutions) rather than marketing based on the fuel type (electric, natural gas, oil).

<sup>1</sup> Tables reflect data through March 2016 pulled from the Financial Report to the Finance Committee for May 11, 2016, and from the Efficiency Maine tracking database on May 9, 2016.

**B) Business Incentive Program – Natural Gas Measures**

<b>Updated Financials</b>	<b>Program Investment</b>
FY2016 Program Budget	\$1,042,422
7/1 to 3/31 Spending	\$331,277
Percent of Budget Spent to Date	32%
Percent of Year Passed	75%

<b>Summary Program Update</b>	<b>MMBtu Savings</b>	<b>Participants</b>
Start of fiscal year to 3/31	45,264	35
Additions since last ED Report	3,316	19

<b>Project Type</b>	<b>Projects</b>
Prescriptive Natural Gas	38
Custom Natural Gas	3

- The program has additional projects worth \$138,000 prescriptive measure incentives in process plus an additional \$553,056.00 from four custom projects that have been awarded, but not yet paid out.
- The program team continued outreach to contractors during “Counter Hours.”

**C) Business Incentive Program – All Fuels Measures / Heat Pumps / Heating Solutions**

<b>Updated Financials</b>	<b>Program Investment</b>
FY2016 Program Budget	\$2,316,686
7/1 to 3/31 Spending	\$1,386,632
Percent of Budget Spent to Date	60%
Percent of Year Passed	75%

<b>Summary Program Update</b>	<b>MMBtu Savings</b>	<b>Participants</b>
Start of fiscal year to 3/31	9,756	258
Additions since last ED Report	7,623	150

<b>Project Type</b>	<b>Projects</b>
Ductless Heat Pumps	268
Propane / Oil Hot Water Boiler	3

- The program has additional projects worth \$221,675 in process.
- Efficiency Maine is continuing to meet in the field with sales staff and contractors to talk about and promote our suite of efficiency measures available through this initiative, including:
  - Participating in “Counter Hours” at wholesalers/suppliers; and,
  - Meeting with the distributor’s “outside” sales staff who go out into the marketplace to promote new heating equipment.

**D) Business Incentive Program – Multifamily**

<b>Updated Financials</b>	<b>Program Investment</b>
FY2016 Program Budget	\$1,182,454
7/1 to 3/31 Spending	\$606,989
Percent of Budget Spent to Date	51%
Percent of Year Passed	75%

<b>Summary Program Update</b>	<b>kWh Savings</b>	<b>Participants</b>
Start of fiscal year to 3/31	2,981,986	16
Additions since last ED Report	-	-

<b>Project Type</b>	<b>Projects</b>
Lighting	1,008
Air Sealing	88
Boiler Controls + Thermostats	29
Heating Systems	113
Insulation	100
Low Flow Devices	72
Water Heating	97
Fast Track	187
Modeling	66

- The program has additional projects worth \$329,600 in process, and anticipates ending the year with most of the funds invested.

**E) Large Customer Program**

<b>Updated Financials</b>	<b>Program Investment</b>
FY2016 Program Budget	\$19,416,994
7/1 to 3/31 Spending	\$4,593,447
Percent of Budget Spent to Date	24%
Percent of Year Passed	75%

<b>Summary Program Update</b>	<b>Incentive Commitments (YTD)<sup>2</sup></b>	<b>Savings</b>	<b>Participants</b>
Electric Year to Date	\$4.2 million	19,590,659 (annual kWh)	22
GHG Year to Date	\$2.1 million	8,792,186 (annual LBS of CO2)	9

- The program’s total budget = \$19.4 million:
  - Total expended year-to-date = \$4.5 million.
  - Total encumbrances = \$8.4 million.
  - Available funds [Budget - Expended - Encumbrances] = \$6.5 million.
  - Total awarded but not yet under contract = \$1.98 million.
  - Total Pipeline = \$3.7 million.
  - Available - Awarded - Pipeline = \$800,000.
- The program has succeeded in expanding its offerings to advance smaller projects than were targeted in prior years.
  - The small custom projects initiative has issued pre-approvals to 7 projects worth a total of \$304,841 since the launch on 4/1/16.

**F) Small Business Initiative**

<b>Updated Financials</b>	<b>Program Investment</b>
FY2016 Program Budget	\$1,010,917
7/1 to 3/31 Spending	\$724,245
Percent of Budget Spent to Date	72%
Percent of Year Passed	75%

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<sup>2</sup> This number will not match the encumbrances because it only includes awards to date.

Summary Program Update	kWh Savings	Participants
Start of fiscal year to 3/31	2,516,260	94
Additions since last ED Report	N/A	10

Measure Category	Units
Fluorescent Fixtures (L)	155
LED Fixtures (S and X)	748

- Region 4 will be completed by the end of May.
- Region 5 outreach planning is underway and will be launching in the next few weeks.
- A FY2017 Request for Pricing (Lighting Supplier) solicitation is under development.
  - LED lighting only (Replacement Lamps, Retrofit Kits, New Fixtures).

**G) Commercial New Construction -- Maine Advanced Buildings Program**

Updated Financials	Program Investment
FY2016 Program Budget	\$845,684
7/1 to 3/31 Spending	\$28,461
Percent of Budget Spent to Date	3%
Percent of Year Passed	75%

- The program has additional projects worth \$428,788 (5 projects) in process, and is currently reviewing submittals for 3 additional projects.
- The program anticipates all funds being invested or committed, with 2 projects completed by the end of the year.

**H) Home Energy Savings Program**

Updated Financials	Program Investment
FY2016 Program Budget	\$8,398,172
7/1 to 3/31 Spending	\$5,890,139
Percent of Budget Spent to Date	70%
Percent of Year Passed	75%

Summary Program Update	kWh Savings	MMBtu Savings	Measures
Start of fiscal year to 3/31	7,401,572	69,399	9,124
Additions since last ED Report	377,654	8,687	745

Project Type	Units
Attic Insulation	874
Boiler	595
MiniSplit HP	3,993
Bundling Bonus	1,126
Air Sealing	1,371
Basement Insulation	487
Pellet Boiler	66
Pellet Stove	162
Geothermal HP Closed Loop	30
Geothermal HP Open Loop	19
Wall Insulation	200
Wood Stove	46
Furnace	153
Central Heat Pump	1

- 452 participating homes completed projects in March with a total investment of \$2.8 million.
- The seasonal trough extended through April but there are signs of a pickup in most project types in May.

#### I) Consumer Products Program

Updated Financials	Program Investment
FY2016 Program Budget	\$10,533,305
7/1 to 3/31 Spending	\$6,974,001
Percent of Budget Spent to Date	66%
Percent of Year Passed	75%

Summary Program Update	kWh Savings	Appliance Rebates	Light Bulbs
Start of fiscal year to 3/31	31,904,833	6,292	1,850,757
Additions since last ED Report	6,130,087	605	184,530



Measure Type	Units
Retail Lighting – Non-Low Income	1,487,936
Distributor Lighting	120,599
Room Air Purifier	1,083
Dehumidifier	2,589
Heat Pump Water Heater	1,389
Clothes Washer	728

- The Distributor Screw-In LED program is close to investing all funds and some distributors have discontinued offering discounted bulbs given that they have met their projected sales.
- The low-income portion of the Consumer Products Program is reported in the low-income initiatives section; the total savings table, above, includes both non-low income and low income.

**J) Low-Income Initiatives (electric, natural gas, and other fuels)**

Updated Financials	Program Investment
FY2016 Program Budget	\$4,887,891
7/1 to 3/31 Spending	\$2,412,736
Percent of Budget Spent to Date	49%
Percent of Year Passed	75%

Summary Program Update	kWh Savings	Ductless Heat Pumps	Light Bulbs
Start of fiscal year to 3/31	6,195,870	101	401,381
Additions since last ED Report	430,897	-	35,874

Direct Install Initiatives	Participants
Ductless Heat Pump	101

Other Initiatives	Units
Food Bank	159,159
Retail Lighting – Low Income	242,222
Appliances – Low Income	503

- All of the Low Income Direct Install Heat Pump Program funds were successfully invested by March.

- The Low Income Direct Install Natural Gas Weatherization Program had its first six homes weatherized in April. The forecast is for 23 homes by the end of the fiscal year. All prospects on the available LIHEAP list have been mailed or called seven times.
- The Arrearage Management Program added 131 new participants in April bringing the total to 385 homes from six utilities. All homes received an electric energy assessment, energy savings tips, and a list of energy saving programs/resources.

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

- **Forward Capacity Market**
  - Evergreen Economics completed the 2016 M&V Compliance Report, which confirms that the Trust’s reporting is within ISO-NE standards. The M&V Compliance Report is due in May.
  - The Trust continued its routine monthly reporting and maintenance of its resources.
- **Innovation Pilots**
  - Efficiency Maine reviewed proposals for a Pay-for-Performance Pilot under the Innovation Program last week. Review team members for the proposals from Efficiency Maine staff were James Leyko (RFP lead), Peter Eglinton (review chair), Rick Meinking, with external assistance provided by Nick Collins (ERS Senior Engineer), and Jayme Holland (CMP Projects and Programs Manager).
  - Efficiency Maine hosted a kickoff meeting for the Commercial HPWH Innovation pilot with Nyle Systems, Spark Applied Efficiency, and Innovation Automation Solutions. The pilot will install a commercial HPWH and advance data monitoring equipment at two locations with high hot water demand.

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

#### **A.) Administration**

- Staff is beginning preparations for the Annual Audit.
- David Barber and Brent Boyles were re-appointed to the Board and confirmed.
- Herb Crosby and David Stapp were newly appointed to the Board and confirmed.

#### **B.) Financial**

- Revenues for FY2016 remain on track or ahead of pace.
  - Although RGGI proceeds from the third quarterly auction were below the prior two auction proceeds, overall, RGGI revenues for the year are still ahead of pace since the first two auctions significantly exceeded our forecasts. Year-end RGGI revenues are expected to fall in line with the original forecasts.

- Nearly all Electric Procurement payments for the fiscal year have been received. We are only waiting on one utility to remit its final quarterly payment. The next quarterly payments are due from the utilities in July.
- Natural Gas Assessments are unchanged; receipt of the remaining natural gas revenues is expected in June.
- The final Phase I payments from the Maine Yankee Settlement have been received in full.
- Program expenditures are generally on-track.
  - Staff is seeking Board approval to redirect funding in certain budget lines to achieve additional energy savings through programs that are showing greater activity and to prepare for FY2017.
  - The Large Custom Program is on track to fully commit remaining available Large Custom program funds for FY2016.
  - Several Innovation Pilots are pending award and contracting, which will encumber most of the balance available in that budget line.
  - Staff is undertaking a variety of initiatives to accelerate expenditures of the Low Income budgets. A staff person has been dedicated to marshal these efforts and generate significantly expanded outreach through networks that regularly communicate with or serve low income constituencies.