Briefing Paper
Energy Trust Consulting Options

June 3, 2011

Summary

Should Energy Trust explore consulting? Staff seeks the board's guidance on whether there is enough interest in consulting services to seek a grant to explore options, markets and logistics.

Background

- Energy Trust revenues come from ratepayers, and limits itself to work that benefits ratepayers.
- When asked, we talk to people outside Oregon about what we do and how we do it. These conversations range from a short telephone call to a couple of half-day meetings.
- We regard these exchanges as a combination of professional courtesy and information exchange; we often learn something about other areas and perspectives in the process.
- Given the salience of energy conservation as a low-cost, environmentally-benign resource, we expect that there is growing interest in the type of information we provide. Should we charge for our time? Market our expertise?

Discussion

- We see a spectrum of options (Attachment 1):
    - The status quo: continue to respond to requests as long as they are not too time-consuming, at no charge.
    - Continue to respond to requests but charge for our time. We could be looser about the amount of time we spend, as long as it does not detract from our core work.
    - Take steps to organize a consulting arm and actively solicit work.
- Staff's inclination is to apply for a grant to retain an outside entity to explore the options more fully:
    - Potential Energy Trust services (e.g., organizational structures, program design, evaluation)
    - Demand for such services
    - Potential competitors (we may not want to compete with our own contractors, for example)
    - Potential revenue: how much might this type of work bring in? How might we use the revenue?
    - Promotional needs – how much time and attention would be required?

- Administrative/organizational issues: accounting, accountability
- Pros and cons of the options

Next Steps

- If the board is so inclined, staff will seek a grant to carry out a fuller evaluation of these options.

Attachment 1

Consulting spectrum:

Status quo: respond to limited requests, *gratis*		**Respond to requests, charge for time**		**Separate consulting entity**	
Pro	**Con**	**Pro**	**Con**	**Pro**	**Con**
• Keeps focus on core mission	• Uses a small but growing amount of time for third-party benefit	• Keeps focus on core mission • Uses staff time for third parties only when paid	• Accounting burden	• Complete separation between core functions and consulting • Diversifies funding stream • Professional development option for staff	• May be divisive • Divert from core mission?