

# Executive Director's Summary Report

to the Board of Trustees  
of the  
Efficiency Maine Trust

May 24, 2017

## 1. Communications

### A) Awareness and Press

- Outreach Events:
  - The Business Program Manager presented to the Maine Indoor Air Quality Conference (May 3).
  - The Communications Manager exhibited at the MaineHousing Landlord Conference (May 5).
- Press:
  - The Sun Journal featured energy savings with LED bulbs (<http://www.sunjournal.com/news/lewiston-auburn/0001/11/30/led-lights-save-money-light-better-use-less-energy/2110626>).
- Website and Outreach (April)
  - 24,242 website visits (compare with 28,184 visits in March)
  - 17,955 unique visits
  - 9,139 visits were driven through digital ads
  - Facebook:
    - a. 2,815 fans of page (16 new)
    - b. 790 Facebook users reached through advertising

### B) Call Center (April)

- 1,349 inbound phone calls (98% answered within 20 seconds)
- 378 inbound emails
- 996 inbound mail (mostly rebate claims)
- 451 outbound calls made in order to complete 69 Appliance Rebate evaluation surveys

### C) Government Relations

- The Energy, Utilities and Technology Committee voted to confirm the nomination of Barry Hobbins as the new Public Advocate (May 9). He has since been confirmed by the Senate.
- The Executive Director provided testimony on:
  - LD 1487 - An Act to Control Electricity Transmission Costs through Non-Transmission Alternatives (May 3).

- LD 1513: An Act to Provide for Affordable Long-Term Energy Prices in Maine (May 3).
- LD 1373: An Act to Protect and Expand Access to Solar Power in Maine (May 4).
- LD 1475: An Act to Reduce Child Poverty by Leveraging Investments in Families Today (May 8).
- LD 1313: An Act to Establish Energy Policy in Maine (RGGI funding) (May 11).
- LD 1515: An Act to Reduce Electric Rates for Maine Businesses by Amending the Laws Governing Spending from the RGGI Trust Fund (May 11).
- LD 131: An Act to Protect the Biomass Industry (May 16).
- EMT Staff is monitoring the discussion and progress on:
  - LD 260: An Act to Create the Maine Energy Office.
  - LD 822: An Act to Ensure Fairness Among Large Consumers of Natural Gas.
  - LD 1392: An Act to Allow Municipalities to Opt Not to Enforce the Maine Uniform Building and Energy Code.
  - LD 1482: An Act to Implement the Recommendations of the Right to Know Advisory Committee Concerning Existing Public Records Exceptions.
- PUC Activities:
  - The Evaluations Manager gave a presentation to the PUC on the Trust's Technical Reference Manuals (May 10).
  - Staff attended a hearing on the Conservation Voltage Reduction stipulation (May 22).
  - PUC Staff issued an examiners report on the two Triennial Plan outstanding issues that were reserved for litigation. The issues concern implementation of natural gas conservation programs. Efficiency submitted limited comments on the PUC Staff's recommendations.
  - PUC Staff issued an examiners report that recommends rejecting the stipulation signed by the parties in the Triennial Plan's Phase II low income issues docket.

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

### A) C&I Prescriptive (CIP) Program – Electric Measures

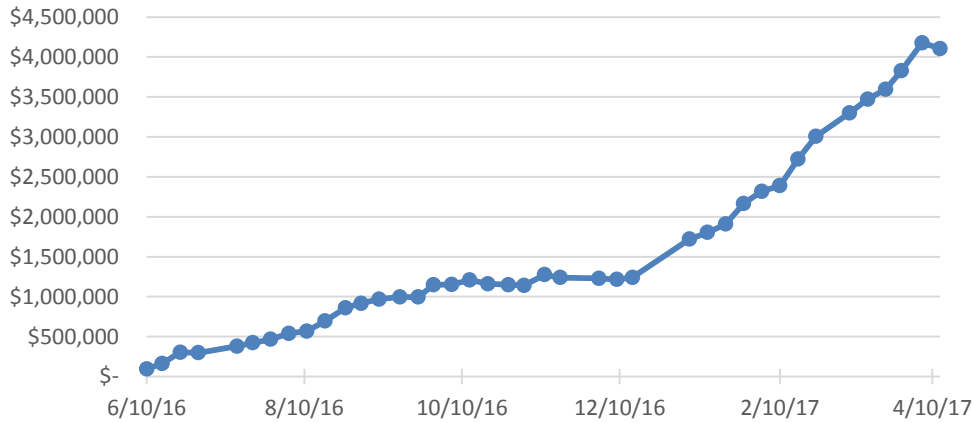
- Growth in weekly incentive payments and pipeline (pending projects) continues. The current pipeline is worth \$4,333,106 in incentives.
- Pre-approved 43 projects submitted for the Classroom Lighting Promotion, which represents \$1,007,665 in additional incentives. Of these, 24 projects (\$381,680 of incentives) have been paid to date. Other projects are awaiting invoices or in queue for review.

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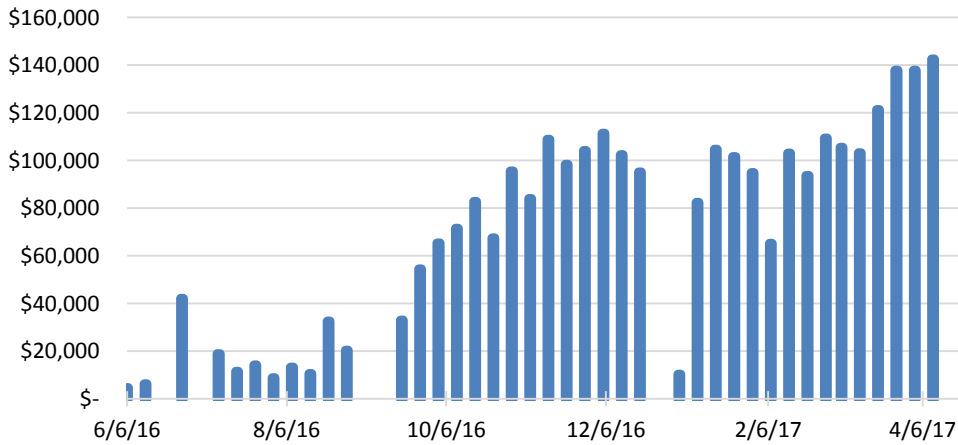
<sup>1</sup> The Updated Financials table reported for each Program reflects data pulled from the Trust's financial management system as of mid-month; the Summary Program Update table is pulled from the Efficiency Maine project tracking database as of May 19, 2017.

- Pre-approved 16 projects to date for the Automobile Parking Lot Lighting Promotion (to replace 1000W metal halides), which represents \$332,280 in additional incentives.
- The program continues to host monthly webinars for Qualified Partners:
  - i. The program now has 730 Current Qualified Partner companies (including 888 individuals), representing an increase of 40 new companies within the last month.
  - ii. An Annual Qualified Partner Certification is scheduled for June, which offers five on-site sessions and webinar options to review the FY2018 program.

**C&I Prescriptive Program Electric Measures Pipeline**



**C&I Prescriptive Program Electric Measures Incentives Paid**



Updated Financials	Program Investment
FY2017 Program Budget	\$8,574,935
7/1 to 4/30 Spending	\$3,881,398

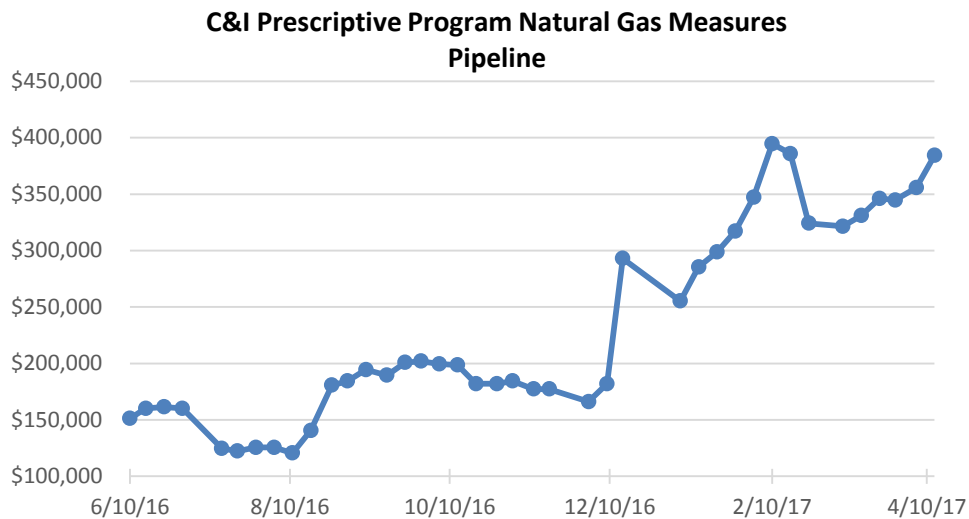
Percent of Budget Spent to Date	45%
Percent of Year Passed	83%

Summary Program Update	kWh Savings	Participants
Start of fiscal year to 3/31	12,582,042	1,020

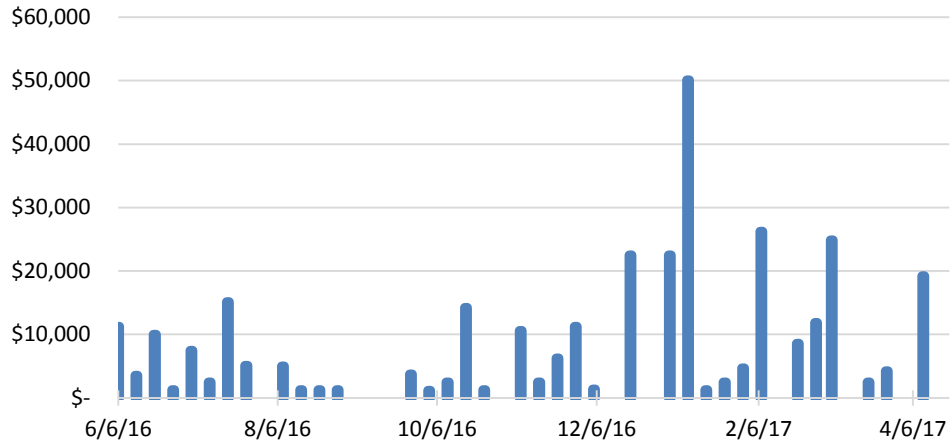
Project Type (through 3/31)	Participants
Lighting Solutions	678
Heating and Cooling Solutions	318
Compressed Air Solutions	24

**B) C&I Prescriptive Program – Natural Gas Measures**

- The current pipeline is worth \$344,999 in incentives.
- Restaurant Spray Nozzle promotion continues and the team has sent 356 nozzles to date.
- Planning on some Natural Gas measures moving into the Heating Solutions Distributor Discount program for FY2018.



**C&I Prescriptive Program Natural Gas Measures  
Incentives Paid**



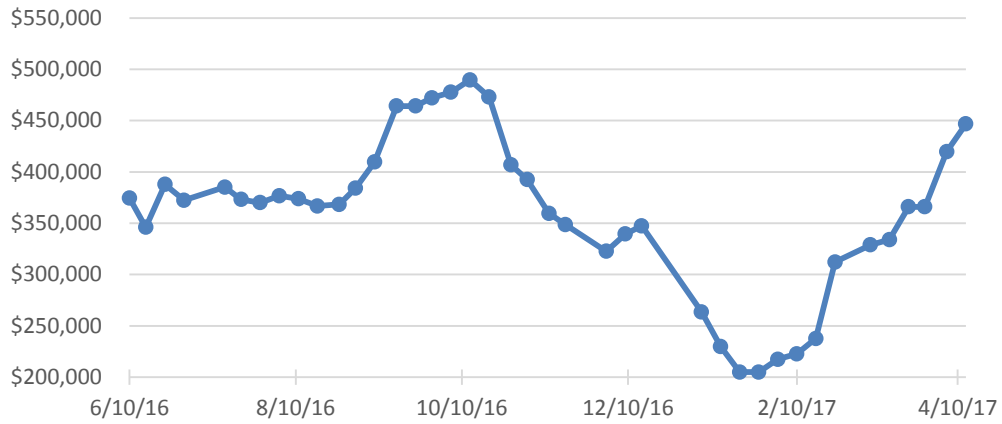
Updated Financials	Program Investment
FY2017 Program Budget	\$1,255,720
7/1 to 4/30 Spending	\$481,788
Percent of Budget Spent to Date	38%
Percent of Year Passed	83%

Summary Program Update	MMBtu Savings	Participants
Start of fiscal year to 3/31	19,284	48

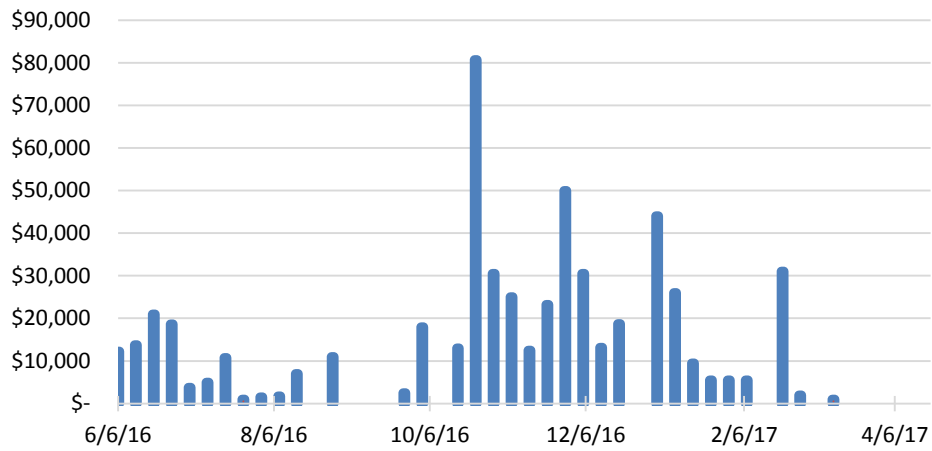
**C) C&I Prescriptive Program – All Fuels (e.g., Oil) Measures / Heating Solutions**

- The current pipeline is worth \$472,744 in incentives. The pipeline continues to grow with boiler ancillary equipment installations.
- Launched the Heating Solutions Distributor Discount Program (mid-stream) in late March.
  - i. There are 31 current locations under MOU.
  - ii. Two installations have been submitted from distributors.

**C&I Prescriptive Program All Fuels (e.g., Oil) Measures Pipeline**



**C&I Prescriptive Program All Fuels (e.g., Oil) Measures Incentives Paid**



Updated Financials	Program Investment
FY2017 Program Budget	\$1,139,855
7/1 to 4/30 Spending	\$595,348
Percent of Budget Spent to Date	52%
Percent of Year Passed	83%

Summary Program Update	MMBtu Savings	Participants
Start of fiscal year to 3/31	22,443	40

**D) C&I Custom Program**

- Since the last Board meeting, the pipeline of small custom projects has grown modestly, adding 6 new projects worth \$347,500 in incentives. The total small custom pipeline now consists of 31 projects worth \$1.43 million in incentives.
- The Review Committee did not meet in April. The next meeting is scheduled for June 1.
- The limited-time bonus incentive for Distributed Generation projects (closed May 1) drove considerable interest in the Program. Staff received 10 project applications, 8 of which are likely to move forward to the Review Committee. These 8 projects are worth \$3.14 million in incentives (adjusted for probability of close).
- Due to declining Regional Greenhouse Gas Initiative (RGGI) revenues, the Program is no longer offering incentives for “other fuels” projects in FY2017. The Program’s remaining RGGI budget (~\$1 million) will be reserved for potential reallocation to HESP in FY2018 (pending passage of LD 1313 at the Legislature, which relaxes EMT’s statutory requirement to split RGGI funds 50-50 between residential and commercial programs).

<b>Updated Financials</b>	<b>Program Investment</b>
FY2017 Program Budget	\$17,200,113
7/1 to 4/30 Spending	\$5,272,836
Percent of Budget Spent to Date	31%
Percent of Year Passed	83%

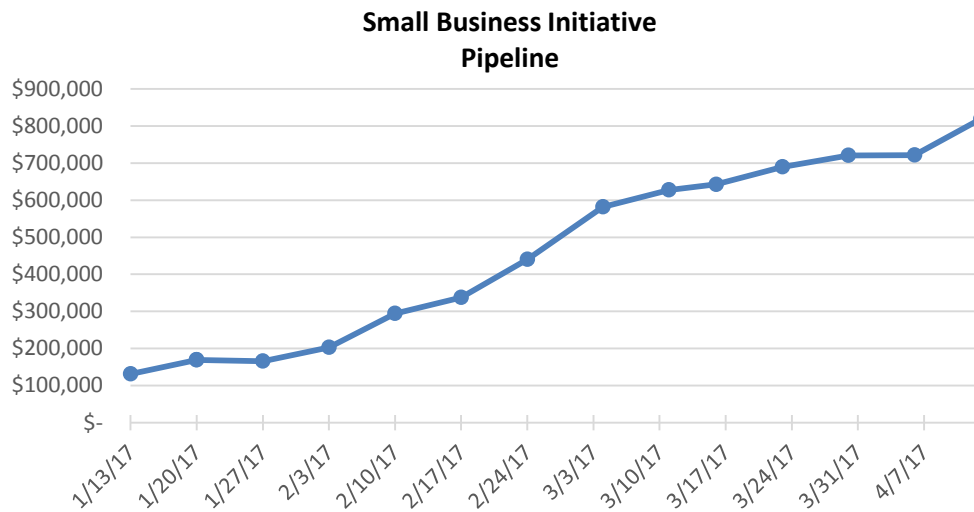
<b>Additional Details on FY 2017 Financials</b>	<b>Program Investment</b>
Encumbrances (under contract)	\$4,578,955
Awards (pending contracts)	\$500,000
Pipeline	\$3,330,892
Total Expenditures, Encumbrances, Awards & Pipeline	\$13,682,683
Percent of Budget	80%

<b>Summary Program Update</b>	<b>MMBtu Savings</b>	<b>kWh Savings</b>	<b>Participants</b>
Start of fiscal year to 3/31	193,315	15,861,169	22

**E) Small Business Initiative**

- Currently have 4 participating contractors on board (Subcontractor Agreements signed) for Region 7; continuing discussions with additional contractors for Region 7.
- The delivery team has been working with Gilman representatives from the Biddeford and Portland locations to support their ramp up to supply materials for Region 7 projects.

- Projects have started in Region 7, with 15 pre-approved projects in the pipeline as of May 11.
- Field staff are successfully bringing in potential customers and working with contractors to move projects along faster in Regions 5 and 6.
- The contractor bonus incentive strategy implemented for Regions 5 and 6 through April 30 was successful, with 101 target projects completed within a 7-week period, totaling \$564,092 in incentives. The total bonus incentives paid to contractors was \$59,400 on May 8.
- SBI Pipeline growing steadily. As of May 11, there were 129 projects in the pipeline for all regions representing \$746,228 in incentives, broken out by region below:
  - Region 5: 39 projects in pipeline (representing \$203,004 in incentives and 334,573 kWh savings).
  - Region 6: 75 projects in pipeline (representing \$474,471 in incentives and 799,083 kWh savings).
  - Region 7: 15 projects in pipeline (representing \$68,753 in incentives and 108,805 kWh savings).
- Customer outreach underway in Region 7. The delivery team is utilizing CMP customer data for small businesses (SGS rate classes) to plan and conduct targeted outreach in Region 7.



Updated Financials	Program Investment
FY2017 Program Budget	\$2,203,926
7/1 to 4/30 Spending	\$977,767
Percent of Budget Spent to Date	44%
Percent of Year Passed	83%



Summary Program Update	kWh Savings	Participants
Start of fiscal year to 3/31	265,357	56

**F) Commercial New Construction – Maine Advanced Buildings Program**

- 8 projects under MOU representing \$708,531 in incentives.
- 2 additional projects have been submitted (MOU documents being prepared) representing \$101,500 in incentives
- 12 additional projects being tracked not yet under MOU, representing \$154,245 in incentives (weighted estimate).
- The delivery team conducted site visits for 2 ongoing projects, including the Gieger project in Lewiston on March 24, and the York Community Auditorium project at York High School on April 10.
- The delivery team has been following up with design teams regarding projects that have been tracked in the pipeline for several months, but have not moved forward with MAB yet. The delivery team is continuing to follow up on new project leads as identified.

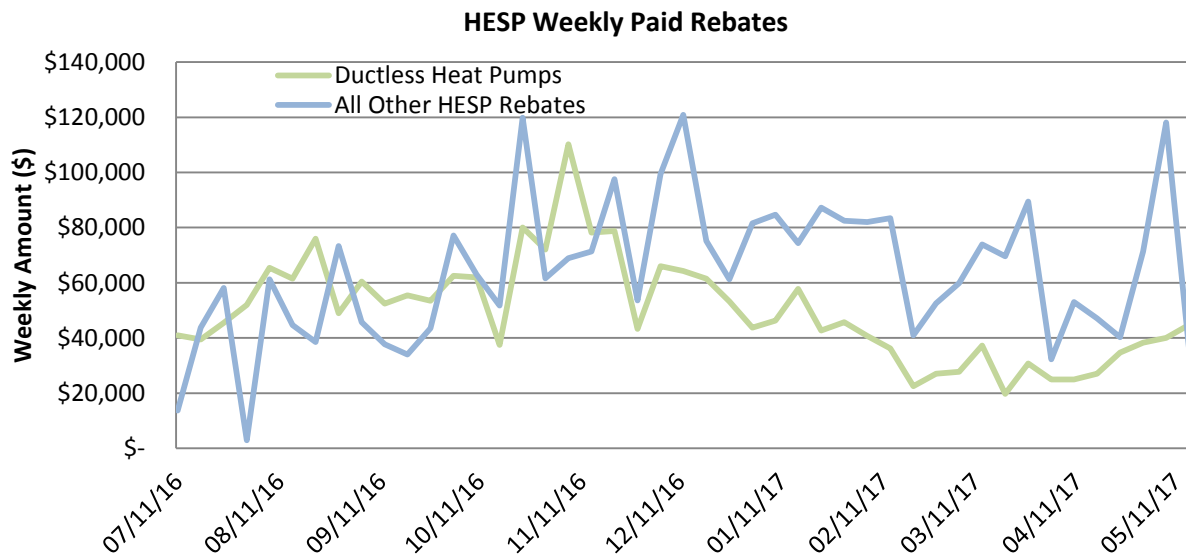
Updated Financials	Program Investment
FY2017 Program Budget	\$1,853,073
7/1 to 4/30 Spending	\$387,429
Percent of Budget Spent to Date	21%
Percent of Year Passed	83%

Additional Details on FY 2017 Financials	Program Investment
Awards (pending contracts)	\$810,031
Pipeline	\$255,745
Total Expenditures, Awards & Pipeline	\$1,453,205
Percent of Budget	78%

Summary Program Update	MMBtu Savings	kWh Savings	Participants
Start of fiscal year to 3/31	1,330	517,552	2

**G) Home Energy Savings Program**

- April is typically among the slowest months for market based heat pump and weatherization activity, and this year is no exception.
- More than 480 residential projects were supported in April bringing the total to more than 6,850 homes with 5/6th of the year transpired.
- HESP rebate amounts accompanied private investment leading to \$2.8 million worth of efficiency measures in April bringing fiscal year total investment in residential energy efficiency projects statewide through HESP to \$39.8 million.
- Rebates were issued toward the installation of 204 “first” and 94 “second” unit/zone ductless heat pumps in April, similar to prior years and consistently the slowest months of sales for heat pumps.
- 30 loans were closed in March, supporting \$233,300 in efficiency projects. New application PACE loan underwriting is temporarily suspended due to issues at the service provider, but anticipated to resume by September. Unsecured Energy Loans continue to be available and remain a popular product offering.
- A total of 351 loans have been closed this fiscal year supporting more than \$2.7 million in residential projects.



Updated Financials	Program Investment
FY2017 Program Budget	\$11,350,695
7/1 to 4/30 Spending	\$6,388,077
Percent of Budget Spent to Date	56%
Percent of Year Passed	83%

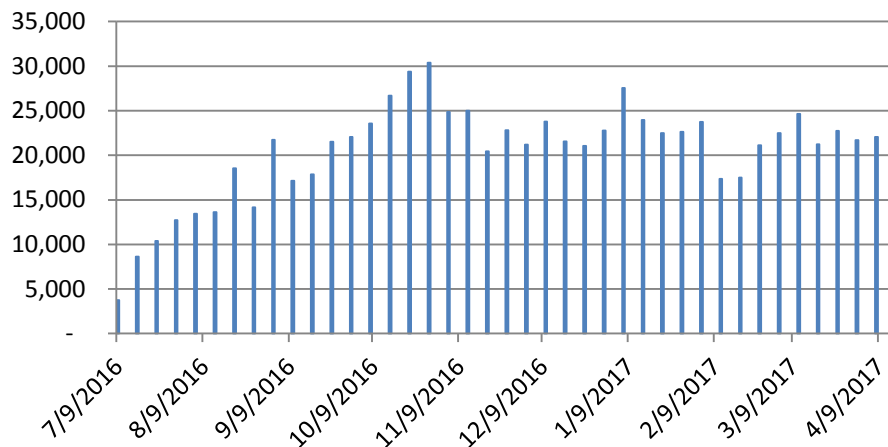
Summary Program Update	kWh Savings	MMBtu Savings	Measures
Start of fiscal year to 3/31	8,208,347	77,609	6,218

Project Type (through 3/31)	Units
Electric Measures	3,796
All Fuels Measures	2,422

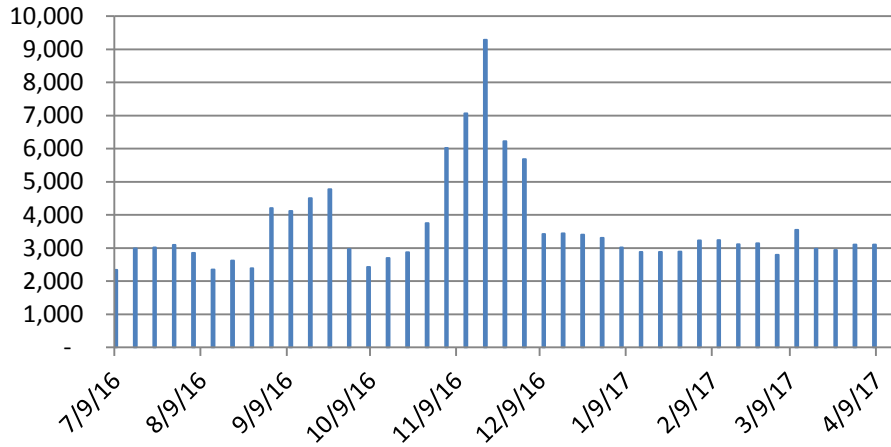
## H) Consumer Products Program

- The Program began offering an instant rebate for heat pump water heaters through distributors on March 1. Manufacturers are also providing limited-time discounts. Volume has significantly increased as a result.
- The Program is providing a promotional incentive, above the base incentive, for retailers that provide preferential off-shelf placement (in-aisle and end cap displays) of certain LED bulbs. Sales volumes for these bulbs appear to be increasing.

**Weekly Bulb Sales YTD – Retail  
(Unaudited Estimate)**



**Weekly Bulb Sales YTD – Distributor  
(Unaudited Estimate)**

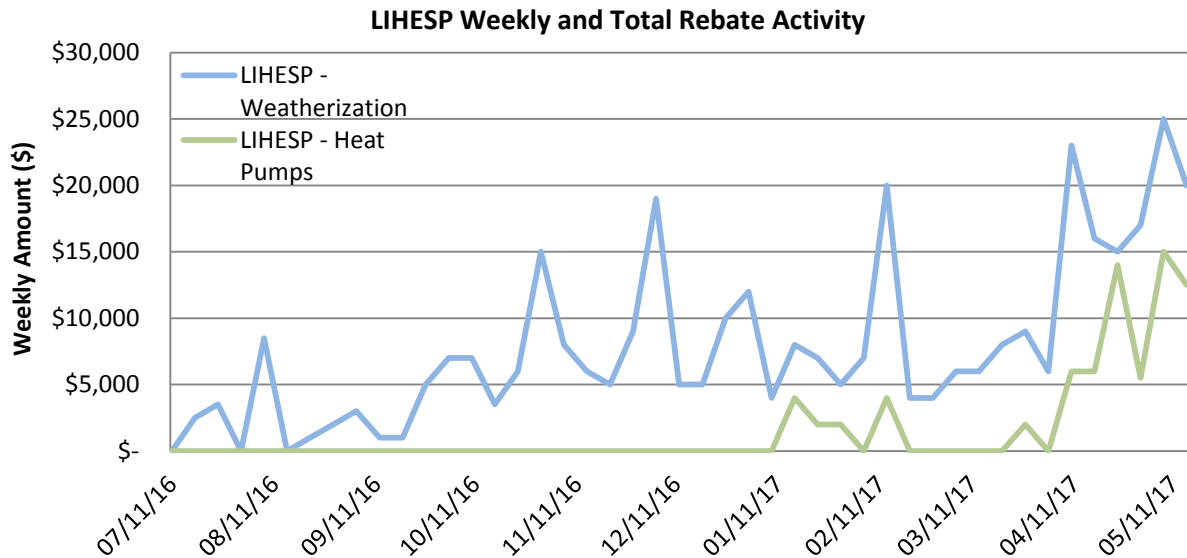


Updated Financials	Program Investment
FY2017 Program Budget	\$11,405,310
7/1 to 4/30 Spending	\$5,177,231
Percent of Budget Spent to Date	45%
Percent of Year Passed	83%

Summary Program Update	kWh Savings	Appliance Rebates	Light Bulbs
Start of fiscal year to 3/31	24,128,366	9,788	805,762

**I) Low-Income Initiatives (electric, natural gas, and all fuels)**

- The Food Pantry Program has been very successful distributing LED bulbs and kitchen aerators.
- LIHESP Highlights:
  - April was the biggest LIHESP month to date. 59 homes received basic weatherization under LIHESP bringing the total this fiscal year to 283 participating homes. May is on track to have a similar number of upgrades completed.
  - LIHESP had 16 homes take advantage of the “80% up to \$2,000” heat pump incentive in April bringing the total since January to 24. May is anticipated to exceed April in uptake.
  - With the jump in activity in recent months, the program had 37 contractor companies complete measures in LIHESP homes in 122 different towns from Eagle River to Starks to York.



Updated Financials	Program Investment
FY2017 Program Budget	\$5,846,418
7/1 to 4/30 Spending	\$1,762,206
Percent of Budget Spent to Date	30%
Percent of Year Passed	83%

Summary Program Update	kWh Savings	Direct Installs
Start of fiscal year to 3/31	8,375,848	121

Other Initiatives (through 3/31)	Units
LIHESP	202
AMP DIY Kits	280
Direct Mailings	3,187
Food Pantry Bulbs	316,602

**J) Strategic Initiatives (Cross Cutting)**

**I. Evaluation, Measurement, and Verification (EM&V)**

- Efficiency Maine held a kickoff meeting for the heat pump water heaters impact evaluation (May 12).
- The 4th Quarter TRM updates were published. 2018 TRM updates underway.

- Evergreen Economics completed their analysis of Efficiency Maine’s portfolio for the compliance period from 6/1/16 – 5/31/17.
  - “Evergreen confirmed that the Trust’s DRV [Demand Reduction Value] is estimated at 80 percent confidence with  $\pm 8.70$  percent relative precision at the portfolio-level for the compliance review period of June 1, 2016 to April 1, 2017. Furthermore, Evergreen found that the Trust’s DRV is compliant with the ISO-NE statistical precision requirements.”
- Michaels Energy completed a review of the Trust’s Call Centered administered near real-time appliance program survey. Survey was deemed appropriate for use in future third party evaluations with some recommended modifications that are being incorporated.

## II. Innovation

- The Innovation Working Group held a meeting to discuss results-to-date of the two on-going Innovation pilots and to review four potential pilot ideas. The group includes Don Lewis, Herb Crosby, Michael Stoddard, Andy Meyer, and James Leyko.
  - The team has logging data from September to April for the Commercial Heat Pump Water Heaters pilot. The Trust plans to gather 12 months of data.
  - The Building Tune-up pilot identified 65 opportunities at the 10 facilities. The team is sending out SOWs to the participants.
  - The Trust is working with the working group to issue a Program Opportunity Notice for one of the pilot ideas discussed at the meeting.

## III. Forward Capacity Market

- FCM M&V Certification was submitted to ISO-NE (May 19).

# 3. Administration and Finance Highlights

## A) Administration

- No news to report this month.

## B) Financial

### Revenues

- Total new revenues from state and regional sources through the end of April were \$45.5 million, up from \$36.8 million last month. An additional \$1.1 million in revenue has been received year-to-date on interest from outstanding loans, the NTA pilot project, and other miscellaneous revenues. \$446,405 in the form of interfund transfers to the Administration Fund has been accounted for as “revenue” year-to-date, representing no change from last month. The outstanding balance for revenues is \$2.8 million for the remainder of the fiscal year, not including interfund transfers.

- RGGI revenues through the end of March were \$5.6 million (out of a full-year forecast of \$7 million). The next RGGI auction is on June 7.

B) Expenditures

- Total expenditures through the end of March were \$31 million, up from \$27.1 million last month. An additional \$29.3 million is encumbered (some of which constitutes carried-forward commitments from FY2016), and \$323,000 has been awarded to new projects the contracts for which are pending.