

# Efficiency Maine

Leveraging Power Saver Loans to boost residential energy upgrades

**NASEO Call**

**July 22<sup>th</sup>, 2014**



# About Us

- The Efficiency Maine Trust is
  - Maine's energy efficiency utility – the independent administrator for all energy efficiency programs in Maine
- Mission:
  - To lower the cost and environmental impacts of energy in Maine by promoting energy efficiency and alternative energy systems.



# What does Efficiency Maine do?

In connection with a residential customer's purchase of energy efficient products and services, we provide:

- Rebates (From \$250 to \$5,000)
- Trusted Information (web, videos, energy calculators)
- Contractor Network and Locator Tool
- Financing (5 loan products: \$1,000 to \$25,000)

[www.energymaine.com](http://www.energymaine.com)

1-866-ES-MAINE



# Marketing and Outreach

- Earned Media (Press Releases and Events)
- Social Media
- Google Ads and Google Display Ads
- Hulu and You Tube
- Classifieds Statewide
- Fall Home Improvement Sections
- Direct Mail to Heat Pump Installations
  - Best Practices
  - Additional Incentives
- Property Tax Mailers



# Home Energy Savings Program

## Path 2 Menu Choose your own plan up to \$1,500

**\$400**  
For Air  
Sealing  
with  
Assessment

**\$500-  
\$1,000**  
For  
Insulation

**\$250-  
\$500**  
For  
Qualified  
Heating  
Systems

**\$500**  
For High  
Efficiency  
Central  
Heating  
Systems

ADDITIONAL  
INFO

**\$100 Next Step Bonus for one  
additional menu measure in conjunction  
with Air Sealing with Assessment**

# Informational Videos

Heat Pump Water Heaters



The Heat Pump Water Heater

0:00 / 5:19

YouTube

Heat Pump Water Heater  
Instructional Video



Ductless Heat Pump  
Case Study





# Technical Information and Financial Examples

## High-Efficiency Boilers and Furnaces

[Home](#) » [At Home](#) » High-Efficiency Boilers and Furnaces

\$500 to \$1,500  
available in incentives

Most Maine homes are centrally heated with either a boiler or furnace. Energy-efficient options for boilers and furnaces are available for all heating fuels. Efficiency Maine offers [rebates](#) and [financing](#) for homeowners installing high-efficiency heating equipment. Read on below to find out more about high-efficiency systems, rebates, and how much you might save with a system upgrade.

### Central Heating Systems

Boiler and furnace efficiency is often measured or compared by annual fuel utilization efficiency (AFUE). AFUE measures how much of the fuel that goes into the system gets turned into heat in the system. The typical Maine home has a boiler with an AFUE of 75% and many new systems can achieve efficiency ratings of 90% or higher. This efficiency difference can significantly cut your fuel bill but before making the switch, Efficiency Maine recommends improving the energy efficiency of your home (by air sealing and insulating).

This can also be a time to address other heating distribution improvements including sealing and insulating ducts and pipes, particularly in basements and crawl spaces, and adding distribution controls (more on these below). As a result of improvements to the building envelope and distribution system, you may be able to install a smaller heating system than the one currently in place, further reducing the costs of installation and on-going heating.



High-efficiency boiler with domestic hot water tank.

New Technical Pages on:  
Air Sealing, Energy Assessments, Insulation, High-Efficiency Boilers and Furnaces, Pellet Stoves and Boilers, Solar Thermal, and Solar PV

## Search and Sort Options

Start by entering your ZIP Code and a search radius.











ZIP Code:  Radius:














Sort by:

\* Ranked according to the quantity of projects that were completed and received a rebate from Efficiency Maine over the past four months.

### What services do you need?

Hover over service icons below for more information on services and qualifications.

-  All Services
-  Energy Advisor
-  Air Sealing & Assessment
-  Insulation
-  Heat Pumps
-  Gas
-  Oil
-  Pellet Boilers
-  Pellet/Wood Stoves
-  Geothermal

Vendor	Services Provided	Miles	More Info
1 The Breathable Home Manchester, ME - 207-512-2408 <a href="http://www.thebreathablehome.com">www.thebreathablehome.com</a>	     	8	<input type="checkbox"/>
2 Home Energy Answers Albion, ME - 207-200-1880 <a href="http://www.homeenergyanswers.net">www.homeenergyanswers.net</a>	   	18	<input type="checkbox"/>
3 Advanced Spray Foam Clinton, ME - 207-426-2500 <a href="http://www.advancedsprayfoam.com">www.advancedsprayfoam.com</a>	  	21	<input type="checkbox"/>

#### Vendor-supplied information

Advanced Spray Foam [dawn@advancedsprayfoam.com](mailto:dawn@advancedsprayfoam.com)  
PO Box 705 207-426-2500  
Clinton, ME [www.advancedsprayfoam.com](http://www.advancedsprayfoam.com)

**Established**  
2000

#### About our Company

Advanced Spray Foam is a family-operated business that takes pride in outstanding workmanship, honesty, competitive pricing and customer service. We treat our customers' homes and businesses as if they were our own.

#### Our Services

Advanced Spray Foam provides energy audits, air sealing, insulation services and all aspects of weatherization services to tighten the home or business and make the customer more comfortable while saving money.

#### Typical Project

Most of our projects begin as spray foam insulation and air sealing, and then may proceed on if the home requires additional work.

#### Service Area

Counties: Kennebec, Somerset, York, Cumberland, Androscoggin, Sagadahoc, Lincoln, Knox, Penobscot, Pesqataquis, and Oxford. Other areas can be accessed pending the scope of the project.

## Updated Vendor Locator

- Contractors provide credentials, insurance, EM agreement and code of conduct to be listed.





# Training with Dale Carnegie

- Sales Training (Offered in Portland and Bangor, Fall 2013)
- Customer Service Training (Offered in Portland and Bangor, Fall 2013)
- Marketing Training (Offered in Portland and Bangor, Fall 2013)
- Combined Sales and Customer Service Training (Offered in Augusta, Spring 2014)

Workshop participants developed a better understanding of the customer contact process to better sell energy efficiency, including building rapport and effectively gaining customer commitments. Participants also focused on improved service quality and increased customer loyalty.



# Power Saver Loans

Launched in  
Maine  
April 2012

\$2.4M  
190 projects  
funded with  
Power Saver

- Up to \$7,500 unsecured.
- Up to \$25,000 secured to the property.
- Single Family Detached Dwellings
- Available Statewide
- AFC First providing underwriting and servicing.
  
- Assessment and Air sealing.
- Insulation Projects.
- Supplemental Heating Equipment.
- Central Heating Equipment.
- Pellet Boilers / Geothermal.
- Solar PV and Thermal
  
- 5, 10, 15, 20\* year terms.
- 4.99% APR.
- One online application – fast process.

# Power Saver Loans – by the numbers

Average credit score: 740

Average DTI ratio: 28%

\$2.4M value of projects in 9 quarters.

190 projects funded with Power Saver

102 Power Saver Unsecured (\$6,200 average)

88 Power Saver Secured (\$20,500 average)

No defaults so far.

Power Saver loans account for 25% of EM portfolio.

# Other Financing Options for Homeowners in Maine

<http://www.energymaine.com/docs/Energy-Loan-Comparison-Chart.pdf>

- PACE Loans
  - Fixed 4.99% APR loans for energy efficiency upgrades
    - \$6,500 up to \$15,000
    - No credit score – LTV 100%
    - DTI 45%
    - 1 to 4 unit residential
    - Up to 15 year terms
    - Available in 176 towns
  
- Efficiency Maine Energy Loans
  - Type 1 & 2
    - Fixed 4.99% & 5.99% APR
    - 620 min. credit score
    - Up to 55% Debt-to-Income
    - Up to \$15,000 type 1
    - Up to \$7,500 type 2
    - 10 years





# Energy Loan Comparison Chart

Feature	Maine PACE	PowerSaver (\$7,500 to \$25,000)	PowerSaver (Up to \$7,500)	Efficiency Maine Energy Loan - Type 1	Efficiency Maine Energy Loan - Type 2
Availability	176 Participating Municipalities	Statewide	Statewide	Statewide	Statewide
Loan Terms	Up to 15 years	Up to 15 years or 20 years with solar installation	Up to 10 years	Up to 10 years	Up to 10 years
Interest Rate	Fixed 4.99% APR	Fixed 4.99% APR	Fixed 4.99% APR	Fixed 4.99% APR	Fixed 5.99% APR
Building Type	Residential with 1 to 4 units	Single Family Detached	Single Family Detached	Residential with 1 to 4 units	Residential with 1 to 4 units
Loan Amounts	\$6,500 to \$15,000	\$7,500 to \$25,000	Up to \$7,500	Up to \$7500/\$15,000	Up to \$7,500
Mortgage	Junior to primary mortgages and existing liens	No less than 2nd position mortgage	Not secured to property	Not secured to property	Not secured to property
Energy Assessment Required	Yes	Yes	Yes	Yes	Yes
Minimum Project Work Scope	1) Set of custom measures with total projected whole home savings $\geq 20\%$ from an approved energy model or; 2) A scope of work that includes 6 hours of air sealing and insulation work as recommended PLUS any additional measure included in the prescriptive list of Home Energy Savings Program incentives. Additional energy or health and safety measures may be included.				
Credit Score Minimum	None	660	660	640/680	620
Homeowner Equity	Lending to 100% of value	Lending to 120% of value	None Required	None Required	None Required
Debt to Income Ratio	45%	45%	45%	45%/50%	55%
Assumable upon transfer	Yes	No	N/A	N/A	N/A

# Loan Process - Simple, Flexible, and Fast

See Scope of Work form for details on 2 pathways to scope of work approval:  
Prescriptive list OR Modeled to exceed 20%

<http://www.energymaine.com/docs/Energy-Loan-Work-Scope-Form.pdf>

For a project to be financed:

- 1) The borrow must meet underwriting criteria (approved for loan).
  - AFC First underwriters review applicants credit, debt, and perhaps equity.
  - Loan docs and details must be in order before installation begins.
  
- 2) The “scope of work” must meet minimum energy saving criteria.  
(project approval).
  - BPI Assessment and 6 hours of air sealing plus any other HESP rebate eligible measure. (or)
  - Custom Modeled Project projected to save min. 20% whole home energy by BPI auditor using approved modeling software and approved by technical team.



# Rebates: HESP FY14 Results

## Sept 2013 to June 2014

<b>Number of Projects</b>	4678
<b>Average Job Cost</b>	\$4,939
<b>Average Rebate \$</b>	\$848
<b>Ave Rebate : Job Cost %</b>	17%
<b>Total Project Costs</b>	\$23.1 M
<b>Total Rebate Amount</b>	\$4.0 M
<b>Private Investment</b>	\$19.1 M
<b>Active Registered Vendors</b>	589
<b>Vendors comprising 80%</b>	90
<b>#Loans during HESP2 FY14</b>	290
<b>\$Loans during HESP2 FY14</b>	\$3.2 M

\$8.7M budgeted for rebate activity to June 30<sup>th</sup> 2015.  
Funded with a combination of Regional Greenhouse Gas Initiative auction dollars (RGGI), Forward Capacity Market revenues, System Benefit Charges.



# Discussion, Questions, Comments

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