

2011 Annual Report to the Oregon Public Utility Commission



ENERGY TRUST OF OREGON
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FROM THE EXECUTIVE DIRECTOR: 2011 IN REVIEW

I am pleased to submit this comprehensive report to the Oregon Public Utility Commission summarizing Energy Trust of Oregon 2011 annual results. This is our 10th annual report to the OPUC, having observed our 10-year anniversary of delivering incentives and services to Oregonians in March 2012. Each successive year Energy Trust has engaged more customers, expanded opportunities to capture cost-effective energy savings and develop new renewable generation, and provided significant clean energy resources and benefits for Oregonians.

These 2011 results are noteworthy for several reasons. Mid-year changes to Oregon's Business Energy Tax Credit led to uncertainty for commercial and industrial customers considering energy-efficiency investments. Recognizing the need to keep energy-saving projects moving forward, Energy Trust worked closely with our affiliated utilities—Portland General Electric, Pacific Power, NW Natural and Cascade Natural Gas—to serve customers, providing carefully designed incentives to ensure completed projects.

Throughout 2011, we continued to develop a diverse portfolio and range of investment strategies to meet customer needs—from no- and low-cost behavior change and energy management programs for all types of customers, to support for equipment upgrades and deep retrofits for homes and commercial buildings, to process efficiency and equipment solutions for industry and agriculture. Customers stepped up and participated in Energy Trust programs in record-breaking numbers, electing to manage their energy usage differently and to save money. This combination of diverse opportunities and responsive strategies resulted in savings that surpassed expectations and soundly exceeded our 2011 stretch goals for both electric and gas, delivering 46.9 average megawatts of electric savings and 5.4 million annual therms of gas savings.

Our continued investment in renewable energy led to remarkable results. With support from Energy Trust, Oregonians installed nearly 1,500 solar electric and solar water heating systems in 2011—a new annual record and triple the number installed just two years ago. Driven by declining solar prices, new ownership models and community initiatives, customer interest in solar was unprecedented throughout the year. Energy Trust adjusted its program strategy by reducing incentives to manage demand and ensure continuous funding. With our help, other renewable energy development continued in the midst of uncertainty around available state tax credits. As 2012 begins, we have a robust portfolio of biopower, geothermal, hydropower and wind projects identified for completion.

The clean energy investments Energy Trust makes deliver direct benefits to participants, as well as environmental and economic benefits for all of Oregon. In 2011, utility bill savings for participating customers exceeded \$230 million. Since 2002, Energy Trust has helped participating customers save *\$1 billion* on their utility bills and keep nearly seven million tons of carbon dioxide out of the atmosphere. Our work continues to support a network of 2,400 trade ally contractors, program allies and other representatives in communities across Oregon. These local businesses leverage Energy Trust incentives—strengthening existing markets and industries, keeping dollars in Oregon and sustaining jobs.

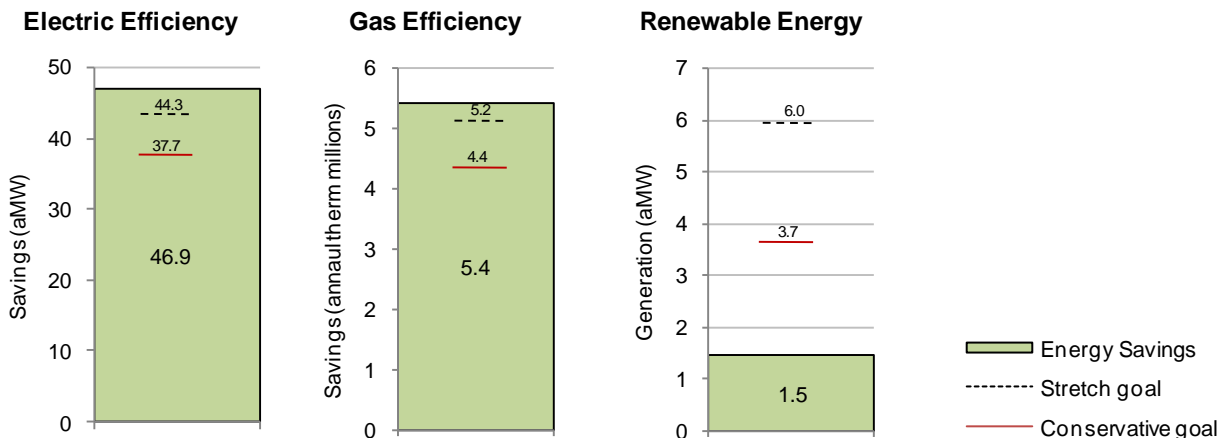
We achieve these results because of our dedicated volunteer board of directors and advisory council members, engagement of the Oregon Public Utility Commission, active utilities and stakeholders, talented contractors and the many individuals, businesses and organizations championing energy efficiency and renewable energy investment. We appreciate the shared knowledge and commitment of those who have

worked in tandem with us to build Oregon's new energy future. With a strong foundation beneath us, we are ready to deliver the next decade of clean energy resources and benefits for Oregonians.

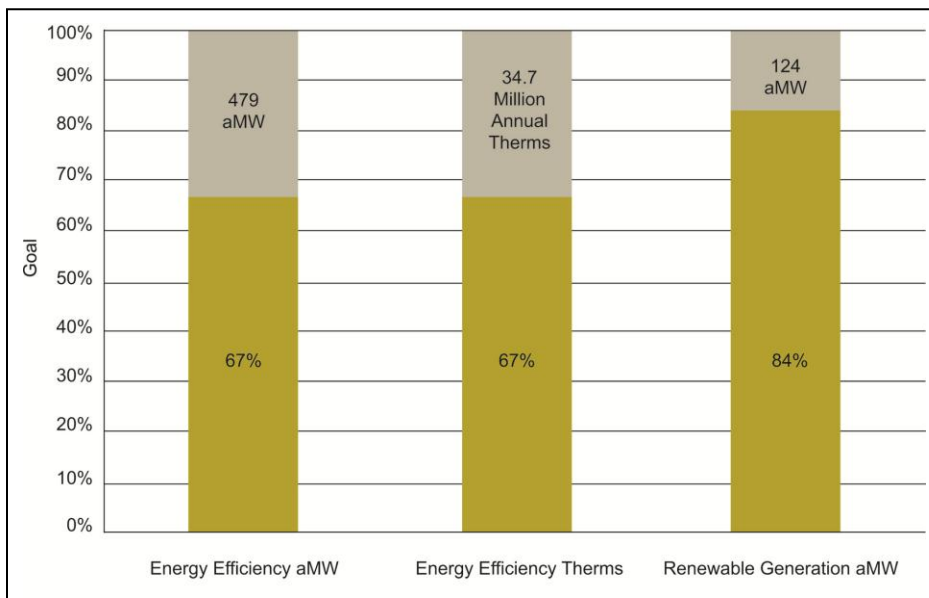
Margie Harris, Executive Director

I 2011 ACTIVITY AT A GLANCE

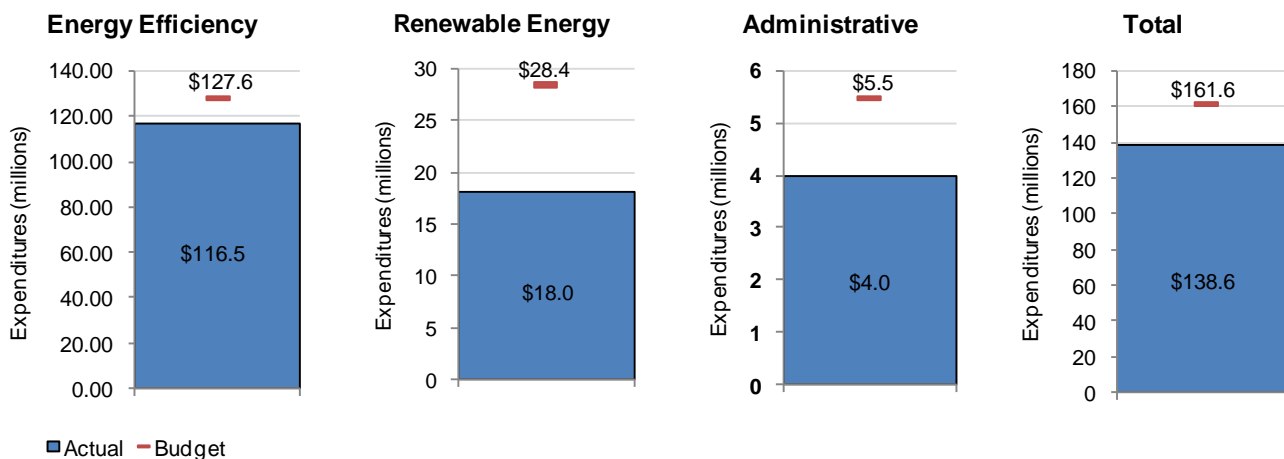
Savings and Generation



2002-2011 Progress toward 2014 goals



Expenditures



Residential activity in 2011

New homes	1,444
New manufactured homes	131
Weatherization retrofits	10,888
Single-family site-built	6,703
Manufactured or mobile	4,185
Solar electric installations	1,202
Home Energy Reviews	6,060
Total Sites	18,392
Heating systems	4,154
Water heaters	2,132
Solar	110
High efficiency products	46,218
Washing machines	23,124
Dishwashers	1,259
Refrigerators	21,835
High efficiency lighting*	1,001,601
Refrigerators, freezers recycled	23,643
Energy Saver Kits sent	63,070
Total Other Activity	139,217

* Lighting excluded from totals

Commercial activity in 2011

High-efficiency new buildings	304
Solar	161
Solar water heating installations	33
Solar electric installations	128
Retrofits	3,552
Institution/government	12
Lodging	115
Multifamily buildings	511
Offices	590
Restaurants	306
Retail	579
School/college	182
Other commercial	1703
Studies	202

Industrial/agricultural activity in 2011

Projects with savings	983
Custom capital ¹	155
Custom O+M ²	50
Strategic Energy Management (SEM) ³	18
Industrial lighting	329
Small industrial ⁴	162
Prescriptive ⁵	269
Studies	138

¹ Top improvements are compressed air system improvements, process upgrades

² Equipment modifications to improve efficiency

³ Savings from no-cost or low-cost operational steps (i.e., turning off equipment when not in use) identified through trainings in Strategic Energy Management approaches/disciplines

⁴ Targets users with gas or electric costs under \$25,000/year; top improvements are irrigation system improvements, compressed air system improvements, HVAC

⁵ Top improvements are sprinklers, replacement gaskets, nozzles

Renewable Energy activity in 2011

Biopower projects	--
Solar electric installations	1,331
Residential	1,202
Commercial	129*
Other renewable programs	12
Wind projects	12
Hydro projects	--
Geothermal projects	--
Total	1,343

* Includes the 2.85 MW enXco facility

Other activity in 2011

Calls	42,275
Website visits	543,058
info@energytrust.org inquiries	1,474
Customer complaints	23
Trade ally roundtable meetings	15
Attendance	785
News stories in print, broadcast	569

II BACKGROUND, MISSION AND GOALS

A. Background

Since March 2002, Energy Trust has invested public purpose funds from utility customers to help Oregonians benefit from energy-efficiency improvements and renewable energy generation. We are funded by and provide services to Oregon customers of Portland General Electric, Pacific Power, NW Natural and Cascade Natural Gas, and to NW Natural customers in southwest Washington.

An independent 501(c)(3) nonprofit organization, Energy Trust serves the residential customers and most commercial and industrial customers of our affiliated utilities. We offer technical and other assistance and financial incentives, helping customers derive direct benefits from clean energy investments. Four of our eight programs are managed internally, while four—two each in the residential and the commercial efficiency programs—are competitively bid and managed by contractors. For most programs, Energy Trust services are provided by specialized local businesses linked in a network of more than 2,400 trade ally contractors, other allied professionals and participating retailers from throughout the state.

Our work is shaped by two advisory councils comprised of stakeholders and is led by an independent, diverse board of directors whose members volunteer their time and expertise. Via contract with the Oregon Public Utility Commission, we comply with minimum performance measures, reporting and other requirements it establishes to guide our operations and results. Our inclusive and transparent approach includes open meetings and published agendas, minutes, evaluations, budgets and financial statements.

Each year, as part of developing the next year's budget and action plan, we establish goals for electric and natural gas energy savings and for renewable energy generation. These goals are expressed as a range bounded by a conservative goal and a stretch goal for overall energy efficiency and renewable generation results and for specific programs. Our goals align with the integrated resource plans, or IRPs, established by each of our collaborating utilities and acknowledged by the OPUC.

B. Purpose Statement

Energy Trust provides comprehensive, sustainable energy efficiency, conservation and renewable energy solutions to those we serve.

C. Vision Statement

Energy Trust envisions a high quality of life, a vibrant economy and a healthy environment and climate for generations to come, built with renewable energy, efficient energy use and conservation.

D. 2014 Strategic Plan Goals

1. Save 479 average megawatts of electricity.
2. Save 34.7 million annual therms of natural gas.
3. Produce 124 average megawatts of electricity from new renewable generation.

III HIGHLIGHTS OF 2011 ACTIVITIES

A. General highlights

Annual results

- **2011 annual results exceeded stretch savings goals** for both electric and gas efficiency and exceeded Oregon Public Utility Commission performance metrics, even with a continued weak economy and mid-year reductions in state energy tax credits. Energy Trust met or exceeded contract goals for its four collaborating utilities—PGE, Pacific Power, NW Natural and Cascade Natural Gas.
- **The market responded to bonus incentive offers** in the commercial and industrial sectors. Energy Trust designed bonus incentives to partially fill the funding gap left after cutbacks in the Oregon Business Energy Tax Credit, a strategy that kept projects moving.
- **Electric efficiency projects completed in 2011** saved 46.9 average megawatts of electricity at a levelized cost of 2.9 cents per kilowatt hour. This savings is 6 percent above the 2011 stretch goal and 24 percent over the conservative goal. Compared to 2010, 2011 electric savings are greater by 3 percent. At 2.9 cents per kilowatt hour, the levelized cost of obtaining such high savings was below the Oregon Public Utility Commission's performance benchmark of 3.5 cents per kilowatt hour.
- **Gas efficiency projects completed in 2011** saved more than 5.4 million annual therms of natural gas at a levelized cost of 35 cents per therm. Gas savings exceeded the 2011 stretch goal by 4 percent and the conservative goal by 23 percent. Gas results for 2011 are 17 percent higher than 2010 gas savings. At 35 cents per annual therm, the levelized cost of 2011 gas savings is lower than the OPUC benchmark of 60 cents per therm.
- **Every Energy Trust energy efficiency program met electric and gas goals** for 2011. More programs met or exceeded stretch goals than in any past year.
- **Electric and gas efficiency savings, averaged over three years, exceeded** Oregon Public Utility Commission performance measures, as did annual levelized life-cycle costs.
- **Renewable energy programs installed a record-breaking number** of solar electric systems in 2011 and achieved a total 1.48 average megawatts in new generation across all programs. Thanks to a robust pipeline, renewable energy installations in 2012 are expected to produce the highest generation in four years.
- **Energy Trust maintained low administrative costs** at 5 percent of total revenue, in full compliance with the OPUC performance measure of 11 percent.
- **Energy Trust obtained an unqualified financial audit and strong customer satisfaction** ratings in 2011, satisfying additional OPUC performance requirements.
- **Energy Trust continued supporting pilots testing innovative** financing and enhanced service approaches, including Clean Energy Works Oregon and Cool Schools, in collaboration with the Oregon Department of Energy.
- **During 2011 more than 2,400 Oregon trade ally contractors**, other allied professionals and retailers participated in Energy Trust's trade ally network, many of them small businesses sustained by their association with Energy Trust.
- **Participating Oregon utility customers saved \$233 million** in 2011 on utility bills.

- **In 2011 the net economic impacts of Energy Trust** expenditures, energy savings and renewable energy generation included \$58 million in wages, \$17 million in income to small business owners, and 1,200 full- and part-time jobs.

Cumulative results

- **Since 2002, cumulative savings total** 322 average megawatts of electricity and 23.2 million annual therms of natural gas, equal to 67 percent of our 2014 electric and gas saving goals. (Total saved includes 20 average megawatts of savings from self-direct customers.)
- **Since 2002, cumulative generation equals** 104 average megawatts of renewable energy, approximately 84 percent of the 2014 goal of 124 average megawatts.
- **Total electric savings and generation since 2002** represent enough clean energy to power nearly 320,000 Oregon homes. Total gas savings are enough to heat approximately 46,000 Oregon homes with natural gas.
- **Since 2002, cumulative customer bill savings** for participants total approximately \$1 billion.
- **Cumulative, net economic impacts of Energy Trust energy savings and generation** from 2002-2010 were estimated to equal \$80 million in wages, \$12 million in small business income and more than 2,500 jobs.¹
- **Air quality improvements stemming from Energy Trust investments** have kept nearly seven million tons of carbon dioxide out of the atmosphere, the equivalent of removing more than 1.2 million cars from Oregon roads for one year.

B. Residential sector highlights

- **Combined residential sector savings exceeded** the sector's 2011 electric stretch goal by 8 percent and met the 2011 gas stretch goal.
- **In 2011, Energy Trust, PGE and NW Natural sent six Personal Energy Reports to 60,000** residential customers of both utilities as part of a behavior change pilot. Savings of 9.7 million kWh and 420,000 annual therms were claimed for the pilot. A billing history analysis will further verify or adjust these results.

Existing Homes

- **Existing Homes closed the year** 12 percent ahead of the stretch electric savings goal and 3 percent below the stretch gas savings goal.
- **Savings within Reach, the program's moderate-income offering,** supported energy-saving upgrades in 448 homes in 2011, more than three times the number of homes weatherized in 2010. Factors behind the growth include the increased number of households qualifying as a consequence of the poor economy, and a matching incentive offer from Clackamas County.
- **Energize Clackamas matching incentives helped close** 648 projects for the year—funded through a Clackamas County grant from the American Recovery and Reinvestment Act—in addition to incentives from Energy Trust. Energy Trust provided outreach materials and Home Energy IQ workshop materials used by Energize Clackamas to engage residents.
- **The program supported weatherization retrofits for almost 11,000 homes,** including 348 deep retrofits through the Home Performance with ENERGY STAR[®] track and 678 through Clean

¹ Source: ECONorthwest 2011. Economic impact numbers are in addition to what would have occurred without Energy Trust's investment. Updated values including 2011 were not yet available.

Energy Works Oregon—which works with Energy Trust to demonstrate financing and other enhanced services for whole home energy retrofits.²

- **Savings from upgrades to existing mobile homes** exceeded goals, largely due to high activity in Pacific Power territory, contributing 19 percent of Existing Homes electric savings for the year.
- **An incentive to stock high-efficiency tank water heaters**, ENERGY STAR 0.67 energy factor, was effective in attracting distributors and building demand, with 428 units installed by consumers during the year.
- **Nearly 5,000 Home Energy Reviews were completed in 2011.** This year the program began offering telephone-based Home Energy Reviews to serve customers needing simple guidance to act more quickly. Approximately 10 percent of the 5,000 reviews were provided via telephone. This total does not include an additional 2,500 individuals who completed an online home profile and received energy-saving suggestions.
- **More than 1,000 efficient gas hearths were installed in 2011**, almost double the total in 2010.

New Homes and Products

- **New Homes closed the year above goals:** 6 percent above the stretch electric savings goal and 12 percent above the stretch gas savings goal.
- **The program issued Energy Performance Scores for 812 new homes**, representing a market share of more than 25 percent of new homes built in 2011 in Oregon. The program issued its one thousandth EPS in March 2011, a milestone noted in news reports.
- **Lighting giveaways and a showerhead promotion** through retail outlets and water districts leveraged savings. A partnership with PGE community offices led to placement of more than 74,000 compact fluorescent light bulbs.
- **“Smart Homebuyer” advertising** raised awareness of energy-efficient new homes through regional advertisements and an online “Smart Homebuyer” checklist.
- **Incentives for retailers leveraged price reductions** for more than 914,000 specialty CFLs and approximately 22,000 efficient showerheads. New retail collaborators in 2011 include the Rebuilding Center in Portland, Goodwill, Habitat for Humanity and Parr Lumber locations throughout the state.
- **“Carry Home the Savings” launched successfully.** Approximately 3,775 energy-saver kits were distributed through six food pantries in the Portland metro area. Outreach will extend statewide in 2012.
- **The “Oldest Fridge” contest in September** drew media attention and helped drive the recycling of 4,742 refrigerators and freezers. Nearly 24,000 units were recycled in 2011, 6 percent above goal and 24 percent more than in 2010.

C. Commercial sector highlights

- **Combined commercial sector savings exceeded** the sector’s 2011 electric stretch goal by 3 percent and gas stretch goal by 12 percent.
- **The fall bonus—designed to keep projects moving** when faced with retroactive reductions in the Oregon Business Energy Tax Credit—had the desired result of driving savings in Existing Buildings, including in multifamily properties.

² Energy Trust totals vary from Clean Energy Works Oregon’s due to data entry timing.

- **At year end, all programs had strong pipelines of projects** for 2012, representing as much as 45 percent of the 2012 stretch electric goal and 60 percent of the 2012 stretch gas goal.

Existing Buildings

- **Existing Buildings ended 2011** 3 percent below the 2011 stretch electric savings goal and 23 percent above the stretch gas savings goal.
- **The number of Existing Buildings projects in 2011** reached 3,552, exceeding 2010 by 37 percent.
- **Although the program began the year with few large** custom projects in the pipeline, staff identified and closed stalled custom projects and helped customers implement new operations and maintenance services.
- **The fall bonus was associated with 16 and 12 percent** of Existing Buildings electric and gas savings, respectively. Projects receiving the bonus included custom controls, lighting, custom HVAC, chillers and—for multifamily properties—weatherization upgrades.
- **Rooftop unitary HVAC tune-ups** accounted for 29 percent of gas savings for 2011.
- **The program raised market awareness of 2012 federal lighting** standards through ongoing communications with trade allies, higher incentives for T12 to T8 conversions and the release of a comprehensive lighting pilot. The pilot, a collaboration with the Northwest Energy Efficiency Alliance, promotes integrating daylighting and occupancy/light level controls into lighting designs.
- **In multifamily properties, direct-install measures** (showerheads, CFLs and faucet aerators) along with prescriptive weatherization and common-area lighting contributed a large share of savings. The number of custom HVAC studies in 2011 increased—eight in 2011 compared to no more than two per year in recent years—and are expected to lead to more custom HVAC projects in 2012 and beyond.
- **Relationships established with top multifamily property managers** and affordable housing agencies allowed the program to gain access across their portfolios, more efficient than approaching owners and managers site by site.
- **A City of Salem Energy Efficiency and Sustainability Technology (EEAST)** commercial project completed. Salem applied federal American Recovery and Reinvestment Act funds to offer low-interest loans for commercial lighting efficiency upgrades serviced by West Coast Bank. Only one project participated, receiving \$5,000 in Energy Trust incentives to reduce the amount of the loan.
- **Existing Buildings began enrolling participants in two Strategic Energy Management** pilots during the latter part of 2011. Commercial Energy Improvement will engage a cohort of building operators, while Integrated Energy Management will be provided to individual companies.
- **The Building Performance Tracking and Control System pilot was released** to test the viability of a technology-based approach to achieving operational savings in the commercial sector.

New Buildings

- **New Buildings finished the year** 30 percent above the stretch electric savings goal and 7 percent below the stretch gas savings goal.

- **New Buildings closed** 288 projects in 2011. The program did not offer a bonus incentive in response to reductions in state tax credits because many buildings had applied for tax credits prior to construction and before the tax credit cutoff date of April 15, 2011.
- **Projects under 70,000 square feet represented 84 percent of all** 2011 projects—31 percent of electric savings and 46 percent of gas savings. Conversely, projects over 70,000 square feet represented 69 percent of electric savings and 54 percent of gas savings.
- **Top projects for 2011** include a data center, a data center warehouse conversion, a LEED®-certified public housing project, a LEED-certified military facility, a LEED Gold mixed-use high rise, a new large retail building and a large hospital.
- **Newly enrolled projects set a record** at 415 projects for the year, of which 84 closed in 2011 and the remainder support a strong pipeline for 2012.
- **New Buildings projects permitted under the 2010 commercial code**, which increased baseline efficiency requirements by 15 percent, accounted for 8 percent of 2011 electric savings and 9 percent of 2011 gas savings. These numbers are expected to increase as the market transitions to the new code over the next two years.
- **The program provided \$137,600 in early design incentives** to support 42 projects required to meet the more stringent 2010 energy code. These incentives are expected to result in 2012 savings for the program and required only 3 percent of the 2011 incentive budget.
- **Six Path to Net Zero buildings were completed in 2011**, totaling approximately 440,000 kilowatt hours and 5,200 annual therms.
- **Two small commercial pilot projects** closed in 2011, saving approximately 168,000 kilowatt hours and 7,500 therms.
- **The program added 60 new program allies in 2011**, broadening the program to serve new customers with a wider array of expertise. The allies include architects, engineers, green building consultants and developers. Six trainings were delivered to the new allies emphasizing high efficiency design strategies and how to make the financial case for building green.
- **During 2011, 71 education projects received nearly \$950,000** in incentives. Projects include 36 K-12 schools, 16 community colleges and 19 college and university projects.

D. Industry and agriculture sector highlights

Production Efficiency

- **Industrial sector savings in 2011** met 99 percent of the stretch electric goal and exceeded the stretch gas goal by 19 percent.
- **The volume of projects closed in the last two weeks of the year far exceeded** previous years, reflecting the impact of the fall bonus incentive offer. To be eligible, projects had to complete by December 15, allowing the program two weeks to process incentives, log savings, and close projects before year end. The bonus successfully overcame the market effects of the retroactive Business Energy Tax Credit sunset.
- **The annual number of projects grew for the third straight year** to 983 in 2011, increasing 23 percent over 2010. The growth was influenced by the high volume of trade ally-driven small industrial and lighting initiatives, in addition to the fall bonus. Custom track studies decreased by 25 percent, as program staff promoted more direct-to-offer projects with streamlined savings analysis for simpler custom improvements.

- **Strategic Energy Management efforts accounted for 20 percent** of 2011 electric savings and 12 percent of gas savings. These initiatives included Industrial Energy Improvement, Kaizen Blitz and—new in 2011—Refrigeration Operator Coaching, ROC. While Kaizen Blitz is a stand-alone service to an individual site focused on refrigeration systems, ROC applies a cohort-based model. The first cohort in ROC, including engineers and technicians from five food processing and cold storage facilities, completed a six-month mentored training in fall 2011. Altogether, 22 plants participated in Strategic Energy Management offerings in 2011.
- **The NW Natural industrial demand-side management pilot ended in February.** Started in mid-2009, the pilot was successful in achieving highly cost-effective gas savings from industrial and large commercial customers that were not previously eligible for Energy Trust programs. A new agreement with NW Natural in spring of 2011 formally ended the pilot and enabled the transition of service for these eligible customers into the standard industrial and commercial programs.
- **Custom operations and maintenance projects remained a significant source of savings in 2011,** providing 10 percent of electric savings and 4 percent of gas savings. The 90 x 90 O&M incentive, which pays 90 percent of implementation costs for low-cost O&M measures completed within 90 days, proved effective in motivating customers to take swift action to reduce energy waste in their operations.
- **Custom capital projects accounted for 35 percent** of 2011 electric savings and 43 percent of 2011 gas savings, the program's historic primary source of savings. The growth of other program offerings such as industrial lighting, Strategic Energy Management and O&M have decreased the overall proportion of custom capital projects. Despite that, custom capital projects still represent the largest savings potential for the sector, and the custom approach to program delivery remains a best practice in working with industrial customers with unique process efficiency opportunities.

E. Renewable energy highlights

- **Renewable energy programs installed 1.48 average megawatts of generation in 2011,** less than half the annual conservative goal. The shortfall resulted in part from the shift of projects into 2012 after the Oregon Legislature extended the completion deadline to obtain a Business Energy Tax Credit. Another factor was cancellation of an incentive for a landfill gas project that no longer had above-market costs.
- **The pipeline for 2012 is robust with 11 approved projects** with a combined 9.8 megawatt capacity and representing approximately \$10 million in incentives. Anticipating high demand for biopower, geothermal, hydro and custom wind incentives in Pacific Power territory, staff developed a competitive process for allocating 2012 funds from Pacific Power.

Solar Electric

- **More than 1,300 residential and commercial solar electric projects were installed in 2011,** totalling more than 8 megawatts of installed capacity and reaching a new annual record.
- **Community-led group purchase efforts** in Beaverton, Portland, Pendleton, Hillsboro and Salem accounted for 24 percent of 2011 residential solar electric projects. Compared to 2010, the 2011 "Solarize" efforts represented a smaller share of the total solar market, as the drop in market prices for solar attracted more individual buyers.

- **The residential solar leasing model took hold in Oregon in 2011.** Lease providers included national businesses SolarCity, Sunrun and CitizenRE along with a local company, Energy Unlimited. Leased systems qualify for Energy Trust incentives.
- **The largest ground-mounted solar project in the Pacific Northwest,** the 2.85 megawatt enXco project, came on line in October. Located on two Willamette Valley sites near Salem, the project is expected to generate more than 0.3 average megawatts annually.
- **Groundbreaking for the 1.75 megawatt “Solar Highway”** installation at the Baldock Safety Rest Area on I-5 south of Wilsonville was celebrated in fall 2011. The project will complete in 2012.
- **A 5 megawatt solar electric project** was approved for an incentive by the board in December. This ground-mounted solar array will be located in sunny Christmas Valley and will track the sun to increase production by 20 percent. Slated to become the largest Oregon solar electric installation, the project is expected to begin delivering energy to PGE by year-end 2012.
- **In 2011, \$5.6 million in incentives were committed** to 355 residential and commercial solar electric projects, totaling 4.2 megawatts of capacity, that will be installed in 2012.

Biopower

- **Biopower projects approved in 2011 comprise a strong pipeline for 2012 and beyond.** They include:
 - A \$2 million incentive for Green Lane Energy, a 1.6 megawatt installation using methane from agriculture and food processing waste.
 - \$1 million incentives each for two 500-kilowatt dairy digesters being developed by Revolution Energy Solutions, one in PGE territory and the other in Pacific Power territory.
 - A \$70,000 incentive for a 100-kilowatt project involving gasification of woody biomass at the Wallowa Integrated Biomass Energy Center.
 - A \$450,000 incentive for a 195-kilowatt project at Pendleton’s wastewater treatment facility.
 - A \$450,000 incentive for a 750-kilowatt project at Medford’s wastewater treatment facility.
- **The Biopower and Production Efficiency programs collaborated with** the Association of Clean Water Agencies to develop the second annual energy management training program, providing management tools to help 12 wastewater treatment plants implement clean energy strategies.
- **Extension of the Oregon Biomass Producer Collector tax credit through 2017** for biomass producers and collectors may stimulate projects using dairy manure and woody biomass for energy production.

Other Renewables

- **Twelve small wind projects, totaling 413 kilowatts** of capacity, were completed in 2011. Three additional small wind projects with total capacity of 40 kilowatts were approved in 2011 for completion in 2012.
- **Funding was committed for two hydro projects:** \$490,000 for the 1.1 megawatt C-Drop hydroelectric project in the Klamath Irrigation District, scheduled to complete in 2012; and \$1 million for the 700-kilowatt Three Sisters Irrigation District project, scheduled to complete in 2013.

- **Energy Trust staff spearheaded the creation of the Interstate Turbine Advisory Council**, a group of wind program managers from around the country who are cooperating in the formation of a shared list of small turbines eligible for incentives.
- **Energy Trust provided development assistance for eight small hydro projects**, including feasibility studies, permitting assistance and resource assessments.
- **Three geothermal projects received commitments of financial support** from Energy Trust for feasibility assessments.

IV REVENUES AND EXPENDITURES

- Received \$132.4 million in Oregon public purpose and incremental revenues during 2011.
- Invested \$138.6 million (including carryover funds from prior years), 13 percent more than in 2010.
- Paid more than \$81.3 million in incentives for energy-efficiency and renewable energy projects.

A. Revenues

Oregon public purpose revenues for 2011 were below budget by \$2 million, or 1.5 percent.

Source	Annual Actual Revenues	Annual Budgeted Revenues
Portland General Electric	\$ 36,642,531	\$ 36,512,134
PGE Incremental*	\$ 27,757,336	\$ 30,756,380
Pacific Power	\$ 24,099,170	\$ 24,748,830
Pacific Power Incremental*	\$ 21,368,281	\$ 20,566,336
Cascade Natural Gas	\$ 1,847,669	\$ 2,286,459
NWNatural	\$ 18,526,507	\$ 17,578,767
NWNatural Industrial DSM	\$ 2,191,669	\$ 1,953,992
Total	\$ 132,433,163	\$ 134,402,898

*Incremental revenues are those authorized under SB 838 to support capturing additional cost-effective energy efficiency savings.

B. Expenditures

Electric efficiency spending was below budget by \$18.3 million for 2011, or 15 percent. Gas expenditures for 2011 were \$4.7 million, or 22 percent, below budget. As presented in section V, electric and gas savings both exceeded stretch goals, suggesting a lower cost per unit of energy saved than had been budgeted. Renewable energy program spending was \$10.4 million below budget for the year, as several projects shifted into 2012 and a landfill gas project was able to complete without additional help from Energy Trust.

Type	Actual Annual Expenditures	Annual Budgeted Expenditures
Energy Efficiency Programs	\$ 116,572,388	\$ 127,674,971
Renewable Energy Programs	\$ 18,027,846	\$ 28,436,268
Administration	\$ 3,976,898	\$ 5,473,508
Total	\$ 138,577,132	\$ 161,584,746

Source	Actual Annual Expenditures	Annual Budgeted Expenditures
Portland General Electric	\$ 73,809,026	\$ 89,657,096
Pacific Power	\$ 43,423,186	\$ 45,854,363
Cascade Natural Gas	\$ 2,222,957	\$ 2,494,650
NW Natural	\$ 17,515,072	\$ 21,446,357
NW Natural Industrial DSM	\$ 1,606,892	\$ 2,132,280
Total	\$ 138,577,132	\$ 161,584,746

C. Incentives paid

Quarter	Energy Efficiency				Renewable Energy		Total
	PGE	Pacific Power	NW Natural	Cascade Natural Gas	PGE	Pacific Power	
Q1	\$ 3,073,777	\$ 2,737,905	\$ 1,540,658	\$ 140,451	\$ 1,991,309	\$ 479,574	\$ 9,963,675
Q2	\$ 6,001,036	\$ 3,870,352	\$ 1,793,034	\$ 253,414	\$ 703,602	\$ 782,310	\$13,403,748
Q3	\$ 6,177,683	\$ 4,466,323	\$ 2,329,187	\$ 155,960	\$ 2,432,533	\$ 948,714	\$16,510,400
Q4	\$ 18,217,595	\$ 8,998,790	\$ 5,119,982	\$ 710,016	\$ 6,293,027	\$ 2,067,006	\$41,406,416
Total	\$ 33,470,092	\$ 20,073,371	\$ 10,782,861	\$ 1,259,841	\$ 11,420,470	\$ 4,277,604	\$81,284,238

V SAVINGS AND GENERATION

A. Electric efficiency savings

In 2011, electric efficiency programs saved 46.9 average megawatts, 6 percent more than Energy Trust's 2011 stretch goal of 44 average megawatts. Since March 1, 2002, these programs have cumulatively saved 322 average megawatts, including 20 average megawatts of savings from self-direct customers—representing 67 percent of Energy Trust's strategic 2014 goal.³ This is equivalent to powering 233,500 Oregon homes for a year. The 46.9 average megawatts were acquired at a levelized cost of 2.9 cents per kilowatt hour.

2011 Electric Efficiency Savings	PGE aMW	Pacific Power aMW	Total Savings aMW	Expenses	Levelized Cost/kWh
Commercial	9.68	6.51	16.19	\$ 37,929,268	2.9 ¢
Industrial	7.96	5.85	13.81	\$ 23,590,991	2.5 ¢
Residential	10.53	6.35	16.88	\$ 37,151,456	3.2 ¢
Total Electric Efficiency Programs	28.18	18.71	46.89	\$ 98,671,715	2.9 ¢

B. Gas efficiency savings

In 2011, gas efficiency programs saved 5.4 million annual therms of natural gas, 4 percent more than Energy Trust's 2011 stretch goal of 5.2 million annual therms. Since gas programs began in 2003, cumulative savings of 23.2 million annual therms have been realized, accounting for 67 percent of the 2014 goal of 34.7 million annual therms. This is equivalent to providing gas heat to about 45,700 homes for a year. The 5.4 million annual therms were acquired at a levelized cost of 35 cents per therm.

2011 Gas Efficiency Savings	NW Natural Therms	Cascade Natural Gas Therms	Total Savings Therms	Expenses	Levelized Cost/Therm
Commercial	1,856,689	219,045	2,075,734	\$ 7,179,065	32 ¢
Industrial	945,507	87,009	1,032,517	\$ 2,040,390	19 ¢
Residential	2,161,940	137,053	2,298,994	\$ 12,125,466	44 ¢
Total Gas Efficiency Programs	4,964,136	443,108	5,407,244	\$ 21,344,921	35 ¢

³ Savings from self-directed efficiency projects count toward the goal of achieving 479 average megawatts of electric savings by 2014. To date, 20 average megawatts of savings have been achieved by industrial consumers via self-directed funding. Electric savings also include transmission and distribution savings.

C. Renewable energy generation

Total renewable energy generation totaled 1.5 average megawatts for the year, short of Energy Trust's conservative goal of 3.7 average megawatts.⁴ Changes in allocations of the state's Business Energy Tax Credit kept several large projects from moving forward in 2011. Most of the expenditures were for solar electric projects (Solar program expenditures plus \$3.3 million for the enXco project, budgeted in Other Renewables), which are generally higher in cost compared to wind, hydro and biopower projects. To date, cumulative renewable energy generation totals 104 average megawatts, or 84 percent of the 2014 generation goal of 124 average megawatts.⁵

2011 Renewable Energy Generation	PGE aMW	Pacific Power aMW	Total Generation aMW	Expenses	Levelized Cost/kWh
Biopower	0.00	0.00	0.00	\$ 850,888	0.0 ¢
Solar Electric Program	0.64	0.40	1.05	\$ 12,601,041	11.2 ¢
Other Renewable Programs	0.43	0.00	0.43	\$ 5,108,568	11.2 ¢
Total Renewable Programs	1.07	0.40	1.48	\$ 18,560,497	11.7 ¢

D. Progress toward annual efficiency goals by fuel type

	Expenditures	Savings	Levelized cost	Energy Trust Annual Goal		
					Goal	% Achieved
Electric	\$98,671,715	46.89 aMW	2.9 ¢ per kWh	Conservative	37.69 aMW	124%
				Stretch	44.35 aMW	106%
Natural Gas	\$21,344,921	5,407,244 therms	35.0 ¢ per therm	Conservative	4,403,118.15 therms	123%
				Stretch	5,180,139 therms	104%

⁴ The conservative goal for 2011 renewable energy generation was 3.7 average megawatts. The 1.5 average megawatts of generation installed in 2011 is associated with expenditures made in 2011. An additional 3.9 average megawatts of generation was committed in 2011 to come on line in 2012 and beyond.

⁵ Renewable energy generation numbers include transmission and distribution savings, where appropriate.

E. Progress toward annual efficiency goals by utility

	Expenditures	Savings	Levelized Cost	Energy Trust 2011 Annual Goal			Annual IRP Goal	
					Goal	% Achieved	Goal	% Achieved
Portland General Electric*	\$60,511,544	28.18 aMW	3.0 ¢ Per kWh	Conservative	24.8 aMW	114%	31.34 aMW	90%
				Stretch	29.18 aMW	97%		
Pacific Power	\$38,160,171	18.71 aMW	2.7 ¢ Per kWh	Conservative	12.89 aMW	145%	15.29 aMW	122%
				Stretch	15.17 aMW	123%		
NW Natural	\$19,121,964	4,964,136 therms	34.1 ¢ Per therm	Conservative	3,996,996 therms	124%	3,537,114 therms	140%
				Stretch	4,702,348 therms	106%		
Cascade Natural Gas	\$2,222,957	443,108 therms	43.9 ¢ Per therm	Conservative	406,122 therms	109%	391,753 therms	113%
				Stretch	477,791 therms	93%		

*Although annual savings are below the PGE 2011 IRP savings goal, Energy Trust met its contractual goals for PGE.

F. Electric efficiency results for SB 1149 and SB 838 funds

Energy Trust will complete the analysis of the allocation of savings and related costs to SB 1149 vs SB 838 funding sources, along with the summary of SB 838 expenditures by utility, after April 16, 2012. We understand that this is after the due date for the 2011 Annual Report to the OPUC. However, current utility information-sharing agreements do not permit Energy Trust to access the participant energy consumption data necessary to determine accurately whether a project should be funded by SB 1149 (all sites using electricity from PGE or Pacific Power are eligible) or SB 838 (limited to sites using less than one average megawatt annually). Each year Energy Trust engages a third party to review data provided by utilities and determine the accurate status of each participant. That analysis will be completed mid-year, after which time Energy Trust will issue an addendum to the 2011 Annual Report with the SB 1149 and SB 838 tables.

See Appendix, p. 37, for reports prepared by Pacific Power and Portland General Electric on utility activities funded through SB 838.

See Appendix, p. 59, for the 2011 electric efficiency results for SB 1149 and SB 838 funds; information appended to the report December 21, 2012.

VI 2011 PERFORMANCE MEASURES

The Oregon Public Utility Commission establishes minimum performance measures for Energy Trust in a variety of categories. Minimum savings and generation figures for energy-efficiency programs and renewable energy programs are set at an aggregated level rather than at an individual program or sector level. This allows Energy Trust to pursue different program strategies in the residential, commercial, industrial and agricultural sectors as market forces and technological advances change.

The following OPUC minimum performance measures apply to Energy Trust 2011 results.

Electric Efficiency Performance Targets

- Electricity efficiency savings of at least 31 average megawatts, computed on a three-year rolling average

Exceeded, with 2009-2011 average annual electric efficiency savings = 40 average megawatts

- Levelized life-cycle cost should not exceed 3.5 cents per kilowatt hour

Well within requirement, with 2011 average levelized life-cycle cost = 2.9 cents per kilowatt hour

Natural Gas Efficiency Performance Targets

- Natural gas efficiency savings of at least 1.8 million annual therms, computed on a three-year rolling average

Exceeded, with 2009-2011 average annual gas efficiency savings = 4.3 million annual therms

- Average levelized life-cycle cost should not exceed 60 cents per annual therm

Well within requirement, with 2011 average levelized life-cycle cost = 35 cents per annual therm

Renewable Resource Development Target

- Secure at least three average megawatts of new renewable resources per year, computed on a three-year rolling average

Fell short of target due to significant changes in Oregon tax credits available for renewable energy projects; achieved 2.47 average megawatts annually, on average, from 2009-2011

Financial Integrity

- Demonstrate financial integrity by obtaining an unqualified financial audit opinion annually

Full compliance, with an unqualified financial audit opinion for 2011

Program Delivery Efficiency

- Keep administrative and program support costs⁶ below 11 percent of annual revenues

Well within requirement, with 2011 administrative and program support costs at 5.0 percent of annual revenues

Customer Satisfaction

- Demonstrate reasonable rates of customer satisfaction with Energy Trust services

For the second year, Energy Trust conducted short telephone surveys of a sample of participants within a few weeks of project completion. 2011 results are:

Program	2011	
	Count	% satisfied
Existing Buildings	273	92%
New Buildings	71	83%
Production Efficiency	184	91%
Existing Homes	1,851	90%
New Homes and Products*	782	91%
Solar	179	95%

**Only Home Products customers were surveyed in 2011*

Energy Trust recorded 23 escalated customer complaints in 2011, eight fewer than in 2010, a very small number considering the tens of thousands of customers served.

Benefit/Cost Ratios

- Report benefit/cost ratios for larger conservation acquisition programs for 2011⁷

Program	Combined Utility System Benefit/Cost Ratio	Combined Societal Benefit/Cost Ratio
New Homes and Products	1.8	2.2
Existing Homes	2.3	2.1
Existing Buildings	2.6	1.6
New Buildings	3.0	1.8
Production Efficiency	3.2	2.3
NW Energy Efficiency Alliance	3.9	1.3

⁶ Program support costs are defined as all program costs except the following accounts: program management, program incentive, program payroll and related expenses, call center and program outsource services.

⁷ By law, Oregon public purpose funds may be invested only in cost-effective energy efficiency measures—that is, efficiency measures must cost less than acquiring the energy from conventional sources. Cost-effective programs therefore have a ratio greater than 1.0.

APPENDIX

Energy Trust Program Descriptions

Existing Buildings. Helping the wide range of businesses in existing commercial buildings manage their energy costs requires an equally broad selection of technical services and financial incentives. Existing Buildings offers incentives for improvements including lighting, HVAC, controls, boilers, solar water heating, foodservice equipment and insulation, as well as customized solutions and operations and maintenance improvements. Technical services include energy surveys, project planning and technical analysis, contractor referrals, project facilitation and post-installation assistance. Multifamily property managers have a menu of offerings for financial and service incentives for both in-unit and common area improvements. Technical services include direct-installs of compact fluorescent light bulbs and faucet aerators in the tenant spaces as well as cash incentives for common-area lighting, appliances, insulation, windows and HVAC. Existing Buildings began in 2003 and is implemented by Lockheed Martin Services, Inc.

New Buildings. This program provides incentives for energy-efficient design and equipment to support high-performance commercial new buildings and major renovations. Participants can leverage early design and technical assistance, installation incentives, commissioning and ENERGY STAR[®] post-occupancy incentives. Net-zero energy strategies are being tested through the Path to Net Zero pilot, which has enrolled 15 projects, including schools and public buildings. Strategies to help owners and developers of small-scale buildings are being tested through the Small Commercial Efficiency Pilot, which provides a prescriptive approach to achieve deep and predictable energy savings with simple, quick-to-deploy approaches that meet tight construction timelines. New Buildings began in October 2003 and is implemented by Portland Energy Conservation, Inc.

Existing Homes. Homeowners and renters can take advantage of energy-saving recommendations, referrals to qualified trade ally contractors and cash incentives for qualified improvements including weatherization; electric, gas and solar water heaters; and heating equipment. The program supports market-based Home Performance with ENERGY STAR, a diagnostic assessment conducted by Building Performance Institute-certified contractors; Savings Within Reach, designed to provide greater assistance for individuals whose income falls between 186-250 percent of the federal poverty level; and energy-saving opportunities for duplex through four-plex properties and manufactured home dwellings. The program offers a web-based home energy profile for residential customers, as well as phone-based and in-home energy reviews. Existing Homes supports referrals to Clean Energy Works Oregon, an initiative offering attractive financing and repayment options for comprehensive home retrofit projects. Existing Homes began in March 2003 and is implemented by Conservation Services Group.

New Homes and Products. New Homes seeks to expand the market share of energy-efficient homes in Oregon by creating homebuyer demand and training the contractors who build them. New homes Energy Trust supports receive an Energy Performance Score to guide homebuyers, just as a miles-per-gallon rating helps consumers shop for cars. The program provides builders with tiered incentives tied to increased efficiency levels and incentives for integrating solar. In addition to builders, the program works with architects and real estate professionals, and encourages the sale of energy-efficient manufactured

homes by local retailers. Products offers include cash incentives for purchase of ENERGY STAR qualified clothes washers, refrigerators, freezers, dishwashers, lighting and showerheads, and for the recycling of old refrigerators and freezers. The program also promotes the Change a Light, Change the World CFL fundraiser for schools and nonprofits, delivers energy-saving kits through food pantries to their clients, and distributes showerheads through water bureaus and districts throughout the state. New Homes and Products began in April 2004 and is implemented by Portland Energy Conservation, Inc.

Production Efficiency. Industrial and agricultural businesses of all types and sizes look to Production Efficiency for technical services to help them identify electric and natural gas energy-efficiency opportunities and develop best-practice energy solutions for their facilities. Energy Trust engages highly skilled industrial energy engineers to advise Oregon businesses on how to make the most of opportunities to reduce energy-related operating costs while improving productivity, product quality and environmental performance. Production Efficiency provides cash incentives for capital projects, operations and maintenance efficiency improvements, and strategic energy management practices that produce measurable energy savings. Production Efficiency supports electric efficiency improvements and natural gas measures. Production Efficiency began in 2003 and is managed internally.

Solar Electric. This program helps homeowners, businesses and governments meet a portion of their electricity needs with on-site solar generation. The program provides cash incentives for small-scale solar electric installations, provides referrals to trade ally contractors and demands high-quality installations through design review and inspections. The program works to develop a long-term, stable solar market in Oregon by building consumer awareness, sponsoring technical training for the trades and supporting state and local efforts to streamline their practices around solar. It provides photovoltaic equipment to electrical training centers that offer solar installation classes, and renewable energy science kits to schools that install solar electric systems. The program supports innovative efforts that reduce costs to consumers such as community-led bulk purchase initiatives and third-party ownership models that leverage federal and state tax credits. Solar Electric began in May 2003 and is managed internally.

Biopower. The Biopower program provides financial incentives, cost-shared grants for feasibility studies, technical assistance and other support for projects that generate electric power from organic residues. Eligible fuels include biogas from sewage treatment facilities, food processing and agriculture, and the organic fraction of municipal solid waste; solid organic fuels from mill waste, forest and field residues, and urban wood waste; landfill gas; and dedicated energy crops available on a renewable basis. The goal of the program is to expand Energy Trust's portfolio of biopower projects and to improve market conditions for the development of these projects. Biopower began in 2005 and is managed internally.

Other Renewables. This program provides support for renewable energy projects that generate electricity using wind, hydropower and geothermal technologies. The program provides custom incentives for projects with generating capacities of 20 megawatts or less and a standard incentive program for small wind systems up to 100 kilowatts in capacity. Custom incentives are calculated after a thorough, multi-disciplinary technical and financial review of project applications. To ensure projects are well executed, incentives are paid upon successful project completion and inspection. In addition to incentives, the program offers various kinds of financial and technical assistance to projects in the development stage, including cost-share funding for feasibility studies, resource characterization, site assessments, anemometers, grant writing, initial design, permitting and interconnection cost

development. To provide further assistance, the program has published several guidebooks on topics including community wind, interconnection and hydropower permitting. Other Renewables started in 2003 and is managed internally.

Northwest Energy Efficiency Alliance. NEEA is a nonprofit organization working to maximize energy efficiency to meet our future energy needs. Margie Harris, Energy Trust executive director, serves as vice chair of the NEEA board of directors. NEEA is supported by and works in partnership with Bonneville Power Administration, Energy Trust and more than 100 Northwest utilities for the benefit of more than 12 million energy consumers. NEEA uses the market power of the region to accelerate innovation and adoption of energy-efficient products, services and practices.

NW Natural Industrial Demand-side Management Program

Since 2009, Energy Trust has provided service to NW Natural's Schedule 31 and 32 non-transport customers, funded through a special rate adjustment mechanism rather than through the public purpose charge. Program costs and therm savings for these customers in 2011 are included in the body of this annual report as a portion of NW Natural savings and reported separately below.

Program/Customer Type	2011 Annual Therms Saved	2011 Expenditures	2011 Levelized Cost
Production Efficiency	661,956	\$ 1,277,626.94	18.1 ¢
Existing Buildings	68,932	\$ 165,851.39	20.1 ¢
New Buildings	119,163	\$ 163,413.20	12.4 ¢
Grand Total	850,051	\$ 1,606,891.54	17.4 ¢

2011 Energy Trust of Oregon Board of Directors

PRESIDENT—John Reynolds, FAIA, is a professor of architecture emeritus at the University of Oregon. He has been involved in energy issues in Oregon since 1972, when he was elected to the Eugene Water and Electric Board. Since then, he has served as chair of the American Solar Energy Society and president of Solar Energy Association of Oregon. He has served on the Oregon Alternate Energy Commission and the Energy Committee of the Building Codes Structures Board. *John has served as president since 2008.*

VICE-PRESIDENT—Debbie Kitchin is the co-owner of InterWorks LLC, a construction company specializing in commercial tenant improvement and renovation and residential remodeling services. InterWorks is an award-winning contractor specializing in sustainable building practices. Prior to joining the family business in 1996, Debbie served as senior economist for the Northwest Power Planning Council for 15 years and was a regional economist for the Bonneville Power Administration for three years. Debbie also serves on the boards for the Portland Business Alliance, Portland Building Owners and Managers Association and the Central Eastside Industrial Council. She is a past president of the Portland Commercial Real Estate Women. *Debbie was elected vice president in 2011.*

SECRETARY—Caddy McKeown is Pacific Region supervisor for ASPIRE, a program of the Oregon Student Assistance Commission. She is active in her community, serving as commissioner and vice chair for the Oregon International Port of Coos Bay. She served on the Coos Bay School District Board of Directors for 11 years and on the budget committee for 15 years. She serves on the board of directors of the nonprofit organization that manages the Mingus Park Municipal Pool, serves the Oregon Community Foundation as a volunteer grant evaluator and served for 17 years on the board of directors of Bob Belloni Ranch, Inc., a residential treatment facility for adolescent offenders. Caddy brings private, nonprofit and economic development experience, years of community service and a south coast perspective to her service to Energy Trust. *Caddy was elected secretary in 2011. She resigned from the board in November 2011. Rick Applegate was elected to serve as secretary until the 2012 annual meeting of the board.*

TREASURER—John Klosterman is the director of operations at Oregon Food Bank, a nonprofit at the hub of a cooperative statewide network of 20 regional food banks and 935 local hunger-relief agencies and programs serving Oregon and Clark County, WA. His responsibilities include food sourcing, inventory management, warehousing and transportation logistics. Prior to joining Oregon Food Bank John was vice president of operations at Rejuvenation, Inc., serving the company for 15 years in a variety of senior management roles related to company-wide operations, product development and manufacturing. As part of a state pilot project, he led his company's implementation of an International Organization for Standardization 14001-based energy management system based on the sustainability principles of The Natural Step. For 10 years he worked directly with Asian suppliers to reduce their environmental impacts, while implementing socially responsible policies and programs in Rejuvenation's Portland operations, including supply chain, manufacturing, distribution and fulfillment. *John was re-elected to a new three-year term in 2011. He served as treasurer since 2004. John resigned from the board in November 2011. Dan Enloe was elected to serve as treasurer until the 2012 annual meeting of the board.*

Rick Applegate (*secretary*) is the principal at Applegate Consulting, specializing in natural resource policy, environmental banking and restoration, strategic planning and facilitation. For 10 years he was Portland Harbor Superfund administrator for the City of Portland, coordinating the city's work on the lower Willamette River clean up. He served as administrative assistant and in senior legislative positions in the U.S. Senate and House of Representatives. Since then he has worked for more than 30 years on energy and environmental issues, principally as an advocate for salmon and their watersheds. He was the fish and wildlife director for the Northwest Power Planning Council, West Coast conservation director for Trout Unlimited and assistant regional administrator of the Habitat Conservation Division and senior policy advisor at National Marine Fisheries Service (NOAA). He was the chair of the U.S. Southern Stakeholders Pacific Salmon Treaty Negotiations and a member of the Pacific Northwest Comprehensive Energy Review. *When Caddy McKeown resigned in November 2011, Rick was elected to serve as secretary until the 2012 annual meeting of the board.*

Joe Benetti is a long-time restaurant owner and civic leader from Coos Bay. He is chair of the Southwest Oregon Regional Airport Commission and a board member and past chair of the Oregon Restaurant and Lodging Association. He served three terms as mayor of Coos Bay, 12 years as a Coos Bay city councilor and six years as City Council chair. In other public service positions, Joe served on and chaired the Coos Bay-North Bend Promotions Committee, the Coos Bay urban renewal agency and the Coos County urban renewal agency. He also has served on the executive board of the Bay Area Chamber board and currently represents the airport commission on that board. His restaurant, Benetti's Italian Restaurant, is located on S. Broadway in Coos Bay. *Joe was elected to the board in November 2011 to fill Caddy McKeown's term.*

Julie Brandis is the director of corporate relations for the Oregon State University Foundation. She connects local, regional and national companies to the university through its first comprehensive fundraising effort, The Campaign for OSU, by matching their research and employment needs with internationally recognized researchers and high-achieving OSU students. Previously, she spent 17 years as the energy lobbyist for Associated Oregon Industries, Oregon's largest business advocacy organization, including the period of time when SB 1149 was negotiated and enacted.

Ken Canon founded and led for 24 years the Industrial Customers of Northwest Utilities, ICNU, a regional industrial trade association focused on electric energy issues. Since retiring from ICNU in 2005, Ken chaired a committee that examined performance of the Northwest Energy Efficiency Alliance and managed the Northwest Energy Efficiency Task Force. Earlier in his career, Ken designed and implemented a comprehensive energy-efficiency program at an International Paper mill. Working for Associated Oregon Industries, he drafted and helped enact Oregon's Business Energy Tax Credit. He has a long history of organizing, managing and advising nonprofit organizations. Applying his expertise to his living situation, Ken built the first ENERGY STAR home in Douglas County. Ken, a life-long Oregonian, was born and raised in Medford and is a graduate of Southern Oregon University and Willamette University College of Law. *Ken was elected to the board in November 2011 to fill John Klosterman's term.*

Dan Davis is president of the board of directors of Habitat for Humanity Rogue Valley. He believes in energy conservation and alternative energy, and has worked to help Habitat for Humanity adopt ENERGY STAR and Earth Advantage Gold green home standards. His previous experience includes working for

General Electric as manager of Middle East, Europe and Africa turbine services. In the early 1980s, he started Turbine Technology Services Corp., a turbine power consulting and engineering firm, serving for 13 years as chief executive officer. *Dan resigned from the board in September 2011.*

Jason Eisdorfer is a greenhouse gas policy strategist for the Bonneville Power Administration, a federal agency serving the Pacific Northwest. He serves as the senior technical consultant and advisor to BPA on the development and implementation of strategic objectives, policies and programs related to global, national and state greenhouse gas and carbon dioxide issues. He served as legal counsel and energy program director of the Citizens' Utility Board of Oregon from 1994 to 2008. At CUB, he represented residential consumers in numerous rate cases and policy dockets before the Oregon Public Utility Commission. He has co-authored legislation related to electric utility operations and to climate change, including the Oregon Renewable Energy Act and the Climate Change Integration Act, both of 2007. He is an adjunct professor at Lewis and Clark Law School and the University of Oregon School of Law. Prior to joining CUB, he was an attorney with the U.S. Department of Agriculture, Office of General Counsel, and served an appointment as a Special Assistant U.S. Attorney. He received his law degree from the University of Oregon School of Law and received certificates of completion in the Environment and Natural Resources Program and the Ocean and Coastal Program. He received his Bachelor of Arts degree from the University of Chicago.

Dan Enloe (*treasurer*) is a commodity manager at Intel Corporation in Hillsboro, where he has worked in varying capacities since 1984. He is a graduate of the U.S. Naval Academy with a Bachelor of Science degree in electrical engineering. Prior to 1984, he was on active duty in the U.S. Navy and served as a nuclear submarine officer. Since he left active duty, he has been affiliated with the Naval Reserve and has served in six reserve command tours. He is a member of the Naval Reserve Association, the American Legion and the Navy League. He also has two patents. *When John Klosterman resigned from the board in November 2011, Dan was elected to serve as treasurer until the 2012 annual meeting of the board.*

Roger Hamilton is the manager of the local government and communities program of the Climate Leadership Initiative at the University of Oregon. He also is a consultant with Western Grid Group, an organization that promotes transmission access for renewable energy projects across the West. He owns and operates a cattle and hay ranch in south central Oregon. He has spent many years in public service as a Klamath County Commissioner, as advisor on energy and watersheds to Governor John Kitzhaber and as an Oregon Public Utility Commissioner. He has also served on the Oregon State Parks Commission and the National Association of Public Utility Commissioners. He currently serves on the board of directors of the Regulatory Assistance Project and the Pacific Rivers Council. *Roger was re-elected to a new three-year term in 2011.*

Julie Hammond is the branch manager of Beecher Carlson in Bend. She has more than 20 years experience in the insurance industry. Julie recently served Deschutes United Way as campaign chair. She brings a customer service orientation, small business perspective and regional representation to her service for Energy Trust.

Al Jubitz is a native Oregonian and spent his career helping to build the family business, Jubitz Corporation. He is president and founder of the Jubitz Family Foundation and serves as director of

Monsoon, Inc. He is also past president and an active member of the Rotary Club of Portland, a board member of the Portland Schools Foundation, director emeritus of Morrison Child and Family Services and a trustee emeritus of Outward Bound Wilderness School. In addition, he serves on the Leadership Council of the Yale School of Forestry and Environmental Studies and serves on the National Advisory Council of Environmental Defense Fund in New York City. He has an extensive business background and brings a strong business sense to the board. He has a Bachelor of Science degree from Yale University and a masters in business administration degree from the University of Oregon School of Business. *Al resigned from the board in February 2011.*

Jeff King has a long history working in the energy industry, having spent more than 25 years as a senior resource analyst for the Northwest Power and Conservation Council. His work at the council involved assessing a variety of issues around the development and operation of existing and emerging electric power generation resources in the Pacific Northwest. His analysis and research was used in the development of the council's Sixth Northwest Conservation and Electric Power Plan. He has been actively involved in working with utilities, government agencies and public interest groups, and served as the council's representative on Energy Trust's Renewable Energy Advisory Council before joining the board of directors. *Jeff was elected to the board in February 2011 to fill Al Jubitz' position.*

Alan Meyer is director of energy management for Weyerhaeuser Company, a diversified forest products manufacturing company. He is responsible for coordinating energy management activities at numerous manufacturing facilities throughout North America. Prior to joining Weyerhaeuser, he was director of energy for Willamette Industries, holding similar responsibilities. He also worked for PacifiCorp as the Oregon large industrial accounts manager. He brings this extensive experience in the energy industry along with earlier sales and marketing experience to his service for Energy Trust.

Anne Haworth Root is co-owner and general manager of EdenVale Winery and Eden Valley Orchards, a destination winery, historic pear orchard and events center in southeast Medford. A second tasting room called Enoteca is located in Ashland. An award-winning entrepreneur, she developed the concept and helped found the Oregon Wine and Farm Tour, an agri-tourism coalition of southern Oregon wineries, historic farms and specialty food and cheese companies. Haworth Root is a graduate of Southern Oregon University, where she was student body president and chair of the Oregon Student Lobby. She pursued postgraduate studies in the Master of Commerce program at Wollongong University in Australia. *Anne was elected to the board in December to begin a three-year term in mid 2012.*

ex-officio

John Savage is one of three commissioners serving the Oregon Public Utility Commission. He joined the staff of the OPUC in 2003 as director of its utility program, after having served as director of the Oregon Department of Energy for the previous decade. He was administrator of the department's policy and planning division from 1987-1993. He received a masters degree in natural resource economics from Oregon State University in 1979 and a Bachelor of Science degree from Oregon State University in 1975.

Oregon Department of Energy Special Board Advisor

Bob Repine is acting director of the Oregon Department of Energy, where he is working to enhance Oregon's leadership role among states in growing a clean energy economy. He previously served as a special advisor to Governor Ted Kulongoski on construction of the new Oregon State Hospital after

serving as director of the Oregon Department of Economic and Community Development from 2006-2008 and director of the Oregon Department of Housing and Community Services from 1998-2006. A former construction contractor, he previously was an elected member of the Oregon House of Representatives, representing Grants Pass and surrounding communities from 1988-1998. He served as co-chair of the budget-writing Joint Committee on Ways & Means for the 1995 and 1997 legislative sessions.

Board Development Guidelines

Energy Trust's board of directors is a non-stakeholder, volunteer board. The board oversees Energy Trust management, provides strategic and policy direction and approves the organization's budget and major expenditures. The board carries out its oversight role through several committees. The board's bylaws ensure that Energy Trust board meetings and other processes are clear, open and accessible to the public.

The Energy Trust–Oregon Public Utility Commission grant agreement calls for the Energy Trust board to include the skills, broad representation and diversity necessary to achieve its mission.

The initial board of directors included nine members and one non-voting *ex-officio* member from the Oregon Public Utility Commission. The nine members represented a variety of energy and business perspectives, including energy policy and planning, program implementation and evaluation, facility siting, consumer advocacy, renewable energy development and sustainable practices, and commercial and industrial sectors.

The board has experienced expected turnover, and as this has occurred the board has taken steps to broaden its membership. In addition to soliciting input through advisory councils and at public board meetings, the board polls individuals and partner organizations to identify candidates with appropriate experience from throughout the state. To allow further diversity, the board also expanded its size to 13 voting members.

Through these efforts and targeted recruitment, the 2011 board included voting members with background in business (agriculture, industry, construction/remodeling, restaurant, retail, insurance, government, nonprofit and higher education). Members come from Central Point, Coos Bay, Corvallis, Eugene, Myrtle Creek, Redmond, Salem and the Portland area. Of the voting members at the end of the year, three were women and nine were men. The board's Oregon Public Utility Commission *ex-officio* member is Commissioner John Savage. The board created an additional non-voting position for an appointee of the Oregon Department of Energy. Bob Repine, acting director of the Oregon Department of Energy, occupied this "special advisor" position in 2011.

All new members participate in an orientation session and are provided handbooks containing historical information, policies, plans, budgets and program descriptions. The majority of board members also participate on advisory councils and board committees. All regular board and advisory council meetings and background information are public. Advisory council and board meetings are well attended, and public comment is included in every meeting.

All regular board members complete and sign conflict of interest forms each year. The OPUC *ex-officio* board member and the special advisor from the Oregon Department of Energy do not receive confidential information. Once each year, board and staff members participate in a planning session to review progress and discuss Energy Trust's strategic direction. Board development is a part of this public planning session, as needed.

2011 Advisory Council Members and Meetings

Conservation Advisory Council

Jim Abrahamson, Cascade Natural Gas
 Brent Barclay, Bonneville Power Administration
 Jeff Bissonnette, Fair and Clean Energy Coalition
 Scott Inman, Oregon Remodelers Association
 Theresa Gibney, Oregon Department of Energy
 Bruce Dobbs, Building Owners & Managers Association
 Juliet Johnson, Oregon Public Utility Commission
 Charlie Grist, NW Power and Conservation Council
 Andria Jacob, City of Portland
 Don Jones, Jr., PacifiCorp
 Holly Meyer, NW Natural
 Stan Price, Northwest Energy Efficiency Council
 Anne Snyder-Grassman, Portland General Electric
 Wendy Gerlitz, NW Energy Coalition
 Bill Welch, Eugene Water & Electric Board
 Don MacOdrum, Home Performance Guild

Energy Trust board members who regularly attend:

John Reynolds
 Dan Enloe

2011 Meeting Dates	Major Discussion Topics
January 12	Market transformation gas savings, 90 by 90 industrial pilot results, Energy Performance Score (EPS) pilot
March 9	2010 results, residential incentive changes, cost ranges for efficiency installations, setting goals in coordination with Integrated Resource Plans, evaluation results for duct and air sealing
April 13	Q1 results, cost ranges for efficiency installations, operations pilot, carbon reporting for EPS
May 18	Refrigeration operations, industrial plant closure study, commercial sector operations pilot, residential customer engagement
August 10	Measure life in industrial settings, lighting market transformation savings, impact of changes to Oregon tax credits
September 14	Budget themes for 2012, trade ally referral process, proposed incentive changes, tankless water heaters
October 26	Program updates, draft 2012 budgets, tankless water heaters
November 30	Final draft 2012-13 budgets, cost-effectiveness policy, combined heat and power policy

Renewable Energy Advisory Council

Jason Busch, Oregon Wave Energy Trust
Eric Chung / Tashiana Wangler, Pacific Power
Megan Decker, Renewable NW Project
Troy Gagliano, EnXco
Margie Gardner / Dick Wanderscheid, Bonneville Environmental Foundation
Robert Grott, Northwest Environmental Business Council
Ben Henson, Renewable Energy Solutions
Thor Hinckley, Portland General Electric
Juliet Johnson, Oregon Public Utility Commission
Suzanne Leta Liou, RES Americas
Glenn Montgomery, Oregon Solar Energy Industries Association
Vijay Satyal, Oregon Department of Energy
Frank Vignola, Solar Monitoring, University of Oregon

Energy Trust board members who regularly attend:

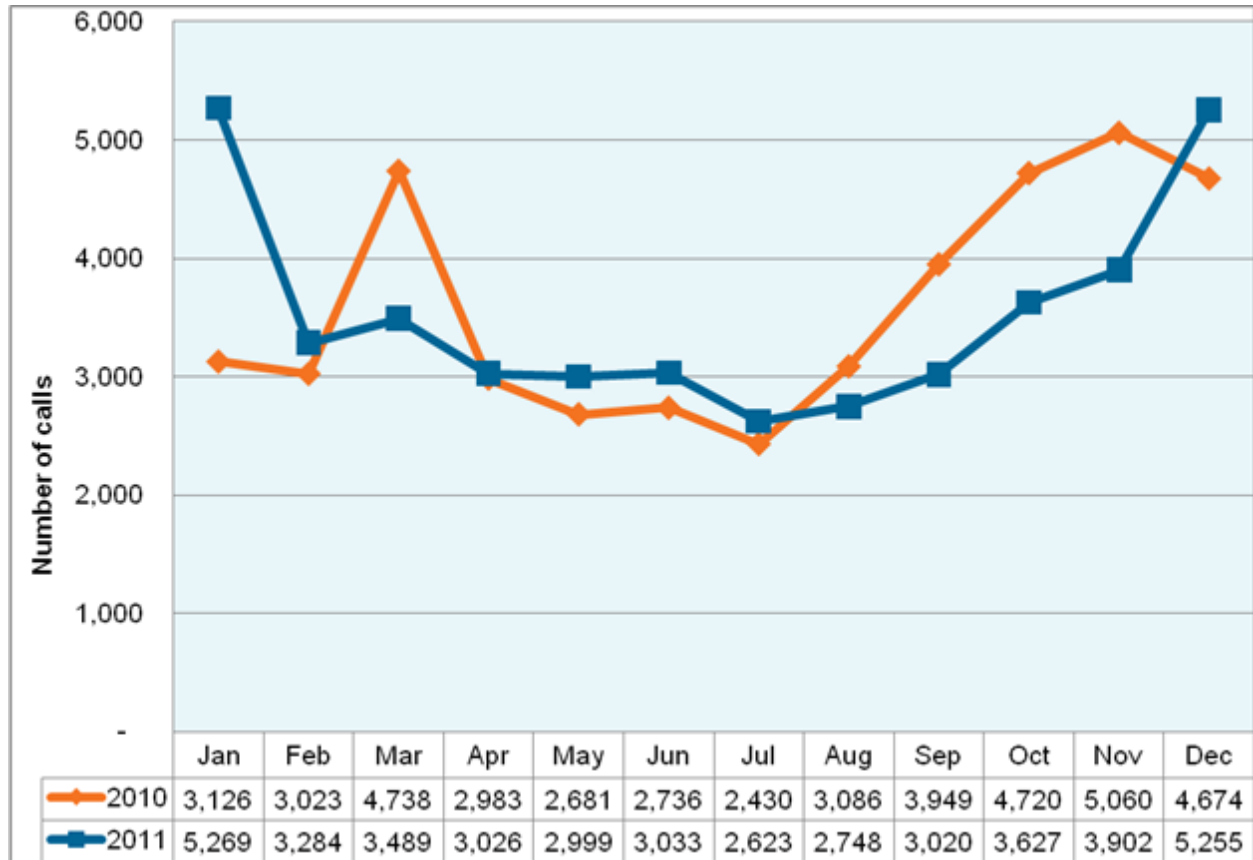
John Reynolds
Dan Enloe

2011 Meeting Dates	Major Discussion Topics
January 12	Legislative session preview, hydro resource assessments, outline for revision to performance benchmarks, program updates
May 18	Changes to Small Wind program, status update for large projects, regional energy credits/Western Renewable Energy Generation Information System proposal, legislative update
June 22	Three Mile Canyon Farms biomass project
August 10	Legislative wrap up, Three Sisters Irrigation District and Klamath Irrigation District hydro project reviews, Wallowa Resources and City of Pendleton biopower project reviews
September 14	Budget themes and technology goals, wave power in Oregon, projects that wheel energy to Energy Trust utilities
October 26	2012-13 budget, Revolution Energy Solutions LLC agriculture biomass project, Greenlane Energy biomass project
November 30	Christmas Valley 5 MW PV project, Solar program in 2012, proposal for competitive process in Pacific Power service territory

2011 Customer Service Data

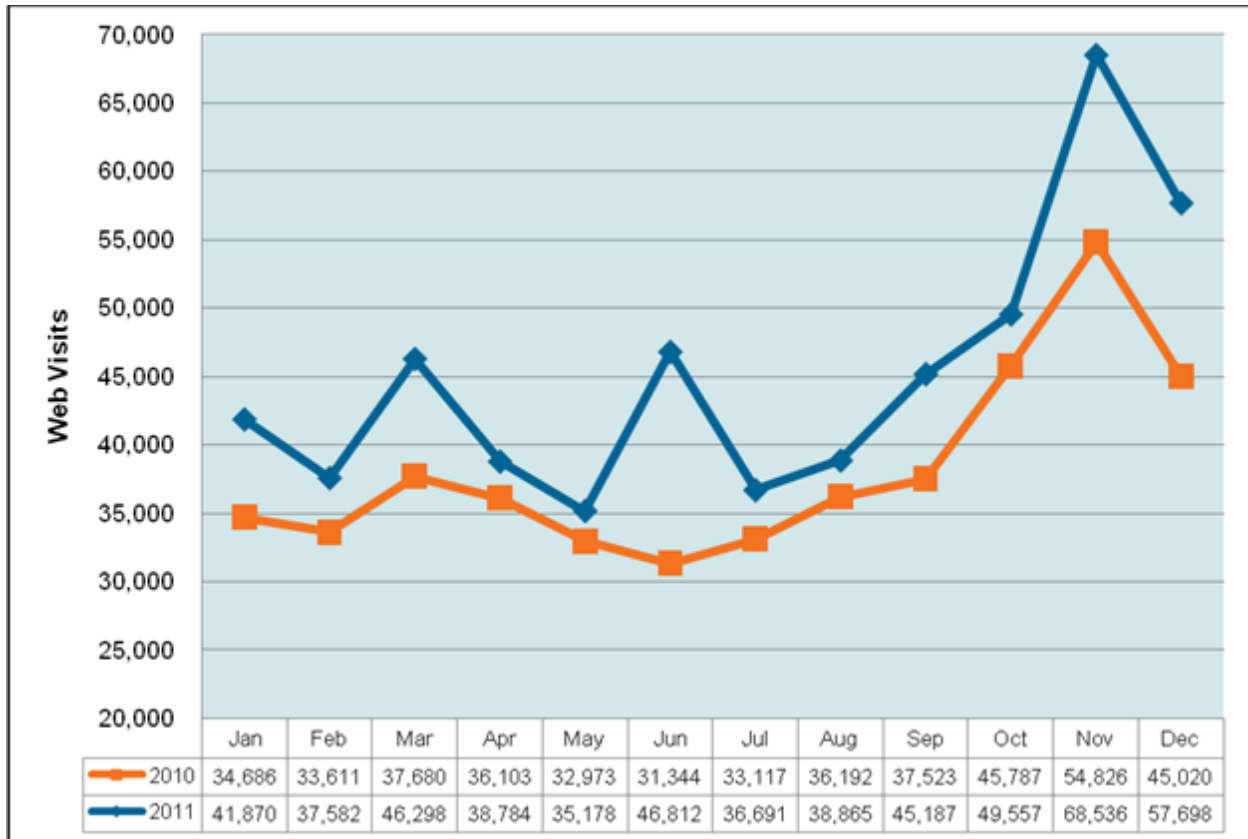
2011 call volumes

Energy Trust's call center received 42,275 calls in 2011, a 2 percent decrease from 43,206 calls in 2010. Although call volumes decreased, web visits continued to increase, an indicator that customers may be seeking more self-service information on line.



2011 website visits

Energy Trust's website, www.energytrust.org, received 543,058 visits in 2011, an 18 percent increase over the 458,862 website visits in 2010. The growth in traffic reflects effective utility promotions and Energy Trust's increasing use of online applications and forms, as well as online advertising. During 2011, staff responded to 1,464 inquiries via info@energytrust.org, most from residential customers.



Customer satisfaction

Beginning in 2010, Energy Trust initiated short telephone surveys of participants in major programs to solicit feedback on satisfaction. Called “Fast Feedback,” the surveys are administered by Energy Trust’s call center. Results are tallied monthly and quarterly and used by program managers to help identify and reduce or eliminate sources of dissatisfaction. The table below shows percent of participants satisfied or highly satisfied with their experience of engagement with Energy Trust.

Program	2011	
	Count	Percent Satisfied
Existing Buildings	273	92%
New Buildings	71	83%
Production Efficiency	184	91%
Existing Homes	1,851	90%
Efficient Home Products*	782	91%
Solar	179	95%

*Only Home Products customers were surveyed in 2011.

2011 complaint report

Energy Trust recorded 23 escalated customer complaints in 2011, eight fewer than in 2010. This is a very small number, considering the tens of thousands of customers served. Of the 23 complaints, 12 were from residential customers, seven from commercial participants, two from participants in the solar energy program and two were general in nature. One of these complaints came to Energy Trust through the Oregon Public Utility Commission.

2011 Utility Activities Supported by SB 838-authorized Funding

Per agreement with the OPUC, Pacific Power and Portland General Electric report their SB 838 program support activities in Energy Trust's quarterly and annual reports. Content and format were developed by the utilities, following a sector outline suggested by Energy Trust, and appear here as received.

1. Pacific Power Year End Report - 2011

Pacific Power SB 838 advertising, communications and outreach results

Mass Media

	2011 – Impressions
TV	6,541,630
Radio	3,219,754
Newspapers	3,613,908
Magazine	56,063
Digital	20,728,047
Outdoor	1,498,560
TOTAL	35,657,962

Communications⁸

	Customer Reach	2011 – Delivered
Bill Inserts	440,000	8
Voices newsletter	440,000	4
Direct Mail		
Solar water heating	20,000	1
"Be wattsmart "	49,500	1
<i>Energy Insights</i>	1,800	4
"Welcome Aboard"	6,900	1
"Power of Main Street"	8,550	1
"Cool Schools"	2,200	1
Email		
"Be wattsmart "	20,600	1
<i>Energy Connections</i>	6,400	2
Web sites (EE pages)		
pacificpower.net	50,000	1
bewattsmart.com	3,900	1
Social Media		
Twitter	736	20% of all Tweets reference ETO
Facebook (wattsmart)	430	2-3 posts per week
Digital/Search		
Flash banners	Impressions	2,391,479
	Click –thru rate	1,433
Google	Impressions	3,369

⁸ Some activities are funded outside of SB 838 funds.

	Click –thru rate	10,950
Facebook	Impressions	6,890
	Click –thru rate	2,905

Outreach

Registrations	Power of Main Street (2011)	“Cool Schools” and Public Bldgs (2011)	Be <i>watt</i> smart (2011)	TOTAL
Medford	79	46	151*	606
Grants Pass	70*		178*	543
Bend		29	116	420
Coos Bay	68		118*	381
Albany	41	51	120*	349
Portland		35	112*	239
Roseburg	70*	39	66*	237
Astoria	45		51	218
Klamath Falls	59		100*	196
Pendleton	56	34	37	168
Cottage Grove			27	77
Hood River			25	59
Lincoln City				15
TOTAL	488	234	1,101	3,508

* Sold out events

“Warm Leads” / Customer Response

	2011
“Warm Leads” provided to ETO	103
Existing Buildings	79
New Buildings	5
Industrial	2
Residential	3
Multifamily	3
Direct - RHT	5
Direct – Evergreen	6
Energy Saver Kits	428*

* Request for link

Pacific Power SB 838 general support

- Throughout the year, Pacific Power’s Energy Trust liaison lead and coordinated efforts on continued EEAST implementation. This included several meetings with Clean Energy Works of Oregon, South Central Oregon Economic Development District, Oregon Public Utility Commission, Energy Trust of Oregon and other utilities. Work included finalizing a temporary agreement with Clean Energy Works and ShoreBank Enterprise Group (now Craft3). As of the close of the fourth quarter 2012, Pacific Power has provided:

- 194 credit requests for Portland (this includes all activity under the original Portland program, Clean Energy Works Portland, launched late 2009)
 - 47 loans are currently billing
 - 8 loans closed/removed
 - 0 credit requests for the program launched in Jackson/Josephine counties (program launched in April 2011)
 - 0 loans are currently billing
 - 0 credit requests for the program in any other Pacific Power service areas
 - 0 loans are currently billing
- Pacific Power’s Energy Trust liaison lead and coordinated internal efforts regarding Governor Kitzhaber’s “Cool Schools” legislation and the impacts of redistributing the monthly allocations of Public Purpose Charge funds. Pacific Power moved to distributing monthly funds from six Education Service Districts (ESDs) to 75 school districts. While some school districts were familiar with public purpose funds and how to access them through their ESD, most were only slightly familiar to not familiar at all. The Energy Trust liaison fielded questions from multiple school districts on the use of funds and how to set up their distribution account with Pacific Power’s accounting department. The first monthly distribution was successfully delivered November 2011.
 - Pacific Power staff spent a significant amount of time in Q4 2011 preparing for and filing an increase to Schedule 297 – Energy Conservation Charge. Preparations included reviewing Energy Trust’s budgets and high level program plans, reviewing Pacific Power’s plan for retained funds to support customer participation in Energy Trust programs, and tuning the funding request to support achievement of Pacific Power’s Integrated Resource Plan.
 - Pacific Power’s Energy Trust liaison participated in the Oregon Public Utility Commission’s start up process to review the current performance measures for the Energy Trust of Oregon.
 - Pacific Power’s Energy Trust liaison attended the Energy Trust Utility Stakeholder meetings.

Pacific Power SB 838 commercial efficiency programs support

- Throughout the second quarter of 2011, Pacific Power coordinated, delivered and began the follow up process of its “Power of Main Street” energy efficiency road shows. These events focused on small to mid-size commercial customers, particularly those in leased spaces, and how they can improve energy efficiency. Pacific Power collaborated with multiple local partners to generate interest and attendance at the events including: Energy Trust of Oregon, Cottage Grove Chamber of Commerce; Klamath Falls Downtown Association; Heart of Medford Association; City of Grants Pass; Downtown Roseburg Association; South Coast Development Council; Pendleton Downtown Partnership; Albany Downtown Association; Astoria Downtown Historic District Association; Seaside Chamber of Commerce, Hood River Chamber of Commerce, and Oregon Main Street. At Energy Trust’s suggestion, Pacific Power worked with an energy efficiency expert to deliver the message about energy efficiency and the impact to the bottom line for businesses. Pacific Power also offered:
 - A one hour on-site walk through with Pacific Power to document information about the customer’s building and how they use energy. Pacific Power reviewed lighting, office equipment, HVAC and foodservice equipment. Pacific Power also provided practical no

cost/low cost ideas for saving energy and review which improvements may be eligible for Energy Trust cash incentives.

- Facilitated additional support for on-site assistance from Energy Trust of Oregon and local contractors.
- On-site account set up for Pacific Power's free Business Solutions Toolkit.
- Continued regular checkups with Pacific Power on recommended energy saving improvements through the remainder of the year.

"Power of Main Street" event locations:

- March 30, Cottage Grove (this was a mini-version hosted by the Cottage Grove Chamber of Commerce)
- May 16, Klamath Falls – 59 registered
- May 23, Pendleton – 56 registered
- May 25, Medford – 79 registered
- May 25, Grants Pass – 70 registered
- May 25, Roseburg – 70 registered
- May 26, Coos Bay – 68 registered
- May 26, Albany – 41 registered
- May 27, Astoria – 45 registered
- July 29, Seaside (this was a mini-version hosted by the Seaside Chamber of Commerce)
- September 13, Hood River (this was a mini-version hosted by the Hood River Chamber of Commerce)

"Power of Main Street" customer survey results indicate:

- Most customers (49.5%) heard about the event through a mailed invitation. Other recognized outreach included email from Pacific Power (35.5%) and email from a local association (14.5%).
- Most customers attended the events to learn how to reduce their energy bill (54.4%). Other popular answers were to save money (47.7%) and conserve energy (36.2%). Customers were least interested in environmental concerns (17.9%).
- Nearly all customers (91.5%) indicated that improving energy efficiency at their business was a medium to high priority.
- Most customers (50.2%) indicated they had done a few things to improve energy efficiency at their business, but could do a lot more. 20.1% of customers indicated they had done very little or nothing.
- When it comes to barriers to making energy efficiency improvements at their businesses, most (42.4%) indicated they were unsure of what improvements to implement. 30.9% said they could not afford it.
- Most customers (77.4%) feel the economy is about the same or improving.
- Most customers (96.9%) were satisfied or very satisfied with the speakers at the events.
- Most customers (96.4%) agreed or strongly agreed the conference content was appropriate and informative.
- By the end of June, 228+ customers had made a request for a free onsite energy assessment from Pacific Power. Many customers reported on their surveys that they would look into taking advantage of lighting upgrades and HVAC tune ups (the two Energy Trust measures promoted at the events).

- Not surprising, many customers indicated they would like to see more information about renewable options (solar, wind) and future conferences. Additionally, customers indicated it would be valuable to have a panel of businesses that could present their case studies and participate in a Q&A.
 - Some things that customers liked most about the conferences were the energy efficiency examples provided in the presentations, knowledgeable speakers (a strong theme), and site locations/catering.
 - Items that customers noted as improvements for future conferences were to make available more information on the suite of incentives that customers can take advantage of (Energy Trust, tax credits, grants, financing), and personal comfort issues (room too hot/cold, microphone too loud/quiet).
 - 92.9% of customers said they would recommend the conference to others.
- Pacific Power had 193 representatives from K12 schools and public buildings register to attend the "Cool Schools" and Public Buildings workshops held late September/early October in Albany, Bend, Pendleton, Portland, Medford and Roseburg, Oregon. Representatives from Pacific Power, Oregon Department of Energy, Energy Trust of Oregon and local speakers provided information on funding options for energy efficiency in schools and public buildings, no cost and low cost measures that can be implemented quickly and easily, and the value of benchmarking with ENERGY STAR's portfolio manager. Feedback from attendees was very positive, including three follow up emails from attendees thanking Pacific Power for hosting the events. Workshop surveys indicated:
 - The main reasons for attending were to save money, save energy and considering upgrades to facilities
 - Nearly all (95.2%) indicated improving the energy efficiency of their facilities was a medium to high priority
 - Over half (52.9%) indicated they had done very little or only a few things to improve energy efficiency, 97.1% indicated they could still do more.
 - The most frequently mentioned actions undertaken to improve energy efficiency included improved lighting, heating system upgrades and general conservation.
 - The most frequently mentioned reasons for not doing energy efficiency measures included being unable to afford it, it's included in future improvements to the facility, and no staff to manage the process.
 - 100% of attendees were satisfied or very satisfied with the speakers at the event
 - 100% of attendees agreed or strongly agreed the workshop content was appropriate and informative
 - 94.6% thought the length of the workshop was just about right with 3.2% thinking it was too short
 - 65 entities indicated they would like a consultation to discuss an project and learn about how to access funds to improve the energy efficiency of their buildings
 - When attendees were asked how they plan to use the information presented, frequent responses included: benchmark facilities; present to administrators/councilors; advocate for time/staff; work with Energy Trust of Oregon
 - When attendees were asked what they liked most about the workshop, frequent responses included: knowledgeable speakers, ENERGY STAR/benchmarking, breadth of information; computer lab/hands on practice

- When attendees were asked what could be improved about the workshop, frequent responses included: want printed materials; seemed schools heavy/need to separate public buildings; more on process to start/complete a project
 - When attendees were asked if there was anything else they would like us to know, the most frequent response was to express appreciation for hosting the event and "thank you"
- A significant series of discussions were held with Pacific Power and Energy Trust of Oregon on changes to the Oregon Business Energy Tax Credit, proposed mitigation incentives, and support the utilities could provide to keep customers in Energy Trust's pipeline. Pacific Power engaged its Field Energy Consultant to make over 150 contacts to customers impacted by the retroactive Business Energy Tax Credit changes. Customers were thankful for the call that helped to clarify what happened with their returned BETC applications and the mitigation incentives offered by Energy Trust.
 - The Energy Trust liaison attended the League of Oregon Cities luncheons in Oakridge, Ukiah and Drain, OR. Along with Energy Trust, the Energy Trust liaison encouraged attendees to take advantage of Energy Trust services and incentives and also promoted the "Cool Schools and Public Buildings workshops.
 - Pacific Power's contracted Field Energy Consultant provided 103 "warm leads" to Energy Trust of Oregon through late Q3 and early Q4. The "warm leads" were the result of commercial customers attending Power of Main Street and "Cool Schools" and Public Buildings hosted in earlier in the year.
 - Pacific Power's Energy Trust liaison participated in reviewing the Energy Trust 2011 communications plan for commercial customers.
 - The winter 2011 edition of Energy Insights included two articles focusing on energy efficiency for non-residential customers. The first article highlighted a refrigeration controls project that is expected to save 452,412 kilowatt-hours of energy per year or \$22,675 in annual utility costs. Energy Trust provided an incentive of \$73,241 towards the total project cost of \$149,013. A second article focused on 'Green' tech to help reduce energy use including network-based power management software enables administrators to remotely enforce power-off policies. Customers were pointed to Energy Trust for available incentives prior to purchasing software.
 - Welcome Aboard kits continued to be mailed to all new commercial customers. The kit contains information on Energy Trust programs and incentives to help customers invest in energy efficiency.

Pacific Power SB 838 residential efficiency programs support

- During October, 12 "Be **Watt**smart" residential energy efficiency workshops were successfully delivered throughout Pacific Power's Oregon service territory. Pacific Power worked with Clean Energy Works Oregon (CEWO) representatives to provide energy efficiency financing information at workshops where the CEWO program is currently active. Pacific Power was pleased with the approximately 89% show up rate of 1,102 registered participants! 428 customers requested an email link to receive Energy Trust's free Energy Saver Kit. Workshop registrations received:
 - Albany = 120*
 - Astoria = 51

- Bend = 116
 - Coos Bay = 118*
 - Cottage Grove = 27
 - Grants Pass = 178* (CEWO)
 - Hood River = 25
 - Klamath Falls = 100* (CEWO)
 - Medford = 152* (CEWO)
 - Pendleton = 37
 - Portland = 112* (CEWO)
 - Roseburg = 66*
- * sold out venues

Be **Watt**smart workshop survey results indicate:

- Most customers (61.8%) heard about the event through a bill insert or mailed invitation. Other recognized outreach included email from Pacific Power (26.3%) and email from a friend/coworker/association (10.6%).
 - Most customers attended the events to learn how to reduce their energy bill (65.3%). Other popular answers were to save money (45.9%) and conserve energy (41.2%).
 - Nearly all customers (97.4%) indicated that improving energy efficiency at their home was a medium to high priority.
 - Most customers (58.8%) indicated they had done a quite a bit improve energy efficiency at their home, but could do a lot more. 41.3% of customers indicated they had done a few things to very little or nothing.
 - When it comes to barriers to making energy efficiency improvements at their homes, most (42.6%) indicated they could not afford it, 35.7% said they were planning on making improvements in the future, and 28.5% were unsure of what improvements to make.
 - Most customers (99.1%) were satisfied or very satisfied with the speakers at the events.
 - Most customers (99.6%) agreed or strongly agreed the workshop content was appropriate and informative.
 - 95.7% of customers said they would recommend the conference to others.
- Pacific Power’s Energy Trust liaison participated in reviewing the Energy Trust 2011 communications plan for residential customers.
 - In Q1, a bill insert was sent to all Oregon residential customers highlighting Energy Trust’s \$150 Home Comfort Bonus when customers seal air leaks and insulate attics, walls and floors.
 - The January/February Voices residential newsletter featured an article on Energy Trust’s free Niagara showerhead offer. The article focused on save up to 2,300 gallons of water a year – and reduce water heating costs –by switching to new, efficient 1.75 gpm showerheads.
 - The March Voices residential newsletter featured an article on Energy Trust’s \$50 incentive for their refrigerator recycling program.
 - A May bill insert was sent to all Oregon residential customers highlighting Energy Trust’s incentives for ducted and ductless heat pumps.

- A June bill insert was sent to all Oregon residential customers highlighting Energy Trust's free showerhead offer.
- A flyer focusing on summer **wattsmart** energy efficiency resources for Oregon customers was developed for handout by company representatives that focuses on several opportunities from Energy Trust, including: home energy reviews; home performance with ENERGY STAR; cash incentives; and, refrigerator recycling.
- Television, print and radio campaigns focusing on energy efficiency and Energy Trust programs ran in southern and central Oregon throughout April, May and June.
- The April Voices residential newsletter featured an article on helping customers become **wattsmart** for Earth Day. Suggestions included no cost and low cost energy efficiency measures and incentive opportunities through Energy Trust. A second article in the same newsletter highlighted free **wattsmart** resources through Energy Trust including energy saver kits, showerheads and home energy reviews.
- The May/June Voices residential newsletter **wattsmart** ways to have a cool summer including a focus on cash incentives from Energy Trust to weatherize your home. A second article focused on Energy Trust's incentives to purchase a new high-efficiency manufactured home. A third article in the same issue focused on saving water and energy with Energy Trust's free showerhead offer.
- The July/August Voices residential newsletter highlighted **wattsmart** ways to have a cool summer. A second article focused on Energy Trust's Energy Performance Scores for new homes.
- An August bill insert focused on Energy Trust's refrigerator recycling program.
- A September regionalized bill insert was sent to all Oregon residential customers highlighting Energy Trust's incentives, Home Performance with ENERGY STAR®, and how to contact local trade allies.
- A September insert focused on **wattsmart** energy efficiency workshops for residential customers in 12 locations around Oregon.
- A September insert focused on Home Energy Reviews with Energy Trust
- The September Voices residential newsletter featured an article discounted energy-saving showerheads with Energy Trust and a second article on sealing air leaks.
- Throughout Q4, Pacific Power ran TV and radio spots, print ads and outdoor ads promoting being **wattsmart** by adding insulation, upgrading lighting, caulking, purchasing ENERGY STAR appliances, refrigerator recycling, scheduling a Home Energy Review, getting Energy Trust advice and incentives and finding Energy Trust qualified contractors.
- In October, residential customers received bill inserts promoting Be **Wattsmart** energy efficiency workshops, Energy Trust heat pump incentives, the annual Energy Trust "opt out" insert, and a Voices newsletter article focusing on reducing air leaks and insulating/sealing ductwork with support from Energy Trust and their free Energy Saver Kit offer.

- November/December's Voices newsletter contained an article focusing on reduced prices for specialty CFLs supported by Energy Trust.
- Welcome Aboard kits continued to be mailed to all new residential customers. The kit contains information on how Energy Trust helps Pacific Power customers manage their energy costs and benefit from renewable energy.

2. Portland General Electric Energy Efficiency Activities 2011

Commercial and Industrial

PGE used three different approaches to promoting Energy Trust programs to business customers:

1. Mass Education via Newsletters

PGE utilizes its business newsletters (both print and email) to promote Energy Trust programs to business customers. PGE's business newsletter, Energize, is sent quarterly to 76,000 customers in their bills. PGE's business e-newsletter, Business Connection, is sent bi-monthly to 15,000 business customers.

Energize: The spring edition of Energize featured the spring Save More, Matter More™ promotion and a case study on Goby Walnut. The fall edition of Energize featured the limited-time bonus incentives from Energy Trust of Oregon on lighting upgrades and custom capital energy-efficiency improvements such as heating, ventilation and air-conditioning upgrades and a case study on HOTLIPS Pizza.

Business Connection: April Business Connection featured the Save More, Matter More™ campaign and a case study on Goby Walnut. June Business Connection featured a case study on energy savings in leased space with Activate Cellular, Save More, Matter More wrap up and PGE's lighting classes. August Business Connection featured the winners of the spring 2011 Save More, Matter More™ campaign sweepstakes. October Business Connection featured the case study on HOTLIPS Pizza. December Business Connection featured a real life savings story about Topanien Global Gifts.

2. Mass Market Campaign: April – May 2011

PGE launched the 2011 Save More, Matter More™ (SMMM) campaign in the spring in an effort to feed the project pipeline earlier in the year. The campaign ran from April 1 through May 31. While most of the larger changes were made during the 2010 fall SMMM campaign, Energy Trust and PGE worked together on the spring campaign to insure another successful campaign so soon after the fall. PGE added a bangtail to the campaign as well as continued support from our contact center and outreach through Green Mountain Energy business reps. The campaign included targeted direct mail and a "bangtail" insertion in the bill, both of which encouraged customers to return a form to enroll in the campaign and/or get a free energy efficiency consultation.

258 customers entered the sweepstakes while 637 customers requested a free energy efficiency consultation. PGE performed energy consultations for all 637 customers and sent 122 qualified leads to Energy Trust to date.

2. Direct Regional Mail: September – December 2011

Energy Trust and PGE worked together to develop a fall campaign that differs substantially from Save More, Matter More or previous direct mail campaigns.

PGE launched the Fall EE Campaign in September in an effort to engage customers on the fall bonus and increase participation in Energy Trust programs. To further support customer participation in Energy Trust programs, the fall campaign included a bangtail with the September billing statements. An email blast was sent to customers to alert them of the Energy Trust bonus incentive available due to the loss of the BETC. These customers were identified as those who previously received a consultation from PGE but were not identified as project-ready at the time. To better meet the expectations of the general business customer segment, PGE's direct mail focused on the offer of on-site consultations. A very targeted direct mail letter was sent to previously untapped geographic areas within PGE's service territory encouraging customers to request on-site consultations. The campaign was planned to run from September 1 through October 31 but was extended through November in an effort to feed the project pipeline for the end of the year and into 2012. PGE's contact center and Green Mountain Energy business reps also supported the campaign.

110 customers requested a free energy efficiency consultation and PGE sent 28 qualified leads to Energy Trust from this campaign.

3. Personal & Face-to-Face Communication

PGE has had a dedicated outreach position in place since June 2008. Originally this position had been shared by two people, Verlea Briggs as primary and Paula Conway as back-up. In June 2010 PGE received OPUC support to hire two additional Outreach Specialists; Andrew Schafer and Garrett Harris were hired in August 2010. Garrett Harris, Andrew Schafer and Paula Conway continued to fill the outreach positions throughout 2011.

The Outreach Specialists develop and facilitate customer participation in Energy Trust programs. The results are qualified leads to the Energy Trust. The team utilizes a variety of tactics to engage customers in Energy Trust programs. Qualified leads were generated from but not limited to the following activities:

- Phone and on-site consultations
- Targeted outbound customer calls
- Response to canvassing (summer-hire and outreach rep driven)
- Response to business marketing (i.e. Save More, Matter More, direct mail, etc.)
- Response to customer emails (energy.efficiency@pgn.com)
- Customer calls to PGE Tualatin Call Center
- Business partnerships (i.e. City of Portland BEST program, Clackamas County Office of Sustainable Development, etc.)
- Chamber, Business and Trade Association presentations
- Customer follow-up after PGE Training and Education classes
- Leveraging internal networks (i.e. Key Customer Managers, Governmental Affairs representatives, Service and Design Consultants, Green Mountain Energy, etc.)

In 2011, the Outreach Specialists achieved the following results:

- 6,791 face-to-face, email or phone presentations/consultations to business customers
- 554 qualified project leads sent to Energy Trust programs

Residential

PGE used Schedule 110 funds to enhance basic information provided through residential mass-market channels with the following promotions:

- In January, PGE promoted flat-fee installation of energy-efficient Marathon water heaters through Roto-Rooter with a bill insert. Energy Trust offered instant incentives on the product during the promotional period. 149 water heaters were installed during the promotion, resulting in a 17% increase from 2010. In 2011, 177 PGE customers participated in Marathon water heater promotions; 77 customers received the Energy Trust \$75 water heater incentive.
- In March, Home Connection featured the Energy Trust's Refrigerator Recycling program, energy-smart shopping tips for appliances and appliance incentives provided by the Energy Trust. 2,284 customers clicked on the March Home Connection Appliances story for more information. In December, PGE supported the Energy Trust's Refrigerator Recycling program with an email to 132,647 single-family homeowners. 28,980 PGE customers opened the email, achieving a 21% open rate. 5,465 total refrigerators were recycled from PGE residential customers in 2011.
- In June, Home Connection featured the Energy Trust's Energy Saver Kit promotion and mentioned the Energy Trust Home Comfort \$150 bonus incentive. 2,026 customers clicked on the June Home Connection Energy Saver Kit story for more information. During November, PGE sent an ESK email to 135,000 residential customers. 74,422 PGE customers opened the email, achieving a 29% open rate. Shortly after the ESK email was sent on 11/28, the Energy Trust's website received 13,700 visits - a new record for energytrust.org. The previous one-day high, (also generated by a PGE email), was 5,700 visits. 8,000 kits were ordered on 11/28 and 22,973 Energy Saver Kits were sent to PGE customers in 2011.
- Also in June, PGE sent 19,478 emails featuring the Owens Corning promotion to a targeted group of residential customers in June. The promotion offered a saving of 10 percent off labor and materials when customers hired a participating Owens Corning preferred contractor for installed insulation projects. The email also featured the Energy Trust's Home Comfort \$150 bonus incentive. 4,328 customers opened the email (22% open rate). 46 PGE customers applied for the Energy Trust Home Comfort bonus incentive in 2011.
- July's edition of Update and Home Connection featured energy efficient windows and mentioned Energy Trust incentives. 2,302 customers clicked through for more information. In 2011, 57 Energy Trust window bonus incentives were processed for PGE residential customers.
- PGE's residential e-newsletter, Home Connection, is sent monthly to about 350,000 customers. In November, Home Connection featured the Home Performance with ENERGY STAR program; 71 customers clicked through for more information.
- PGE offered Energy Trust's Home Energy Review program with an Update newsletter story in September.
- PGE Plumber Network Installers fit 1,336 showerheads in customer homes when on residential jobs in PGE's service territory during 2011
- From October to December, PGE Community Offices gave away free 14 watt compact florescent bulbs (CFLs) to PGE customers. PGE Community Offices distributed 72,000 bulbs during this period of time- resulting in 2 MW in energy savings.

2011 Measurable Results

- 22,973 Energy Saver Kits to PGE customers in 2011
- 5,465 PGE customers participated in the Energy Trust's Refrigerator Recycling program
- 149 PGE customers participated in the Marathon water heater promotion; 77 customers received the Energy Trust \$75 water heater incentive
- 1,336 free showerheads have been installed by PGE's plumber network when on residential jobs in PGE's service territory. 14,102 showerheads have been distributed to PGE customers in 2011 through plumber network and kits.
- 46 Energy Trust Home Comfort bonus incentives
- 57 Energy Trust window bonus incentives
- 104 Savings within Reach participants
- Transfers from PGE's call center to Energy Trust 2011: Appliance Program (PECI): 239, Warm Program (CSG): 513, OPower: 467

Energy Trust of Oregon
2011 Annual Report NW Natural Washington
April 25, 2012⁹

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⁹ April 25, 2012, is the date this report is due from NW Natural to the Washington Utilities and Transportation Commission.

I INTRODUCTION, BACKGROUND AND GOALS

A. Introduction

This report covers 2011, the second full year that Energy Trust provided services to customers of NW Natural in southwest Washington.

It addresses progress toward annual goals, information on revenues and expenditures, number of completed projects and incentives paid during the year and highlights of program activity.

B. Background

At the request of NW Natural and following the approval granted by the Washington Utilities and Transportation Commission, WUTC, Energy Trust began administering NW Natural's demand-side management programs in southwest Washington on October 1, 2009. The first year was viewed as a pilot. Satisfied with results from the pilot year, in 2011 the WUTC approved Energy Trust's continued administration of conservation programs in Washington.

C. Oversight

The Energy Efficiency Advisory Group, EEAG, was created to provide advice and oversight for NW Natural/Energy Trust energy-efficiency offerings in Washington. The advisory group is comprised of representatives from NW Natural, Energy Trust, WUTC, Washington Public Counsel, Northwest Industrial Gas Users and the Northwest Energy Coalition.

D. Goals

NW Natural, in collaboration with the EEAG, established performance metrics for the 2011 program year. This report presents Energy Trust's performance against those goals (see page 51).

II. ANNUAL REPORT HIGHLIGHTS

A. Summary

- **Gas efficiency measures installed in 2011** by NW Natural's Washington customers saved 204,372 annual therms of natural gas—including 63,931 annual therms in Existing Homes, 19,243 annual therms in New Homes and 121,198 annual therms in Existing Buildings.
- **Total 2011 savings exceeded the NW Natural Washington stretch goal** by 9 percent and exceeded the conservative goal by 28 percent.
- **All three programs met their 2011 stretch savings goals** while keeping total program spending, including incentives, delivery and administration, well within budget.
- **In 2011 an energy efficiency services group**, comprised of Clark County stakeholders, began meeting quarterly to identify opportunities for collaboration. The group includes representatives from Energy Trust, Clark Public Utilities, Clark County Energy Efficiency Services and Clark County Community Development's Weatherization program.

B. Washington Utilities and Transportation Commission Performance Metrics

The table below compares 2011 annual results to 2011 program goals, as established in NW Natural's Energy Efficiency Plan for Washington (updated December 6, 2010). Energy Trust exceeded each of the five metrics established for 2011.

2011 Results Compared to Goals

Metrics	Goal	2011 Total	Q1 Results	Q2 Results	Q3 Results	Q4 Results
Therms Saved	159,000 – 187,000	204,372	16,128	36,075	27,412	124,757
Total Program Cost	\$1,212,000 – \$1,380,616	\$1,069,376	\$191,619	\$210,186	\$260,003	\$407,567
Average Levelized Cost Per Measure	Not to Exceed \$0.65	\$0.358	\$0.785	\$0.404	\$0.416	\$0.225
Dollars Spent Per Therm Saved	Less Than \$7	\$5.23	\$11.88	\$5.83	\$6.21	\$3.27
Total Utility Cost at Portfolio Level	Greater than 1.0	2.6				
Total Resource Cost	Greater than 1.0	1.7				

2011 Utility Cost and Resource Cost by Program

Program	Utility Cost	Total Resource Cost
Existing Buildings	4.2	1.8
Existing Homes	1.7	1.8
New Homes	1.5	1.5
Overall	2.6	1.7

2011 Total Utility Cost and Resource Cost

Program	Utility Cost	Total Resource Cost
NWN-WA Portfolio	2.6	1.7
NWN-WA Low Income	1.5	1.2
Overall	2.6	1.7

C. Commercial sector highlights

- **Existing Buildings achieved savings of 121,198 annual therms** in 2011, exceeding the stretch goal of 105,000 annual therms by 15 percent.
- **Insulation accounted for 42 percent** of annual savings, followed by custom projects with 35 percent, boilers at 16 percent and radiant heat at 4 percent.
- **The custom offering launched January 1, 2011**, and generated savings of approximately 43,000 annual therms. Incentives supporting new custom studies were not required, as the program was able to acquire savings using existing studies in the market.
- **Certain prescriptive incentives were made available to new building projects** in 2011, including water heating, boiler, commercial laundry and foodservice equipment incentives. Only one new construction project took advantage of these incentives, but the program expects more will do so as the economy recovers and construction activity increases.
- **A thermal curtain incentive was added** as another measure available to commercial greenhouses (other measures include boilers, pipe insulation and radiant heaters).
- **K-12 schools were a major driver** of savings. The program actively acquired nine projects, which produced savings of 32,000 annual therms. The program expects to acquire numerous additional school projects in 2012.
- **Starting in Q4, a 10 percent custom bonus** was offered to projects completing by December 15. The bonus drove three projects toward 2011 completion, bringing in 29,000 annual therms in 2011 savings at an added incentive cost of \$2,900.
- **Only one foodservice project completed** in 2011, in part due to the sluggish economy impacting the food service industry and also to the abundance of high-quality used restaurant equipment available.
- **All commercial participants surveyed in 2011 were satisfied** or very satisfied with their experience with Energy Trust. The 12 program participants were contacted by telephone shortly after completing energy-efficiency upgrades and receiving an incentive check.

D. Residential sector highlights

- **Residential programs achieved total savings of 83,174 annual therms** in 2011, of which Existing Homes accounted for savings of 63,931 annual therms, while New Homes saved 19,243 annual therms. These results met the Existing Homes stretch goal of 63,654 annual therms and exceeded the New Homes stretch goal of 18,700 annual therms by 3 percent.

Existing Homes

- **The program delivered 1,757 Energy Saver Kits** in 2011, a greater-than-anticipated response from customers. Clark Public Utilities has expressed interest in purchasing the electric savings from compact fluorescent light bulbs included in the standardized Energy Saver Kits. The

program will directly communicate with Energy Saver Kit recipients in 2012 to drive deeper program participation.

- **With 162 units installed, gas furnaces accounted for 18 percent of program savings** in 2011, compared to 43 percent in the pilot year. The reduction correlates with a drop in market sales of all home heating equipment in 2011.
- **A total of 174 weatherization measures**—insulation, air sealing and duct sealing—were installed, along with 43 gas hearths and 29 efficient water heaters (most of which were tankless). Home Energy Reviews were provided to owners of 213 homes.
- **In Q4 the program engaged plumbers in a direct-install initiative** with low-flow showerheads and faucet aerators.
- **Advertisements in three Vancouver-area cinemas** promoting incentives and Energy Saver Kits ran for two months as part of a joint fall campaign with NW Natural. This innovative marketing strategy cost significantly less than traditional print advertising.
- **The program hired a full-time regional representative** in March 2011, who contacted 59 Washington-based contractors regarding participation as trade allies.
- **The program enrolled 16 Washington-based trade allies** in 2011.
- **86 percent of residential participants surveyed in 2011 were satisfied** or very satisfied with their experience with Energy Trust. The 65 program participants were contacted by telephone shortly after completing energy-efficiency upgrades and receiving an incentive check.

New Homes

- **A total of 210 ENERGY STAR® Builder Option Package new homes** received incentives in 2011, 60 more than stretch goal.
- **Market share for the year was approximately 33 percent**, despite the fact that approximately 30 percent fewer single-family home construction permits were issued in 2011 compared to 2010.
- **High-efficiency gas clothes washers** were included in an additional 107 new homes, an incentive made available in Q4 in collaboration with Clark Public Utilities.
- **Tankless water heaters failed to attract a single purchaser in 2011**, even though eligibility was extended to homeowners in addition to builders.

E. Trade Ally Network

- **Energy Trust's Trade Ally Network serving Washington** customers continued to grow in 2011.
- **By year end, 160 trade allies served Washington**, 28 more than had been enrolled at the end of 2010. Of these, 57 were based in Washington—17 more than at the end of 2010.
- **Breakfast meetings exclusively for Washington trade allies** serving Existing Buildings and Existing Homes were held in Vancouver in December. These events will continue in 2012—with each program offering an event in spring and again in early winter.

III. ANNUAL RESULTS

A. Activity highlights—sites served

	Q1	Q2	Q3	Q4	Total
Existing Commercial					
School/college retrofits	--	3	1	6	10
Other commercial retrofits	1	4	5	9	19
Studies	--	--	--	--	--
Existing Homes					
Weatherization (insulation, air- and duct-sealing)	29	32	17	49	127
Gas hearths	8	3	3	27	41
Gas furnaces	40	36	19	63	158
Water heaters	11	7	5	6	29
Home Energy Reviews	83	53	15	62	213
New Homes					
Builder Option Package (BOP)	40	33	88	49	210
Clothes washers				107	107

B. Revenues

Source	Actual Revenue YTD	Budgeted Revenue YTD
NW Natural	\$ 642,144	\$ 755,207

The variance reflects a timing difference within the 2011-2012 Energy Trust board-approved budget. The full revenue amount for 2011 was received from NW Natural, per the current funding contract.

C. Expenditures

		Actual Expenditures YTD	Budgeted Expenditures YTD	Variance
Commercial Programs	Existing Buildings	\$ 402,851	\$ 493,154	\$ 90,304
	Subtotal	\$ 402,851	\$ 493,154	\$ 90,304
Residential Programs	Existing Homes	\$ 423,480	\$ 517,068	\$ 93,588
	New Homes	\$ 212,356	\$ 191,288	\$ (21,068)
	Subtotal	\$ 635,836	\$ 708,356	\$ 72,519
Administration		\$ 30,689	\$ 42,127	\$ 11,438
TOTAL		\$ 1,069,376	\$ 1,243,637	\$ 174,261

The favorable spending variances in Existing Buildings and Existing Homes were driven largely by actual incentive payments coming in under budget and by a partial-year position vacancy. The New Homes program overspent its incentive budget because ENERGY STAR new homes exceeded goal by 60 homes.

D. Incentives paid

		Actual Incentives YTD
Commercial Programs	Existing Buildings	\$ 157,772
	Subtotal	\$ 157,772
Residential Programs	Existing Homes	\$ 172,757
	New Homes	\$ 129,240
	Subtotal	\$ 301,997
TOTAL		\$ 459,769

Incentives paid account for 51 percent of total year-to-date program expense. This percentage would have been higher if savings had been acquired at a higher cost per therm. Acquisition of savings was particularly cost effective on the commercial side. Total program expense is adjusted down by 15 percent to account for costs that a utility-delivered program would recover through rates.

E. Savings

		Therms Saved YTD	Annual Goal (Conservative)	% Achieved YTD	\$/Therm	Levelized Cost/Therm
Commercial Programs	Existing Buildings	121,198	89,250	136%	\$ 3.42	22.5 ¢
	Subtotal	121,198	89,250	136%	\$ 3.42	22.5 ¢
Residential Programs	Existing Homes	63,931	54,106	118%	\$ 6.82	54.1 ¢
	New Homes	19,243	15,895	121%	\$ 11.36	71.4 ¢
	Subtotal	83,174	70,001	119%	\$ 7.87	57.9 ¢
TOTAL		204,372	159,251	128%	\$ 5.23	35.8 ¢

Levelized cost is well below the \$0.65 per therm performance metric set by the WUTC. The program finished the year \$1.77 below the \$7 maximum cost per therm performance metric set by the WUTC.

APPENDIX 1: 2011 Energy Efficiency Measure Counts and Savings

Table 1: Residential Sector Measures

Category	Measure	Measures Installed	Total Therms Saved
AIR SEALING	Air sealing	22	1,046
	Blower door test	33	0
	Total Air Sealing	55	1,046
DUCT SEALING & INSULATION	Duct testing	56	0
	Duct sealing	48	2,162
	Duct insulation	7	334
	Prescriptive duct repair and sealing	25	1,125
	Total Duct Sealing & Insulation	136	3,621
SHELL INSULATION	Ceiling insulation	41	3,538
	Floor insulation	18	1,419
	Knee wall insulation	6	91
	Wall insulation	7	408
	Total Shell Insulation	72	5,455
WATER HEATING	Faucet aerator installed during Home Energy Review	139	1,474
	Shower wand installed during Home Energy Review	30	413
	Showerhead installed during Home Energy Review	138	2,703
	Water heater thermostat set back	39	284
	Tank water heater	3	48
	Tankless water heater	26	1,690
	Showerhead buydown	--	8,970
	Faucet aerator installed by plumber	10	157
	Showerhead installed by plumber	7	138
	Showerhead ordered online	217	2,186
	Total Water Heating	609	18,063
GAS FIREPLACES	Total Gas Fireplaces	43	4,205
SPACE HEATING	Total Furnaces	162	11,290
WINDOWS	Total Homes Replacing Windows	44	2,098
HOME ENERGY REVIEWS	Total Home Energy Reviews	213	0
ENERGY SAVER KITS	Total Energy Saver Kits	1,757	18,154
NEW HOMES	ENERGY STAR® new home Builder Option Package	210	18,900
	High efficiency clothes washers	107	343
	Total New Homes	317	19,243
	GRAND TOTAL	3,408	83,174

Table 2: Commercial Sector Measures

Category	Measure	Measures Installed	Total Therms Saved
SHELL INSULATION	Ceiling insulation	15	49,107
	Wall insulation	7	1,803
	Total Shell Insulation	22	50,910
WATER HEATING	Conventional Condensing Tank	2	302
	Tankless	1	217
	Total Water Heating	3	519
SPACE HEATING	Boiler	4	19,491
	Boiler pipe insulation	1	570
	Direct-fired radiant heaters (multiple heaters per space)	6	4,503
	Space Heating Total	11	24,564
STEAM TRAPS	Total Steam Traps	1	1,792
FOODSERVICE EQUIPMENT	Total Gas Convective Ovens	1	604
CUSTOM	Total Custom Measures	7	42,809
	GRAND TOTAL	45	121,198

APPENDIX 2: Customer Satisfaction

In 2011, Energy Trust continued short telephone surveys of NW Natural customers in Washington who had participated in Energy Trust programs. Energy Trust attempted to reach 70 residential and all commercial customers served in NW Natural's Washington service territory to determine degree of satisfaction with their engagement in Energy Trust programs. Results from 65 residential customers and 12 commercial customers indicate a generally high level of customer satisfaction for both groups.

Table 1: NW Natural Washington Residential Customer Satisfaction January 1-December 31, 2011

Sector	Dissatisfied	Neutral	Satisfied/very satisfied
Residential (n=65)			
Overall	6%	8%	86%
Incentive application	8%	4%	88%
Turnaround time to receive incentive	16%	13%	71%

Table 2: NW Natural Washington Commercial Customer Satisfaction January 1-December 31, 2011

Sector	Dissatisfied	Neutral	Satisfied/very satisfied
Commercial (n=12)			
Overall program experience	0%	0%	100%
Ease of applying for incentive	0%	0%	100%
Interaction with program representative	0%	0%	100%
Incentive amount	8%	0%	92%
Performance of equipment installed	0%	27%	73%

2011 Electric Efficiency Results for SB 1149 and SB 838 Funds

2011 SB 1149 Electric Efficiency Results	PGE aMW Saved	Pacific Power aMW Saved	Total aMW Saved	Expenses	mil \$/aMW
Commercial	4.48	2.72	7.20	\$ 17,339,223	2.41
Industrial	5.92	4.71	10.63	\$ 16,013,633	1.51
Residential	4.54	2.56	7.10	\$ 14,938,764	2.11
Total Electric Efficiency Programs	14.94	9.99	24.93	\$ 48,291,620	1.94

2011 SB 838 Electric Efficiency Results	PGE aMW Saved	Pacific Power aMW Saved	Total aMW Saved	Expenses	mil \$/aMW
Commercial	5.20	3.79	8.99	\$ 20,590,046	2.29
Industrial	2.04	1.14	3.18	\$ 7,577,358	2.39
Residential	6.00	3.79	9.79	\$ 22,212,691	2.27
Total Electric Efficiency Programs	13.24	8.72	21.96	\$ 50,380,095	2.29

2011 SB 838 Utility Expenditures	Q1	Q2	Q3	Q4	Total
Portland General Electric	\$ 119,551	\$ 138,644	\$ 125,161	\$ 115,813	\$ 499,169
Pacific Power	\$ 77,327	\$ 309,113	\$ 157,731	\$ 404,384	\$ 948,555
Total	\$ 196,878	\$ 447,757	\$ 282,892	\$ 520,197	\$ 1,447,724