



Energy Trust of Oregon

2016 Annual Budget and 2016-2017 Action Plan

DRAFT

Presented to the Board of Directors
November 4, 2015

Energy Trust of Oregon
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MEMO

Date: October 29, 2015
To: Board of Directors
From: Margie Harris, Executive Director
Subject: Draft 2016 Budget and 2016-2017 Action Plan

I am pleased to present Energy Trust of Oregon's Draft 2016 Budget and Draft 2016-2017 Action Plan, which will be the focus of our November 4 board meeting.

In the following pages of this binder you will find a table of contents, overview materials summarizing the draft budget and action plan in handout and slide presentation formats, and a summary of upcoming outreach activities. Subsequent sections provide draft budget and staffing details, and descriptive action plan summaries by program and support group for 2016-2017 planned activities. Finally, 2015 and 2017 forecast information and a financial glossary are provided for your consideration and reference. Throughout the materials, linkages between planned activities and the 2015-2019 Strategic Plan appear.

These important documents guide Energy Trust delivery of the lowest-cost energy resources available to utilities and their customers, and diversify our future energy resource mix through small-scale renewable energy generation. The outcomes and benefits of our investments reduce participant utility bills, avoid carbon dioxide emissions and strengthen our economy.

The draft budget and draft action plan are available for public comment from October 29 through November 20, 2015. Throughout the next month, we will present related information to our four affiliated utilities, two advisory councils, the Citizens' Utility Board of Oregon, the Oregon Department of Energy, the board of directors and the Oregon Public Utility Commission. In addition, I will lead a public webinar presentation on November 16. The draft budget, action plan and key dates for public input are on our website, www.energytrust.org/about/budget.

Feedback and comments received through these presentations will be incorporated into a Final Proposed 2016 Budget and Final Proposed 2016-2017 Action Plan to be considered by the board of directors at the December 11 board meeting.

I look forward to our discussion next week and welcome your comments and questions.

Thank you.

Draft 2016 Annual Budget and 2016-17 Action Plan Highlights

Energy Trust of Oregon’s annual budget and two-year action plan is developed through a transparent, public process that ensures stakeholder review and input at many stages. These important documents guide our delivery of the lowest-cost energy resource for customers of Portland General Electric, Pacific Power, NW Natural and Cascade Natural Gas, and diversify our energy resource mix through small-scale renewable energy project development in PGE and Pacific Power territories.

View the full budget, detailed 2016-2017 action plans, frequently asked questions and opportunities to provide comment at www.energytrust.org/about/budget.

Areas of Emphasis

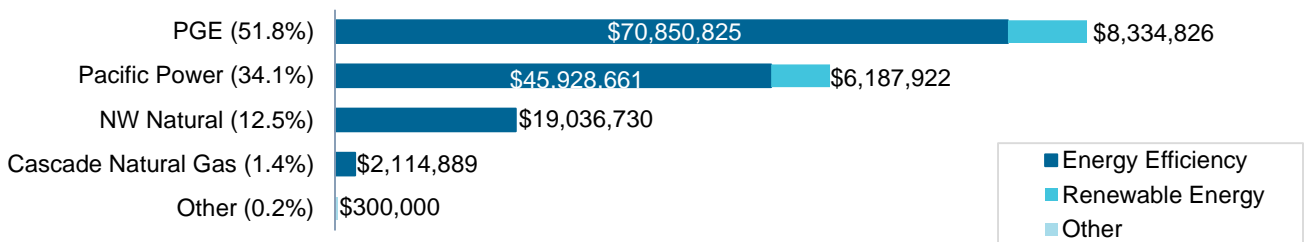
Emerging technologies and approaches—Continue pilots and pilot evaluations to test new program delivery approaches and build on past years’ investments. Explore financing options for commercial energy efficiency. Expand energy-saving options for multifamily properties. Invest in Northwest Energy Efficiency Alliance electric market transformation and natural gas technology development activities. Deliver project development support for renewable energy technologies.

Expanding participation—Use data, research and targeting to understand participation gaps and to increase access and participation statewide. Further invest in contractor and community-based relationships to serve all customers, with added focus on coastal, rural and small business customers. Continue efforts to reach moderate-income and rental property owners.

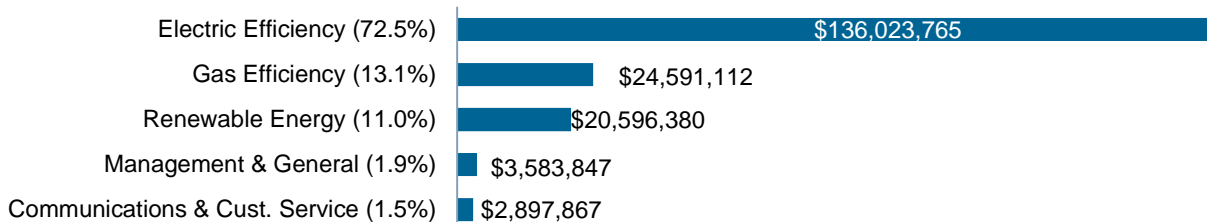
Improving operations—Implement cross-program strategies to reduce costs and improve customer reach. Expand online, automated and mobile web services to efficiently serve customers and contractors. Further develop data systems and improve internal processes supporting operational and program efficiencies, positive customer experiences, transparency and accountability. Develop metrics to help manage process improvements and quantify productivity gains. Maintain low staffing and administrative costs.

Revenue and Expenses

Total Revenue: \$152.8 million

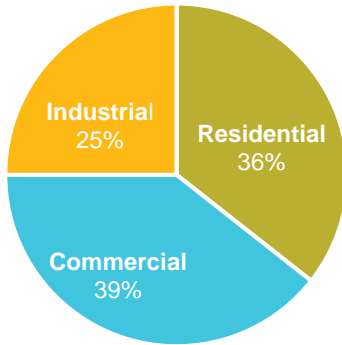


Total Expenses: \$187.7 million



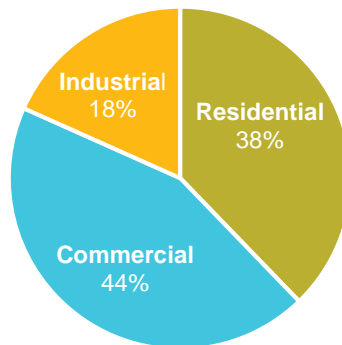
In agreement with our affiliated utilities, the budget continues to draw down reserves in 2016 to cover planned expenses in excess of anticipated revenue.

Electric savings 55.7 aMW



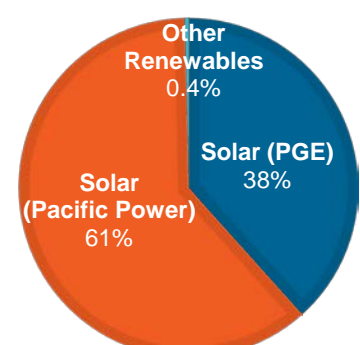
Residential
19.8 aMW; 2.5 cents/kWh
Commercial
21.9 aMW; 3.3 cents/kWh
Industrial
13.9 aMW; 2.8 cents/kWh

Natural gas savings 5.7 million annual therms



Residential
2.14 million annual therms; 37.6 cents/therm
Commercial
2.48 million annual therms; 35.8 cents/therm
Industrial
1.04 million annual therms; 23.7 cents/therm

Renewable energy generation 2.84 aMW



Solar
2.83 aMW
Other Renewables
0.01 aMW

Summary of Planned Activities by Customer Type

Homeowners and renters: online Home Energy Reviews; referrals to qualified trade ally contractors; incentives for equipment, weatherization, lighting, showerheads, refrigerator recycling, appliances and solar; EPS™, an energy performance score for new and existing homes; Savings Within Reach on-bill repayment for moderate-income customers

Commercial businesses, public and private institutions and multifamily properties: Energy modeling, design and technical assistance; equipment, lighting and solar incentives; Strategic Energy Management; Path to Net Zero; City of Portland Commercial Property Assessed Clean Energy pilot; “Pay for Performance” pilot for existing buildings; affordable multifamily housing on-bill repayment through MPower; community outreach to drive smaller multifamily participation in rural areas

Industrial and agricultural businesses: Technical assistance, scoping studies and analyses; customized solutions for industrial processes; equipment incentives for industrial and agricultural applications; Strategic Energy Management; expanded outreach to small industries; delivery of measured and calculated savings through trade allies

For renewable energy project developers: Project development assistance for solar, biopower, wind, small hydropower and geothermal systems; lowering “soft” costs for solar; serving high demand for solar; deliver incentives for completed solar projects and a hydropower project

Energy Trust Investment of \$187.7 Million to Buy These Benefits

- Future utility bill savings of \$716 million for 2016 participants
- Affordable energy at 2.9 cents/kWh and 34.1 cents/therm, the lowest cost energy utilities can buy
- Increased customer access and participation throughout Oregon and southwest Washington to support improvements at homes and businesses
- Jobs, wages and business income from bill savings recirculating in our local economy
- Enough clean energy to power 45,000 homes and heat 11,100 homes with natural gas
- Improved air quality by avoiding 276,600 tons of carbon dioxide—equivalent to removing 48,600 cars from our roads
- Training and support for 2,500 local businesses, many of them small companies employing 12,700 people to work on Energy Trust projects (self-reported by trade allies)
- Continued high customer satisfaction rates and continued public accountability

Frequently Asked Questions: Energy Trust Annual Budget and Two-Year Action Plan

November 4, 2015

How is Energy Trust's budget and action plan developed?

Our annual budget and two-year action plan is developed through a transparent, public process that ensures stakeholder review and input at many stages. Our five-year Strategic Plan and utility Integrated Resource Plans, IRP, serve as primary building blocks for annual budget goals, and are themselves developed through public processes with stakeholder, utility, board and Oregon Public Utility Commission, OPUC, input.

Annually starting in July and continuing through December, we work with Portland General Electric, PGE, Pacific Power, NW Natural, Cascade Natural Gas and our Conservation Advisory Council to build action plans and determine the amount of energy efficiency that can be cost-effectively acquired in the coming year. We also work with our Renewable Energy Advisory Council to determine planned renewable energy generation within PGE and Pacific Power territories. Our budget is submitted for review and comment to the OPUC, is reviewed and approved by our board of directors by December 31 of each year and is publicly available on our website.



Who reviews and approves Energy Trust's budget and action plan?

Budget goals and activities are reviewed by our board of directors, Conservation Advisory Council and Renewable Energy Advisory Council, PGE, Pacific Power, NW Natural, Cascade Natural Gas and the OPUC.

We also engage the public and a variety of stakeholders and utility customers, such as the Citizens' Utility Board of Oregon and Industrial Customers of Northwest Utilities. Broad public comment is sought through our website, outreach meetings with constituents and through a public webinar.

Comments received during the outreach period are summarized, with many incorporated into a final proposed budget and action plan presented to the board at its public meeting in December. The board approves the final proposed budget and action plan.

How can I participate in Energy Trust's budget and action plan development?

Public comments are actively solicited and directly shape our final budget and action plan. Public notices and materials for board, Conservation Advisory Council and Renewable Energy Advisory Council meetings are posted on our website in advance of each meeting and every board meeting invites public comment. The OPUC hearing is also open to the public.

Written public comments are due to Energy Trust by 5 p.m., Friday, November 20, 2015. Comments may be emailed to info@energytrust.org, mailed or submitted in person to Energy Trust of Oregon, 421 SW Oak St., Suite 300, Portland, Oregon 97204.

Where can I learn more information about the draft 2016 annual budget and 2016-2017 action plan?

Visit our website at www.energytrust.org/about/budget for links to the draft budget and action plan materials, to view the most up-to-date budget schedule and to register for the public webinar. All Energy Trust board and advisory council meeting agendas, packet materials and notes are online at www.energytrust.org/about/public-meetings.

How are Energy Trust programs and services funded?

Funding for our critical energy-efficiency and renewable energy programs comes exclusively from customers of PGE, Pacific Power, NW Natural and Cascade Natural Gas in Oregon, and NW Natural customers in Washington.

What are the primary outcomes of Energy Trust's annual expenditures?

Our budget and action plan is designed to meet annual energy-saving and renewable energy generation goals, while delivering the low-cost energy efficiency and clean renewable energy utilities rely on to meet their customers' energy needs. The budget also diversifies Oregon's energy resource mix through small-scale renewable resource project development in PGE and Pacific Power territories. Program and operations strategies are designed to effectively serve different markets and types of customers ranging from small residential to large industrial.

Projects and actions resulting from our budget ultimately reduce participating customer utility bills, help keep energy costs lower for all utility customers, avoid carbon emissions and strengthen local economies.

What performance and accountability measures are in place to ensure funds are expended wisely?

Expenditures must comply with legal requirements guiding our investments and meet minimum annual performance measures established by the OPUC. For instance, administrative and program support costs must be below 8 percent of annual revenues, and we must receive an unmodified financial opinion on annual, independently audited financial statements. In addition, all energy-efficiency investments, excluding pilots and limited activities exempted by the OPUC,

are required to be cost effective, meaning that long-term project savings must exceed related costs and be of net financial benefit to the customer.

The board of directors also reviews monthly financial statements, program impact evaluations and program process evaluations, and updated evaluation factors are applied to our results during an annual true-up process.

How does Energy Trust report on expenditures and progress toward goals and performance measures?

We report quarterly and annually to the board and OPUC on progress to goals, revenues and expenditures, and program and operations activities. We also provide information for a public purpose charge report that is submitted to the Oregon Legislature every two years by an OPUC-selected third party.

What does Energy Trust take into account when setting its budget for energy efficiency and renewable energy?

We work closely and continuously with all four utilities to update their plans to meet future energy needs for their customers with the goal of acquiring all available cost-effective energy efficiency. Additional information is drawn from renewable resource assessments and the most recent studies produced by the Northwest Power and Conservation Council, which identify energy efficiency and renewable energy potential throughout the Pacific Northwest. These information sources drive our five-year strategic plan and guide our two-year action plan, annual budgets and individual program strategies and expenditures.

Annual activities are guided by third-party program evaluations, market research, our experience delivering programs, feedback from on-the-ground contractors and customers, and input from our funding utilities, two advisory councils, the OPUC and the board of directors.

What happens when funds are not spent by the end of the year?

At year end, all unspent funds are carried over into the following year's budget and offset future revenue needs. Carryover of unspent funds can be a result of many factors, including meeting our savings goals at lower than expected costs or revenue forecasts being lower than projected due to unexpected weather extremes. Renewable energy project development also often occurs over multiple years and requires an upfront funding commitment.

Why does Energy Trust maintain reserves?

Reserves are set aside for unexpected occurrences and emergencies. They help stabilize utility customer rates by mitigating the need for large changes, either up or down, in annual collections. In 2015, in collaboration with our funding utilities and the OPUC, we implemented a planned reduction in revenue collections from utility customers, allowing us to continue acquiring all cost-effective savings on behalf of customers while lowering reserves. By the end of 2016, we plan to have minimum reserve amounts in place for all four utilities.

DRAFT 2016 Annual Budget & 2016-2017 Action Plan

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 - 2015 Forecast Summary by Service Territory and Program
 - 2015 Forecast Detail by Service Territory and Program

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 - 2017 Projection Recap Spending and Savings
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- Glossary** • Financial Glossary

(tab) Overview



Draft 2016 Annual Budget & 2016-17 Action Plan

November 4, 2015



Projected 2015 Results

- ✓ Forecasting to exceed savings goals for Pacific Power, NW Natural, and Cascade Natural Gas; approaching savings goal for PGE
- ✓ Low levelized costs projected
- ✓ Solar programs expected to significantly exceed generation goals
- ✓ Growth in project demand driving incentive expenditure increases
- ✓ Revenue closely matched to budget – reduced by \$14 million (9%), as planned
- ✓ Expect to draw down reserves by \$22 million – slightly more than planned



A clean energy power plant – 2002-2014

- \$1.1 billion invested since 2002
- 492 average megawatts saved and 115 aMW generated
- 39 million annual therms saved
- Energy to supply approximately 500,000 homes
- \$1.9 billion saved on participant energy bills, so far
- Bill savings will grow to \$4.8 billion over time



Return on \$1.1 billion invested – 2002-2014

\$3.9 billion

**Added to Oregon
economy from
utility bill
savings:**

Increased wages

**Small business
income**

Jobs

14.6 million

**Tons of CO2
prevented**

**For every
\$1 invested,
utility customers
will save**

\$3.10

Draft 2016 Annual Budget

Four building blocks for budget & action plan

1

2015-2019
Strategic Plan
Goals

2

Utility
Integrated
Resource
Plans &
Renewable
Resource
Assessments

3

Market
knowledge
and context

4

Areas of
emphasis

Draft Budget and Action Plan Drivers

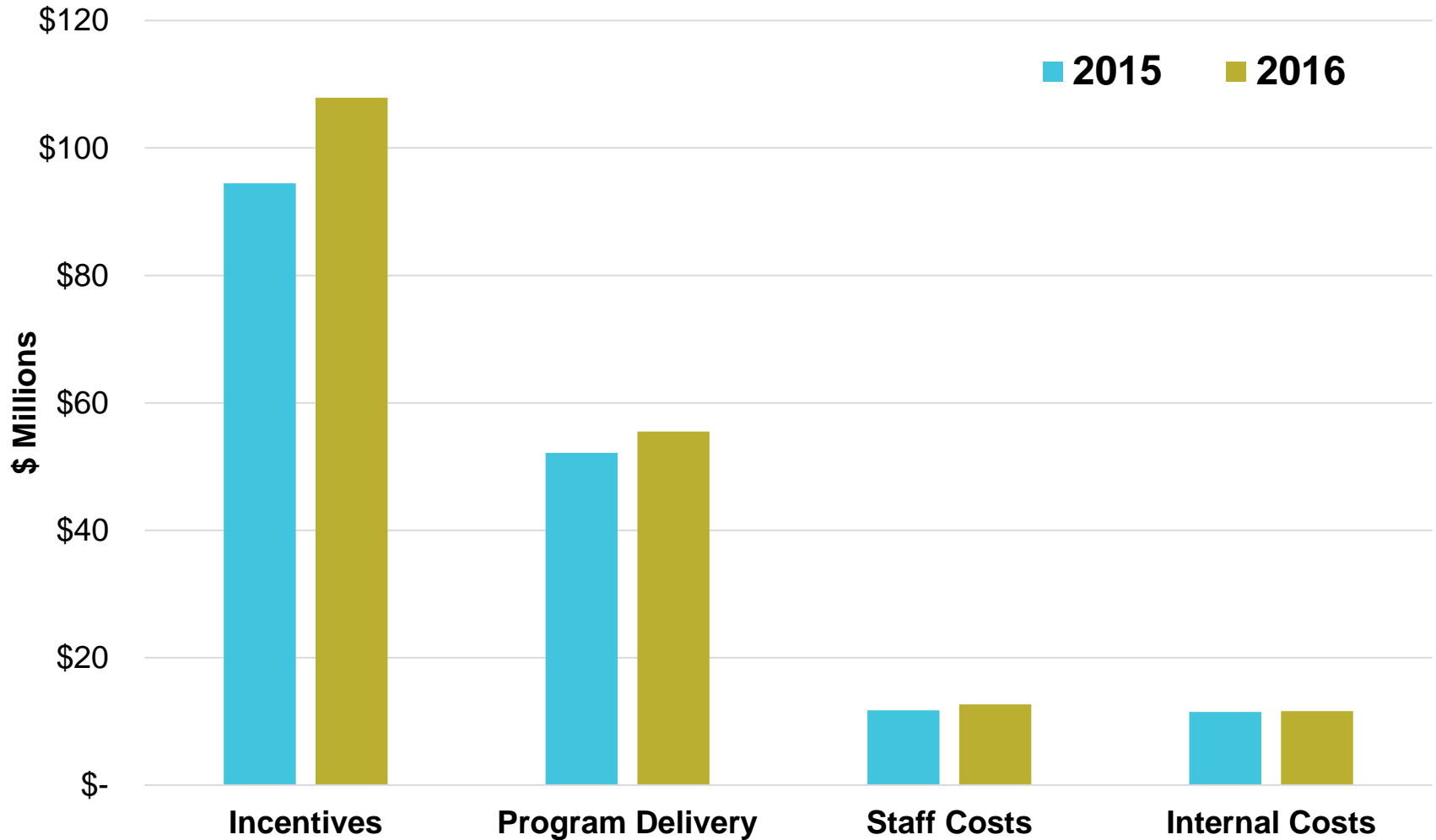
- Capture all cost-effective energy efficiency
 - Maximize new construction opportunities
 - Accelerate LED adoption
- Serve high solar volume; invest in future other renewable projects
- Continue to draw down reserves through 2016
- Use process improvements and metrics to manage costs
- Be ready for new opportunities and transitions
- Prepare for the future
- Meet/exceed OPUC Performance Measures



2016 Draft Budget Summary

1. Invest \$187.7 million to acquire 58.5 aMW and 5.7 MMth of clean energy efficiency and renewable generation
2. Electric savings up; gas savings down
3. Delivering highly cost-effective energy at 2.9 cents/kWh and 34.1 cents/therm
4. Overall spending up 10.5% due to increased project demand, different project mix and corresponding incentive growth
 - Incentives up 14% and represent ~58% of total planned expenditures
 - Renewables dominated by solar projects and future investments
5. Program reserves decline
6. Staffing costs well below new OPUC performance measure at 6.5%
7. Low administrative and program support costs at 6.3%

2015 budget compared to 2016 budget

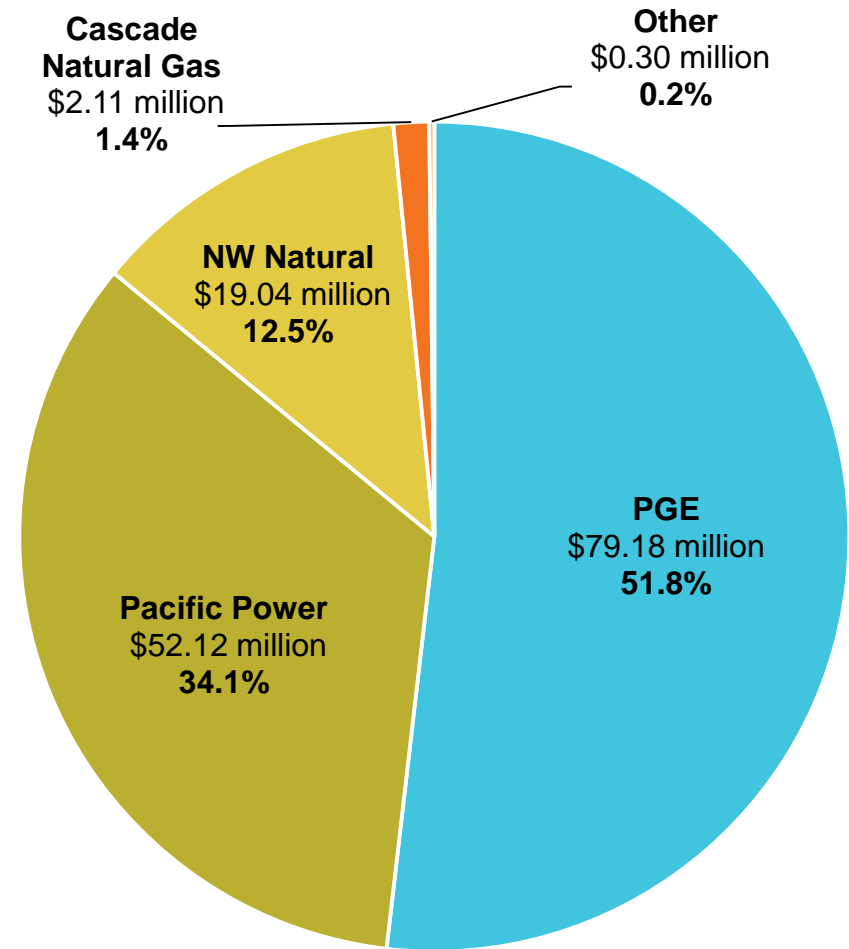
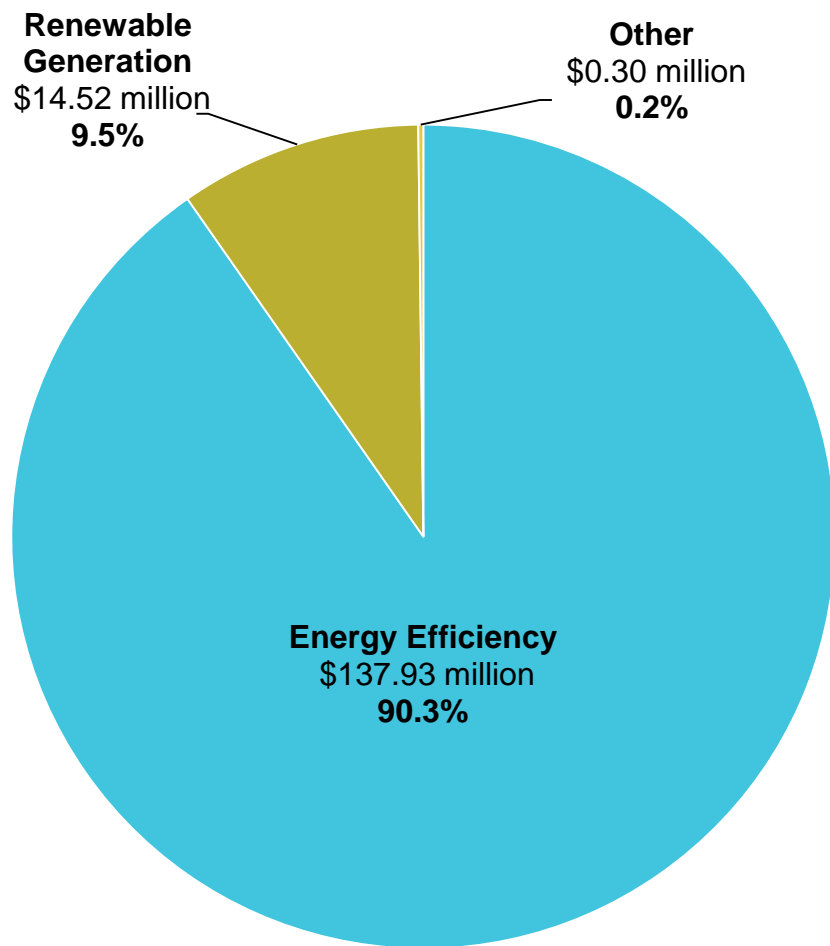


Customer benefits from 2016 investments

- **\$716 million in future bill savings** from energy improvements made in 2015 with help from Energy Trust
- Enough clean **energy to power 45,00 homes** and **heat 11,100 homes**
- Improved air quality by **avoiding 276,600 tons** of carbon dioxide
- Continued **high customer satisfaction**
- **Expanded access and participation** statewide
- Training and **support for 2,500 local businesses**

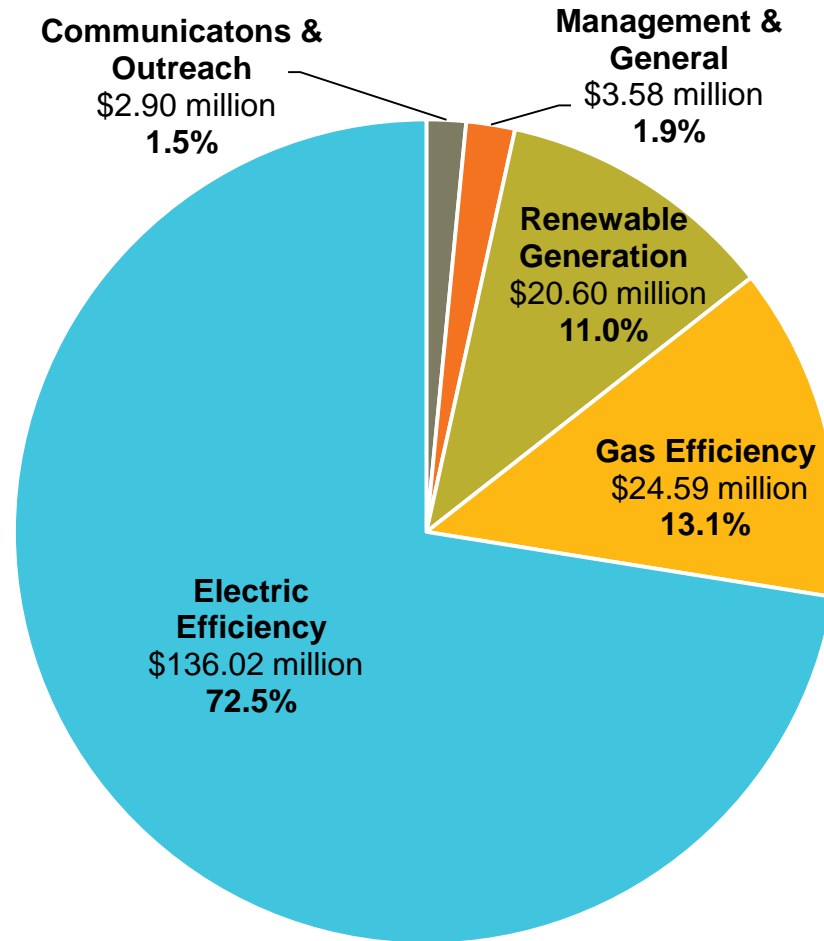


2016 budgeted revenues



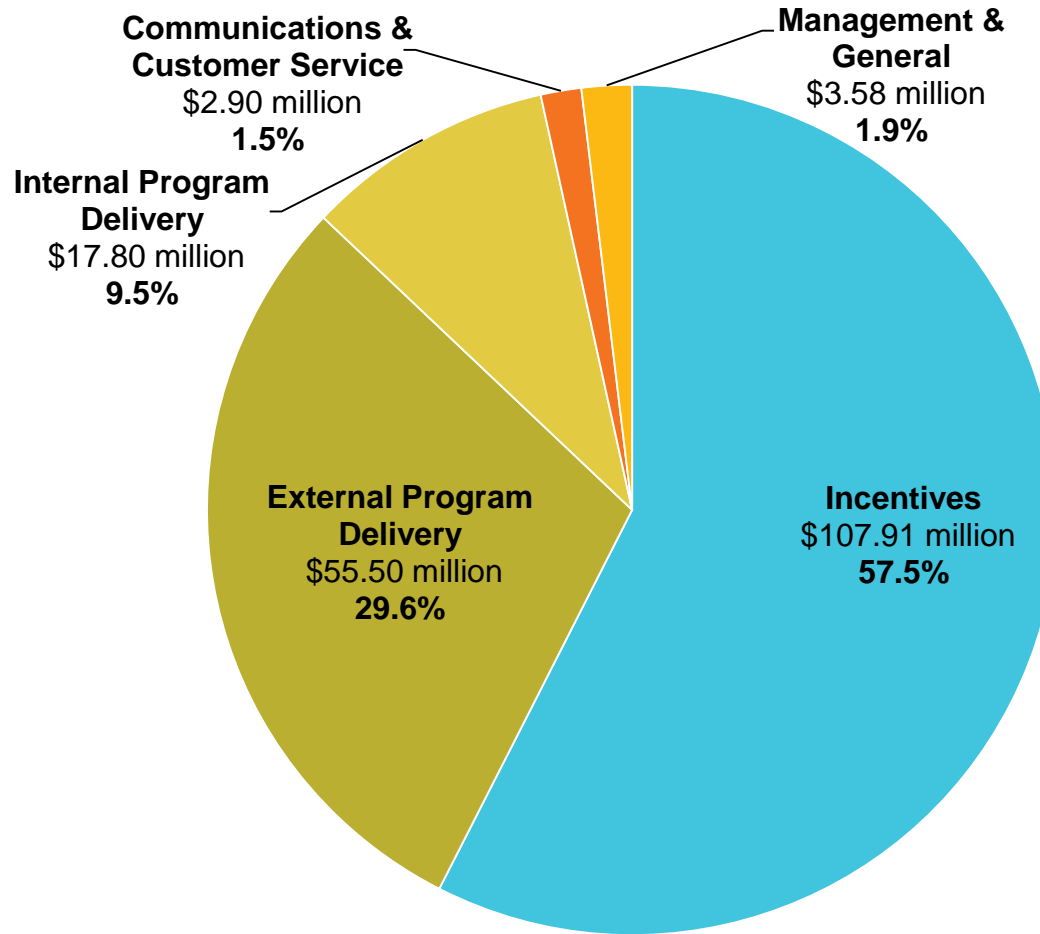
Total 2016 revenue \$152.8 million

2016 budgeted expenditures



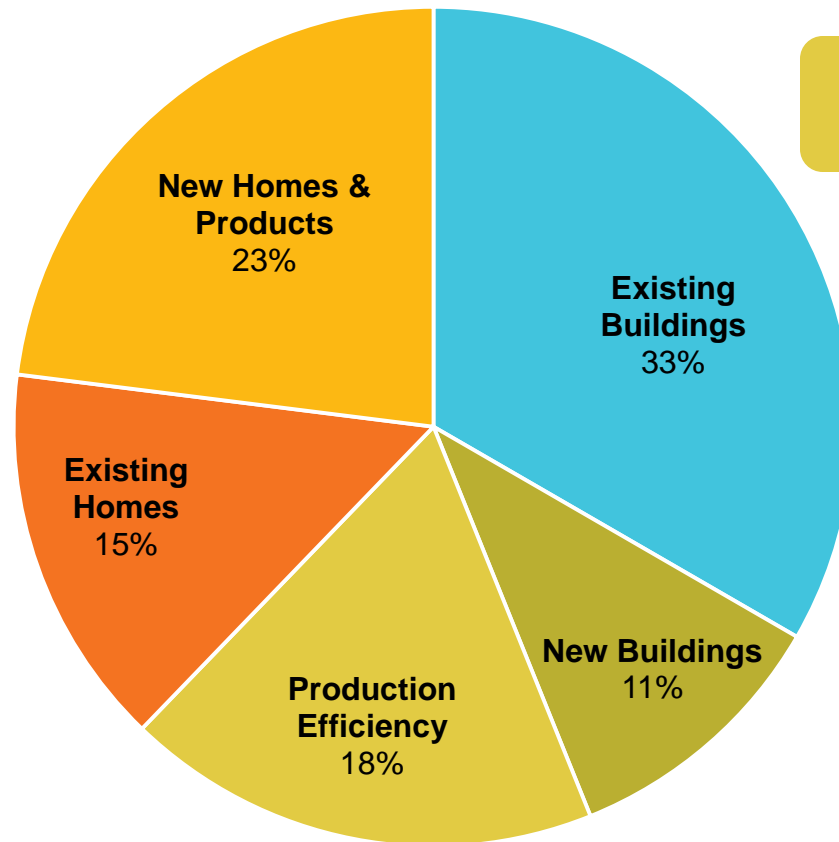
Budgeted expenditures of \$187.7 million, up 10.5% from 2015 budget
Continued drawdown of reserves will cover expenses in excess of anticipated revenue

2016 total incentives, delivery & other expenditures



Expenses by Category
Total \$187.7 million

2016 natural gas savings by program

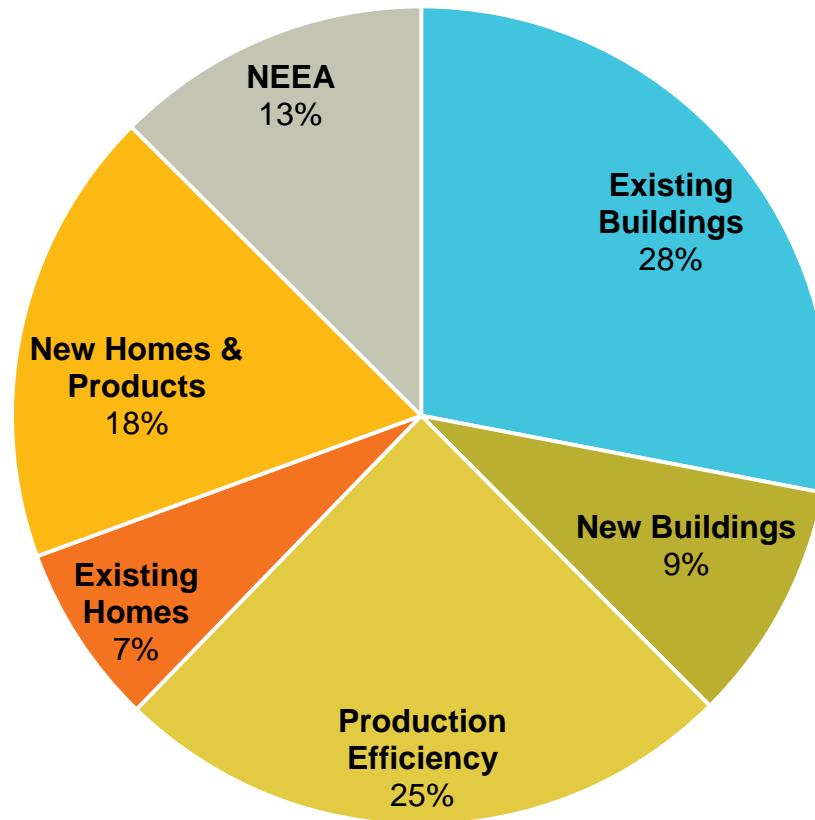


5.7 million annual therm goal
34.1 cents/therm levelized

A 3.2% decrease in natural gas savings over 2015 budget

Investing \$25.5 million in incentives, services and program delivery for residential, commercial, industrial, agricultural and public sector customers

2016 electric savings by program



55.68 aMW goal
2.9 cents/kWh levelized

A 4.8% increase in total electric savings over 2015 budget

Investing approximately \$140.9 million in incentives, services and program delivery for residential, commercial, industrial, agricultural and public sector customers

NEEA goals and budget

	2015 Savings Goal	2015 Savings Re-forecast	2016 Savings Goal	2016 Budget (\$ Million)	2016 Levelized Cost (per kWh)
PGE (aMW)	2.86	4.22	4.12	\$4.3	1.3¢
Pacific Power (aMW)	1.99	2.93	2.86	\$3.0	1.3¢
NW Natural	-	-	-	\$0.61	N/A
Cascade Natural Gas	-	-	-	\$0.06	N/A

2016 renewable energy programs

	Total Budget 2015		Total Budget 2016	
	\$ Million	aMW	\$ Million	aMW
Other Renewables	\$4.7	1.99	\$5.8	0.01
Solar	\$11.5	1.48	\$15.5	2.83
Total	\$16.2	3.47	\$21.3	2.84

18% less generation than 2015 budget of 3.47 aMW

Investing \$21.3 million in incentives, services & program delivery for clean, renewable power

2016 utility savings & generation summary

	2015 Budget Savings (Net)		2016 Budget Savings (Net)	IRP target for 2016 (Net)	2016 Budget (\$ Million)	2016 Budget (Levelized Cost)
PGE (Efficiency)	33.19 aMW	↑	34.12 aMW	27.23 aMW*	\$87.09	2.9¢/kWh
Pacific Power (Efficiency)	19.93 aMW	↑	21.56 aMW	16.84 aMW	\$53.80	3.0¢/kWh
NW Natural (Oregon)	5.15 MMTh	↓	4.94 MMTh	3.9 MMTh*	\$21.26	32.8¢/therm
NW Natural (Washington)	0.26 MMTh	—	0.26 MMTh	0.26 MMTh*	\$1.65	46.9¢/therm
Cascade Natural Gas	0.43 MMTh	↑	0.46 MMTh	0.45 MMTh	\$2.56	41.1¢/therm
PGE (Renewable Energy)	2.72 aMW	↓	1.09 aMW	N/A	\$11.72	N/A
Pacific Power (Renewable Energy)	0.75 aMW	↑	1.75 aMW	N/A	\$9.61	N/A

*MMTh: million annual therms
aMW: average megawatts*

The PGE & NW Natural IRP targets listed were developed in 2013. They will be updated in IRPs expected to complete in 2016.

Action Plan Highlights



Managing Transition

- ✓ Program design changes, especially for residential
- ✓ Readiness for new opportunities
- ✓ Preparing for future: diversity and staff development initiatives
- ✓ Executive Director transition

Emerging Technologies and Approaches

- ✓ LEDs
- ✓ Strategic Energy Management (SEM)
- ✓ Multifamily
- ✓ PGE demand response pilot coordination
- ✓ Including peak usage in measure analysis
- ✓ NEEA demonstrations and gas



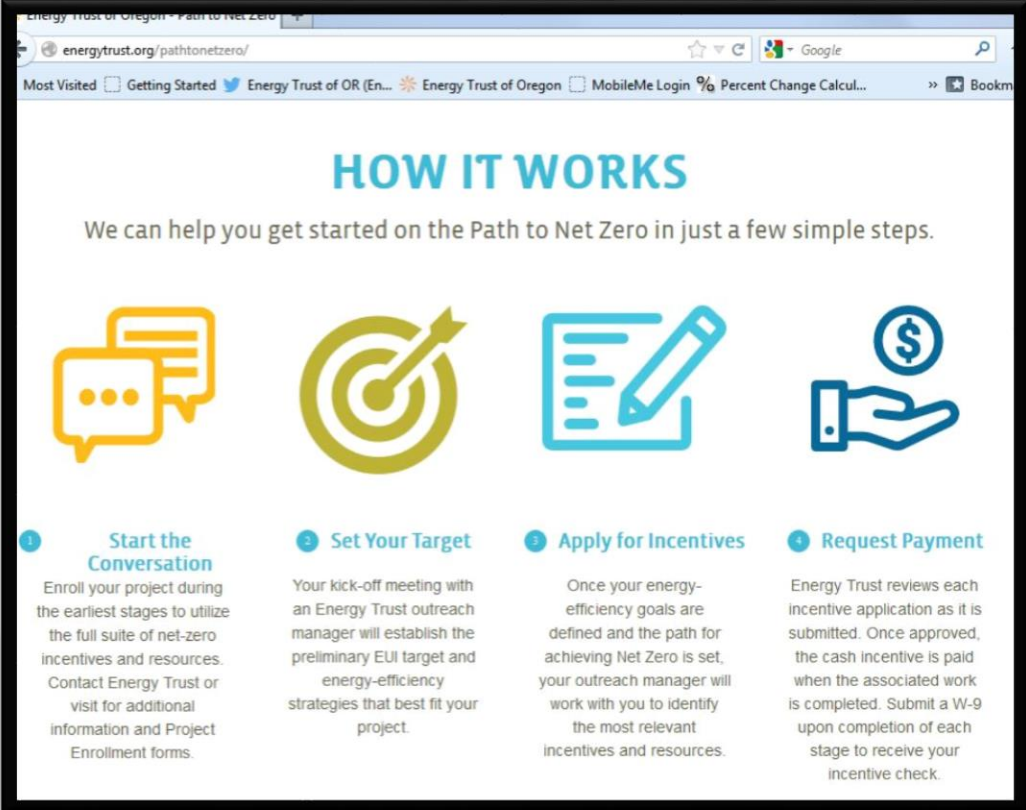


Expanding participation

- ✓ Research
- ✓ Grassroots outreach
- ✓ Trade ally network development
- ✓ Pre-packaged solutions
- ✓ Upstream incentives and buy-downs
- ✓ Rental properties and direct install
- ✓ Lower income
- ✓ Utility collaboration

Efficient and effective operations

- ✓ Process improvements and metrics
- ✓ Ongoing IT improvements
- ✓ Automated tools
- ✓ Account management

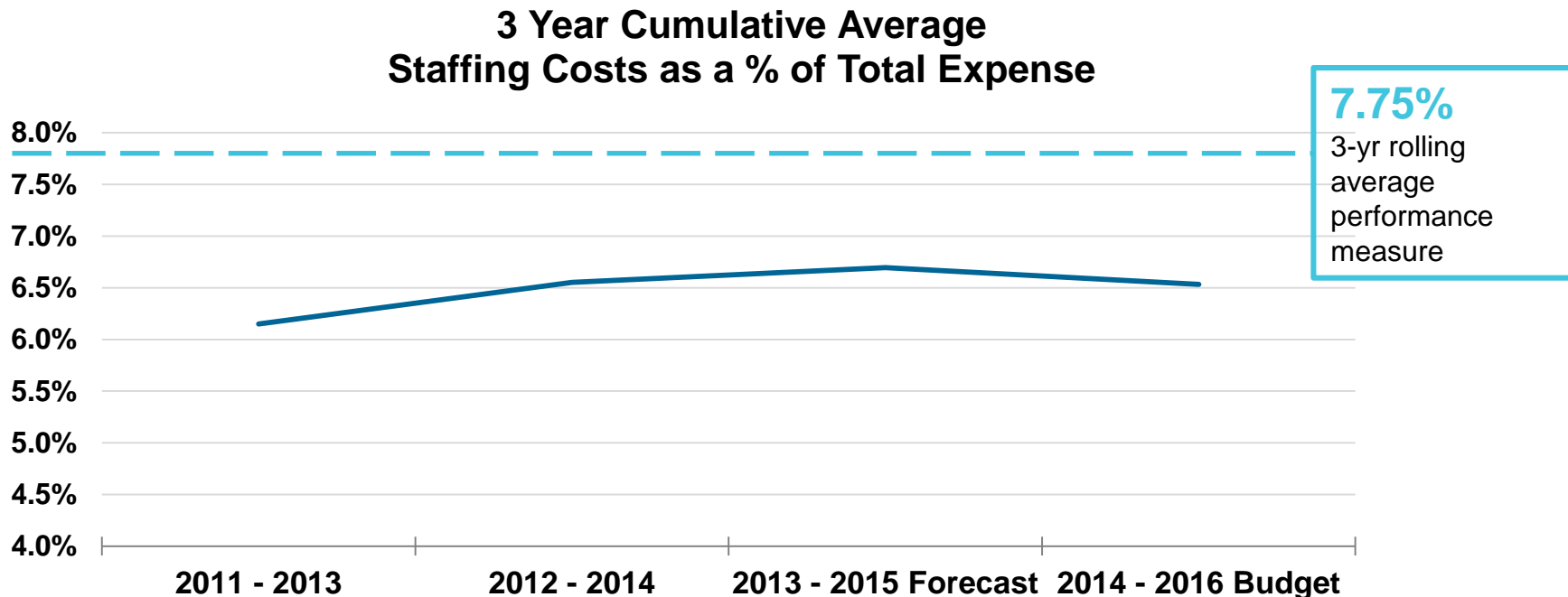


The screenshot shows a web browser window with the URL energytrust.org/pathtonetzero/. The page title is "HOW IT WORKS" and the subtitle is "We can help you get started on the Path to Net Zero in just a few simple steps." The page features four numbered steps, each with an icon and a brief description:

- 1 Start the Conversation**
Enroll your project during the earliest stages to utilize the full suite of net-zero incentives and resources. Contact Energy Trust or visit for additional information and Project Enrollment forms.
- 2 Set Your Target**
Your kick-off meeting with an Energy Trust outreach manager will establish the preliminary EUI target and energy-efficiency strategies that best fit your project.
- 3 Apply for Incentives**
Once your energy-efficiency goals are defined and the path for achieving Net Zero is set, your outreach manager will work with you to identify the most relevant incentives and resources.
- 4 Request Payment**
Energy Trust reviews each incentive application as it is submitted. Once approved, the cash incentive is paid when the associated work is completed. Submit a W-9 upon completion of each stage to receive your incentive check.

Proposed 2016 staffing

- ✓ Internal re-assignments made
- ✓ Net of one new FTE proposed
- ✓ Well below OPUC performance measure



Discussion and feedback

- What questions do you have?
- What information needs clarification?
- Other feedback?

+ www.energytrust.org/about/budget
Send comments to info@energytrust.org

+ **Comments due November 20**



Budget outreach schedule

October & November

RAC/CAC presentations Oct. 21
Draft budget online, Oct. 29
Board of Directors, Nov. 4
Public webinar, Nov. 16
OPUC public meeting, Nov. 17
RAC/CAC updates, Nov. 20

December

Public comments due Nov. 20

Comments reviewed
Final adjustments, if needed

Final proposed budget online, **Dec. 3**

Board of Directors, **Dec. 11**

Action on Final Proposed
2016-17 Budget and Action Plan

+ www.energytrust.org/about/budget
Send comments to info@energytrust.org



Thank You

info@energytrust.org

1.866.368.7878



Supplemental Information

Projected 2015 Results by Utility

	Budgeted 2015 Savings Goal (Net)	Budgeted 2015 Levelized Cost	Projected 2015 Savings (Net)	Projected % of 2015 Savings Goal (Net)	Projected 2015 Levelized Cost
PGE (Efficiency)	33.2 aMW	3.1¢	31.21 aMW	94%	3.1¢/kWh
Pacific Power (Efficiency)	19.9 aMW	3.1¢	20.73 aMW	104%	3.0¢/kWh
NW Natural (Oregon)	5.2 MMTh	32.1¢	5.24 MMTh	102%	30.8¢/therm
NW Natural (Washington)	0.3 MMTh	47.0¢	0.21 MMTh	81%	53.2¢/therm
Cascade Natural Gas	0.4 MMTh	35.6¢	0.46 MMTh	107%	36.1¢/therm
PGE (Renewable Energy)	2.7 aMW	N/A	3.47 aMW	127%	N/A
Pacific Power (Renewable Energy)	0.7 aMW	N/A	2.68 aMW	357%	N/A

MMTh: million annual therms

aMW: average megawatts

(tab) Outreach

2016 Annual Budget and 2016-17 Action Plan Outreach

Key dates

Wednesday, October 21—Presentation to the Energy Trust Renewable Energy Advisory Council and Conservation Advisory Council

Thursday, October 29—Public comment period opens; draft materials posted online for review

Wednesday, November 4—Presentation on the draft budget and action plan to the Energy Trust Board of Directors

Monday, November 16—Live webinar; Executive Director Margie Harris will present on the draft budget and action plan

Tuesday, November 17—Presentation on the draft budget and action plan at a public hearing of the Oregon Public Utility Commission held at the OPUC Main Hearing Room, 201 High Street SE, Salem, Oregon

Friday, November 20—Public comment period closes

Friday, November 20—Review of any recent changes to the draft materials with the Energy Trust Renewable Energy Advisory Council and Conservation Advisory Council

Thursday, December 3—Budget documents are revised and posted online

Friday, December 11—Presentation to the Energy Trust board on the final proposed budget and action plan, along with a summary of public comments; after making any final changes, the board votes on the budget

Submitting comments, attending public meetings

Written public comments are due to Energy Trust by 5 p.m., Friday, November 20, 2015. Comments may be emailed to info@energytrust.org, mailed or submitted in person to Energy Trust of Oregon, 421 SW Oak St., Suite 300, Portland, Oregon 97204.

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Resources

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(tab) Budget Detail

**Energy Trust of Oregon
Income Statement
Budget, Forecast and Projection Comparison**

	Budget 2015	Forecast 2015	Budget 2016	Projection 2017
<u>REVENUES</u>				
Public Purpose Funds-PGE	36,652,744	36,684,843	36,660,651	36,843,954
Public Purpose Funds-PacifiCorp	28,291,796	28,065,767	27,664,181	27,664,181
Public Purpose Funds-NW Natural	13,805,611	13,216,352	14,539,218	16,239,218
Public Purpose Funds-Cascade	1,913,709	1,588,708	2,114,889	2,514,889
Total Public Purpose Funds	80,663,860	79,555,670	80,978,939	83,262,242
Incremental Funds - PGE	42,000,000	43,344,669	42,525,000	55,737,625
Incremental Funds - PacifiCorp	20,850,000	21,722,619	24,452,402	32,252,402
NW Natural - Industrial DSM	2,997,419	3,078,432	2,814,201	3,461,252
NW Natural - Washington	1,411,352	1,356,784	1,683,311	1,702,044
Revenue from Investments	288,000	422,000	300,000	300,000
TOTAL REVENUE	148,210,631	149,480,174	152,753,853	176,715,565
<u>EXPENSES</u>				
Program Subcontracts	52,155,203	51,576,927	55,502,749	55,773,600
Incentives	94,486,648	99,278,039	107,912,307	105,736,665
Salaries and Related Expenses	11,748,186	10,565,641	12,665,778	13,366,133
Professional Services	8,360,032	7,254,619	8,273,415	6,777,285
Supplies	43,800	42,872	46,450	52,450
Telephone	66,000	65,900	75,200	65,200
Postage and Shipping Expenses	13,200	13,200	16,500	16,500
Occupancy Expenses	738,226	738,226	771,332	793,907
Noncapitalized Equip. & Depr.	1,181,348	1,246,950	1,403,163	1,349,027
Call Center	156,000	152,000	187,400	178,000
Printing and Publications	131,350	88,000	98,500	98,635
Travel	206,100	181,280	211,800	193,125
Conference, Training & Mtng Exp	327,140	207,640	284,640	273,670
Interest Expense and Bank Fees	2,500	4,000	4,000	4,000
Insurance	110,000	110,000	110,000	121,000
Miscellaneous Expenses		2,500	2,750	
Dues, Licenses and Fees	141,120	104,583	126,990	113,553
TOTAL EXPENSES	169,866,853	171,632,377	187,692,972	184,912,751
TOTAL REVENUE LESS EXPENSES	(21,656,222)	(22,152,203)	(34,939,120)	(8,197,186)

ENERGY EFFICIENCY

	BUDGET (\$M)			ELECTRIC		GAS	
	ELECTRIC	GAS	TOTAL	ELECTRIC SAVINGS GOAL (aMW)	Levelized Cost per kWh (in cents)	Annual Therms	Levelized Cost per Therm (in cents)
Commercial							
Business Energy Solutions – Existing Buildings	48.2	7.9	56.1	15.60	3.4	1,735,381	39.36
Business Energy Solutions – New Buildings	15.6	1.6	17.2	5.30	3.2	597,301	22.60
Mkt Transformation (Alliance)	2.5	0.2	2.6	1.02	4.7		
Total Commercial	66.3	9.7	76.0	21.93	3.3	2,332,682	35.61
Industrial							
Production Efficiency	31.4	2.8	34.2	13.76	2.8	1,036,453	23.67
Mkt Transformation (Alliance)	0.5	0.0	0.5	0.15	5.3		
Total Industrial	31.9	2.8	34.7	13.91	2.8	1,036,453	23.67
Residential							
Home Energy Solutions – Existing Homes	15.0	5.0	20.0	3.99	3.8	787,964	44.96
Home Energy Solutions – New Homes & Products	23.4	5.9	29.3	10.05	3.0	1,242,399	29.91
Mkt Transformation (Alliance)	4.4	0.4	4.8	5.81	0.9		
Total Residential	42.7	11.3	54.1	19.85	2.5	2,030,363	36.53
Washington							
Business Energy Solutions – Existing Buildings		0.7	0.7			151,056	37.12
Home Energy Solutions – Existing Homes		0.5	0.5			47,693	65.81
Home Energy Solutions – New Homes & Products		0.4	0.4			59,403	47.25
Total Washington		1.6	1.6			258,152	46.92
Total Energy Efficiency	\$140.9	\$25.4	\$166.3	55.68	2.9	5,657,650	34.15

RENEWABLE RESOURCES

	ACTIVITY BASIS		ACCOUNTING BASIS	ACTIVITY BASIS		ACCOUNTING BASIS	
	BUDGET (\$M)		BUDGET (\$M)	ELECTRIC GENERATION GOAL (aMW)	(\$/mils/ aMW)	ELECTRIC GENERATION GOAL (aMW)	(\$/mils/ aMW)
Other Renewables	6.8		5.8	2.71	2.52	0.01	623.68
Solar Electric	14.7		15.5	1.74	8.48	2.83	5.47
Total Renewable Resources	\$21.5		\$21.3	4.44	4.85	2.84	7.50

TOTAL BUDGET - ALL

\$187.6

¹ some columns may not add due to rounding

ENERGY TRUST OF OREGON
Income Statement by Service Territory
2016 Draft Annual Budget

	ENERGY EFFICIENCY								
	PGE	PacifiCorp	Total	NWN Industrial	NW Natural	Cascade	Oregon Total	NWN WA	Efficiency Total
REVENUES									
Public Purpose Funding	28,325,825	21,476,259	49,802,084	0	14,539,218	2,114,889	66,456,191	0	66,456,191
Incremental Funding	42,525,000	24,452,402	66,977,402	2,814,201			69,791,603	1,683,311	71,474,914
Contributions									
Revenue from Investments									
TOTAL PROGRAM REVENUE	70,850,825	45,928,661	116,779,486	2,814,201	14,539,218	2,114,889	136,247,794	1,683,311	137,931,105
EXPENSES									
Program Management (Note 3)	3,318,603	2,105,910	5,424,513	177,027	734,473	139,672	6,475,686	107,622	6,583,308
Program Delivery	25,287,712	16,121,209	41,408,920	825,992	4,644,358	713,675	47,592,946	433,610	48,026,556
Incentives	47,703,812	28,729,975	76,433,787	2,142,672	9,815,846	1,345,537	89,737,842	721,469	90,459,311
Program Eval & Planning Svcs.	2,526,195	1,564,300	4,090,494	85,144	478,414	63,195	4,717,247	113,947	4,831,194
Program Marketing/Outreach	2,751,484	1,805,882	4,557,367	39,216	829,830	89,519	5,515,930	85,982	5,601,912
Program Quality Assurance	27,254	15,695	42,949	1,271	4,790	990	50,000	0	50,000
Outsourced Services	708,624	456,416	1,165,039	22,616	157,356	55,354	1,400,365	27,550	1,427,915
Trade Allies & Cust. Svc. Mgmt.	415,708	292,751	708,457	5,147	165,914	15,402	894,920	33,799	928,719
IT Services	1,049,945	665,978	1,715,923	26,113	296,768	38,134	2,076,940	33,061	2,110,001
Other Program Expenses - all	293,025	183,292	476,316	13,796	61,901	8,090	560,104	35,860	595,964
TOTAL PROGRAM EXPENSES	84,082,362	51,941,408	136,023,765	3,338,994	17,189,650	2,469,568	159,021,980	1,592,900	160,614,880
ADMINISTRATIVE COSTS									
Management & General (Notes 1 & 2)	1,662,912	1,027,255	2,690,167	66,036	339,963	48,840	3,145,006	31,503	3,176,509
Communications & Customer Svc (Notes 1 & 2)	1,344,615	830,628	2,175,244	53,396	274,891	39,493	2,543,024	25,474	2,568,497
Total Administrative Costs	3,007,527	1,857,883	4,865,411	119,432	614,854	88,333	5,688,030	56,977	5,745,006
TOTAL PROG & ADMIN EXPENSES	87,089,889	53,799,291	140,889,176	3,458,426	17,804,504	2,557,901	164,710,010	1,649,877	166,359,886
TOTAL REVENUE LESS EXPENSES	(16,239,064)	(7,870,630)	(24,109,690)	(644,225)	(3,265,286)	(443,012)	(28,462,216)	33,434	(28,428,781)
NET ASSETS - RESERVES									
Cumulative Carryover at 12/31/14 (Note 4)	20,268,964	8,738,596	29,007,560	844,227	6,786,491	715,669	37,353,947	66,565	37,420,512
Change in net assets this year	(16,239,064)	(7,870,630)	(24,109,690)	(644,225)	(3,265,286)	(443,012)	(28,462,216)	33,434	(28,428,781)
Ending Net Assets - Reserves	4,029,900	867,966	4,897,870	200,000	3,521,205	272,657	8,891,731	100,000	8,991,731
Ending Reserve by Category									
Program Reserves (Efficiency and Renewables)	4,029,900	867,966	4,897,870	200,000	3,521,205	272,657	8,891,731	100,000	8,991,731
Assets Released for General Purpose									
Emergency Contingency Pool									
TOTAL NET ASSETS CUMULATIVE	4,029,900	867,966	4,897,870	200,000	3,521,205	272,657	8,891,731	100,000	8,991,731

Note 1) Both Management & General and Communications & Customer Service Expenses (Administrative) have been allocated based on total expenses.

Note 2) Administrative costs are allocated for management reporting only. GAAP for Not for Profit organizations does not allow allocation of administrative costs to p

Note 3) Program Management costs include both outsourced and internal staff.

Note 4) Cumulative carryover at 12/31/2014 reflects audited results.

ENERGY TRUST OF OREGON
Income Statement by Service Territory
2016 Draft Annual Budget

	RENEWABLE ENERGY			Other	TOTAL
	PGE	PacifiCorp	Total		All Programs
REVENUES					
Public Purpose Funding	8,334,826	6,187,922	14,522,748	0	80,978,939
Incremental Funding					71,474,914
Contributions					
Revenue from Investments				300,000	300,000
TOTAL PROGRAM REVENUE	8,334,826	6,187,922	14,522,748	300,000	152,753,853
EXPENSES					
Program Management (Note 3)	574,790	537,986	1,112,776		7,696,084
Program Delivery	249,500	170,500	420,000		48,446,556
Incentives	9,778,565	7,674,431	17,452,996		107,912,307
Program Eval & Planning Svcs.	68,791	53,170	121,960		4,953,153
Program Marketing/Outreach	129,462	101,038	230,500		5,832,413
Program Quality Assurance	0	0	0		50,000
Outsourced Services	205,293	476,207	681,500		2,109,415
Trade Allies & Cust. Svc. Mgmt.	40,839	28,598	69,437		998,157
IT Services	117,875	111,487	229,362		2,339,362
Other Program Expenses - all	152,044	125,804	277,849		873,812
TOTAL PROGRAM EXPENSES	11,317,159	9,279,221	20,596,380	0	181,211,259
ADMINISTRATIVE COSTS					
Management & General (Notes 1 & 2)	223,821	183,517	407,338		3,583,848
Communications & Customer Svc (Notes 1 & 2)	180,980	148,390	329,370		2,897,866
Total Administrative Costs	404,801	331,907	736,708		6,481,714
TOTAL PROG & ADMIN EXPENSES	11,721,960	9,611,128	21,333,088		187,692,973
TOTAL REVENUE LESS EXPENSES	(3,387,134)	(3,423,206)	(6,810,340)	300,000	(34,939,120)
NET ASSETS - RESERVES					
Cumulative Carryover at 12/31/14 (Note 4)	9,255,405	9,790,194	19,045,599	8,608,804	65,074,915
Change in net assets this year	(3,387,134)	(3,423,206)	(6,810,340)	300,000	(34,939,120)
Ending Net Assets - Reserves	5,868,271	6,366,988	12,235,259	8,908,804	30,135,795
Ending Reserve by Category					
Program Reserves (Efficiency and Renewables)	5,868,271	6,366,988	12,235,259	3,908,804	
Assets Released for General Purpose					5,000,000
Emergency Contingency Pool					
TOTAL NET ASSETS CUMULATIVE	5,868,271	6,366,988	12,235,259	8,908,804	30,135,794

Note 1) Both Management & General and Communications & Customer Service Expenses (Administrative) have been allocated based on total expenses.

Note 2) Administrative costs are allocated for management reporting only. GAAP for Not for Profit organizations does not allow allocation of administrative costs to program expenses.

Note 3) Program Management costs include both outsourced and internal staff.

Note 4) Cumulative carryover at 12/31/2014 reflects audited results.

**Energy Trust of Oregon
Statement of Functional Expenses
2016 Draft Annual Budget**

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communications & Customer Service	Total Admin Expenses	Total
Program Expenses							
Incentives/ Program Management & Deliver	145,532,060	17,882,996	163,415,056				163,415,056
Payroll and Related Expenses	3,459,027	1,102,776	4,561,803	2,373,506	1,438,710	3,812,216	8,374,019
Outsourced Services	5,547,415	952,000	6,499,415	370,500	993,000	1,363,500	7,862,915
Planning and Evaluation	2,441,693	81,960	2,523,653	1,801		1,801	2,525,455
Customer Service Management	594,509	55,875	650,384				650,384
Trade Allies Network	334,211	23,562	357,773				357,773
Total Program Expenses	157,908,915	20,099,170	178,008,084	2,745,807	2,431,710	5,177,517	183,185,601
Program Support Costs							
Supplies	12,132	3,782	15,914	12,293	5,354	17,647	33,561
Postage and Shipping Expenses	4,424	1,503	5,927	2,759	1,731	4,490	10,417
Telephone	12,655	1,802	14,456	1,656	1,038	2,694	17,150
Printing and Publications	77,498	8,479	85,977	5,746	2,982	8,728	94,705
Occupancy Expenses	220,175	74,794	294,969	137,314	86,119	223,432	518,401
Insurance	31,399	10,666	42,066	19,582	12,281	31,864	73,929
Equipment	8,737	121,949	130,687	3,578	2,244	5,822	136,509
Travel	65,250	12,000	77,250	47,950	45,000	92,950	170,200
Meetings, Trainings & Conferences	54,750	10,700	65,450	143,790	12,000	155,790	221,240
Interest Expense and Bank Fees				4,000		4,000	4,000
Depreciation & Amortization	44,767	15,207	59,974	27,919	17,510	45,429	105,403
Dues, Licenses and Fees	63,390	6,700	70,090	9,880	15,500	25,380	95,470
Miscellaneous Expenses	785	267	1,052	490	307	797	1,848
IT Services	2,110,000	229,362	2,339,362	421,084	264,090	685,174	3,024,536
Total Program Support Costs	2,705,963	497,211	3,203,174	838,041	466,156	1,304,197	4,507,371
TOTAL EXPENSES	160,614,878	20,596,380	181,211,258	3,583,848	2,897,866	6,481,714	187,692,972

OPUC Measure vs. 9%

6.3%

Energy Trust of Oregon
Summary by Service Territory and Program
2016 Draft Annual Budget

	PGE	Pacific Power	Subtotal Elec.	NWN Industrial	NW Natural Gas	Cascade	Subtotal Gas	Oregon Total	NWN WA	ETO Total
Energy Efficiency										
Commercial										
Existing Buildings	30,612,568	17,628,549	48,241,117	1,422,838	5,360,594	1,108,257	7,891,689	56,132,806	713,551	56,846,357
New Buildings	9,945,339	5,628,237	15,573,577	50,736	1,303,375	259,652	1,613,762	17,187,339		17,187,339
NEEA	1,451,329	1,008,552	2,459,881		160,338	17,815	178,153	2,638,034	18,120	2,656,154
Total Commercial	42,009,237	24,265,337	66,274,575	1,473,574	6,824,307	1,385,724	9,683,605	75,958,179	731,671	76,689,850
Industrial										
Production Efficiency	19,584,727	11,841,858	31,426,585	1,984,854	718,672	104,255	2,807,782	34,234,367		34,234,367
NEEA	268,018	186,251	454,269					454,269		454,269
Total Industrial	19,852,746	12,028,109	31,880,854	1,984,854	718,672	104,255	2,807,782	34,688,636	0	34,688,636
Residential										
Existing Homes	8,155,838	6,851,446	15,007,284	0	4,718,440	254,549	4,972,989	19,980,273	457,256	20,437,529
New Homes/Products	14,498,768	8,866,175	23,364,944	0	5,159,716	770,777	5,930,492	29,295,436	417,624	29,713,060
NEEA	2,573,297	1,788,223	4,361,520		383,369	42,597	425,966	4,787,486	43,324	4,830,810
Total Residential	25,227,903	17,505,844	42,733,747	0	10,261,525	1,067,922	11,329,448	54,063,195	918,204	54,981,399
Energy Efficiency Program Costs	87,089,886	53,799,290	140,889,176	3,458,428	17,804,504	2,557,901	23,820,834	164,710,010	1,649,875	166,359,885
Renewables										
Solar Electric (Photovoltaic)	9,334,375	6,167,879	15,502,254					15,502,254		15,502,254
Other Renewable	2,387,585	3,443,250	5,830,835					5,830,835		5,830,835
Renewables Program Costs	11,721,960	9,611,129	21,333,089	0	0	0	0	21,333,089	0	21,333,089
Cost Grand Total	98,811,847	63,410,419	162,222,265	3,458,428	17,804,504	2,557,901	23,820,834	186,043,099	1,649,875	187,692,974

Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2016 Draft Annual Budget

COMBINED SERVICE TERRITORIES: Energy Efficiency & Renewables

EXPENSES	New											ETO Total
	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	Homes & Products	NEEA Residential	Washington (with NEEA)	Solar Renewables	Custom Renewables	
Program Management	2,158,014	667,780	-	1,442,512	-	908,062	1,299,317	-	107,622	621,096	491,680	7,696,083
Program Delivery	15,369,083	5,028,083	2,515,710	9,782,248	407,358	5,048,563	4,850,967	4,590,934	433,610	420,000	-	48,446,556
Incentives	32,438,501	9,143,625	-	19,872,790	-	9,834,120	18,448,806	-	721,469	12,978,909	4,474,087	107,912,307
Program Eval & Planning Svcs	1,557,391	721,138	31,223	921,967	31,223	851,855	571,228	31,223	113,947	88,451	33,510	4,953,156
Program Marketing/Outreach	1,567,274	540,078	-	262,000	-	1,496,245	1,650,334	-	85,982	188,500	42,000	5,832,413
Program Quality Assurance	50,000	-	-	-	-	-	-	-	-	-	-	50,000
Outsourced Services	289,401	196,714	-	345,000	-	176,251	393,000	-	27,550	269,000	412,500	2,109,416
Trade Allies & Cust. Svc. Mgmt	125,358	42,911	-	31,541	-	453,009	242,103	-	33,799	64,398	5,039	998,158
IT Services	486,588	212,102	-	225,618	-	427,533	725,097	-	33,061	124,350	105,012	2,339,361
Other Program Expenses	152,730	41,365	-	168,457	-	94,647	102,905	-	35,860	212,201	65,647	873,812
TOTAL PROGRAM EXPENSES	54,194,340	16,593,796	2,546,933	33,052,133	438,581	19,290,285	28,283,757	4,622,157	1,592,900	14,966,905	5,629,475	181,211,262
ADMINISTRATIVE COSTS												
Management & General	1,071,811	328,179	50,371	653,678	8,674	381,507	559,373	91,413	31,503	296,003	111,335	3,583,847
Communications & Customer Svc	866,657	265,362	40,730	528,558	7,014	308,483	452,303	73,916	25,474	239,345	90,025	2,897,867
Total Administrative Costs	1,938,468	593,541	91,101	1,182,236	15,688	689,990	1,011,676	165,329	56,977	535,348	201,360	6,481,714
Total Program & Admin Expenses	56,132,808	17,187,337	2,638,034	34,234,369	454,269	19,980,275	29,295,433	4,787,486	1,649,877	15,502,253	5,830,835	187,692,976
Energy Savings (kwh)	136,646,303	46,466,623	8,479,680	120,531,938	1,294,470	34,937,730	88,045,794	32,453,859				468,856,397
Energy Savings (therms)	1,735,381	597,301	-	1,036,453	-	787,964	1,242,399		258,152			5,657,650
Energy Generation (kwh)										24,818,200	81,895	24,900,095

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
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ENERGY EFFICIENCY

PGE

EXPENSES	Existing	New	NEEA	Production	NEEA	Existing	New	NEEA	ETO Total
	Buildings	Buildings	Commercial	Efficiency	Industrial	Homes	Homes & Products	Residential	
Program Management	1,173,366	386,841		743,467		361,130	653,799		3,318,603
Program Delivery	8,472,914	2,912,805	1,382,788	5,300,248	240,341	2,214,943	2,297,663	2,466,010	25,287,712
Incentives	17,607,399	5,282,315		11,734,139		3,886,025	9,193,934		47,703,812
Program Eval & Planning Svcs	863,679	421,661	18,422	539,932	18,422	353,135	292,522	18,422	2,526,195
Program Marketing/Outreach	862,710	313,080		149,852		589,282	836,560		2,751,484
Program Quality Assurance	27,254								27,254
Outsourced Services	131,269	113,774		197,325		71,893	194,363		708,624
Trade Allies & Cust. Svc. Mgmt	68,331	24,819		18,040		184,783	119,735		415,708
IT Services	265,233	122,673		129,043		174,391	358,605		1,049,945
Other Program Expenses	83,251	23,924		96,350		38,607	50,893		293,025
TOTAL PROGRAM EXPENSES	29,555,406	9,601,892	1,401,210	18,908,396	258,763	7,874,189	13,998,074	2,484,432	84,082,362
ADMINISTRATIVE COSTS									
Management & General	584,523	189,898	27,712	373,955	5,118	155,729	276,842	49,135	1,662,912
Communications & Customer Svc	472,640	153,550	22,408	302,376	4,138	125,921	223,852	39,730	1,344,615
Total Administrative Costs	1,057,163	343,448	50,120	676,331	9,256	281,650	500,694	88,865	3,007,527
Total Program & Admin Expenses	30,612,569	9,945,340	1,451,330	19,584,727	268,019	8,155,839	14,498,768	2,573,297	87,089,889
Energy Savings (kwh)	89,190,720	29,533,390	5,003,011	73,608,710	763,737	19,274,737	51,245,804	19,147,777	287,767,886

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
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ENERGY EFFICIENCY

Pacific Power

EXPENSES	Existing	New	NEEA	Production	NEEA	Existing	New	NEEA	ETO Total
	Buildings	Buildings	Commercial	Efficiency	Industrial	Homes	Homes & Products	Residential	
Program Management	695,025	218,919		492,171		292,331	407,464		2,105,910
Program Delivery	5,040,612	1,648,392	960,921	3,616,882	167,017	1,638,699	1,335,018	1,713,668	16,121,209
Incentives	9,938,818	2,989,368		6,652,377		3,480,460	5,668,952		28,729,975
Program Eval & Planning Svcs	497,358	238,625	12,801	314,376	12,801	296,657	178,881	12,801	1,564,300
Program Marketing/Outreach	498,770	177,176		90,608		512,137	527,191		1,805,882
Program Quality Assurance	15,695								15,695
Outsourced Services	93,468	64,386		119,312		60,395	118,855		456,416
Trade Allies & Cust. Svc. Mgmt	39,349	14,045		10,908		155,230	73,219		292,751
IT Services	152,737	69,423		78,026		146,500	219,292		665,978
Other Program Expenses	47,941	13,539		58,258		32,432	31,122		183,292
TOTAL PROGRAM EXPENSES	17,019,773	5,433,873	973,722	11,432,918	179,818	6,614,841	8,559,994	1,726,469	51,941,408
ADMINISTRATIVE COSTS									
Management & General	336,603	107,467	19,257	226,111	3,556	130,823	169,293	34,145	1,027,255
Communications & Customer Svc	272,174	86,897	15,571	182,831	2,876	105,782	136,888	27,609	830,628
Total Administrative Costs	608,777	194,364	34,828	408,942	6,432	236,605	306,181	61,754	1,857,883
Total Program & Admin Expenses	17,628,550	5,628,237	1,008,550	11,841,860	186,250	6,851,446	8,866,175	1,788,223	53,799,291
Energy Savings (kwh)	47,455,583	16,933,233	3,476,669	46,923,228	530,732	15,662,993	36,799,990	13,306,082	181,088,511

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2016 Draft Annual Budget**

ENERGY EFFICIENCY

NW Natural Industrial

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	38,915	915		137,197					177,027
Program Delivery	186,624	6,785		632,583					825,992
Incentives	1,066,443	37,540		1,038,689					2,142,672
Program Eval & Planning Svcs	35,402	1,913		47,829					85,144
Program Marketing/Outreach	23,621	368		15,227					39,216
Program Quality Assurance	1,271								1,271
Outsourced Services	1,983	583		20,050					22,616
Trade Allies & Cust. Svc. Mgmt	3,187	127		1,833					5,147
IT Services	12,372	629		13,112					26,113
Other Program Expenses	3,883	123		9,790					13,796
TOTAL PROGRAM EXPENSES	1,373,701	48,983	-	1,916,310	-	-	-	-	3,338,994
ADMINISTRATIVE COSTS									
Management & General	27,168	969		37,899					66,036
Communications & Customer Svc	21,968	783		30,645					53,396
Total Administrative Costs	49,136	1,752	-	68,544	-	-	-	-	119,432
Total Program & Admin Expenses	1,422,837	50,735	-	1,984,854	-	-	-	-	3,458,426
Energy Savings (therms)	443,244	9,600	-	700,716	-	-	-	-	1,153,560

Energy Trust of Oregon, Inc
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ENERGY EFFICIENCY

NW Natural Gas

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	215,682	50,955		54,266		206,242	207,328		734,473
Program Delivery	1,338,106	383,677	154,801	196,156		1,143,786	1,057,702	370,130	4,644,358
Incentives	3,232,352	695,780		404,385		2,362,524	3,120,805		9,815,846
Program Eval & Planning Svcs	133,377	49,148		17,318		191,720	86,851		478,414
Program Marketing/Outreach	153,935	41,239		5,513		378,716	250,427		829,830
Program Quality Assurance	4,790								4,790
Outsourced Services	23,984	14,986		7,260		41,713	69,413		157,356
Trade Allies & Cust. Svc. Mgmt	12,008	3,269		664		107,212	42,761		165,914
IT Services	46,610	16,158		4,748		101,183	128,069		296,768
Other Program Expenses	14,630	3,151		3,545		22,400	18,175		61,901
TOTAL PROGRAM EXPENSES	5,175,474	1,258,363	154,801	693,855	-	4,555,496	4,981,531	370,130	17,189,650
ADMINISTRATIVE COSTS									
Management & General	102,356	24,887	3,062	13,722		90,095	98,521	7,320	339,963
Communications & Customer Svc	82,764	20,123	2,476	11,096		72,850	79,663	5,919	274,891
Total Administrative Costs	185,120	45,010	5,538	24,818	-	162,945	178,184	13,239	614,854
Total Program & Admin Expenses	5,360,594	1,303,373	160,339	718,673	-	4,718,441	5,159,715	383,369	17,804,504
Energy Savings (therms)	1,098,008	518,170	-	300,722	-	752,193	1,114,085	-	3,783,177

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2016 Draft Annual Budget**

ENERGY EFFICIENCY

Cascade Natural Gas

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	35,026	10,150		15,411		48,359	30,726		139,672
Program Delivery	330,827	76,424	17,200	36,379		51,135	160,584	41,126	713,675
Incentives	593,489	138,622		43,200		105,111	465,115		1,345,537
Program Eval & Planning Svcs	27,575	9,791		2,512		10,343	12,974		63,195
Program Marketing/Outreach	28,238	8,215		800		16,110	36,156		89,519
Program Quality Assurance	990								990
Outsourced Services	38,697	2,985		1,053		2,250	10,369		55,354
Trade Allies & Cust. Svc. Mgmt	2,483	651		96		5,784	6,388		15,402
IT Services	9,636	3,219		689		5,459	19,131		38,134
Other Program Expenses	3,025	628		514		1,208	2,715		8,090
TOTAL PROGRAM EXPENSES	1,069,986	250,685	17,200	100,654	-	245,759	744,158	41,126	2,469,568
ADMINISTRATIVE COSTS									
Management & General	21,161	4,958	340	1,991		4,860	14,717	813	48,840
Communications & Customer Svc	17,111	4,009	275	1,610		3,930	11,900	658	39,493
Total Administrative Costs	38,272	8,967	615	3,601	-	8,790	26,617	1,471	88,333
Total Program & Admin Expenses	1,108,258	259,652	17,815	104,255	-	254,549	770,775	42,597	2,557,901
Energy Savings (therms)	194,129	69,532	-	35,015	-	35,771	128,314	-	462,761

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
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ENERGY EFFICIENCY

NW Natural Washington

EXPENSES	Existing	NEEA	Existing	New	NEEA	ETO Total
	Buildings	Commercial	Homes	Homes & Products	Residential	
Program Management	28,696		64,640	14,286		107,622
Program Delivery	135,392	17,494	109,336	129,560	41,828	433,610
Incentives	398,050		146,761	176,658		721,469
Program Eval & Planning Svcs	36,616		43,417	33,914		113,947
Program Marketing/Outreach	52,982		20,000	13,000		85,982
Program Quality Assurance						
Outsourced Services	1,000		6,000	20,550		27,550
Trade Allies & Cust. Svc. Mgmt	11,441		15,289	7,069		33,799
IT Services	10,812		21,834	415		33,061
Other Program Expenses	13,921		14,188	7,751		35,860
TOTAL PROGRAM EXPENSES	688,910	17,494	441,465	403,203	41,828	1,592,900
ADMINISTRATIVE COSTS						
Management & General	13,625	346	8,731	7,974	827	31,503
Communications & Customer Svc	11,017	280	7,060	6,448	669	25,474
Total Administrative Costs	24,642	626	15,791	14,422	1,496	56,977
Total Program & Admin Expenses	713,552	18,120	457,256	417,625	43,324	1,649,877
Energy Savings (therms)	151,056	-	47,693	59,403		258,152

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
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RENEWABLE PROGRAMS

PGE Renewables

EXPENSES	Standard Solar	Custom Projects	ETO Total
Program Management	373,459	201,331	574,790
Program Delivery	249,500		249,500
Incentives	7,818,909	1,959,656	9,778,565
Program Eval & Planning Svcs	53,259	15,532	68,791
Program Marketing/Outreach	113,502	15,960	129,462
Program Quality Assurance			-
Outsourced Services	161,973	43,320	205,293
Trade Allies & Cust. Svc. Mgmt	38,776	2,063	40,839
IT Services	74,875	43,000	117,875
Other Program Expenses	127,773	24,271	152,044
TOTAL PROGRAM EXPENSES	9,012,026	2,305,133	11,317,159
ADMINISTRATIVE COSTS			
Management & General	178,232	45,589	223,821
Communications & Customer Svc	144,117	36,863	180,980
Total Administrative Costs	322,349	82,452	404,801
Total Program & Admin Expenses	9,334,375	2,387,585	11,721,960
Energy Generation (kwh)	9,565,600	-	9,565,600

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2016 Draft Annual Budget**

RENEWABLE PROGRAMS

Pacific Power Renewables

EXPENSES	Standard Solar	Custom Projects	ETO Total
Program Management	247,637	290,349	537,986
Program Delivery	170,500		170,500
Incentives	5,160,000	2,514,431	7,674,431
Program Eval & Planning Svcs	35,192	17,978	53,170
Program Marketing/Outreach	74,998	26,040	101,038
Program Quality Assurance			-
Outsourced Services	107,027	369,180	476,207
Trade Allies & Cust. Svc. Mgmt	25,622	2,976	28,598
IT Services	49,475	62,012	111,487
Other Program Expenses	84,428	41,376	125,804
TOTAL PROGRAM EXPENSES	5,954,879	3,324,342	9,279,221
ADMINISTRATIVE COSTS			
Management & General	117,771	65,746	183,517
Communications & Customer Svc	95,228	53,162	148,390
Total Administrative Costs	212,999	118,908	331,907
Total Program & Admin Expenses	6,167,878	3,443,250	9,611,128
Energy Generation (kwh)	15,252,600	81,895	15,334,495

MEMO



Date: November 4, 2015
To: Board of Directors
From: Margie Harris
Subject: Proposed Staff for the Draft 2016 Budget and 2016-2017 Action Plan

In developing the Draft 2016 Annual Budget and corresponding Draft 2016-2017 Action Plan, Energy Trust identified ways to manage increased work load through a combination of work reassignments among existing staff, benefits from efficiency gains and specific outsourced contract assistance. In addition, one vacant staff position in renewables was re-assigned to support systems development needs for all energy programs.

As a result, Energy Trust proposes to add only one full-time equivalent staff position (FTE) in 2016, increasing from the current approved level of 104 to 105. This marks the lowest annual staff FTE growth in Energy Trust history, reflective of efforts to minimize new staff requests while also addressing workload demands and retaining focus on goals.

The recommended new staff position serves customer demand in the commercial and renewable energy groups, with a focus on solar project processing (approximately 60%) and customer support and incentive processing to address growth in the commercial strategic energy management (SEM) program (40%). The tasks completed by this proposed staff position correlate directly with the acquisition of additional renewable generation and efficiency savings, streamlining services to customers, closing projects and delivering incentive payments.

Additional Background

During 2015, a series of changes were made among existing energy programs staff to address strategic plan goals and organizational efficiency priorities. New roles and responsibilities were assigned to existing staff. A vacant renewable energy position was leveraged to enable an expanded focus on business systems development needed to serve programs. These changes, along with limited expansion of external contracting, resulted in a net overall decrease in renewables program staffing, while enabling sustained support for renewable project development and expanded focus on business systems development needed to serve programs.

The following sections summarize these changes and provide detail on the equivalent of 1 FTE being proposed in 2016:

1. **Operations Lead** – In early 2015, multifamily program manager Scott Swearingen was temporarily reassigned to a new role as operations lead. The role was established to represent and ensure IT business systems are designed and enhanced to address program-specific needs. The position proved essential during the replacement of the Fast Track project tracking system.

Agreement was reached to retain and expand this critical cross-organization function working across program sectors and IT, adding management of a team or “pool” of operations analysts utilizing IT business systems to support sector data collection,

analysis and reporting needs. This approach is providing much needed flexibility to efficiently balance program activities and provide strategic guidance on business systems operations and enhancements.

For example, the operations lead also now serves as the owner for the 'Year-End Incentive Changes' project, helping address capacity issues when multiple operations activities occur within condensed timeframes to support program changes. Providing senior leadership for ongoing business systems projects and prioritization, such as contractor- and customer-facing portals and utility customer information (UCI) data improvements, are also elements of this new role.

A vacant renewable energy management position was converted to create the operations lead position as a regular staff position. This downsized the number of Other Renewables Program project managers from 3 to 2, who in turn have assumed greater outreach and project development roles and also support project tracking of Renewable Energy Credits (RECs).

2. **Part-time staff to support both renewable energy and commercial Strategic Energy Manager (SEM) projects** – The proposed new single staff position for 2016 is to be allocated between the renewable energy programs (.60 FTE) and the commercial SEM program (.40 FTE). For renewable energy programs, the individual will focus on reviewing solar project applications, supporting a high volume of customer projects through to completion and incentive processing. For commercial SEM projects, the individual will focus on data entry, project tracking, reporting and incentive processing to project completion and customer service. Both programs are internally managed. The effect of additional resources in these two important areas is responsive customer service, including payment and incentive processing.
3. **Contract services** – As a way to flexibly address renewable energy program needs with fewer staff, Energy Trust plans to contract for more engineering and technical analysis services. Of all the possibilities examined, this is the most manageable and least disruptive approach. We have a precedent of contracting for potential renewable energy project analyses and this outsourced approach is used elsewhere within the organization, including in evaluation.

We anticipate issuing a Request for Qualifications (RFQ) to create a qualified pool of contractors to be available to analyze renewable projects and assist staff with project development and readiness for project approval. Staff will still need to perform contract oversight and quality control of any outsourced work.

Energy Trust of Oregon
 Capital Purchase budget
 Draft Budget 2016 - 2017

	Q1	Q2	Q3	Q4	budget
2016 Capital Acquisitions					
Capital Items - infrastructure					
Hyper V Servers	26,000	26,000			52,000
disk space for Growth		23,000			23,000
New Phone System			60,000		60,000
subtotal	26,000	49,000	60,000	-	135,000
Capital Items - Software Development					
Trade Ally Enrollment	171,000				171,000
Procurement and AP automation		50,000			50,000
Business customer portal			100,000		100,000
	171,000	50,000	100,000	-	321,000
TOTAL	197,000	99,000	160,000	-	456,000

(tab) Action Plans

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

Existing Multifamily

Program Description

The Existing Multifamily program serves all existing multifamily structures with two or more units in Energy Trust's service territory in Oregon. Owners and managers have a menu of offerings available to them, including financial incentives and services, for both in-unit and common-area improvements. The program provides expertise to help customers identify a comprehensive set of savings opportunities, including lighting site analyses, custom energy analysis studies, and tablet-based walkthrough surveys.

The program is designed to reach six types of multifamily market segments, including affordable, assisted living, attached residential owners, campus living, home owners associations, and market rate. An account manager approach is utilized to cultivate and maintain long-term relationships and foster participation across tracks.

Existing Multifamily consists of five primary savings tracks:

1. Buy-Down Promotions incentives are available to distributors through a mid-stream approach to encourage sales of efficient equipment and lighting to eligible customers.
2. Common-Area Lighting incentives are designed to address lighting and controls in non-tenant spaces. The program provides expertise to help participants identify these opportunities through on-site scoping studies.
3. Custom financial incentives are offered for measures that are shown to be cost-effective in a specific application, but do not fit within the scope of current standard financial incentives. The program provides funding for Allied Technical Assistance Contractors (ATACs) to conduct energy analysis studies and offers incentives for custom-analyzed measures based on modeled savings.
4. Direct Install instant-savings measures are available at no cost to participants, and include the installation of high-efficiency LED light bulbs, showerheads, shower wands and aerators as well as leave-behind energy saving power strips in tenant dwelling units.
5. Prescriptive incentives are available for water heaters, HVAC equipment, weatherization, appliances and foodservice equipment.

The program is delivered via a PMC contract with Lockheed Martin, and sub-contracts with Evergreen Consulting to deliver common area lighting services, and CLEAResult to conduct direct-installation services in tenant units.

2016 Strategic Focus

1. Deliver program to multifamily entities through Program Management Contractor Lockheed Martin, Inc., subcontractors and a statewide network of trade allies specializing in this market, and continue to expand services to customers who have not yet engaged with the program.
2. Continue to focus on delivering tailored program services to property owners, tenants, property management companies, trade allies and contractors, distributors, and manufacturers.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Existing Multifamily

3. Diversify measure mix and identify new savings opportunities to ensure a comprehensive suite of offerings to help participants save energy, as well as reduce reliance on direct-install measures for program savings to adapt to potential future challenges in delivering this offering.
4. Continue to expand program engagement throughout the state to reach new customers and go deeper with existing customers in all four utility service territories.
5. Build and leverage long-term relationships to help established customers implement energy savings strategies over time and across multiple capital budget cycles.

2016 Activities

Initiatives and focus areas for 2016 incorporate elements of the Strategic Plan including; expanding customer participation, replenishing energy efficiency resources through development of new measures and approaches, and continuously improving program design and services.

1. Continue to offer free in-unit direct installation of LEDs, showerheads and faucet aerators, and leave-behind advanced power strips during direct-install visits. The program will also launch an initiative conducting common area direct-install services in small multifamily properties (2-4 units) to obtain “stranded” savings not typically achieved through our standard lighting track.
2. Build upon learnings and continue research on 2015 pilots including: advanced power strip technologies as a leave-behind measure, (Q1); ductless heat pumps (billing data results anticipated December 2015 to inform 2016 measure continuation), Cadet Energy Plus space heating (continuation of the current pilot in 2015-16 heating season to test a buy-down model as a means to drive technology adoption); and water sub-metering in collaboration with the Portland Water Bureau (pilot launch anticipated in Q1 2016; final results not anticipated until 2017; pilot is planned for PGE customers),.
3. Identify potential new savings opportunities for further research, which could potentially include: heat pump clothes dryers, ventilation and infiltration optimization, low-e storm windows, building energy management and controls commissioning, and behavioral energy savings initiatives.
4. Recruit multifamily customers to participate in Energy Trust’s Strategic Energy Management offering.
5. Incorporate new program and customer facing tools to facilitate customer participation and leverage data for targeting new projects. These activities include PMC launch of an enhanced project tracking system, launch of an online auction tool to enable participants to solicit multiple contractor bids online, development of streamlined ways of filling out forms and uploading data into Energy Trust systems.
6. Streamline delivery by bringing certain aspects of the program delivery in-house to the PMC to reduce delivery costs, including site assessments and bringing on a lighting specialist dedicated to serving small and medium sized lighting projects.
7. Expand on mid and upstream buy down offerings, conducting outreach to suppliers and manufacturers of energy efficiency appliances and equipment and broadening the list of measures offered.
8. Continue to offer free technical expertise, including walk-through surveys and site assessments to help customers identify and prioritize energy savings opportunities.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Existing Multifamily

9. Continue to utilize past participant walkthrough surveys to re-engage with customers and drive deeper energy savings per property.
10. Drive gas savings through potential enhanced incentives for select measures and maintain momentum in uptake of steam traps and TRVs as highly cost-effective prescriptive gas savings measures for participants.
11. Provide deeper level of coordination support for affordable market customers and collaborate with affordable housing market actors, such as OHCS, to help customers maximize energy efficiency improvement opportunities.
12. Deploy grass-roots community outreach tactics to drive program participation and help tenants save energy, with a focus on non-Metro regions and smaller properties which are typically less engaged with our programs in those areas. Nine “Community Blitz” events and follow-ups are planned for 2016 in PAC and CNG territory
13. Explore potential behavioral initiative(s) to engage tenants to save energy.

Key Assumptions for 2016 Budget

1. While efforts will continue to be made to diversify the program savings mix, direct-install will continue to make up a significant portion if not the majority of savings in 2016. However, continued assessment of current measures which may be faced with cost-effectiveness challenges in the near-term future further drives the need to identify new savings opportunities to maintain a robust portfolio of offerings.
2. Savings in PGE are anticipated to plateau or see slight declines beginning in 2016. This is due to strong market saturation in the Portland-metro area, especially with the larger multifamily properties in this territory. Consistent with trends over the last several years, PAC is expected to see strong growth in savings in 2016 in all savings tracks. NWN is also anticipated to increase in savings in 2016 with strong momentum in buy-down and prescriptive tracks. In 2015, CNG has faced challenges which are expected to continue in 2016, with an estimated drop in savings by nearly half of the 2015 goal, due to having achieved a large portion of the opportunity in this territory. Remaining opportunity in CNG is largely in smaller properties, mainly through direct-install although it is hoped the program will gain traction through additional gas buy-down measures in 2016.
3. There will be a continued need to increase outreach to continue to achieve savings goals, with increasing costs per lead. Several factors contribute to this trend:
 - a. As the metro region becomes increasingly saturated, more emphasis is needed in non-metro areas;
 - b. While project counts have trended upward year-over-year, savings per project have declined, as many projects with the largest savings opportunities have been completed;
 - c. Focus will continue to increase on addressing participation gaps in customer segments historically not engaged with the program.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN
Existing Multifamily

2017 Strategic Focus

1. Maintain focus on program outreach to customer groups who historically have not had high levels of participation, as well as continued engagement with past participants to drive deeper energy savings improvements.
2. Continue to identify new savings opportunities to maintain a robust portfolio of program offerings.

Financial and savings information for the Multifamily Program is combined with the Existing Buildings Program

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

Existing Buildings

Program Description

Energy Trust's Existing Buildings program provides electric and gas energy-efficiency solutions for existing commercial buildings of all sizes throughout Energy Trust service territory. The board-approved program consists of three components: 1) management and delivery of the program for existing commercial customers via a Program Management Contractor contract with ICF International, 2) delivery of the Strategic Energy Management portion of the program via contracts with two Program Delivery Contractors, and 3) management and delivery of the Multifamily portion of the program via a PMC contract with Lockheed Martin. This document outlines activities consistent with components #1 and #2 above. The Multifamily portion is addressed in a separate document.

The ICF-managed portion of the program provides a comprehensive set of services through four primary program delivery tracks to help customers in all commercial market sectors achieve their energy efficiency goals.

1. The **Custom Track** enables the program to address customer-specific measure to acquire electric and gas savings from energy-efficient capital project installations and operations and maintenance, O&M. The program uses account managers and engineering firms to identify and promote customer opportunities. The program pays a group of qualified Allied Technical Assistance Contractors, ATACs, to conduct energy studies to assess the potential energy savings from specific custom measure installations. Program representatives work with customers to identify and install the measures that best meet their needs to acquire energy savings.
2. Through the **Prescriptive Track**, the program provides a variety of prescriptive measures with predetermined savings and incentives engineered to meet customer needs in a variety of different market sectors for buildings of all sizes. The program goes to market with these measures through a combination of direct outreach and nurturing a network of trade ally contractors to promote, sell and install the measures. The program will continue to expand collaboration efforts with trade allies to further leverage them as an effective sales force to increase uptake with previously unserved customers throughout Energy Trust service territory.
3. The program goes to market with the **Lighting Track** via a combination of direct program outreach and a well-developed network of trade allies. Lighting is typically an excellent first efficiency step for many customers. In addition to the traditional lighting track, the program developed mid-stream offerings that buy down the price of lighting products for small commercial customers and Oregon state agencies. Furthermore, ICF has contracted with an installation contractor to identify and install energy-efficient lighting applications for small commercial customers in predetermined geographic territories.
4. **Strategic Energy Management**, SEM, is delivered by two PDCs: Strategic Energy Group and CLEAResult. The PDCs provide training, tools and technical assistance to enable customers to save energy by establishing or improving energy management practices in their portfolio of buildings. SEM offerings aim to secure and deepen customer commitment to energy management, and improve customer capability to drive persistent, measureable improvements in the energy intensity of their operations.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Existing Buildings

2016 Strategic Focus

1. Continue to focus on delivering tailored program services to business owners, property owners, tenants, property management companies, trade allies and electrical/mechanical contractors, distributors, manufacturer representatives and manufacturers.
2. Maintain statewide program reach and develop opportunities to reach customers in under-participating areas.
3. Continue approach to develop and grow the Trade Ally Network to more effectively sell energy-efficiency projects of all types and sizes.
4. Adapt lighting program offerings to respond to changing market conditions and more stringent codes and standards.
5. Refine program offerings to drive customers to the most cost-effective measure applications in response to reduced gas and electric avoided costs.
6. Expand opportunities for customers to leverage operations and maintenance measures to capture low-cost energy savings opportunities.
7. Streamline program approaches to improve customer experience and capture efficiencies in implementation costs.

2016 Activities

1. Continue to provide direct outreach and technical services to help key customers maximize their energy savings, and use SEM as a key account management tool for targeted customers groups.
2. Explore higher custom incentive offerings to attract more customers to implement measures that will result in significant gas and electric savings.
3. Support and enhance program coordination with trade allies throughout the state to continue to sell lighting measures and expand sales opportunities for non-lighting measures. Deliver trainings on how to sell and install new technologies and how to identify other program opportunities and cross-sell measures within different end uses.
4. Continue to provide direct installation applications for small commercial customers, including expanding the offering for lighting and possibly expanding the list of eligible measures.
5. Provide incentives for technically sound and cost-effective LED lighting applications to adapt to rapidly changing LED technologies and their respective pricepoints.
6. Continue and possibly expand mid-stream incentives for targeted customer groups to serve customers that have not historically participated in Energy Trust programs.
7. Provide incentives to encourage customers to achieve energy savings through retrocommissioning. This offering will be targeted at buildings >20,000 sq.ft. and will provide custom incentives for first-year savings achieved by using qualified engineering firms to implement specific cost-effective O&M measures.
8. Expand Pay for Performance pilot to a standard offering to support operational and behavioral savings.
 - a. There is one building presently enrolled in the pilot. Based on lessons learned in this pilot, the program will launch an expanded offering targeting a limited set of customers that are required to comply with the City of Portland's benchmarking initiative.
 - b. This offering will be targeted at 5 to 10 buildings >50,000 sq.ft., and will provide incentives each year for three years for savings achieved from O&M and behavioral actions.

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Existing Buildings

9. Increase custom track participation and enhance the customer experience by streamlining the application process and customer engagement. Activities include updating participant-facing forms to reduce the number of signatures required and developing stronger modeling and calculation guidelines for ATACs to expedite technical reviews.
10. Work with other efficiency organizations to achieve regional economies to reduce product costs and ensure supply.
11. Support the City of Portland's benchmarking requirements through training and tailored program offerings.
12. Continue to coordinate with the Oregon Department of Energy to identify and study projects at schools in Energy Trust service territory. Work on methods to streamline study approvals and explore opportunities to implement prescriptive projects.
13. Coordinate with Northwest Energy Efficiency Alliance and other NEEA funders to leverage regional lighting coordination opportunities such as upstream buy-downs and contractor training.
14. Continue to develop tools to enhance the business case for energy efficiency investments, including updating existing program sales tool and leveraging other efforts such as NEEA's Existing Building Renewal Tool.
15. Continue to work with stakeholders to develop financing options through lending allies, leasing options and new financing mechanisms such as Property Assessed Clean Energy, PACE.
16. Continue to promote Building Operator Certification by providing incentives for customers to enroll in the course.
17. Continue to enhance SEM:
 - a. Encourage current participants to enroll in SEM Continuation offering.
 - b. Roll out new standardized curriculum and tools to streamline program delivery and enhance customer experience.
 - c. Expand delivery to customer subsets categorized by market, size, geography, etc.
18. Continue ductless heat pump pilot with modifications made in 2014 to allow multiple indoor heads to increase the number of enrolled projects.
19. Adjust custom incentive offering to encourage throughput on custom projects with gas savings.

2016 Assumptions

Overarching

1. 2016 budget and goals assume that spending on large energy users (who do not pay supplemental 838 charges) will remain under the incentive cap used to administer requirements that large energy users do not benefit directly from 838 funding. If analysis of 2015 spending (to be completed in Q2 2016) finds us over the cap in PGE territory, the program will need to act to reduce spending on these customers, and this would impact both savings and spending.
2. 2016 planned actions assume that the economic and policy environment that commercial customers and the program are operating in do not change in significant ways compared to 2014 and 2015.
3. Lighting will continue to play a large part in delivering electric savings, and LEDs will be the focus of most lighting projects.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Existing Buildings

Delivery

4. Large energy-saving projects will be less common than they have been in the past. The trend of needing to serve more small projects to make savings goals will continue and the average savings per project will continue to decline. This requires expanding the outreach and delivery team to serve an increasing project base, an enhanced focus to work with Trade Allies to sell program offerings, and a need to develop offerings to reach customers that have historically under-participated in the program.

2017 Strategic Focus

1. Serve all eligible commercial customers through a combination of outreach to customers and contractors and program offerings and incentives to influence customers to make significant investments in energy efficiency.
2. Expand on the portfolio of program offerings with a continued focus on SEM, Pay for Performance and other O&M-related offerings.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN
Existing Buildings including Multifamily

Year	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings	levelized cost	Savings	levelized cost
				aMW	(cents / KWh)	therms	(cents / therm)
2015 Forecast	\$43.8	\$5.2	\$49.0	14.3	3.7	1,693,226	34.5
2016 Budget	\$48.2	\$7.9	\$56.1	15.6	3.4	1,735,381	39.4
2017 Projection	\$48.5	\$8.0	\$56.5	15.3	3.4	1,743,265	39.0

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Incentives	29,643,312	29,344,461	32,438,500	33,187,378
Delivery Costs				
Program Management	702,000	702,000	803,579	821,631
Program Delivery	13,523,171	13,281,402	15,369,083	15,398,414
Marketing-PMC	944,936	944,936	1,098,273	1,470,381
Performance Comp	420,000	201,075	442,500	296,250
Total Delivery Costs	15,590,107	15,129,413	17,713,435	17,986,676
ETO expenses				
Staffing	679,919	861,472	911,935	971,315
Marketing	370,644	338,644	433,000	435,250
Other Services	1,300,012	859,437	1,265,400	735,500
General	122,500	43,500	69,150	71,088
Allocations	1,063,437	926,007	1,362,917	1,155,763
Sub-Total before Admin Costs	48,769,931	47,502,934	54,194,337	54,542,970
Administrative Costs	1,711,457	1,499,254	1,938,468	1,978,499
TOTAL EXPENSE	50,481,388	49,002,188	56,132,805	56,521,469

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

New Buildings

Program Description

Energy Trust New Buildings serves new construction, major renovations and tenant improvements, including multifamily and some new industrial core and shell. Working directly with building owners, developers, business owners and design professionals, New Buildings targets and delivers technical and financial resources to accelerate market adoption of high-performance equipment, buildings, advanced technologies and building design practices. The program team engages with projects in early design, working directly with the project team, owners and allies to incorporate energy efficiency early in the building design and development process. New Buildings will continue to drive significant changes to how buildings are designed and constructed, resulting in sustained market practices that promote high-performance buildings and the benefits of energy-efficient places to live, work and do business in Oregon.

Aggressive energy savings targets are feasible in today's market, creating one of the greatest market advantages for major initiatives aimed at deep energy-efficiency. This long-term strategic vision guides energy program savings goals, market development, innovation in delivery and the development of cost-effective measures and decision-making tools to transform the market.

New Buildings will drive deeper savings by deploying program resources in three delivery methods, or tracks:

- 1. System-based measures**
- 2. Custom modeled savings**
- 3. Packaged incentives**

Three initiatives will be continued: Path to Net Zero, Market Solutions targeted to 8 small commercial markets, and Allies for Efficiency for program training and education. Achievement of deep savings and the delivery of simple solutions will be supported with early design assistance, technical assistance, installation incentives and building commissioning.

With a mature program and ally network, paired with a strong economy, New Buildings plans to deliver increased project activity and savings over the next two years. To achieve utility-specific savings goals in 2016, and lay the foundation for future savings in 2017-2018, New Buildings will use the following strategies, delivered by Program Management Contractor, CLEAResult, and subcontractors.

2016 Strategic Focus

1. New Buildings' goal is to transform building design and construction practices for low-energy and net-zero building to become commonplace. Two critical pilots—Path to Net Zero and Small Commercial Efficiency—led to two innovative program offerings now standardized in the program, and these pilots helped shape how to deliver savings opportunities to a wide range of building owners and project teams and how to target deep energy savings. As some building owners lead with advanced designs and technologies, program staff capture early learnings then incorporate the emerging savings opportunities into approachable standard offerings for many market actors to adopt. This connection allows new Path to Net Zero design strategies to transfer to projects taking a prescriptive approach and that need simple, packaged solutions. Since the launch of Path to Net Zero and Market Solutions, New Buildings has begun to capture the synergies occurring in the market, leveraging net-zero strategies and solutions to further serve under-participating market

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

New Buildings

segments, helping these customers make bigger leaps and save more energy.

2. Build a market advantage for advanced buildings and enable broad adoption of advanced design strategies and technologies. With the emergence of net-zero design practices on a national level, there is greater interest in Path to Net Zero and energy-efficiency. However, achieving net-zero goals will remain a challenge for most projects and allies in these early stages of market adoption. Many owners and allies need increased familiarity with how to approach a net-zero design, energy modeling and systems selection before applying these strategies to their projects, but many are beginning to emerge and embrace net zero.
3. Increase owners' ability to target, achieve and sustain deep energy savings. To expand the application of net zero design strategies across a wide range of building types, sizes and climate zones, New Buildings will build capacity and knowledge among owners and developers to create high-performance buildings that achieve deep energy savings. This requires deploying more tactics that support owners, including: high-level, easy-to-use tools that support early decision making and help them set requirements for their building; case studies of building strategies and occupant satisfaction; and recognition and reward for their accomplishments. But the program will also help owners and professionals address challenges with value-engineering by providing owners with examples of performance-based contracting alternatives. Introduce and begin to standardize energy modeling and analysis tools that inform early design decisions, and empower allies designing next-generation buildings with better analytic tools that support the business case for owner-driven decision making.
4. Build knowledge and market momentum to accelerate the adoption of Path to Net Zero, putting Architecture 2020 milestones within reach for customers. Continue with two long-running training series building upon the Allies for Efficiency and the Building Energy Simulation Forum, and add Allies for Efficiency Level II trainings to provide in-depth lessons on technologies and tools and resources on complex analysis and decision-making. The program will continue to use the forums to build better bridges between contractors, designers and owners. As awareness of high-performance building design grows, empowering allies to successfully design and construct becomes critical. To encourage greater understanding and application of design and savings strategies, research on high-priority topic areas will be supported and results shared with the design community, through Allies for Efficiency and disseminated to project teams. As the number of buildings grows, the program will promote higher-level achievements through Allies for Efficiency and enhance the successful long-term training and education initiative to expand learnings.
5. Continue supporting small commercial building owners and businesses with streamlined building-type-specific incentive packages, called Market Solutions, that make it easy to participate. Eight Market Solutions, each with a Good/Better/Best incentive options, are available to customers and allies including office, retail, primary schools, small multifamily, large multifamily, grocery, restaurant and office tenant improvements. The program will support business owners occupying very small spaces with tips and guidance to access services through the Trade Ally Network.
6. Maintain and grow opportunities for core savings in buildings related to lighting, building controls, heating, cooling and ventilation, and IT equipment. Continue support for advanced lighting design and lighting controls, with the objective of driving reductions in lighting power density across a wide range of buildings and applications. Update the lighting calculator to include new controls. Collaborate with Northwest Energy Efficiency Alliance on their Luminaire Level Lighting Controls work. Retool HVAC savings approaches to address the decline in roof-top HVAC units that are

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

New Buildings

now becoming code baseline. Identify advanced savings measures that need to be piloted or made prescriptive for small businesses. Continue to support data centers, adjust baselines and identify market transformation activities targeting equipment sizing in facilities.

2016 Activities

1. Continue building market demand among commercial building owners and developers increasingly on the Path to Net Zero, and provide them with recognition and rewards in the early design phase as projects are getting underway. Work with current Path to Net Zero project teams to achieve their energy-savings targets, reward their success and begin to advance the program's community building strategy.
2. Grow the number of advanced energy savings measures available to the market. Aggressively standardize innovative savings measures into simple solutions ready for market adoption.
3. Pilot technologies and strategies that are viable and increasingly appealing to the market, but it has been difficult to determine their costs and savings.
4. Continue to couple early design assistance with Market Solutions Good/Better/Best packages targeting grocery, small multifamily, office, retail, restaurant and schools, large multifamily and office tenant improvement.
 - Expand the retail package to include a pathway for retail tenant improvements focused on lighting and control strategies
 - Examine ways to leverage the Best and Very Best options toward net zero energy design.
5. Continue regional program delivery to Eastern Oregon, Central Oregon, Southern Oregon and the Willamette Valley, and increase outreach activities to building owners along the coast and Columbia corridor. Expand project support in Southern Oregon and Central Oregon.
6. Continuously improve how customers tap into services and incentives, leveraging online processing and enrollment.
7. Expand delivery of training and education—under the umbrella of Allies for Efficiency—to reach new audiences, technical specialists, construction contractors and trades with enhanced content.
8. Update the data center offering to be more streamlined and design-focused. Develop training and education materials with the objective of shifting IT design practices and deliver content through new market channels.
9. Update solar and solar ready offering and market engagement strategy.
10. Adapt to reduced gas and electric avoided costs to provide cost-effective measures, providing more services as necessary to aid the customer's decision making and redefining recommendations to limit marginally cost-effective measures.
11. Work with other organizations to build market momentum for net-zero energy, advanced design and construction.
12. Increase code knowledge and compliance through training, education and project support, and increase access to resources that can be used by code officials to increase compliance of energy codes.
13. Coordinate with NEEA to leverage regional activity and content, and prepare for code updates.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

New Buildings

2016 Assumptions

1. Statewide growth in construction will continue steadily and vacancy rates for large market segments are low, causing across-the-board demand for new construction and major renovation space. The program will manage to historically high levels of statewide construction activity and plans to deliver 70% more energy savings compared to 2015. Program staff assume that the program will continue to influence the market to build energy-efficient buildings when the pace of construction is so fast it may crowd out energy-efficiency.
2. Large volumes of projects from two market segments will close: multifamily pipeline contains 100 buildings that we assume will close in 2016 with significant electric and gas savings, and that distribution centers will continue to expand in 2016, tapering off in 2017. We anticipate that several significant distribution center projects will enroll and close in 2016.
3. The 2014 Oregon Energy Efficiency Specialty Code was not widely reflected in program offerings, but will limit available prescriptive HVAC offerings, which could have a ripple effect on market solutions packaged incentives.
4. Growth in major market segments will continue, including office, retail, schools and multifamily segments. Projects will complete within the timelines projected.
5. Project teams strive to reach deeper energy savings goals, tapping into program offerings such as Path to Net Zero and Market Solutions Good/Better/Best.
6. The state's first 30 Path to Net Zero projects will be successful as they undergo design and completion.
7. Large Projects: One large commercial project in Pacific Power territory will close in 2016, completing with today's projected savings estimates. Another large project in PGE territory is assumed to close in 2016, which presents a slight risk to our goal if delayed. As in past years, large projects could enroll in 2016 and close in 2016, but this scenario is unlikely and therefore it is assumed no unenrolled projects will close in 2016.

2017 Strategic Focus

1. Continue to implement strategies that support our goal to transform building design and construction practices for low-energy and net-zero building to become commonplace.
2. Continue to fine tune and adjust program offerings and approaches to drive energy-efficiency in the market, leveraging much of the program's 2016 activities and new developments toward deep savings, and increasing program reach.
3. Continue to focus on identifying the next-in-line energy saving strategies and measures – in particular program staff will focus on applications for small commercial buildings.
4. Prepare for possible changes to Oregon Energy Efficiency Specialty Code in 2017.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

New Buildings

	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (cents / KWh)	Savings therms	levelized cost (cents / therm)
2015 Forecast	\$12.5	\$1.5	\$14.0	4.8	3.0	492,229	93.6
2016 Budget	\$15.6	\$1.6	\$17.2	5.3	3.2	597,301	22.6
2017 Projection	\$15.6	\$1.8	\$17.4	6.4	2.3	609,692	26.2

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Incentives	5,608,266	7,268,439	9,143,625	9,270,619
Delivery Costs				
Program Management	212,540	212,540	229,092	229,092
Program Delivery	4,262,395	4,262,395	5,028,083	5,150,075
Marketing-PMC	326,245	326,245	416,078	416,078
Performance Comp	120,000	117,500	130,000	130,000
Total Delivery Costs	4,921,180	4,918,680	5,803,253	5,925,245
ETO expenses				
Staffing	333,895	260,509	308,688	329,393
Marketing	129,500	113,500	123,000	123,000
Other Services	412,512	384,926	593,715	426,500
General	11,000	8,500	14,500	3,000
Allocations	623,922	535,927	607,017	662,718
Sub-Total before Admin Costs	12,040,275	13,490,481	16,593,798	16,740,475
Administrative Costs	481,363	487,021	593,541	641,716
TOTAL EXPENSE	12,521,638	13,977,502	17,187,339	17,382,191

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Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

Production Efficiency

Program Description

Energy Trust's industry and agriculture sector provides electric and gas energy-efficiency solutions for all sizes and types of eligible industrial and agricultural businesses through the Production Efficiency program. The program provides a robust set of services and incentives through three primary delivery tracks to help these energy-intensive businesses achieve cost-effective savings on an ongoing basis. The program is designed and managed in-house by industry and agriculture sector staff, and is delivered to market through the support of a large number of contractors and other market actors.

1. The **Custom Track** allows for a comprehensive approach to gas and electric process efficiency projects, retrofits and operations and maintenance, O&M. Custom Program Delivery Contractor industrial efficiency experts act as long-term energy efficiency account managers for industrial customers of all sizes and types in their assigned geographic territory. PDCs provide turnkey support to participants in their assigned geographic territories, helping participants identify specific efficiency opportunities and facilitating their ongoing participation in Energy Trust programs. They achieve savings goals through developing and delivering custom projects, which represent more than one-half of Production Efficiency program savings. Allied Technical Assistance Contractors, ATACs, provide analysis for custom projects to support customer and program investment decisions.
2. **Strategic Energy Management, SEM**, provides training, tools and the technical support of SEM coaches to enable customers to save energy by establishing or improving energy management practices in the workplace. SEM offerings aim to secure and deepen customer commitment to energy management and improve their capability to drive persistent, measureable improvements in the energy intensity of their operations.
3. The **Streamlined Tracks** focus on simpler, more common equipment measures, typically installed through Energy Trust trade allies and other vendors. The Streamlined Tracks are delivered by specialized PDCs who focus on trade ally outreach and training, project verification and delivery of savings from streamlined measures, and new measure and tool development. The trade ally delivery channel leverages long-term vendor relationships as a primary influence on customer decision-making. The lighting Trade Ally Network delivers all types of lighting projects at industrial sites. The Streamlined Industrial and Agricultural Initiative, SI, delivers savings from irrigation measures, small compressed air, variable frequency drives and other prescriptive and calculated measures.

2016 Strategic Focus

1. Continue to implement and continuously improve current, effective Custom, Streamlined and SEM offerings.
2. Provide more outreach, technical services and other support to increase savings from the agriculture sector and small- to medium-sized industrial customers.
3. Redesign and implement an SEM offering for industrial sites that have previously participated in the program's first year SEM offering, and recruit new SEM participants.
4. Increase gas savings and the number of gas projects completed in all tracks.

ENERGY TRUST 2016-2017 ACTION PLAN

Production Efficiency

5. Working with other organizations such as Northwest Energy Efficiency Alliance, Pacific Northwest National Laboratory and others, provide information and help deploy emerging technologies. More commonly in industry, this involves more unusual, rarely deployed applications of existing technology, such as smart manufacturing controls, energy information systems and Performance+ lighting design.
6. Continuously improve internal processes and systems, including use of data and information to support program activities and technical management of all tracks.

2016 Activities

Ongoing

1. Continue to use Custom PDCs as long-term energy efficiency account managers and technical consultants for all types and sizes of industrial customers.
2. Continue to use Streamlined PDCs to develop new streamlined and lighting measures and to recruit, train and support trade allies.
3. Achieve greater geographic diversity of both gas and electric savings by improving outreach efforts to trade allies across the state. Continue to develop and support their use of the streamlined industrial calculator tools for small compressed air, irrigation and other measures.
4. Promote uptake and increase volume of refrigeration-related streamlined measures, particularly fast-acting doors and refrigeration controls.
5. Diversify and increase SEM participation by offering the one-year, introductory Core SEM offering to 25 to 30 new sites in 2016.
6. Drive integration of lighting controls and other best practices in comprehensive lighting projects through ongoing promotion of Performance+ and other advanced lighting strategies.
7. Working with utilities and other industry partners, improve awareness of the benefits of efficiency and services available for small- to medium-sized industrial customers.

In Development and New Initiatives

8. Develop tools that reduce PDC effort and cost associated with providing custom engineering services at smaller industrial sites, beginning in 2016 with a tablet-based tool to support site walk-throughs and quickly generate scoping studies for energy-efficiency opportunities.
9. Develop and launch a multiyear Continuous SEM offering for the 130+ customers who have previously participated in introductory SEM offerings.
10. Provide outreach, technical services and incentives to reduce the energy use of new or expanding cannabis production facilities. Engage with local market actors and peers in other states to accelerate understanding of technical solutions for this sector and inform planning and program strategies.
11. Enable customer self-service for information about historical participation in Energy Trust programs and the status of projects in process through development of an online Business Customer Portal.

ENERGY TRUST 2016-2017 ACTION PLAN

Production Efficiency

2016 Assumptions

Overarching

1. 2016 budget and goals assume that spending on large energy users (who do not pay supplemental 838 charges) remains under the incentive cap used to administer requirements that large energy users do not benefit directly from 838 funding. If analysis of 2015 spending (to be completed in Q2 2016) finds us over the cap in PGE territory, the programs will need to act to reduce spending on these customers, and this would impact both savings and spending.
2. 2016 planned actions assume that the economic and policy environment that manufacturers and the program are operating in do not change in significant ways compared to 2014 and 2015.

Delivery

3. Delivery costs for 2016 continue to scale predictably with working (gross) savings goals, with only very minor adjustments in the run rate on two of the five delivery contracts. Despite this, delivery costs will show a perceptible upward trend compared to 2015 due to changes in the free ridership evaluation factor that resulted in a loss of 8 percent of savings net-to-gross compared to 2015. This change simply means that the PDCs have to pursue more working savings in order for the program to reach the same reportable savings goals.

Incentives and Savings

4. Most incentive levels appear to be optimized now and are working to successfully bring in savings. No major incentive changes will be proposed for Custom incentives in 2016, but some calculated and prescriptive measures may be adjusted, as needed.
5. The program did not budget for a bonus incentive in 2016, but may implement a well-defined bonus if savings forecasts in 2016 show significant gaps in the project pipeline. In the event this were to occur, we assume that existing, uncommitted incentive budgets would be sufficient to support targeted additional spending toward reaching goal.
6. The budgeted cost (run rate) for lighting incentives has been increased slightly, by less than one cent/ kWh, in accordance with recent spending trends. This increase is reflective of the higher cost of LEDs, but LEDs also benefit from longer measure life and a better levelized cost.
7. Gas incentive run rate assumptions have been decreased slightly to better reflect recent acquisition costs.
8. More savings are expected to come from Custom projects in 2016 than in recent years, and less from relatively low-cost SEM. The increased acquisition cost per kWh is balanced by the much longer measure life of Custom projects.
9. Layered on to this shift from SEM savings to more Custom projects is the cost associated with the net-to-gross factor on all electric projects, which has the single biggest impact on the program's increasing incentive costs in 2016.

2017 Strategic Focus

1. Use, maintain and improve mature and developing program strategies, relationships, offerings, initiatives and tools.

ENERGY TRUST 2016-2017 ACTION PLAN

Production Efficiency

	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (cents / KWh)	Savings therms	levelized cost (cents / therm)
2015 Forecast	\$28.0	\$2.4	\$30.4	11.8	3.2	1,577,919	14.3
2016 Budget	\$31.4	\$2.8	\$34.2	13.8	2.8	1,036,453	23.7
2017 Projection	\$32.0	\$2.8	\$34.8	16.3	2.4	1,036,453	23.6

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Incentives	18,348,595	16,723,611	19,872,790	20,530,766
Delivery Costs				
Program Management				
Program Delivery	9,513,155	9,683,155	9,782,248	9,782,248
Marketing-PMC				
Performance Comp	330,000	205,000	325,000	325,000
Total Delivery Costs	9,843,155	9,888,155	10,107,248	10,107,248
ETO expenses				
Staffing	1,085,455	946,917	1,117,512	1,192,075
Marketing	234,000	222,000	259,000	259,000
Other Services	952,852	1,067,714	907,000	698,000
General	62,500	62,900	60,500	60,500
Allocations	663,521	580,287	728,082	758,835
Sub-Total before Admin Costs	31,190,078	29,491,584	33,052,132	33,606,424
Administrative Costs	1,081,503	926,381	1,182,236	1,190,221
TOTAL EXPENSE	32,271,581	30,417,965	34,234,368	34,796,645

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Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

Existing Homes

Program Description

The Existing Homes program provides customer service, technical assistance and financial incentives for residents of single-family and manufactured homes. The program encourages efficient space heating, water heating, weatherization, lighting, water conservation and behavioral actions through incentives, education, trade ally support and market interventions through the following program tracks or key initiatives:

1. **Single Family Prescriptive** acts as the foundation for Existing Homes program tracks. The availability of cash incentives allows customers to have an à la carte option for energy-efficiency upgrades and provides trade allies with a basis for helping customers who do not qualify for or are not interested in multiple improvements. Available incentives must be cost-effective with both Utility and Societal Benefit Cost Ratios over 1.0. Incentive levels are adjusted in response to market conditions, which in some cases include the desire to stimulate the market to install energy-efficient measures and encourage market transformation for certain measures.
2. **Home Performance with ENERGY STAR®** is a residential whole-house energy-efficiency program for the existing homes market, delivered exclusively by contractor firms employing Building Performance Institute-certified field staff. Home Performance with ENERGY STAR is founded on the “house as a system” approach to building functionality, which integrates progressive concepts of building science and places a strong emphasis on health and safety as well as building durability. The U.S. Department of Energy began to administer the Home Performance with ENERGY STAR program in October 2011 and works in conjunction with the U.S. Environmental Protection Agency to support local program sponsors. Energy Trust is Oregon’s statewide sponsor and manages trade ally involvement, program promotion, project verification, incentive processing and reporting. The incentives and measures within the Single Family Prescriptive track are the basis of the measures implemented through Home Performance with ENERGY STAR.
 - Enhabit (formerly Clean Energy Works) is a nonprofit that provides customers with a comprehensive list of energy-savings measures and opportunities to finance selected upgrades. Enhabit began as a pilot program with Energy Trust and the City of Portland, and evolved within the Home Performance with ENERGY STAR track. In April 2010, the U.S. Department of Energy invested in the pilot to advance the model statewide. Now, Enhabit functions as an independent nonprofit and maintains strong partnerships with utility companies, local lenders, local governments, Energy Trust, the Oregon Department of Energy and the U.S. Department of Energy.
 - Enhabit provides eligible customers with free home energy assessments and dedicated Energy Advisors to help homeowners through every step of the energy-efficiency retrofit process, including coordinating contractor involvement and choosing financing and upgrade options. The program offers no-money-down financing to customers, reducing the financial barriers to investing in energy-efficiency upgrades.
3. **Savings Within Reach** addresses barriers to moderate-income households by providing higher incentives paid directly to the contractor, lowering costs and reducing out-of-pocket expenses for participants. This incentive track is not a program, but rather a set of enhanced incentives designed

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Existing Homes

to improve accessibility and affordability of home energy improvements. An on-bill loan repayment product has been available for Savings Within Reach customers of Portland General Electric, Pacific Power and NW Natural gas since 2014.

4. The **Existing Manufactured Homes track** promotes energy savings in the manufactured housing sector by offering select single-family prescriptive measures and Savings Within Reach incentives to income-eligible occupants and providing no-cost air sealing, duct sealing and repair, and direct installation of light bulbs, faucet aerators and showerheads. The no-cost weatherization services are designed to provide accessibility of home energy improvements for a demographic that may be underserved due to supposition of lower income level association. The PMC creates and maintains relationships with participating contractors, Oregon Department of Housing and Community Services, community action programs and other relevant stakeholders to identify outreach opportunities, key communities and eligible customers unaware of program benefits.
5. **Energy Saver Kits** and **LivingWise Kits** deliver savings for the Existing Homes program through two pathways:
 - Energy Saver Kits, including energy-saving water and lighting products, are offered at no cost to homeowners and renters. They can be ordered online and shipped to the recipient's home. Each kit contains a combination of LED light bulbs, bathroom and kitchen faucet aerators and showerheads determined by the customer's responses to an online questionnaire. The PMC contracted with Energy Federation, Inc. in 2015 to provide customer service for the Energy Saver Kit phone line, manage and order the kit inventory, and assemble and ship Energy Saver Kits.
 - The LivingWise Kit curriculum focuses on energy education opportunities aimed at 6th grade students and their families. Students are provided with energy- and water-saving devices, which are taken home and installed with family members. Students and teachers work to understand and appreciate the value of natural resources in everyday life. The PMC contracts with Resource Action Programs for implementation and delivery of LivingWise curriculum through Oregon schools.

2016 Strategic Focus

1. Deliver program through PMC CLEAResult, subcontractors, trade allies and market actors.
2. Redesign program offers to further cost-effective delivery approaches and maximize returns for participating customers and the utility customer base as a whole.
3. Establish thresholds of portfolio savings achieved through instant savings measures while continuing to grow savings from heating and water heating equipment.
4. Streamline program touch points and guide customers to relevant resources and support, based on customer disposition, utility consumption and housing characteristics.
5. Maintain statewide program reach while seeking out opportunities to partner with jurisdictions and market actors to reach customers in under-participating areas.
6. Develop new market interventions aimed at leveraging opportunities within existing supply chains and market actors.
7. Implement targeted and cross-sector marketing strategies to support equipment installations and promote offerings for residential customers, ensuring that eligible customers continue to see

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Existing Homes

incentives and offers available to them as program designs change.

2016 Activities

1. Accelerate adoption of efficient gas and electric water heaters, leveraging the results of 2015 market research, education of trade allies and participation within the distribution chain. Expand on agreements with distributors and supply chain actors to increase market share of efficient heating and water heating equipment.
2. Improve customer and trade ally experiences through continued focus on ease of participation and offering instant incentives.
3. Deliver instant savings measures savings through LivingWise Kit curriculum in schools, capturing site data to re-engage participating parents with energy-saving opportunities.
4. Collaborate with the Products program to increase customer adoption and installation of self-installed, web-enabled smart thermostat controls.
5. Drive customer awareness of home energy use by integrating EPS™ into customer engagement pathways.
6. Expand and streamline financing options for homeowners to broaden eligible measures in the market-rate and moderate-income tracks and improve pre-approval and application processes.
7. Continue to evolve program quality assurance processes to reduce administrative impacts and leverage technology innovations, program partners and available data resources.
8. Implement pilots to discover new cost-effective electric savings drivers in anticipation of reduced savings from lighting measures and lower electric avoided costs.
9. Expand on program efforts to promote gas furnaces in single-family rental homes and electric heating system retrofits in manufactured homes.
10. Offer weatherization incentives to gas and electric customers, with specific efforts to target resource achievement in moderate-income homes and single-family rental properties.
11. Evaluate existing manufactured homes free service track and provide recommendations for 2017 program design.

New Delivery Concepts

1. Drive an increase above the 2 percent of domestic water heater savings in the portfolio. The program will restructure contractor-installed domestic water heater incentives to an upstream model and collaborate with Products to incorporate self-installed domestic water heaters to the Products program through retailer strategies—final design based on domestic water heater market research.
2. Offer program incentive to maintain gas hearth baseline for electronic ignition paired with a Market Actor Performance Incentive allocated across New and Existing Homes to drive gas hearth savings across residential sector.
3. Explore option to extend the kit ordering process to include a partial pay option to maximize savings and ease of participation with each customer touch point. This could include products like advanced power strips and smart thermostats with a bulk buy-down reduced rate and instant incentive, which would add value for customers and increase administrative efficiencies. This

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Existing Homes

supports diversification of kit savings in anticipation of LED cost-effectiveness constraints in 2017.

4. As an outcome of the 2015 EPS™ concept map project, transition focus from building a network that delivers scores to driving awareness and demand for EPS with our customers. This will integrate with program customer engagement platforms and create a streamlined, comprehensive customer engagement approach.
5. Collaborate with the Portland General Electric behavioral demand response pilot to evolve crossover and impact of energy savings and implement a behavior energy-efficiency pilot to leverage PGE pilot components to test behavioral energy efficiency savings opportunity.
6. Explore opportunity to collaborate with regional community action agency service delivery channels to support HVAC installations and acquire heating savings.
7. Support the NW Natural Clean Heat initiative to ensure installation of-high efficiency gas furnaces through the targeted offering.

Program Enhancements

- Customer Experience
 - Support systems enhancements to improve customer experience and application processing based on identified business systems priorities including web form enhancements, improved email communication, on-bill repayment processing and the Trade Ally Portal.
 - Continue to implement customer engagement strategies and reduce barriers to participation by simplifying messaging, streamlining customer engagement touchpoints and aligning customer-facing promotional channels.
 - Reduce processing timeline per project with streamlined processes, upstream designs, trade ally-based incentives and bulk processes.
- Regional Delivery
 - Regional account managers will collaborate to represent Energy Trust across New Homes, Existing Homes and New Buildings programs based on specific initiatives and market actor relationships across programs.
 - Support region-specific initiatives, including, but not limited to, NW Natural Clean Heat, wood stove replacement programs with South Central Oregon Economic Development District in Southern Oregon and Washington county, and local coordination with community action agencies.
 - Support the Georgetown Energy Prize projects through direct installation of energy-efficient products and community engagement.
 - Focus promotional Energy Trust offers to moderate-income residents and rental property owners in under-participating regions.
- Market Engagement
 - Continue account manager customized outreach and relationship development with key trade ally and market actors to drive participation and regional savings.
 - Continue to increase participation and impact of distributor SPIFs.

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Existing Homes

- Collaborate with utilities to drive program participation with trade allies and customers.
- Design a media plan that focuses on customer benefits of working with trade allies, supporting the customer call to action of hiring a trusted trade ally.
- Use business development funds to design a campaign ally model to drive core measure savings for Existing Homes.
- Collaborate with Products to align retail and targeted marketing to residential customers with products that cross over both programs.
- Collaborate with regional initiatives including NEEA Hot Water Solutions and NW Ductless Heat Pump Project to support cost-effective program delivery and savings acquisition.
- Analysis and Evaluation
 - Conduct new measure research supported by CLEAResult in 2016, including Low-E storm windows for electrically heated manufactured homes.
 - Define analytics and baselines to measure impact of program design changes over time prior to the launch of new initiatives.
 - Support the sorting of residential savings across multiple programs/channels (Nest, advanced power strips, hearths, domestic water heating).

Marketing Activities

- Drive conversion rates from Energy Saver Kits and online Home Energy Reviews to core measures through tailored communications and targeted marketing efforts.
- Design and implement a campaign ally marketing effort for 3-star trade allies to promote specific core measures using lessons learned from the success of the Existing Buildings effort in 2015.
- Continue to build customer awareness of Energy Trust offerings and energy-saving opportunities as the program works upstream with market actors to drive savings.
- Reduce focus on broad marketing, and design targeted marketing campaigns and refined media buys that drive core measure savings.

2016 Pilots

- Pilot concepts are under review for 2016 and will be selected in collaboration with Energy Trust residential team and Planning.

2016 Assumptions

1. Staff will manage budget to comply with program-level cost-effectiveness goals.
2. Hearth distributors and manufacturers will support strategies and share data as part of a transition of hearth incentives to both consumers and retailers/distributors.
3. Opportunities exist to partner with utilities to promote data-driven behavior messaging.
4. Gas avoided costs will remain consistent with 2015 levels.
5. There will be new water heater upstream incentives designed to support stocking of qualifying products and recognize savings at time of install.
6. LED A-Lamp incentives will decrease in 2016, reducing the Energy Saver Kit incentive expenditure

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Existing Homes

by approximately \$500,000, and the savings per A-Lamp bulb will decrease from 15 to 10 kilowatt hours.

7. An increase in electric equipment projects will offset a significant reduction in domestic water heating savings and implementation of a minimum 9.0 HSPF requirement.
8. Inclusion of Nest thermostats across fuel types will result from two past pilots. Nest savings and incentive spending are conservative in the budget, as the measure is new. However, the program sees high potential for heating savings through this channel.
9. Reduction in weatherization savings, including reduced project volume from Enhabit.

2017 Strategic Focus

1. Further refinement and development of 2016 strategic focus areas, with a goal of increasing portfolio Benefit Cost Ratios while continuing to acquire cost-effective efficiency resources.
2. Build on mid-stream designs established for lighting and showerheads to encourage the adoption of efficient technologies by residential ratepayers.
3. Facilitate sector sorting and redesign of program delivery approaches to further cost-effective investments among the residential sector as a whole.

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Existing Homes

Year	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (cents / KWh)	Savings therms	levelized cost (cents / therm)
2015 Forecast	\$15.9	\$5.7	\$21.6	4.7	3.5	885,386	46.1
2016 Budget	\$15.0	\$5.0	\$20.0	4.0	3.8	787,964	45.0
2017 Projection	\$13.6	\$5.0	\$18.6	3.7	3.7	794,745	45.1

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Incentives	11,158,110	10,898,253	9,834,120	8,725,956
Delivery Costs				
Program Management	408,090	389,555	278,167	260,980
Program Delivery	5,312,690	5,147,620	5,048,563	4,659,549
Marketing-PMC	1,341,471	1,334,670	1,201,245	1,139,992
Performance Comp	200,000	200,000	200,000	200,000
Total Delivery Costs	7,262,251	7,071,845	6,727,975	6,260,521
ETO expenses				
Staffing	460,699	394,626	429,894	458,755
Marketing	393,250	343,250	290,000	290,000
Other Services	711,512	574,495	551,250	343,750
General	73,500	48,500	54,250	54,250
Allocations	1,733,000	1,554,041	1,402,792	1,749,214
Sub-Total before Admin Costs	21,792,322	20,885,010	19,290,281	17,882,446
Administrative Costs	866,172	747,355	689,991	749,051
TOTAL EXPENSE	22,658,494	21,632,365	19,980,272	18,631,497

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Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

Products

Program Description

The Products program provides prescriptive financial incentives to customers for the purchase and installation of energy-efficient products. The program is comprised of five components:

1. **Retail lighting and showerheads**
2. **New appliances**
3. **Kits and giveaways**
4. **New manufacture homes**
5. **Appliance recycling**

Appliance recycling is managed by a subcontractor responsible for scheduling appointments, picking up and decommissioning of appliances. The Products program aims to acquire cost-effective electric and gas savings through implementation of program efficiencies, targeted outreach, innovative program offerings and marketing, as well as expanded focus on retailers and the retail channel. Leveraging data analytics and flexible incentive levels in tandem with increased retailer and consumer education maximizes uptake of energy-efficient products and sustained energy savings.

For new manufactured homes, the program provides prescriptive financial incentives to retailers for the sale of energy-efficient home models and ductless heat pumps installed in those homes.

2016 Strategic Focus

1. Deliver program through Program Management Contractor Ecova, subcontractors and an expanded statewide network of retailers.
2. Educate retailers and consumers about the benefits and features of energy-efficient lighting, showerheads and appliances through targeted marketing strategies to support specific Products program offerings. Targeted marketing strategies could include digital ads, email or direct mail with targeting based on geographical location, consumer context or past behavior.
3. Implement delivery improvements to gain program efficiencies and reduce costs. This will include a continued focus on driving customers to apply online, simplification of participation requirements for the recycling program offer and increased collaboration with Simple Steps, Smart Savings™ to reduce administrative burden on Energy Trust and Bonneville Power Administration. The cost versus benefit of updating qualified product lists and maintaining appliance point of purchase in stores on a monthly basis will also be assessed. There will be a focus on streamlining processes and gaining efficiencies across all residential programs.
4. Increase participation of manufacturers and retailers.
5. Use market data and analytics to drive targeted marketing strategies.
6. Address participation gaps by offering incentives at a wide range of retail types and increase presence in rural communities.

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Products

7. Explore product recycling offer to include clothes washers. Ensure products are safely decommissioned and recycled.
8. Align program specification for new clothes washers with ENERGY STAR® version 7.0.
9. Pursue potential new savings opportunities to expand program portfolio. Continue to foster regional collaboration by partnering with key industry partners such as Northwest Energy Efficiency Alliance, Regional Technical Forum and Bonneville Power Administration.

2016 Activities

1. Maintain lighting and showerhead program design that uses data analytics and incentive level flexibility to maximize energy savings potential across the entire territory.
2. Incorporate new measures into the program portfolio such as clothes washer recycling and additional LED lighting applications.
3. Maintain current retail lighting promotions with incentive and savings changes. Expand promotions through partnerships with new manufacturers and expanded product lists with existing manufacturers. Monitor shift in lighting sales mix from CFLs to LEDs, and respond with incentive adjustments throughout the year.
4. Maintain refrigerator and freezer recycling program offer with incentive and savings changes. A single incentive level will be offered regardless of age of unit to simplify participation.
5. Maintain new clothes washer program offer with incentive and savings changes.
6. Conduct market test of mid-stream incentive model for refrigerators.
7. Expand participation and influence to customer groups and geographic areas with lower levels of program participation, working to reach customers through online offerings and community- or employer-hosted events.
 - Program is exploring a partnership with NEEA to pilot Enervee's "online closed loop retail marketing platform."
 - Review results of 2015 TechniArt pop-up promotions and online product promotions. If successful, maintain and expand program model to reach additional customers.
 - Continue working with independent and discount retailers.
8. Increase cross-program collaboration to increase program efficiency and savings. Cross collaborate in joint program measures and other areas, including advanced power strips tier 2, advanced thermostats and water heaters.
9. Provide EPS™ scores on new manufactured homes to drive customers to choose the most efficient electric models.
10. Work with regional partners to update assumptions on fuel allocation methodology for dual fuel measures, such as showerheads and clothes washers.
11. Coordinate with NEEA to accelerate the commercialization of high-efficiency dryers.
12. Update marketing point of purchase materials for lighting in retail locations during Q1.

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Products

2016 Assumptions

1. LEDs will continue to increase market share and CFLs will trend downward.
2. Savings from appliances, such as refrigerators and clothes washers, will decline. National efficiency standards for appliances are becoming more stringent, raising market baselines.

2017 Strategic Focus

1. Continue to focus on lighting sales. The volume of lighting sales is projected to decrease, however the program portfolio is projected to acquire more electric savings due to greater savings from LED sales. More products will also become ENERGY STAR® certified and prices will drop due to increased demand.
2. Facilitate sector sorting and redesign of program delivery approaches to further cost-effective investments for the residential sector as a whole.
3. Build on mid-stream designs established for lighting and showerheads to encourage the adoption of efficient technologies by residential ratepayers.

Financial and Savings information for the Products Program is included with New Homes Program

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Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

New Homes

Program Description

Energy Trust's New Homes program focuses on acquiring electric and gas savings in Energy Trust service territory by supporting a network of trade ally builders, subcontractors and verifiers to build energy-efficient homes that extend above code requirements in three separate tracks. New Homes incentive tracks are based on performance-based EPS-rated homes, stand-alone measures and efficiency improvements in small multifamily dwellings. All three tracks require the participant or trade ally to install equipment that is above the current Oregon Residential Specialty Code. The program is managed by a program management contractor, CLEARResult, which contracts with local home builder associations and Earth Advantage to help deliver consistent program information and training throughout the Energy Trust territory to builders, subcontractors, verifiers and real estate allies.

1. **Performance incentives (whole home track)** enable trade ally builders to receive incentives for building at least 10 percent above the Oregon Residential Specialty Code. Incentives range from \$600 to -\$5,000 based on the overall performance improvement of the home compared to the same home if built to code. Home data is collected by third-party verifiers who are hired as subcontractors by the trade ally builder to consult, inspect and model the home in REM/Rate[®] software. Verifiers are partially subsidized by the program to help offset the cost of participation for the trade ally builder.
2. **Prescriptive incentives (stand-alone track)** allow builders or subcontractors to qualify for incentives for installing high-efficiency equipment in non-EPS[™] homes, such as a qualifying heat pump water heaters, gas water heaters, ductless heat pumps, alternative technology treatment waste water systems, showerheads, hearths and air sealing. New Homes uses stand-alone incentives to engage potential customers not currently participating in the program.
3. **Small multifamily incentives** are a new offering for New Homes in 2016. In coordination with the New Buildings program, New Homes will bring to market a prescriptive incentive package. Incentive packages will consist of some combination of the following measures: high-efficiency lighting, exterior lighting, energy-efficient water fixtures, water heater, bathroom fans, ductless heat pumps, high-efficiency gas furnaces, packaged terminal heat pumps and gas hearths. Bringing small multifamily projects of 12 units or fewer into the New Homes program will allow for single-family home builders to work with the same program team as they expand into small multi-unit projects.

The program also claims gas market transformation savings for influencing the 2008 and 2011 Oregon Residential Specialty Code. The method for claiming market transformation savings will undergo a full evaluation in 2016 to prepare for the upcoming 2017 code change.

2016 Strategic Focus

- Deliver program through Program Management Contractor CLEARResult, subcontractors and a statewide comprehensive network of trade allies.
- Sustain and grow market share of EPS-rated New Homes within Energy Trust service territory, including enhanced regional field support outside of the Portland Metro region.
- Expand program reach to capture savings in new and existing market segments. This includes

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New Homes

working with affordable housing organizations, targeting new housing types such as accessory dwelling units and small multifamily.

- Leverage forthcoming code change to engage non-program builders with stand-alone measures driving future code compliance.
- Continue to explore opportunities to partner with developers and city planners to drive energy efficiency at earlier junctures in the development cycle.
- Coordinate with regional organizations and other programs, such as Northwest Energy Efficiency Alliance, Oregon Home Builders Association and Existing Homes, across various program opportunities.
- Continue to implement a five-year strategic solar plan.

2016 Activities

1. Offer EPS incentives to trade ally builders and verifiers to gain a 10 percent increase in the total number of homes submitted in 2015.
2. Provide timely and engaged service to program stakeholders in rural and under-participating regions.
3. Recruit new builders and continue to provide direct outreach and technical services to help participating builders maximize their energy savings.
4. Continue to support and deliver trainings on EPS to industry actors in including real estate brokers, appraisers, lenders and home inspectors.
5. Work with the Existing Homes team to recruit new Construction Contractors Board credentialed home energy assessors to expand the EPS network.
6. Support NEEA's development of a regional standard protocol for performance-based residential new construction efficiency programs. This will allow neighboring PUDs to offer additional incentives to EPS builders, creating more uptake of EPS homes in gas-only territories.
7. Support Colombia Basin Student Homebuilder's Program, increasing awareness of EPS in Eastern Oregon.
8. Further the program's role in regional market transformation by driving early uptake of anticipated future code requirements. Engage code builders with technical and, if cost-effective, financial assistance in meeting future code requirements.
9. Continue to improve the Axis platform to enhance the participant user experience and add functionality that will improve program efficiencies for a more cost-effective delivery model.

2016 New Delivery Concepts

1. Evaluate the program's cost of savings acquisition for specific pathways and by housing type (townhomes, accessory dwelling units, small homes). Use this data to revise the builder and verifier incentive structure in 2017.
2. Explore a dedicated track for large-scale projects where incentive payments may exceed \$500,000.
3. Transition the location of a current account manager to Bend (region 8)—an area of potential growth for the program. The account manager will also serve regions 2, 6, 9, 10, and 11 (Southern

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New Homes

and Eastern Oregon), acting as the first full-time New Homes account manager to be located outside of Portland Metro area.

4. Support NEEA's feasibility study and potential market-test of an automated "Simple Score" using publically available datasets to establish a performance rating or score on all residential structures within the selected test market.
5. Support U.S. Department of Energy Home Energy Information Accelerator, enhancing the availability and use of reliable home energy information at relevant points in residential real estate transactions.
6. Reconfigure participation pathways for electric zonal heated homes, tailoring offers to meet the needs of affordable housing developers, providing options for participation that encourage (but do not require) heat pump water heaters, and implement in Axis.
7. Work with the Hillsboro, Beaverton and other cities to advance opportunities for energy efficiency in new housing developments prior to the building permitting process, providing incentives for commitments to set performance targets. Explore incorporating energy performance standards into master land use development plans submitted by developers to municipal planning commissions.
8. Launch suite of measures (including shell, HVAC, lighting and domestic hot water) tailored to the unique building characteristics and load profiles of small multifamily dwellings.
9. Partner with Existing Homes implementation team to launch a mid-stream hearth initiative promoting alternatives to standing pilot light ignition systems.
10. Determine next steps for implementing findings of a New Homes process evaluation to improve program design and services.

Marketing Activities

1. Retool builder messaging to expand engagement with builders through advertising, newsletters, public relations and email blasts, urging potential trade allies to build EPS homes or install stand-alone measures.
2. Expand relationships with participating builders and leverage existing trade allies to promote EPS and stand-alone measures through cooperative marketing, social media, earned media and advertorial content.
3. Continue to advertise to and engage with consumers to raise awareness of EPS and support builders. Revise materials (print collateral, EPS web page, etc.) to make EPS more accessible to consumers.
4. In partnership with Earth Advantage, engage real estate allies with new and existing materials, curriculum and trainings that provide clear action items for participants that are designed to keep allies engaged with Energy Trust. Identify and train real estate allies to act as ambassadors for Energy Trust offerings, with a focus on using EPS during the sale of a home. Grow the real estate ally network with an emphasis on training allies in under-participating regions, providing consistent support throughout the state.

2016 Assumptions

1. Manage budget to comply with program incentive and delivery goals.
2. Areas of high activity for new construction will sustain production, including the Portland Metro and

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New Homes

Bend areas. Overall EPS activity is forecasted to increase by 10 percent, with greater gains possible in the Bend and Salem markets contingent on emerging partnerships with production builders.

3. The program developed production goals assuming the continuation of historical single-family splits between gas and electric heated homes at 85 percent gas and 15 percent electric. Production goals may be influenced by the participation of new builders, and market shifts to different housing types and system configurations.
4. Verifier network remains intact or experiences little impact as a result of House Bill 2801 additional fees, licensing and bonding requirements.
5. Small multifamily initiative goes to market in Q3 2016.

2017 Strategic Focus

1. The program will conduct forward planning activities in anticipation of an update to the Oregon Residential Specialty code. These include revisiting assumed installed costs and savings values for common measures, refreshing common market baselines for component efficiency values and evaluating the cost effectiveness of individual measures and common configurations of measures, or EPS pathways.
2. Further the program's role in regional market transformation by driving early uptake of anticipated future code requirements. Model costs and benefits under the new 2017 Oregon Residential Specialty Code. Work to transition the program into the next code cycle.

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New Homes and Products

	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (cents / KWh)	Savings therms	levelized cost (cents / therm)
2015 Forecast	\$22.1	\$5.3	\$27.4	9.2	3.2	1,057,671	32.8
2016 Budget	\$23.4	\$5.9	\$29.3	10.1	3.0	1,242,399	29.9
2017 Projection	\$22.5	\$5.9	\$28.4	10.2	2.8	908,290	41.2

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Incentives	16,263,966	17,653,639	18,448,807	17,806,957
Delivery Costs				
Program Management	520,541	556,176	514,888	514,888
Program Delivery	4,836,449	4,763,461	4,850,967	4,843,467
Marketing-PMC	1,055,593	1,059,214	1,148,334	1,148,334
Performance Comp	155,000	155,000	155,000	155,000
Total Delivery Costs	6,567,583	6,533,851	6,669,189	6,661,689
ETO expenses				
Staffing	553,334	514,065	629,430	671,355
Marketing	320,500	301,500	497,000	497,000
Other Services	697,512	524,648	522,500	583,000
General	53,500	47,500	44,500	44,500
Allocations	963,140	860,528	1,472,334	1,070,260
Sub-Total before Admin Costs	25,419,535	26,435,731	28,283,760	27,334,761
Administrative Costs	1,056,095	983,800	1,011,677	1,066,935
TOTAL EXPENSE	26,475,630	27,419,531	29,295,437	28,401,696

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Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

Northwest Energy Efficiency Alliance

Program Description

Northwest Energy Efficiency Alliance identifies and drives market transformation programs to accelerate and sustain market adoption of energy- efficient products, services and practices across commercial, industrial and residential sectors, working in coordination with Energy Trust.

NEEA researches and assesses emerging energy-efficiency opportunities and facilitates coordinated regional strategies to permanently remove market barriers and leverage the collective scale and power of the region. NEEA's role in market transformation efforts varies by program, but generally focuses on activities with market participants upstream from Energy Trust and utility customers.

2016 Strategic Focus

1. Fill the energy efficiency market transformation pipeline with new products/services/practices, including:
 - Identify new opportunities through scanning, research and market partner engagement.
 - Assess the potential and confirm the viability of newly identified emerging technologies including technical analysis and assessment of market barriers.
 - Screen, select and prepare technologies to enter the market transformation pipeline in collaboration with Energy Trust and other stakeholders.
2. Create market conditions that will accelerate and sustain the market adoption of emerging energy efficiency products, services and practices, including:
 - Influence market actors to increase availability of energy-efficient products and services.
 - Improve and ensure product quality.
 - Build market knowledge and capability to support new products, services and practices.
 - Identify and develop market resources that capitalize on the compelling value proposition for a new product, service or practice.
 - Increase product awareness.
 - Develop strategies to address price and first cost issues.
 - Influence and support the successful implementation of more stringent building codes and appliance standards.
3. Accelerate and sustain market adoption of efficient natural gas products, practices and services, resulting in increased consumer choice and efficiency of natural gas use in the Northwest.

2016 Activities

Fill the pipeline with new energy efficiency products, services and practices:

1. Explore advancement of an initiative to drive new manufactured homes products to meet or exceed the Northwest Energy Efficient Manufactured Home 2.0 performance specification.

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Northwest Energy Efficiency Alliance

2. Explore advancement of an initiative to drive enhanced commercial new construction practices and building codes.
3. Explore advancement of an initiative to drive market adoption of secondary-glazing window attachments for existing commercial buildings.
4. Identify and explore the potential of additional emerging technology opportunities.

Accelerate and sustain market adoption of the following energy-efficient products, services and practices:

1. Heat pump water heaters—Increase product availability, supply channels and market adoption of efficient products through advertising and upstream/midstream incentives; advance federal standard for small tanks through research, data collection and partner engagement.
2. Ductless heat pumps—Improve cost-effectiveness through strategies to adopt tiered incentives and reduce installed costs; increase product availability in retail settings and direct non-contractor channels.
3. Retail product platform—Expand relationships and leverage with retailers and extra-regional partners; deploy a robust, automated data administration tool and process to support a variety of retail partners and products.
4. Super-efficient heat pump dryers—Improve product quality and availability via upstream engagement and incentives; leverage retail product platform for data administration; advance dryer standards through research, testing and partner engagement.
5. Efficient homes—Engage and educate regional real estate professionals to increase awareness and perceived value of energy-efficient building practices and products, including heat pump water heater and ductless heat pumps; analyze and evaluate pilot homes and align modeling guidelines with regional green building programs; educate market actors on advanced practices and improve compliance with building codes.
6. Reduced wattage replacement lamps—Achieve 40 percent market share penetration for low-wattage T8 replacement sales through distributor and manufacturer incentives; deploy robust automated data administration tool and process to support multiple products and stakeholders.
7. Luminaire level lighting controls—Finalize unified product specifications and drive adoption by major manufacturers; develop case studies and business case for target audiences to drive market awareness and demand.
8. Certified Refrigeration Energy Specialist—Build market demand and adoption; develop partnerships, case studies, tools and resources to drive demand and ease adoption.
9. Commercial infrastructure programs—Develop, deploy and track two top tier trade ally advanced training programs; increase and measure influence of lighting resources on utility programs; leverage commercial real estate firm leaders for advancement of all NEEA commercial programs; drive adoption of Building Renewal Spark tool; create a research-informed infrastructure plan for small commercial markets.
10. Commercial and industrial infrastructure programs—Support development and uptake of online Strategic Energy Management and Energy Management Assessment resources.

Accelerate and sustain market adoption of efficient natural gas products, practices and services:

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Northwest Energy Efficiency Alliance

1. Advance pilot programs for gas fired heat pump water heaters, combination space and water heating systems, hearth products, gas dryers and rooftop HVAC systems.

2017 Strategic Focus

1. Maintain focus on filling the energy-efficiency market transformation pipeline with new products, services, practices and approaches.
2. Continue creating market conditions to accelerate and sustain the market adoption of emerging energy-efficiency products, services and practices.

	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings	levelized cost	Savings	levelized cost
				aMW	(cents / KWh)	therms	(cents / therm)
2015 Forecast	\$6.9	\$0.6	\$7.5	7.1	\$0.012	0.0	\$0.000
2016 Budget	\$7.3	\$0.6	\$7.9	7.0	\$0.013	0.0	\$0.000
2017 Projection	\$7.4	\$1.1	\$8.5	6.3	\$0.015	0.0	\$0.000

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
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Delivery Costs

Program Management				
Program Delivery	7,186,343	7,104,399	7,573,324	8,081,470
Marketing-PMC				
Performance Comp				
Total Delivery Costs	7,186,343	7,104,399	7,573,324	8,081,470

ETO expenses

Staffing	93,967			
Allocations	159,947	139,965	93,669	119,623

Sub-Total before Admin Costs	7,440,257	7,244,364	7,666,993	8,201,093
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Administrative Costs	306,576	267,616	274,239	361,540
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TOTAL EXPENSE	7,746,833	7,511,980	7,941,232	8,562,633
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NEEA by Program

Commercial	2,893,448	2,599,696	2,638,034	2,813,143
Industrial	167,585	411,213	454,269	459,371
Residential	4,631,583	4,447,075	4,787,486	5,180,350
Washington	54,219	53,996	61,444	109,770

TOTAL EXPENSE	7,746,835	7,511,980	7,941,233	8,562,634
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ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

SW Washington Residential

Program Description

The SW Washington Existing Homes, New Homes and Products program provides customer service, technical assistance and financial incentives for residential customers of NW Natural located in Washington. The program encourages efficient space heating, water heating, weatherization, water conservation and behavioral actions through incentives, education, trade ally support, and market interventions.

1. **Single Family Existing Homes (prescriptive):** With a focus on existing single-family detached homes, the program offers a variety of prescriptive measures designed for homeowners interested in lowering their energy use. Cash incentives allow customers an à la carte option for energy-efficiency upgrades and provide trade allies with a basis for helping customers who do not qualify for or are not interested in multiple improvements. Available incentives must be cost-effective, exhibiting Utility Cost Ratios over 1.0. Incentive levels are adjusted in response to market conditions, which in some cases include the desire to stimulate the market to install energy-efficient measures and encourage market transformation for certain measures.
2. **New Homes (performance):** In previous years, the New Homes program was a prescriptive program based on ENERGY STAR® home certification. The program is transitioning to performance incentives that enable trade ally builders to receive incentives for building at least 10 percent above the 2012 Washington State Energy Code. Incentives range from \$300 to \$900 based on the overall performance improvement of the home compared to the same home if built to code. Home data is collected by third-party verifiers who are hired as subcontractors by the trade ally builder to consult, inspect and model the home in REM/Rate® software. Verifiers are partially subsidized by the program to help offset the cost of participation for the trade ally builder.
3. **Products (retail):** The Products program provides prescriptive point-of-purchase incentives to customers for purchase and installation of energy-efficient products, retail showerheads and retail Clothes Washers. The clothes washer incentive is shared with Clark Public Utilities whereby Clark largely facilitates the delivery of the incentive to the customer and Energy Trust pays Clark Public Utilities for the gas portion of the savings. Showerheads are facilitated through the Bonneville Power Administration Simple Steps™ program. Showerheads are sold at retail and the associated gas savings are calculated through an estimation tool. Energy Trust is allocated 60 percent of the retail sales and associated gas savings.
4. **Energy Saver Kits**, including energy- and water-saving products, are offered at no cost to homeowners and renters. They can be ordered online and shipped to the recipient's home. Each kit contains a combination of bathroom and kitchen faucet aerators and showerheads determined by responses to an online questionnaire. LivingWise Kits are provided to Clark County fifth grade students as a part of energy-efficiency curriculum developed by delivery partner Research Action Programs. Energy Trust is also partnering with Clark Public Utilities on the cost and delivery of these kits whereby Energy Trust receives the gas portion of the savings. Through this partnership, students receive a more comprehensive kit that contains light bulbs as well. Electric savings are paid for by and allocated to Clark Public Utilities.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN
SW Washington Residential

2016 Strategic Focus

- Deliver program through Program Management Contractor CLEAResult, subcontractors, trade allies and market actors.
- Redesign program offers to further cost-effective delivery approaches and maximize returns for participating customers and the utility customer base as a whole.
- Transition New Homes to a performance-based program using modeled savings with REM/Rate software and provide EPS™.
- Streamline program touch points and guide customers to relevant resources and support based on customer disposition, utility consumption and housing characteristics.
- Continue to cultivate opportunities to partner with Clark Public Utilities and market actors to reach customers.
- Apply gas water heating market interventions aimed at leveraging opportunities within existing supply chains and market actors based on 2015 market research findings.
- Implement targeted and cross-sector marketing strategies to support equipment installations and promote offerings for residential customers, ensuring that eligible customers continue to see incentives and offers available to them as program designs change.

2016 Activities

1. Launch the SW Washington New Homes EPS program design.
2. Continue to collaborate with Clark Public Utilities to offer a point-of-sale incentive at participating retailers for ENERGY STAR clothes washers, and evolve the program to align with the new federal and ENERGY STAR standards.
3. Improve trade ally utilization of on-bill repayment options available to homeowners for all eligible measures.
4. Accelerate adoption of efficient gas water heaters, with potential to reintroduce tankless water heaters, by leveraging the results of 2015 market research, education of trade allies and participation within the distribution chain.
5. Improve customer and trade ally experiences through continued focus on ease of participation and instant incentives.
6. Collaborate with Clark Public Utilities to deliver savings through the LivingWise Kit curriculum in schools.
7. Increase customer adoption and installation of web-enabled smart thermostat controls.
8. Maintain inclusion of SW Washington incentives in agreements with distributors and supply chain actors to increase market share of efficient gas space and water heating equipment.
9. Integrate Oregon Existing Homes EPS strategies for NW Natural customers with gas space heating.

New Delivery Concepts

1. Implement New Homes Washington EPS program design.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN
SW Washington Residential

2. Launch the LivingWise Kit schools program in collaboration with Clark Public Utilities.
3. Increase domestic water heating savings in the portfolio by restructuring incentives based on results of the 2015 market research and potential to reintroduce tankless water heaters in the program.
4. Integrate SW Washington into Oregon Existing Homes EPS strategy and implementation plans.

Analysis and Evaluation

1. Monitor New Homes EPS incentive and savings.
2. Track Washington state code changes and potential impacts to New Homes EPS pathways.
3. Leverage Oregon market research for impact of ENERGY STAR windows on gas savings.
4. Monitor uptake of web-enabled thermostats and new promotions.

Marketing

1. Conduct marketing to increase customer awareness of EPS for new homes.

Key Assumptions for 2016 Budget

1. Manage budget to comply with program-level cost-effectiveness goals.
2. Shift portion of delivery budget from Existing Homes to New Homes to account for scope changes to implement New Homes EPS in Washington.
3. Distribution of New Homes EPS incentive based on Oregon New Homes pathway distributions.
4. Cost sharing of LivingWise Kits with Clark Public Utilities.
5. Reduction of clothes washer incentive.
6. Reduction of gas fireplace incentive.
7. Conservative inclusion of web-enabled thermostats as a new measure.
8. Gas avoided costs will remain consistent with 2015 levels.

2017 Strategic Focus

1. Further refinement and development of 2016 strategic focus areas, with a goal of increasing portfolio Benefit Cost Ratios while continuing to acquire cost-effective efficiency resources.
2. Build on mid-stream designs established for HVAC and gas hearths to encourage the adoption of efficient technologies by residential ratepayers.
3. Continued coordination with other market actors such as Clark Public Utilities and Northwest Energy Efficiency Alliance to promote cohesive customer experience and maximize trade ally engagement.

**ENERGY TRUST 2016-2017 DRAFT ACTION PLAN
SW Washington Residential**

	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (\$ / KWh)	Savings therms	levelized cost (cents / therm)
2015 Forecast		\$1.5	\$1.5			209,391	53.2
2016 Budget		\$1.6	\$1.6			258,152	46.9
2017 Projection		\$1.6	\$1.6			268,852	46.4

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Incentives	628,225	632,344	721,469	730,990
Delivery Costs				
Program Management	87,264	30,939	26,054	26,104
Program Delivery	319,168	366,373	374,288	375,646
Marketing-PMC	48,152	57,272	57,982	58,000
Performance Comp	20,000	40,000	20,000	20,000
Total Delivery Costs	474,584	494,584	478,324	479,750
ETO expenses				
Staffing	131,963	73,538	61,567	65,549
Marketing	32,000	28,000	28,000	28,000
Other Services	20,550	21,450	77,550	32,050
General	29,990	28,990	29,990	32,110
Allocations	143,732	125,372	136,677	159,812
Sub-Total before Admin Costs	1,461,044	1,404,278	1,533,577	1,528,261
Administrative Costs	59,366	49,794	54,854	64,013
TOTAL EXPENSE	1,520,410	1,454,072	1,588,431	1,592,274

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Support all eligible renewable energy technologies, including hydropower, geothermal, biopower, wind and solar; emphasize market and project development support for renewable energy projects; use competitive approaches to identify and fund new projects and market solutions for those projects receiving non-standard incentives.

Solar

Program Description

The Solar program works with a closed network of solar trade ally installers to provide incentives for the construction of high-quality solar electric systems throughout Oregon.

1. **Standard incentives for net-metered solar electric systems** are available across all sectors and customer types.
2. When funding allows, competitive processes are used to allocate incentives to **larger solar projects**, which may be net-metered or provide electricity directly to a utility.

The program aims to create a vigorous and sustainable market for solar in Oregon that will ultimately thrive without incentives. To achieve that, the program design is based on several key elements: offering incentives that are managed in response to market behavior, increasing consumer awareness through education and marketing, creating and enforcing quality standards, and ensuring a robust, qualified installer base.

2016 Strategic Focus

1. Install 1.85 average megawatts of new solar generation at residential and business sites throughout the state.
2. Provide incentives that are effective and responsive to demand and pricing trends; be transparent and accountable in our management of incentive funding.
3. Implement program improvements and collaborate with regional stakeholders to reduce the non-hardware “soft” costs of solar.
4. Support market stability leading up to the expiration of the current federal investment tax credits for solar at the end of 2016 and prepare strategically for a different market in 2017.
5. Maintain a strong pipeline of solar projects in all sectors through education, marketing and collaboration with industry and advocates.
6. Explore paths to expand participation through opportunities such as community solar or collaboration with other entities on resiliency or other complementary goals.

2016 Activities

1. Continue to adjust incentives incrementally in response to market behavior—reducing incentives as costs decrease to allow a fixed budget to support a growing number of projects or, if deemed necessary and budget allows, increasing rates for lagging market segments.
2. Publish a program impact evaluation to refine generation estimation methodology and inform a more cost-effective approach to metering and monitoring systems.
3. Publish longer-term goals for soft cost reduction in Oregon based on our soft cost benchmarking survey and national work on the U.S. Department of Energy SunShot Initiative goal. Using our Oregon-specific targets, start developing a soft cost roadmap to be published in 2017. Repeat solar soft costs survey for trade ally contractors to continue collecting up-to-date and representative market data and track cost changes over time.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Solar

4. Provide trade allies with business development opportunities to improve their customer acquisition, project accounting and internal quality management processes. The goal of these efforts will be to support internal soft cost reduction and help businesses be “2017-ready,” preparing for the end of the 30 percent investment tax credit.
5. Work with trade ally team to develop a tiered rating system for solar trade allies modelled off of the star rating currently used in the Existing Homes program to help customers select trade allies and keep allies accountable for quality and customer service.
6. Work with IT to improve customer engagement and lead management with better tools for customer tracking, reporting and communication; continue improvements to Solar Proposal Request service to provide better customer experience and higher-value leads to trade allies.
7. Continue statewide marketing and refine media outlet selection based on outcomes from 2015 advertising. Support positive messages around solar to help counteract uncertainty in the market leading up to the investment tax credit reduction/expiration.
8. Support the development of community solar projects that engage individuals and tax-exempt businesses through financial participation.
9. Support the Oregon Public Utility Commission in its evaluation of solar programs for its 2016 report to the legislative assembly.
10. Collaborate with the OPUC, the Pacific Power Blue SkySM and PGE Clean WindSM and Green SourceSM programs to help deploy their competitive renewable energy grant funds efficiently and effectively.

2016 Assumptions

1. The 30 percent federal investment tax credits are expected to be eliminated for residential customers and reduced to 10 percent for commercial customers on January 1, 2017. Demand for incentive reservations is expected to be front-loaded in the year, increasing through Q3 2016, and then will likely taper off as contractors work to complete installations by the end of year.
2. Project attrition may be higher than typical as contractors and supplies become constrained in the rush to complete projects by the end of 2016.

2017 Strategic Focus

1. Support stability in the post-30 percent investment tax credit solar market. Increase incentives, as needed, to balance available budget with expected lower customer demand and higher above-market cost.
2. Continue focus on solar soft cost reduction through contractor business development and customer acquisition support.
3. Maintain a pipeline of solar projects in all sectors through education, marketing and collaboration with industry and advocates.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Solar

	ACTIVITY BASIS			ACCOUNTING BASIS		
	BUDGET	GOAL	COST	BUDGET	GOAL	COST
Year	(\$ millions)	aMW	(\$ mils / aMW)	(\$ millions)	aMW	(\$ mils / aMW)
2015 Forecast	\$13.9	2.06	\$6.7	\$15.7	4.15	\$3.8
2016 Budget	\$14.7	1.74	\$8.5	\$15.5	2.83	\$5.5
2017 Projection	\$6.9	0.60	\$11.7	\$10.6	1.33	\$8.0

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Incentives	9,304,000	13,442,432	12,978,909	8,370,000
Delivery Costs				
Program Delivery	290,000	420,000	420,000	270,000
Performance Comp	20,000	16,000	10,000	1,000
Total Delivery Costs	310,000	436,000	430,000	271,000
ETO expenses				
Staffing	503,409	493,042	611,096	626,104
Marketing	190,500	161,500	180,500	165,500
Other Services	356,000	267,500	297,000	273,000
General	132,700	134,475	152,700	122,700
Allocations	290,519	261,078	316,699	340,090
Sub-Total before Admin Costs	11,087,128	15,196,027	14,966,904	10,168,394
Administrative Costs	403,601	485,678	535,349	432,886
Total Expense, Accounting Basis	11,490,729	15,681,705	15,502,253	10,601,280
Plus / minus Incentives committed for future yrs	140,999	(1,795,412)	(779,528)	(3,588,156)
Total Expense, Action Plan	11,631,728	13,886,293	14,722,725	7,013,124

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Support all eligible renewable energy technologies, including hydropower, geothermal, biopower, wind and solar; emphasize market and project development support for renewable energy projects; use competitive approaches to identify and fund new projects and market solutions for those projects receiving non-standard incentives.

Other Renewables

Program Description

The Other Renewables program works to expand the market for, and incentivize the construction of, biopower, wind, hydropower and geothermal electric projects by providing early stage project development assistance, project installation incentives and technical assistance. Dollars for the four technologies are shared to enable staff to shift funds as projects mature or fail to come to fruition.

The program supports installations for which the project owner has a viable project plan and adequate resources to support the project. Energy Trust seeks projects that will be financially and technically viable and capable of reliably generating energy over the long term. To ensure those factors are in place, the Other Renewables program provides:

1. **Cost-share project development assistance** funding for project development activities.
2. **Project Installation Incentives** up to the above-market cost of a new, renewable energy project.
3. **Resource documents** to address market barriers.

2016 Strategic Focus

1. Maintain support for a broad portfolio of technologies to sustain and grow Oregon's vibrant small and mid-scale renewable energy generation markets.
2. Continue to focus project pipeline development and outreach on technologies and project types able to offset onsite load or leverage additional benefits.
3. Expand the use of innovative delivery models to bring larger numbers of projects into the pipeline and accelerate the pace of project completions.
4. Continue efforts to optimize the performance of operating projects to maximize value for ratepayers.
5. Complete efforts to get existing, operational projects to use the Western Renewable Energy Generation Information System, WREGIS, to transfer Renewable Energy Certificates to PGE and Pacific Power.

2016 Activities

1. Continue to deploy project installation incentives to cover the above-market costs of new, renewable energy projects, using a competitive process to evaluate incentives more than \$200,000.
2. Continue to deploy project development assistance incentives to support development activities such as feasibility studies, resource assessments, grant writing, project design and engineering and interconnection to form relationships with project developers and help ensure best practices are used during project development activities.
3. Continue and expand the use of innovative outreach and delivery models to increase pipeline development efforts among targeted project types, including biogas projects, particularly at municipal wastewater treatment plants and with food processors, and hydropower projects installed in irrigation water delivery systems. These types of projects offer the best short-term

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Other Renewables

opportunities based on their ability to leverage non-energy benefits, an important factor given current market conditions, and also reach hard-to-serve markets. Of note, most irrigation hydropower projects use Pacific Power funding.

4. To maintain and expand a robust pipeline of projects, initiate an effort to expand the abilities of other renewable energy market actors to drive new projects to Energy Trust's pipeline.
5. Maintain and continue to build relationships with project developers and stakeholders in the biomass, small hydropower and geothermal communities. These relationships are necessary to maintain awareness of upcoming project opportunities or market changes.
6. Maintain relationships in the small wind community, including support for the Interstate Turbine Advisory Council. Continue to offer incentives for small and community-scale wind projects.
7. Continue efforts to streamline Renewable Energy Certificate delivery from new projects while completing efforts to initiate Renewable Energy Certificate delivery via WREGIS for existing, operational projects.
8. Evaluate the effectiveness of efforts to assist operational projects in improving and optimizing performance, and develop next steps to proceed. The goal of this activity is to maximize generation for ratepayers from projects where actual generation is less than predicted in advance of commercial operation.
9. Initiate development of a tool or tools to better manage project milestones and deliverables to improve internal operational efficiencies between program staff and legal staff.

2016 Assumptions

1. The program assumes there will not be significant changes to the ability of Qualifying Facilities under the Public Utility Regulatory Policy Act, PURPA, to secure long-term Power Purchase Agreements (15 years) for projects up to 10 MW in capacity. The program also assumes there will not be any changes in Energy Trust's ability to serve such customers.
2. The program assumes there will not be any significant unexpected changes, or deviations from expected changes, to renewable energy incentives, tax credits or tax policy at either the state or federal levels.

2017 Strategic Focus

1. Maintain support for a broad portfolio of technologies to sustain and grow Oregon's vibrant small and mid-scale renewable energy generation markets.
2. Continue to focus project pipeline development and outreach on technologies and project types able to offset onsite load or leverage additional benefits.
3. Continue the use of innovative delivery models to bring larger numbers of projects into the pipeline and accelerate the pace of project completions.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Other Renewables

	ACTIVITY BASIS			ACCOUNTING BASIS		
	BUDGET	GOAL	COST	BUDGET	GOAL	COST
Year	(\$ millions)	aMW	(\$ mils / aMW)	(\$ millions)	aMW	(\$ mils / aMW)
2015 Forecast	\$3.5	0.01	\$342.5	\$4.5	1.99	\$2.3
2016 Budget	\$6.8	2.71	\$2.5	\$5.8	0.01	\$623.7
2017 Projection	\$6.5	2.65	\$2.4	\$8.4	2.71	\$3.1

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Incentives	3,532,173	3,314,860	4,474,087	7,114,000
ETO expenses				
Staffing	501,659	411,099	491,680	523,797
Marketing	23,000	23,000	35,000	35,000
Other Services	214,000	435,000	439,500	347,000
General	20,225	15,390	15,400	15,400
Allocations	202,478	177,917	173,809	187,361
Sub-Total before Admin Costs	4,493,535	4,377,266	5,629,476	8,222,558
Administrative Costs	206,617	157,806	201,360	200,504
Total Expense, Accounting Basis	4,700,152	4,535,072	5,830,836	8,423,062
Plus / minus Incentives committed for future yrs	7,717,828	(1,012,507)	989,678	(1,949,378)
Total Expense, Action Plan	12,417,980	3,522,565	6,820,514	6,473,684

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Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

Planning and Evaluation

Support Group Description

The Planning and Evaluation group consists of three functional units: Planning, Planning Engineering and Evaluation.

- **Planning** develops forward-looking estimates of program cost and savings, works with utility processes to develop long-run savings and cost goals for efficiency, develops cost-effectiveness tools, helps develop long- and short-term plans, works with program groups to integrate these into program strategies, and manages reporting of savings and cost-effectiveness.
- **Planning Engineering** is the nexus for estimating efficiency measure savings, cost and cost-effectiveness, and integrating prescriptive measures into programs.
- **Evaluation** assesses effectiveness of program implementation and estimates savings on a retrospective basis.

2016 Strategic Focus

1. Enhance integration between Planning and other parts of the organization to improve internal efficiency and increase savings and generation.
2. Expand and streamline prescriptive measure development.
3. Continue to perform lead coordination role with regional and national organizations to identify and develop emerging new technologies with goal of creating new energy-saving measures.
4. Further explore opportunities from customer groups with low participation and geographic targeting.
5. Continue to produce quality evaluations and effectively communicate results to program staff, management and board of directors.
6. Prepare for possible changes at Energy Trust from carbon regulation and market, product and possible legislative changes.

2016 Activities

1. Expand resource supply study; integrate Northwest Energy Efficiency Alliance emerging technologies; synchronize with trend data from programs; help program managers use the information for program planning.
2. Program Management Contractors have enhanced and standardized roles in new measure development; Planning Engineering group role shifts more to experts in regional and NEEA data and works with PMCs to assure rigorous and well-focused analysis, cross-program integration and quality control.
3. Develop tools for better targeting activities that result in savings or renewable generation that also reduce loads during high load hours.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Planning and Evaluation

4. Systematize how Energy Trust receives, cleans and makes available data from utility billing systems; develop tools for Energy Trust users to more readily use information from new program tracking system.
5. Increase number of impact evaluations and reduce number of process evaluations, as part of a multiyear cycle.
6. Explore how efforts to assess market influence should evolve as market transformation efforts involve more players and customer relationships span many years.
7. Support state efforts to address section 111(d) of the U.S. Environmental Protection Agency Clean Air Act carbon regulations, especially as pertains to evaluation.
8. Manage the pilot development process; wrap up most of 21 pilot tests currently underway; support additional pilots as called for in program action plans.
9. With NW Natural, continue to explore opportunities for geographic targeting of efficiency to defer pipeline investments.
10. Work with programs to identify and prepare for shifts in measure mix and program approaches due to new emerging technologies, loss of existing measures due to cost-effectiveness standards or increased codes and standards baselines
11. Become more transparent to Energy Trust staff through development of procedures and reference documents and formalizing coordination touch points.

2017 Strategic Focus

1. Be ready to respond to any changes in mission or direction from new opportunities, carbon regulation or legislative changes.
2. Continue to move toward improved tools for geographic targeting.
3. Continue to produce quality evaluations and effectively communicate results to program staff, management and board.
4. Continue to conduct activities that improve internal efficiencies in estimating, tracking and reporting savings, generation and cost-effectiveness

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Planning and Evaluation

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Evaluation Services	2,110,000	1,819,411	1,985,500	1,552,500
Planning Services	409,900	396,606	444,000	
Total Program Specific P&E	2,519,900	2,216,017	2,436,500	1,559,500
General Planning and Evaluation				
Evaluation Services	131,000	78,000	125,000	85,000
Planning Services	109,000	79,000	208,000	
Staffing	1,571,630	1,413,232	1,668,773	1,779,929
Other Services		12,000		
General	70,050	65,803	62,520	7,750
Allocations	496,049	433,366	461,162	531,610
Total Non Program Specific P&E	2,377,729	2,081,401	2,525,455	2,404,289
TOTAL	4,897,629	4,297,418	4,961,955	3,963,789

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

Customer Service and Trade Ally Management

Support Group Description

Energy Trust's Communications and Customer Service group, CCS, provides staff, services and resources necessary to administer and manage customer experience and the trade ally network. CCS supports customer access to information, services and cash incentives. We accomplish this by working with all energy programs and operation support groups. Our objective is to support programs and the organization to reach annual and long-term goals through the delivery of these functions

The Customer Service And Trade Ally Team delivers services through staff, a call center contract for call-taking and administrative services, and a trade ally insurance verification contract. Staff also coordinate with customer service and trade ally specialists in programs and at Program Management Contractors.

2016 Strategic Focus

1. Enhance the customer service experience through simplification of customer interactions and transactions resulting in increased satisfaction, decreased costs and greater program results.
2. Facilitate the development of a five-year vision for customer experience that allows prioritization of system improvements, in collaboration with programs.
3. Identify opportunities to improve or streamline data collection to give greater visibility into trade ally and non-trade ally activity; support program strategy.

2016 Activities

1. In collaboration with programs, facilitate the development of a new customer experience roadmap that identifies the range and variability of customer pathways, expectations and transactions by program and supports the evolution and modernization of the customer experience to meet program savings and generation goals.
2. In alignment with program strategies for savings and generation goals, administer the Trade Ally Network to ensure compliance and access to program and technical information; communicate updates through forums, newsletters and other targeted communications.
3. Resolve complaints and monitor trends, facilitate resulting process improvements and provide training. Continue focus on improvements to refrigerator and freezer recycling started in 2015.
4. Lead development of paper and online customer application forms in CCS Web Team, including oversight of the web form development budget and contractor; ensure timely updates and maintenance of forms; keep all programs informed of development progress through forms report and release dates.
5. Support new trade ally online enrollment process to ensure ease of use and achievement of planned operational efficiencies; continue transition to new insurance verification vendor; identify further opportunities to enhance enrollment and compliance processes.
6. Support the identification and improvement of customer information and customer service processes as part of the 2015 Management Review. Identify core processes and develop key metrics. Continue focus on operational efficiencies and evolution of CRM and IT solution projects for the management of these services.
7. Continue transition of Energy Trust main call center contract to CLEAResult; manage increasing administrative service component for solar lead tracking and trade ally enrollment. Develop and release a request for proposals for services for 2017 call and administrative services.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN
Customer Service and Trade Ally Management

8. Implement improvements to year-end change processes as determined by cross-functional project, including stakeholder and ally communications, form and website updates.
9. Support the Diversity Initiative goal of a culturally attentive organization with diverse employees, contractors and customers. Collaborate with programs and other CCS functional areas to effectively serve customers who have not yet participated, and further recruitment and engagement of minority and women-owned businesses.
10. Lead effort to allow better reporting on trade ally and non-trade ally activity through consistent data entry of project information; streamline how information is captured so that we have better information on allies who can effectively help customers participate in programs and contribute to program goals. Support trade ally rating system criteria and development for programs that elect to implement this strategy.
11. In collaboration with IT and programs, lead efforts to enhance Existing Homes trade ally portal and support new trade ally portal development for other programs .
12. Lead Interactive Voice Response system, IVR, project to streamline customer experience by phone and gain operational efficiencies; test options with customers and implement a solution. Gather requirements for self-service options through the IVR system.

2017 Strategic Focus

1. Efforts to map the customer experience in 2016 will transition to process and possible technological improvements in 2017.
2. Changes made to the IVR system will be monitored and additional changes made to optimize phone based services for customer experience and cost management.
3. Possible changes to program design in the residential sector will be supported if changes directly impact trade ally or customer service functions.
4. Stability in general call center support for call taking, solar and trade ally administration will be sought through contracts.

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Program Specific Charges			10,000	10,000
ETO expenses				
Staffing	537,513	566,391	577,213	615,438
Marketing	3,500	500	3,500	3,500
Other Services	40,000	40,000	45,000	42,000
General	180,800	170,800	201,800	192,400
Allocations	182,155	159,137	170,645	195,213
TOTAL EXPENSE	943,968	936,828	1,008,158	1,058,551

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Continuously improve program designs and services to meet customer needs and provide excellent customer service; manage the total cost of delivering energy efficiency to maintain and improve the supply of cost-effective measures; expand customer participation; replenish the energy-efficiency resource in the mid- to-long-term through a portfolio of new technologies and product development strategies.

Information Technology

Support Group Description

The purpose of Information Technology, IT, is to deliver high-quality, cost-effective technology and information management solutions and services to support the strategic goals of Energy Trust. IT is comprised of two teams:

1. The **infrastructure team** that supports all hardware, networking, workstation applications and production databases.
2. The **business systems team** that delivers technical analysis and development for CRM, Project Tracking, SharePoint and Business Intelligence, BI.

2016 Strategic Focus

1. Continue building prioritization and work processes involving staff, PMC staff and external stakeholders to ensure that IT is effectively meeting highest value program and support group needs and contributing to continuous improvement initiatives.
2. Strengthen the quality and improve the functionality and usability of applications for financial, project and savings tracking, CRM and BI reporting.
3. Enhance data quality and increase accessibility to information.
4. Ensure system stability and performance by building on existing infrastructure architecture.

2016 Activities

Building prioritization and work processes

1. Work with the newly re-formed Business Systems Prioritization team and IT Steering Committee to prioritize technology solutions to business problems and opportunities.
2. Continue work on development standards and foundational change control architecture to allow for successful engagement with external development resources.
3. Provide increased availability of internal and external IT resources for ongoing systems enhancements in support of increased productivity across the organization.
4. Focus on continued high level of responsiveness to immediate, as well as longer-term, needs of users as internal customers of IT.

Strengthen applications

1. Extend functionality of the Project Tracking application to enable business solutions and improve processing efficiency.
2. Continue extending functionality of Microsoft Dynamics CRM application to enhance customer experience and enable execution of marketing campaigns.
3. Build out integration tools to allow for easier and more robust integrations with third-party tools and applications.
4. Complete work to ensure that the disaster recovery off-site servers are fully functional for all

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN
Information Technology

Energy Trust core systems in the event of an IT disaster.

5. Implement system to automate procurement activities across the organization.

Enhance data quality

1. Extend BI platform to include additional enterprise data.
2. Refactor BI data warehouse architecture for ease of use and to strengthen nightly processing of data.
3. Complete refactoring of Utility Customer Information to ensure that data received from and sent to utilities is reliable and free from errors due to import or export processes.
4. Continue BI tools development with a focus on user needs by increased outreach to users across the organization including Energy Trust and Program Management Contractor staff.

Ensure system stability

1. Conduct a broad assessment of systems architecture, including web architecture, and create a roadmap and activity plan based on that assessment.
2. Assess cloud-based solution as a platform for some areas of systems functionality and potentially for disaster recovery, and implement a subset as a proof of concept.
3. Continue replacement of servers and other backbone hardware as part of regular schedule to ensure availability and performance improvements.

2017 Strategic Focus

1. Continue to extend systems functionality in CRM, Project Tracker and integration tools to meet business needs.
2. Complete extension of BI to include all core enterprise data and continue to extend the BI solution to meet new business needs.
3. Integrate or assimilate point solutions into enterprise solution architecture using new integration toolset.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN
Information Technology

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Staffing	1,862,442	1,413,668	2,045,774	2,116,938
Other Services	251,000	71,000	29,000	90,000
Supplies and Equipment	89,700	79,700	86,100	86,000
Software	196,340	181,240	187,600	190,000
Depreciation	589,902	670,232	829,532	883,996
General	106,200	91,200	107,200	107,200
Allocations	167,206	166,548	166,650	162,947
Total General	1,149,348	1,188,920	1,377,082	1,430,143
TOTAL EXPENSE	3,262,790	2,673,588	3,451,856	3,637,081

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

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General Communications

Support Group Description

Energy Trust's Communications and Customer Service group, CCS, provides staff, services and resources necessary to manage general communications, public relations, marketing, outreach and online/digital engagement of customers, stakeholders and the public. These functions create awareness of Energy Trust programs and services; support customer access to information, services and cash incentives; and help expand our reach to new customers and stakeholders.

CCS works with all energy programs and operations support teams to position Energy Trust as a trusted and expert resource by ensuring a regional general outreach presence, consistent voice in the marketplace through brand guidelines, coordinated advertising, centralized marketing support services, general messaging and reporting. Our objective is to support programs and the organization to reach annual and long-term savings, generation and operational efficiency goals. We help ensure Energy Trust is accessible to the public, and we support transparency and accountability.

Work is performed primarily by CCS staff in coordination with program and operations staff and program delivery resources. Contracted resources support communications and public relations projects, marketing creative services and website development and innovation.

2016 Strategic Focus

1. Provide enhanced program support and seek operational efficiencies across all functional areas through examination of core processes, key performance metrics and support service needs; consider new approaches and methods for accomplishing general and program support objectives as programs evolve; increase support during periods of significant program design change and transition.
2. Identify and deliver web and digital strategies that create cost efficiencies and enable all customers and stakeholders to access an expanded set of services and information directly, working closely with programs and IT.
3. Respond to Oregon Public Utility Commission, stakeholders, customers and others inquiring about energy efficiency, renewable energy and clean energy topics, programs, results and customer benefits in Oregon; support innovative community strategies to drive energy efficiency and renewable energy engagement; support organizational readiness for information requests and potential policy or program changes impacting Energy Trust services to utility customers.

2016 Activities

1. Provide creative, advertising and production services for program marketing. Support new program marketing approaches and initiatives through management of creative services agency contractor and brand guidelines. Develop and implement general marketing to sustain and increase customer awareness of programs and services available to them. Continue to place and optimize advertising developed in 2015.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

General Communications

2. Support targeted marketing and analytics; including discussions of a customer relationship management system roadmap and additional functionality to meet organization and program needs.
3. Maintain and enhance the organization's website, social media accounts, email management systems, mobile website and other online properties. Begin phased implementation of redevelopment of the website based on recommendations from comprehensive website user experience review completed in 2015; focus areas include site-wide responsive design, improved hierarchical navigation, increased visual communications to replace extensive text, targeted microsites for new visitors and a content marketing plan to better organize and optimize website content.
4. Leverage shared program and general digital strategy for online and interactive marketing communications to drive innovation online. Guide best practices. Support the design and development of customer self-service portals, online tools and web forms to increase program operational efficiency and boost customer awareness and satisfaction.
5. Lead strategy for e-communications growth and management, including recommendations for program and general e-newsletters, implementation and distribution support for program bulk targeted marketing emails and transactional email, and enhancement of CRM list management and analytics for more effective targeted marketing proposed by programs.
6. Maintain regional outreach in Eastern Oregon and Southern Oregon, and serve as a resource to local governments and public sector customers, coordinating with program resources to increase regional awareness, facilitate connection to offers and services, and expand participation throughout our combined utility service territories. Continue support for Corvallis and Bend Energy Challenges, and employ innovative approaches to support other local efforts.
7. Provide expanded support for renewable sector marketing needs, including customer milestone events, customer engagement for the Solar program, the soft cost reduction initiative, award applications and announcements, online engagement strategies for irrigation modernization, and media relations.
8. Support the Diversity Initiative goal of a culturally attentive organization with diverse employees, contractors and customers through project coordination, communications and outreach activities.
9. Deliver quarterly and annual public reports, utility reports, general communications and presentations; respond to requests for information from media, the public and policymakers. Develop and improve standard reporting tools for recurring data requests; train and support spokespersons on topics of interest.
10. Onboard a communications and public relations contractor to expand capacity for increased public and media relations opportunities; allow for additional time and resources to support media response communications related to areas of innovation and change.
11. Support and expand stakeholder engagement in coordination with programs; support broad understanding of changing energy policies and proposals intersecting with Energy Trust programs; engage stakeholders in understanding benefits and results, and prepare for data requests and other questions in the 2016 and 2017 sessions of the Oregon Legislature.
12. Identify solution for a stakeholder relationship management system and implement in coordination with IT and programs; ensure user adoption and training.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

General Communications

13. Serve as communication lead to executive director and Board Executive Director Transition Committee; lead communications onboarding of new executive director in fall 2016 and support other transition activities.
14. Design communication and engagement for Energy Trust 15-year milestone beginning in fall 2016 and continuing through spring 2017.

2017 Strategic Focus

1. Ongoing program support with focus on program design transitions support, particularly in the residential sector.
2. Continued readiness for stakeholder relations and information response during 2017 session of the Oregon Legislature.
3. Public engagement and delivery of results and benefits information as part of Energy Trust 15-year milestone.
4. Completion of phased redevelopment of energytrust.org.
5. Exploration and implementation of core services for customers that support acquisition of energy savings and generation through education.

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Program Specific Charges			42,000	42,000
ETO expenses				
Staffing	1,331,543	1,203,425	1,438,710	1,528,166
Marketing	690,500	672,500	690,500	690,500
Other Services	362,000	322,000	302,500	302,500
General	53,500	53,500	75,700	81,700
Allocations	412,762	360,604	390,456	442,353
Total	2,850,305	2,612,029	2,939,866	3,087,219

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

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Management and General

Support Group Description

The Management And General group encompasses the executive, board relations, legal, finance, human resources and general office operation functions and provides key leadership in support of Energy Trust strategic goals and operations.

2016 Strategic Focus

1. Seek continued improvements in program and administrative efficiencies, identifying metrics to measure productivity gains where practical and worthwhile.
2. Transition successfully to a new executive director.
3. Enhance organization's cultural competence and ability to serve an increasingly diverse customer base.
4. Develop staff and maintain current culture of achievement and high employee engagement.
5. Advance data governance and privacy policies to ensure legal compliance and program support.
6. Manage risk, corporate compliance, human resources, financial reporting, auditing and facilities.
7. Support the board of directors.

2016 Activities

1. The board of directors and its appointed Executive Director transition committee will recruit, hire and successfully transition a new organization leader to best align with the 2016 year-end scheduled retirement of founding Executive Director Margie Harris.
2. The Human Resources department will create and implement a new career development program, supporting staff opportunities to develop broader and deeper skills within their current roles and to augment skills to advance within the organization. Project goals include employee retention, capacity building, and enhancing satisfaction.
3. To address changing demographics and serve an increasingly diverse customer base, board and staff are focusing on the diversity initiative. A cultural competency assessment and identifying organization goals and strategies will be completed, along with research to inform expanded participation. Staff recruitment, hiring and retention and broader procurement and contractor opportunities will be pursued.
4. Groups throughout the organization will engage in LEAN strategies to streamline processes and improve internal efficiencies. Administrative process improvements will continue and staff training on metrics development will be maintained.
5. The finance group plans to automate procurement and accounts payable systems, including electronic payments, electronic invoicing and approval workflows, simplified purchasing practices, and purchasing and payments reporting improvements.

ENERGY TRUST 2016-2017 DRAFT ACTION PLAN

Management and General

6. The legal department will review and centralize data governance and privacy policies to further efforts begun is reviewing and centralizing data governance and privacy policy policies, furthering efforts begun under Utility Customer Information (UCI) agreements, continuing to protect information assets along with the privacy of participants, employees and contractors.
7. The organization will complete the electronic document retention implementation to ensure compliance and security.

2017 Strategic Focus

1. Continue multiyear initiatives and perform all management functions at a high quality level, furthering and enhancing the goals of the organization.

	2015 Budget	2015 Forecast	2016 Draft Budget	2017 Draft Projection
Staffing	2,100,756	2,013,658	2,373,506	2,487,318
Other Services	414,688	313,058	370,500	292,235
General	205,645	140,592	215,470	216,235
Allocations	601,356	525,368	624,372	644,360
TOTAL EXPENSE	3,322,445	2,992,676	3,583,848	3,640,148

(tab) Forecasts

2015 Budget Recap Spending and Saving - R3: Reforecast

ENERGY EFFICIENCY

	BUDGET (\$M)			ELECTRIC		GAS	
	ELECTRIC	GAS	TOTAL	ELECTRIC SAVINGS GOAL (aMW)	Levelized Cost per kWh (in cents)	Annual Therms	Levelized Cost per Therm (in cents)
Commercial							
Business Energy Solutions – Existing Buildings	43.8	5.2	49.0	14.3	3.7	1,693,226	34.47
Business Energy Solutions – New Buildings	12.5	1.5	14.0	4.8	3.0	492,229	93.60
Mkt Transformation (Alliance)	2.3	0.3	2.6	0.9	4.9		
Total Commercial	58.6	7.0	65.6	20.0	3.5	2,185,455	40.66
Industrial							
Production Efficiency	28.0	2.4	30.4	11.8	3.2	1,577,919	14.34
Mkt Transformation (Alliance)	0.4	0.0	0.4	0.2	3.4		
Total Industrial	28.4	2.4	30.8	12.0	3.2	1,577,919	14.34
Residential							
Home Energy Solutions – Existing Homes	15.9	5.7	21.6	4.7	3.5	885,386	46.08
Home Energy Solutions – New Homes & Products	22.1	5.3	27.4	9.2	3.2	1,057,671	32.80
Mkt Transformation (Alliance)	4.1	0.3	4.4	6.0	0.8		
Total Residential	42.1	11.4	53.5	20.0	2.5	1,943,057	39.56
Washington							
Business Energy Solutions – Existing Buildings		0.5	0.5			94,981	42.60
Home Energy Solutions – Existing Homes		0.5	0.5			55,466	61.70
Home Energy Solutions – New Homes & Products		0.4	0.4			58,944	54.46
Total Washington		1.5	1.5			209,391	53.24
Total Energy Efficiency	\$129.1	\$22.2	\$151.4	51.946	3.1	5,915,822	32.70

RENEWABLE RESOURCES

	ACTIVITY BASIS		ACCOUNTING BASIS	ACTIVITY BASIS		ACCOUNTING BASIS	
	BUDGET (\$M)		BUDGET (\$M)	ELECTRIC GENERATION GOAL (aMW)	(\$mils/ aMW)	ELECTRIC GENERATION GOAL (aMW)	(\$mils/ aMW)
Other Renewables	3.5		4.5	0.01	342.54	1.99	2.28
Solar Electric	13.9		15.7	2.06	6.75	4.15	3.78
Total Renewable Resources	\$17.4		\$20.2	2.07	8.42	6.14	3.29

TOTAL BUDGET - ALL

\$171.6

1 some columns may not add due to rounding

ENERGY TRUST OF OREGON
Income Statement by Service Territory
Draft 2015 Forecast

	ENERGY EFFICIENCY								
	PGE	PacifiCorp	Total	NWN Industrial	NW Natural	Cascade	Oregon Total	NWN WA	Efficiency Total
REVENUES									
Public Purpose Funding	28,344,214	21,819,010	50,163,224	0	13,216,352	1,588,708	64,968,284	0	64,968,284
Incremental Funding	43,344,669	21,722,619	65,067,288	3,078,432			68,145,720	1,356,784	69,502,504
Contributions									
Revenue from Investments									
TOTAL PROGRAM REVENUE	71,688,883	43,541,629	115,230,512	3,078,432	13,216,352	1,588,708	133,114,004	1,356,784	134,470,788
EXPENSES									
Program Management (Note 3)	2,924,987	1,885,611	4,810,598	119,908	673,448	112,481	5,716,434	144,477	5,860,911
Program Delivery	23,369,882	15,019,893	38,389,775	969,580	4,245,781	585,224	44,190,359	418,447	44,608,806
Incentives	43,714,185	26,995,791	70,709,976	1,467,427	8,616,890	1,094,109	81,888,403	632,344	82,520,747
Program Eval & Planning Svcs.	2,180,178	1,379,790	3,559,965	68,173	423,184	45,600	4,096,924	43,096	4,140,020
Program Marketing/Outreach	2,472,028	1,646,156	4,118,182	32,657	811,212	71,906	5,033,959	85,272	5,119,231
Program Quality Assurance	28,508	26,855	55,363	0	18,663	974	75,000	0	75,000
Outsourced Services	576,828	366,778	943,606	36,572	167,004	12,017	1,159,200	21,450	1,180,650
Trade Allies & Cust. Svc. Mgmt.	380,661	281,641	662,302	4,540	158,886	12,323	838,050	33,882	871,932
IT Services	728,100	490,704	1,218,805	17,942	220,734	21,509	1,478,991	34,779	1,513,770
Other Program Expenses - all	275,114	171,439	446,553	11,907	56,019	6,231	520,708	42,604	563,312
TOTAL PROGRAM EXPENSES	76,650,471	48,264,658	124,915,125	2,728,706	15,391,821	1,962,374	144,998,028	1,456,351	146,454,379
ADMINISTRATIVE COSTS									
Management & General (Notes 1 & 2)	1,380,859	869,982	2,250,842	46,159	289,391	36,082	2,622,473	27,622	2,650,095
Communications & Customer Svc (Notes 1 & 2)	1,204,650	758,694	1,963,344	40,260	251,939	31,488	2,287,030	24,094	2,311,124
Total Administrative Costs	2,585,509	1,628,676	4,214,186	86,419	541,330	67,570	4,909,503	51,716	4,961,219
TOTAL PROG & ADMIN EXPENSES	79,235,980	49,893,334	129,129,311	2,815,125	15,933,151	2,029,944	149,907,531	1,508,067	151,415,598
TOTAL REVENUE LESS EXPENSES	(7,547,097)	(6,351,705)	(13,898,799)	263,307	(2,716,799)	(441,236)	(16,793,527)	(151,283)	(16,944,810)
NET ASSETS - RESERVES									
Cumulative Carryover at 12/31/14 (Note 4)	27,816,059	15,090,306	42,906,365	580,920	9,503,289	1,156,900	54,147,474	217,848	54,365,322
Change in net assets this year	(7,547,097)	(6,351,705)	(13,898,799)	263,307	(2,716,799)	(441,236)	(16,793,527)	(151,283)	(16,944,810)
Ending Net Assets - Reserves	20,268,962	8,738,601	29,007,566	844,227	6,786,490	715,664	37,353,947	66,565	37,420,512
Ending Reserve by Category									
Program Reserves (Efficiency and Renewables)	20,268,962	8,738,601	29,007,566	844,227	6,786,490	715,664	37,353,947	66,565	37,420,512
Assets Released for General Purpose									
Emergency Contingency Pool									
TOTAL NET ASSETS CUMULATIVE	20,268,962	8,738,601	29,007,566	844,227	6,786,490	715,664	37,353,947	66,565	37,420,512

Note 1) Both Management & General and Communications & Customer Service Expenses (Administrative) are allocated based on total expenses.

Note 2) Administrative costs are allocated for management reporting only. GAAP for Not for Profit organizations does not allow allocation of administrative costs to program expenses.

Note 3) Program Management costs include both outsourced and internal staff.

Note 4) Cumulative carryover at 12/31/2014 reflects audited results.

ENERGY TRUST OF OREGON
Income Statement by Service Territory
Draft 2015 Forecast

	RENEWABLE ENERGY			Other	TOTAL
	PGE	PacifiCorp	Total		All Programs
REVENUES					
Public Purpose Funding	8,340,629	6,246,757	14,587,386	0	79,555,670
Incremental Funding					69,502,504
Contributions					
Revenue from Investments				422,000	422,000
TOTAL PROGRAM REVENUE	8,340,629	6,246,757	14,587,386	422,000	149,480,174
EXPENSES					
Program Management (Note 3)	537,277	382,864	920,141		6,781,052
Program Delivery	290,300	129,700	420,000		45,028,806
Incentives	10,872,155	5,885,137	16,757,292		99,278,039
Program Eval & Planning Svcs.	98,862	57,050	155,911		4,295,931
Program Marketing/Outreach	129,340	70,160	199,500		5,318,731
Program Quality Assurance	0	0	0		75,000
Outsourced Services	168,355	430,145	598,500		1,779,150
Trade Allies & Cust. Svc. Mgmt.	42,910	21,985	64,895		936,827
IT Services	117,085	82,606	199,690		1,713,460
Other Program Expenses - all	160,754	96,610	257,364		820,676
TOTAL PROGRAM EXPENSES	12,417,038	7,156,257	19,573,293	0	166,027,672
ADMINISTRATIVE COSTS					
Management & General (Notes 1 & 2)	215,693	126,887	342,580		2,992,675
Communications & Customer Svc (Notes 1 & 2)	189,489	111,414	300,903		2,612,027
Total Administrative Costs	405,182	238,301	643,483		5,604,702
TOTAL PROG & ADMIN EXPENSES	12,822,220	7,394,558	20,216,776		171,632,374
TOTAL REVENUE LESS EXPENSES	(4,481,591)	(1,147,801)	(5,629,390)	422,000	(22,152,200)
NET ASSETS - RESERVES					
Cumulative Carryover at 12/31/14 (Note 4)	13,736,996	10,937,995	24,674,991	8,186,804	87,227,117
Change in net assets this year	(4,481,591)	(1,147,801)	(5,629,390)	422,000	(22,152,200)
Ending Net Assets - Reserves	9,255,405	9,790,194	19,045,601	8,608,804	65,074,917
Ending Reserve by Category					
Program Reserves (Efficiency and Renewables)	9,255,405	9,790,194	19,045,601	3,608,804	
Assets Released for General Purpose					
Emergency Contingency Pool				5,000,000	
TOTAL NET ASSETS CUMULATIVE	9,255,405	9,790,194	19,045,601	3,608,804	65,074,917

Note 1) Both Management & General and Communications & Customer Service Expenses (Administrative) are allocated based on total expenses.

Note 2) Administrative costs are allocated for management reporting only. GAAP for Not for Profit organizations does not allow allocation of administrative costs to program expenses.

Note 3) Program Management costs include both outsourced and internal staff.

Note 4) Cumulative carryover at 12/31/2014 reflects audited results.

Energy Trust of Oregon
Statement of Functional Expenses
Draft 2015 Forecast

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communications & Customer Service	Total Admin Expenses	Total
Program Expenses							
Incentives/ Program Management & Delivery	133,661,674	17,193,292	150,854,966				150,854,966
Payroll and Related Expenses	3,051,127	904,141	3,955,268	2,013,658	1,203,425	3,217,082	7,172,350
Outsourced Services	4,779,561	887,000	5,666,561	313,058	994,500	1,307,558	6,974,119
Planning and Evaluation	2,013,002	66,912	2,079,914	1,487		1,487	2,081,401
Customer Service Management	546,452	42,743	589,195				589,195
Trade Allies Network	325,481	22,152	347,633				347,633
Total Program Expenses	144,377,296	19,116,240	163,493,536	2,328,203	2,197,925	4,526,127	168,019,664
Program Support Costs							
Supplies	11,210	3,560	14,770	10,443	5,179	15,621	30,391
Postage and Shipping Expenses	3,541	1,177	4,718	2,007	1,382	3,389	8,107
Telephone	4,483	2,058	6,540	1,974	1,359	3,333	9,874
Printing and Publications	67,387	6,127	73,514	5,569	5,736	11,305	84,819
Occupancy Expenses	214,262	71,216	285,478	121,452	83,599	205,051	490,529
Insurance	31,926	10,612	42,538	18,097	12,457	30,554	73,092
Equipment	6,269	121,859	128,128	3,554	2,446	6,000	134,128
Travel	64,250	10,000	74,250	44,730	25,000	69,730	143,980
Meetings, Trainings & Conferences	61,000	7,000	68,000	76,540	14,000	90,540	158,540
Interest Expense and Bank Fees				4,000		4,000	4,000
Depreciation & Amortization	50,619	16,825	67,443	28,693	19,750	48,443	115,886
Dues, Licenses and Fees	47,640	6,690	54,330	6,450	8,500	14,950	69,280
Miscellaneous Expenses	726	241	967	411	283	694	1,661
IT Services	1,513,770	199,691	1,713,461	340,553	234,413	574,966	2,288,427
Total Program Support Costs	2,077,082	457,054	2,534,136	664,473	414,104	1,078,577	3,612,713
TOTAL EXPENSES	146,454,378	19,573,294	166,027,672	2,992,676	2,612,029	5,604,705	171,632,377

OPUC Measure vs. 9% 5.5%

Energy Trust of Oregon
Program Expense by Service Territory
Draft 2015 Forecast

	PGE	Pacific Power	Subtotal Elec.	NWN Industrial	NW Natural Gas	Cascade	Subtotal Gas	Oregon Total	NWN WA	ETO Total
Energy Efficiency										
Commercial										
Existing Buildings	26,312,634	17,451,437	43,764,071	1,029,983	3,457,366	750,770	5,238,118	49,002,189	507,003	49,509,192
New Buildings	8,493,288	3,992,174	12,485,462	122,722	1,006,714	362,605	1,492,041	13,977,503		13,977,503
NEEA	1,385,355	962,705	2,348,060		226,481	25,165	251,646	2,599,706	23,815	2,623,521
Total Commercial	36,191,277	22,406,316	58,597,593	1,152,704	4,690,561	1,138,539	6,981,805	65,579,398	530,818	66,110,216
Industrial										
Production Efficiency	18,001,795	9,976,302	27,978,096	1,662,420	679,693	97,757	2,439,870	30,417,966		30,417,966
NEEA	242,616	168,598	411,214					411,214		411,214
Total Industrial	18,244,411	10,144,899	28,389,310	1,662,420	679,693	97,757	2,439,870	30,829,180		30,829,180
Residential										
Existing Homes	8,204,715	7,729,102	15,933,817		5,415,821	282,725	5,698,546	21,632,363	520,384	22,152,747
New Homes/Products	14,159,982	7,920,489	22,080,471		4,860,032	479,027	5,339,059	27,419,530	426,684	27,846,214
NEEA	2,435,593	1,692,531	4,128,124		287,045	31,894	318,940	4,447,063	30,183	4,477,246
Total Residential	24,800,290	17,342,122	42,142,412		10,562,898	793,647	11,356,545	53,498,956	977,251	54,476,207
Energy Efficiency Program Costs	79,235,978	49,893,337	129,129,315	2,815,125	15,933,152	2,029,943	20,778,220	149,907,535	1,508,068	151,415,603
Renewables										
Solar Electric (Photovoltaic)	10,714,088	4,967,617	15,681,705					15,681,705		15,681,705
Other Renewable	2,108,132	2,426,941	4,535,073					4,535,073		4,535,073
Renewables Program Costs	12,822,220	7,394,558	20,216,778					20,216,778		20,216,778
Cost Grand Total	92,058,198	57,287,895	149,346,093	2,815,125	15,933,152	2,029,943	20,778,220	170,124,313	1,508,068	171,632,377

Energy Trust of Oregon, Inc
Summary by Service Territory and Program
2015 Draft Forecast

COMBINED SERVICE TERRITORIES: Energy Efficiency & Renewables

EXPENSES	New											ETO Total
	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	Homes & Products	NEEA Residential	Washington (with NEEA)	Solar Renewables	Custom Renewables	
Program Management	1,764,548	590,550	-	1,151,916	-	984,181	1,225,240	-	144,477	509,042	411,099	6,781,053
Program Delivery	13,281,401	4,262,396	2,441,400	9,683,155	382,161	5,147,621	4,763,461	4,228,765	418,447	420,000	-	45,028,807
Incentives	29,344,461	7,268,439	-	16,723,611	-	10,898,253	17,653,638	-	632,344	13,442,432	3,314,860	99,278,038
Program Eval & Planning Svcs	1,021,715	543,585	55,212	1,060,664	12,805	796,024	559,793	47,127	43,096	120,832	35,080	4,295,933
Program Marketing/Outreach	1,314,580	440,745	-	225,000	-	1,692,920	1,360,714	-	85,272	161,500	38,000	5,318,731
Program Quality Assurance	-	-	-	-	-	75,000	-	-	-	-	-	75,000
Outsourced Services	313,500	100,999	-	245,000	-	201,000	298,700	-	21,450	178,500	420,000	1,779,149
Trade Allies & Cust. Svc. Mgmt	117,086	39,759	-	31,150	-	443,034	207,022	-	33,882	58,357	6,538	936,828
IT Services	242,905	203,575	6,644	200,340	949	551,778	264,256	8,542	34,779	111,088	88,603	1,713,459
Other Program Expenses	102,738	40,435	3,576	170,748	512	95,199	102,904	4,598	42,604	194,277	63,087	820,678
TOTAL PROGRAM EXPENSES	47,502,934	13,490,483	2,506,832	29,491,584	396,427	20,885,010	26,435,728	4,289,032	1,456,351	15,196,028	4,377,267	166,027,676
ADMINISTRATIVE COSTS												
Management & General	799,885	259,476	49,567	495,267	7,863	400,396	525,858	84,161	27,622	258,478	84,102	2,992,675
Communications & Customer Svc	699,368	227,545	43,308	431,115	6,925	346,958	457,943	73,869	24,094	227,200	73,703	2,612,028
Total Administrative Costs	1,499,253	487,021	92,875	926,382	14,788	747,354	983,801	158,030	51,716	485,678	157,805	5,604,703
Total Program & Admin Expenses	49,002,187	13,977,504	2,599,707	30,417,966	411,215	21,632,364	27,419,529	4,447,062	1,508,067	15,681,706	4,535,072	171,632,379
Energy Savings (kwh)	125,269,313	41,756,987	8,202,319	103,067,839	1,826,234	41,499,580	80,825,663	52,599,297				455,047,231
Energy Savings (therms)	1,693,226	492,229	-	1,577,919	-	885,386	1,057,671		209,391			5,915,822
Energy Generation (kwh)										36,359,793	17,441,610	53,801,403

Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2015 Draft Forecast

ENERGY EFFICIENCY

PGE

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	955,236	361,756		605,674		354,967	647,354		2,924,987
Program Delivery	7,000,140	2,624,749	1,297,259	5,615,618	225,475	1,929,763	2,363,394	2,313,484	23,369,882
Incentives	15,879,154	4,384,113		10,073,619		4,188,683	9,188,616		43,714,185
Program Eval & Planning Svcs	568,835	322,388	32,575	642,642	7,555	285,352	293,026	27,805	2,180,178
Program Marketing/Outreach	715,976	270,782		133,105		643,267	708,898		2,472,028
Program Quality Assurance						28,508			28,508
Outsourced Services	139,972	61,310		144,936		76,401	154,209		576,828
Trade Allies & Cust. Svc. Mgmt	62,820	24,135		18,428		168,399	106,879		380,661
IT Services	130,327	123,577	3,920	118,516	560	209,733	136,427	5,040	728,100
Other Program Expenses	55,122	24,545	2,110	101,011	302	36,185	53,126	2,713	275,114
TOTAL PROGRAM EXPENSES	25,507,582	8,197,355	1,335,864	17,453,549	233,892	7,921,258	13,651,929	2,349,042	76,650,471
ADMINISTRATIVE COSTS									
Management & General	429,513	157,668	26,414	293,106	4,639	151,862	271,563	46,094	1,380,859
Communications & Customer Svc	375,539	138,265	23,078	255,140	4,086	131,594	236,491	40,457	1,204,650
Total Administrative Costs	805,052	295,933	49,492	548,246	8,725	283,456	508,054	86,551	2,585,509
Total Program & Admin Expenses	26,312,634	8,493,288	1,385,356	18,001,795	242,617	8,204,714	14,159,983	2,435,593	79,235,980
Energy Savings (kwh)	79,061,462	22,248,802	4,839,368	64,115,378	1,077,478	23,261,073	47,779,125	31,033,585	273,416,271

Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2015 Draft Forecast

ENERGY EFFICIENCY

Pacific Power

EXPENSES	Existing	New	NEEA	Production	NEEA	Existing	New	NEEA	ETO Total
	Buildings	Buildings	Commercial	Efficiency	Industrial	Homes	Homes & Products	Residential	
Program Management	623,216	168,059		374,939		344,928	374,469		1,885,611
Program Delivery	4,860,954	1,208,206	901,485	3,149,529	156,686	1,897,410	1,237,948	1,607,675	15,019,893
Incentives	10,325,221	2,064,169		5,516,990		3,885,603	5,203,808		26,995,791
Program Eval & Planning Svcs	377,271	177,535	22,637	345,058	5,250	268,811	163,906	19,322	1,379,790
Program Marketing/Outreach	466,768	125,320		73,765		576,198	404,105		1,646,156
Program Quality Assurance						26,855			26,855
Outsourced Services	99,409	28,818		80,321		71,972	86,258		366,778
Trade Allies & Cust. Svc. Mgmt	41,665	11,344		10,212		158,637	59,783		281,641
IT Services	86,437	58,086	2,724	65,680	389	197,575	76,311	3,502	490,704
Other Program Expenses	36,559	11,537	1,466	55,978	210	34,088	29,716	1,885	171,439
TOTAL PROGRAM EXPENSES	16,917,500	3,853,074	928,312	9,672,472	162,535	7,462,077	7,636,304	1,632,384	48,264,658
ADMINISTRATIVE COSTS									
Management & General	284,868	74,110	18,355	162,434	3,224	143,059	151,901	32,031	869,982
Communications & Customer Svc	249,070	64,990	16,038	141,394	2,839	123,966	132,283	28,114	758,694
Total Administrative Costs	533,938	139,100	34,393	303,828	6,063	267,025	284,184	60,145	1,628,676
Total Program & Admin Expenses	17,451,438	3,992,174	962,705	9,976,300	168,598	7,729,102	7,920,488	1,692,529	49,893,334
Energy Savings (kwh)	46,207,851	19,508,185	3,362,951	38,952,461	748,756	18,238,507	33,046,538	21,565,712	181,630,960

Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2015 Draft Forecast

ENERGY EFFICIENCY

NW Natural Industrial

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	34,762	2,306		82,840					119,908
Program Delivery	244,798	8,000		716,782					969,580
Incentives	652,734	100,128		714,565					1,467,427
Program Eval & Planning Svcs	14,867	3,591		49,715					68,173
Program Marketing/Outreach	19,290	1,014		12,353					32,657
Program Quality Assurance									-
Outsourced Services	22,226	894		13,452					36,572
Trade Allies & Cust. Svc. Mgmt	2,478	352		1,710					4,540
IT Services	5,140	1,802		11,000					17,942
Other Program Expenses	2,174	358		9,375					11,907
TOTAL PROGRAM EXPENSES	998,469	118,445	-	1,611,792	-	-	-	-	2,728,706
ADMINISTRATIVE COSTS									
Management & General	16,813	2,278		27,068					46,159
Communications & Customer Svc	14,700	1,998		23,562					40,260
Total Administrative Costs	31,513	4,276	-	50,630	-	-	-	-	86,419
Total Program & Admin Expenses	1,029,982	122,721	-	1,662,422	-	-	-	-	2,815,125
Energy Savings (therms)	503,557	50,459	-	1,246,654	-	-	-	-	1,800,670

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2015 Draft Forecast**

ENERGY EFFICIENCY

NW Natural Gas

EXPENSES	Existing	New	NEEA	Production	NEEA	Existing	New	NEEA	ETO Total
	Buildings	Buildings	Commercial	Efficiency	Industrial	Homes	Homes & Products	Residential	
Program Management	127,923	42,957		82,406		234,920	185,242		673,448
Program Delivery	955,217	309,848	218,390	163,660		1,264,498	1,057,323	276,845	4,245,781
Incentives	2,040,583	529,352		373,020		2,705,345	2,968,590		8,616,890
Program Eval & Planning Svcs	49,905	29,460		20,326		229,861	93,632		423,184
Program Marketing/Outreach	93,942	32,076		5,051		454,179	225,964		811,212
Program Quality Assurance						18,663			18,663
Outsourced Services	51,145	7,335		5,500		50,016	53,008		167,004
Trade Allies & Cust. Svc. Mgmt	8,317	2,888		699		110,243	36,739		158,886
IT Services	17,254	14,785		4,497		137,302	46,896		220,734
Other Program Expenses	7,298	2,937		3,833		23,689	18,262		56,019
TOTAL PROGRAM EXPENSES	3,351,584	971,638	218,390	658,992	-	5,228,716	4,685,656	276,845	15,391,821
ADMINISTRATIVE COSTS									
Management & General	56,436	18,689	4,318	11,067		100,242	93,207	5,432	289,391
Communications & Customer Svc	49,344	16,389	3,773	9,633		86,863	81,169	4,768	251,939
Total Administrative Costs	105,780	35,078	8,091	20,700	-	187,105	174,376	10,200	541,330
Total Program & Admin Expenses	3,457,364	1,006,716	226,481	679,692	-	5,415,821	4,860,032	287,045	15,933,151
Energy Savings (therms)	977,552	356,000	-	311,663	-	841,000	956,405	-	3,442,620

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2015 Draft Forecast**

ENERGY EFFICIENCY

Cascade Natural Gas

EXPENSES	Existing	New	NEEA	Production	NEEA	Existing	New	NEEA	ETO Total
	Buildings	Buildings	Commercial	Efficiency	Industrial	Homes	Homes & Products	Residential	
Program Management	23,411	15,472		6,057		49,366	18,175		112,481
Program Delivery	220,292	111,593	24,266	37,566		55,950	104,796	30,761	585,224
Incentives	446,769	190,677		45,417		118,622	292,624		1,094,109
Program Eval & Planning Svcs	10,837	10,611		2,923		12,000	9,229		45,600
Program Marketing/Outreach	18,604	11,553		726		19,276	21,747		71,906
Program Quality Assurance						974			974
Outsourced Services	748	2,642		791		2,611	5,225		12,017
Trade Allies & Cust. Svc. Mgmt	1,806	1,040		101		5,755	3,621		12,323
IT Services	3,747	5,325		647		7,168	4,622		21,509
Other Program Expenses	1,585	1,058		551		1,237	1,800		6,231
TOTAL PROGRAM EXPENSES	727,799	349,971	24,266	94,779	-	272,959	461,839	30,761	1,962,374
ADMINISTRATIVE COSTS									
Management & General	12,255	6,731	480	1,592		5,233	9,187	604	36,082
Communications & Customer Svc	10,715	5,903	419	1,386		4,535	8,000	530	31,488
Total Administrative Costs	22,970	12,634	899	2,978	-	9,768	17,187	1,134	67,570
Total Program & Admin Expenses	750,769	362,605	25,165	97,757	-	282,727	479,026	31,895	2,029,944
Energy Savings (therms)	212,117	85,770	-	19,602	-	44,386	101,266	-	463,141

Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2015 Draft Forecast

ENERGY EFFICIENCY

NW Natural Washington

EXPENSES	Existing	NEEA	Existing	New	NEEA	ETO Total
	Buildings	Commercial	Homes	Homes & Products	Residential	
Program Management	50,624		59,211	34,642		144,477
Program Delivery	132,737	22,964	108,978	124,658	29,110	418,447
Incentives	188,155		248,521	195,668		632,344
Program Eval & Planning Svcs	15,518		15,255	12,323		43,096
Program Marketing/Outreach	52,198		31,037	2,037		85,272
Program Quality Assurance						
Outsourced Services			2,900	18,550		21,450
Trade Allies & Cust. Svc. Mgmt	12,784		15,383	5,715		33,882
IT Services	18,869		8,430	7,480		34,779
Other Program Expenses	17,771		13,254	11,579		42,604
TOTAL PROGRAM EXPENSES	488,656	22,964	502,969	412,652	29,110	1,456,351
ADMINISTRATIVE COSTS						
Management & General	9,799	454	9,308	7,490	571	27,622
Communications & Customer Svc	8,547	397	8,107	6,542	501	24,094
Total Administrative Costs	18,346	851	17,415	14,032	1,072	51,716
Total Program & Admin Expenses	507,002	23,815	520,384	426,684	30,182	1,508,067
Energy Savings (therms)	94,981	-	55,466	58,944		209,391

Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2015 Draft Forecast

RENEWABLE PROGRAMS

PGE Renewables

EXPENSES	Standard Solar	Custom Projects	ETO Total
Program Management	346,177	191,100	537,277
Program Delivery:	290,300		290,300
Incentives:	9,182,432	1,689,723	10,872,155
Program Eval & Planning Svcs	82,555	16,307	98,862
Program Marketing/Outreach	110,340	19,000	129,340
Program Quality Assurance			-
Outsourced Services	121,955	46,400	168,355
Trade Allies & Cust. Svc. Mgmt	39,871	3,039	42,910
IT Services	75,898	41,187	117,085
Other Program Expenses	132,734	28,020	160,754
TOTAL PROGRAM EXPENSES	10,382,262	2,034,776	12,417,038
ADMINISTRATIVE COSTS			
Management & General	176,598	39,095	215,693
Communications & Customer Svc	155,228	34,261	189,489
Total Administrative Costs	331,826	73,356	405,182
Total Program & Admin Expenses	10,714,088	2,108,132	12,822,220
Energy Generation (kwh)	15,021,993	15,333,960	30,355,953

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2015 Draft Forecast**

RENEWABLE PROGRAMS

Pacific Power Renewables

EXPENSES	Standard Solar	Custom Projects	ETO Total
Program Management	162,865	219,999	382,864
Program Delivery	129,700		129,700
Incentives	4,260,000	1,625,137	5,885,137
Program Eval & Planning Svcs	38,277	18,773	57,050
Program Marketing/Outreach	51,160	19,000	70,160
Program Quality Assurance			-
Outsourced Services	56,545	373,600	430,145
Trade Allies & Cust. Svc. Mgmt	18,486	3,499	21,985
IT Services	35,190	47,416	82,606
Other Program Expenses	61,543	35,067	96,610
TOTAL PROGRAM EXPENSES	4,813,766	2,342,491	7,156,257
ADMINISTRATIVE COSTS			
Management & General	81,880	45,007	126,887
Communications & Customer Svc	71,972	39,442	111,414
Total Administrative Costs	153,852	84,449	238,301
Total Program & Admin Expenses	4,967,618	2,426,940	7,394,558
Energy Generation (kwh)	21,337,800	2,107,650	23,445,450

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ENERGY EFFICIENCY

	BUDGET (\$M)			ELECTRIC		GAS	
	ELECTRIC	GAS	TOTAL	ELECTRIC SAVINGS GOAL (aMW)	Levelized Cost per kWh (in cents)	Annual Therms	Levelized Cost per Therm (in cents)
Commercial							
Business Energy Solutions – Existing Buildings	48.5	8.0	56.5	15.3	3.4	1,743,265	39.0
Business Energy Solutions – New Buildings	15.6	1.8	17.4	6.4	2.3	609,692	26.2
Mkt Transformation (Alliance)	2.5	0.3	2.8	1.3	3.8		
Total Commercial	66.6	10.1	76.7	22.9	3.0	2,352,957	37.0
Industrial							
Production Efficiency	32.0	2.8	34.8	16.3	2.4	1,036,453	23.6
Mkt Transformation (Alliance)	0.5	0.0	0.5	0.1	7.5		
Total Industrial	32.5	2.8	35.3	16.4	2.4	1,036,453	23.6
Residential							
Home Energy Solutions – Existing Homes	13.6	5.0	18.6	3.7	3.7	794,745	45.1
Home Energy Solutions – New Homes & Products	22.5	5.9	28.4	10.2	2.8	908,290	41.2
Mkt Transformation (Alliance)	4.4	0.8	5.2	4.9	1.1		
Total Residential	40.5	11.7	52.2	18.8	2.5	1,703,035	45.7
Washington							
Business Energy Solutions – Existing Buildings		0.7	0.7			151,056	37.9
Home Energy Solutions – Existing Homes		0.4	0.4			53,429	56.6
Home Energy Solutions – New Homes & Products		0.4	0.4			64,367	44.8
Total Washington		1.6	1.6			268,852	46.4
Total Energy Efficiency	\$139.6	\$26.2	\$165.8	58.1	2.7	5,361,297	38.0

RENEWABLE RESOURCES

	ACTIVITY BASIS		ACCOUNTING BASIS	ACTIVITY BASIS		ACCOUNTING BASIS	
	BUDGET (\$M)		BUDGET (\$M)	ELECTRIC GENERATION GOAL (aMW)	(\$mils/ aMW)	ELECTRIC GENERATION GOAL (aMW)	(\$mils/ aMW)
Other Renewables	6.5		8.4	2.65	2.45	2.71	3.11
Solar Electric	7.0		10.7	0.60	11.66	1.33	8.05
Total Renewable Resources	\$13.5		\$19.1	3.25	4.15	4.04	4.74

TOTAL BUDGET - ALL

\$184.9

1 some columns may not add due to rounding

ENERGY TRUST OF OREGON
Income Statement by Service Territory
Draft 2017 Projection

	ENERGY EFFICIENCY								
	PGE	PacifiCorp	Total	NWN Industrial	NW Natural	Cascade	Oregon Total	NWN WA	ETO Total
REVENUES									
Public Purpose Funding	28,467,454	21,476,259	49,943,713	0	16,239,218	2,514,889	68,697,820	0	68,697,820
Incremental Funding	55,737,625	32,252,402	87,990,027	3,461,252			91,451,279	1,702,044	93,153,323
Contributions									
Gain or Loss on Investments									
TOTAL PROGRAM REVENUE	84,205,079	53,728,661	137,933,740	3,461,252	16,239,218	2,514,889	160,149,099	1,702,044	161,851,143
EXPENSES									
Program Management (Note 3)	3,332,240	2,134,014	5,466,255	181,457	769,925	138,097	6,555,733	111,654	6,667,387
Program Delivery	25,046,738	16,135,471	41,182,212	819,497	5,169,721	638,656	47,810,083	480,787	48,290,870
Incentives	47,252,196	28,768,526	76,020,721	2,156,979	10,026,401	1,317,574	89,521,676	730,990	90,252,666
Program Eval & Planning Svcs.	1,957,891	1,240,409	3,198,299	64,646	450,788	52,434	3,766,166	60,879	3,827,045
Program Marketing/Outreach	2,880,294	1,915,637	4,795,931	39,122	905,522	88,462	5,829,035	86,000	5,915,035
Program Quality Assurance	27,738	16,238	43,975	1,330	5,013	931	51,250	0	51,250
Outsourced Services	584,905	382,964	967,869	21,677	144,549	48,905	1,183,000	32,050	1,215,050
Trade Allies & Cust. Svc. Mgmt.	423,455	306,444	729,899	5,430	186,319	16,008	937,656	38,301	975,957
IT Services	970,259	667,200	1,637,459	24,077	320,951	29,495	2,011,981	47,314	2,059,295
Other Program Expenses - all	277,062	176,671	453,733	12,791	62,713	7,213	536,448	45,430	581,878
TOTAL PROGRAM EXPENSES	82,752,778	51,743,574	134,496,353	3,327,006	18,041,902	2,337,775	158,203,028	1,633,405	159,836,433
ADMINISTRATIVE COSTS									
Management & General (Notes 1 & 2)	1,694,531	1,065,680	2,760,212	64,936	382,681	48,553	3,256,379	37,260	3,293,639
Communications & Customer Svc (Notes 1 & 2)	1,418,746	892,411	2,311,156	54,110	320,973	40,714	2,726,953	31,384	2,758,337
Total Administrative Costs	3,113,277	1,958,091	5,071,368	119,046	703,654	89,267	5,983,332	68,644	6,051,976
TOTAL PROG & ADMIN EXPENSES	85,866,055	53,701,665	139,567,721	3,446,052	18,745,556	2,427,042	164,186,360	1,702,044	165,888,409
TOTAL REVENUE LESS EXPENSES	(1,660,976)	26,996	(1,633,981)	15,200	(2,506,338)	87,847	(4,037,261)	0	(4,037,266)
NET ASSETS - RESERVES									
Cumulative Carryover 2016 R1 Draft Budget	4,029,902	867,971	4,897,873	200,000	3,521,204	272,657	8,891,734	100,000	8,991,734
Change in net assets this year	(1,660,976)	26,996	(1,633,981)	15,200	(2,506,338)	87,847	(4,037,261)	0	(4,037,266)
Ending Net Assets - Reserves	2,368,926	894,967	3,263,892	215,200	1,014,866	360,504	4,854,473	100,000	4,954,468
Ending Reserve by Category									
Program Reserves (Efficiency and Renewables)	2,368,926	894,967	3,263,892	215,200	1,014,866	360,504	4,854,473	100,000	4,954,468
Assets Released for General Purpose									
Emergency Contingency Pool									
TOTAL NET ASSETS CUMULATIVE	2,368,926	894,967	3,263,892	215,200	1,014,866	360,504	4,854,473	100,000	4,954,468

Note 1) Both Management & General and Communications & Customer Service Expenses (Administrative) are allocated based on total expenses.

Note 2) Administrative costs are allocated for management reporting only. GAAP for Not for Profit organizations does not allow allocation of administrative costs to program expenses.

Note 3) Program Management costs include both outsourced and internal staff.

ENERGY TRUST OF OREGON
Income Statement by Service Territory
Draft 2017 Projection

	RENEWABLE ENERGY			Other	TOTAL
	PGE	PacifiCorp	Total		All Programs
REVENUES					
Public Purpose Funding	8,376,500	6,187,922	14,564,422	0	83,262,242
Incremental Funding					93,153,323
Contributions					
Gain or Loss on Investments				300,000	300,000
TOTAL PROGRAM REVENUE	8,376,500	6,187,922	14,564,422	300,000	176,715,565
EXPENSES					
Program Management (Note 3)	577,503	573,398	1,150,901		7,818,288
Program Delivery	159,400	110,600	270,000		48,560,870
Incentives	7,859,000	7,625,000	15,484,000		105,736,666
Program Eval & Planning Svcs.	65,626	62,402	128,028		3,955,073
Program Marketing/Outreach	106,115	109,385	215,500		6,130,535
Program Quality Assurance	0	0	0		51,250
Outsourced Services	170,111	384,889	555,000		1,770,050
Trade Allies & Cust. Svc. Mgmt.	37,433	35,161	72,594		1,048,551
IT Services	136,401	135,253	271,654		2,330,949
Other Program Expenses - all	120,263	123,012	243,275		825,153
TOTAL PROGRAM EXPENSES	9,231,852	9,159,100	18,390,952	0	178,227,385
ADMINISTRATIVE COSTS					
Management & General (Notes 1 & 2)	175,633	170,875	346,508		3,640,147
Communications & Customer Svc (Notes 1 & 2)	145,577	141,305	286,882		3,045,219
Total Administrative Costs	321,210	312,180	633,390		6,685,366
TOTAL PROG & ADMIN EXPENSES	9,553,062	9,471,280	19,024,342		184,912,751
TOTAL REVENUE LESS EXPENSES	(1,176,562)	(3,283,358)	(4,459,920)	300,000	(8,197,186)
NET ASSETS - RESERVES					
Cumulative Carryover 2016 R1 Draft Budget	5,868,271	6,366,987	12,235,258	8,908,804	30,135,796
Change in net assets this year	(1,176,562)	(3,283,358)	(4,459,920)	300,000	(8,197,186)
Ending Net Assets - Reserves	4,691,709	3,083,629	7,775,338	9,208,804	21,938,610
Ending Reserve by Category					
Program Reserves (Efficiency and Renewables)	4,691,709	3,083,629	7,775,338	3,908,804	
Assets Released for General Purpose					
Emergency Contingency Pool				5,000,000	
TOTAL NET ASSETS CUMULATIVE	4,691,709	3,083,629	7,775,338	8,908,804	21,938,610

Note 1) Both Management & General and Communications & Customer Service Expenses (Admin) are allocated based on total expenses.

Note 2) Administrative costs are allocated for management reporting only. GAAP for Not for Profit organizations does not allow allocation of administrative costs to program expenses.

Note 3) Program Management costs include both outsourced and internal staff.

**Energy Trust of Oregon
Statement of Functional Expenses
2017 Draft Annual Projection**

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communications & Customer Service	Total Admin Expenses	Total
Program Expenses							
Incentives/ Program Management & Delivery	145,755,265	15,755,000	161,510,265				161,510,265
Payroll and Related Expenses	3,688,442	1,149,902	4,838,344	2,487,318	1,528,166	4,015,484	8,853,828
Outsourced Services	4,451,050	820,500	5,271,550	292,235	993,000	1,285,235	6,556,785
Planning and Evaluation	2,324,545	78,028	2,402,573	1,715		1,715	2,404,288
Customer Service Management	607,398	57,510	664,908				664,908
Trade Allies Network	368,559	25,084	393,643				393,643
Total Program Expenses	157,195,260	17,886,024	175,081,284	2,781,268	2,521,166	5,302,434	180,383,718
Program Support Costs							
Supplies	14,061	4,341	18,402	12,753	6,096	18,849	37,251
Postage and Shipping Expenses	4,499	1,495	5,994	2,550	1,755	4,305	10,299
Telephone	2,699	1,797	4,496	1,530	1,053	2,583	7,080
Printing and Publications	77,532	8,475	86,007	5,787	2,993	8,779	94,786
Occupancy Expenses	230,423	76,588	307,011	130,613	89,905	220,518	527,528
Insurance	35,119	11,673	46,792	19,907	13,702	33,609	80,401
Equipment	11,707	92,894	104,601	4,936	3,397	8,333	112,934
Travel	65,375	12,000	77,375	49,150	45,000	94,150	171,525
Meetings, Trainings & Conferences	54,576	10,941	65,517	143,631	12,283	155,914	221,431
Interest Expense and Bank Fees				4,000		4,000	4,000
Depreciation & Amortization	19,165	6,370	25,535	10,863	7,478	18,341	43,876
Dues, Licenses and Fees	66,723	6,700	73,423	9,880	21,500	31,380	104,803
IT Services	2,059,295	271,654	2,330,949	463,280	318,890	782,170	3,113,119
Total Program Support Costs	2,641,173	504,928	3,146,101	858,880	524,053	1,382,932	4,529,033
TOTAL EXPENSES	159,836,433	18,390,952	178,227,385	3,640,147	3,045,219	6,685,366	184,912,751

OPUC Measure vs. 9%

5.6%

Energy Trust of Oregon
Summary by Service Territory and Program
2017 Draft Annual Projection

	PGE	Pacific Power	Subtotal Elec.	NWN Industrial	NW Natural Gas	Cascade	Subtotal Gas	Oregon Total	NWN WA	ETO Total
Energy Efficiency										
Commercial										
Existing Buildings	30,590,869	17,907,739	48,498,608	1,467,165	5,528,990	1,026,704	8,022,859	56,521,467	727,511	57,248,978
New Buildings	9,488,865	6,129,130	15,617,995		1,602,303	161,893	1,764,196	17,382,191		17,382,191
NEEA	1,471,998	1,022,913	2,494,911		286,408	31,823	318,232	2,813,143	32,367	2,845,510
Total Commercial	41,551,731	25,059,783	66,611,514	1,467,165	7,417,702	1,220,420	10,105,287	76,716,801	759,878	77,476,679
Industrial										
Production Efficiency	19,983,447	12,013,859	31,997,306	1,978,886	716,511	103,942	2,799,339	34,796,645		34,796,645
NEEA	271,028	188,342	459,370					459,370		459,370
Total Industrial	20,254,475	12,202,201	32,456,676	1,978,886	716,511	103,942	2,799,339	35,256,015		35,256,015
Residential										
Existing Homes	7,211,307	6,392,044	13,603,351		4,771,041	257,107	5,028,147	18,631,498	429,892	19,061,390
New Homes/Products	14,241,143	8,235,711	22,476,854		5,155,373	769,468	5,924,841	28,401,695	434,871	28,836,566
NEEA	2,607,397	1,811,921	4,419,318		684,928	76,103	761,031	5,180,349	77,404	5,257,753
Total Residential	24,059,847	16,439,675	40,499,522		10,611,342	1,102,678	11,714,020	52,213,542	942,167	53,155,709
Energy Efficiency Program Costs	85,866,054	53,701,659	139,567,712	3,446,051	18,745,555	2,427,040	24,618,645	164,186,358	1,702,045	165,888,403
Renewables										
Solar Electric (Photovoltaic)	5,508,667	5,092,614	10,601,281					10,601,281		10,601,281
Other Renewable	4,044,397	4,378,664	8,423,061					8,423,061		8,423,061
Renewables Program Costs	9,553,064	9,471,278	19,024,342					19,024,342		19,024,342
Cost Grand Total	95,419,117	63,172,937	158,592,054	3,446,051	18,745,555	2,427,040	24,618,645	183,210,700	1,702,045	184,912,745

Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2017 Draft Annual Projection

COMBINED SERVICE TERRITORIES: Energy Efficiency & Renewables

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	Washington (with NEEA)	Solar Renewables	Custom Renewables	ETO Total
Program Management	2,089,196	688,485	-	1,517,075	-	919,734	1,341,243	-	111,654	627,104	523,797	7,818,288
Program Delivery:	15,398,415	5,150,076	2,652,562	9,782,248	408,054	4,659,549	4,843,466	4,915,713	480,787	270,000	-	48,560,870
Incentives:	33,187,378	9,270,619	-	20,530,766	-	8,725,956	17,806,957	-	730,990	8,370,000	7,114,000	105,736,666
Program Eval & Planning Svcs.:	1,010,369	724,540	29,725	695,553	29,725	621,236	625,295	29,725	60,879	95,166	32,862	3,955,075
Program Marketing/Outreach:	1,941,632	540,078	-	262,001	-	1,434,993	1,650,333	-	86,000	173,500	42,000	6,130,537
Program Quality Assurance:	51,250	-	-	-	-	-	-	-	-	-	-	51,250
Outsourced Services:	273,250	10,500	-	345,000	-	176,249	378,001	-	32,050	235,000	320,000	1,770,050
Trade Allies & Cust. Svc. Mgmt.:	131,993	44,997	-	35,230	-	494,165	231,271	-	38,301	65,294	7,300	1,048,551
IT Services:	330,443	276,937	9,038	272,537	1,292	750,626	359,488	11,621	47,314	151,121	120,533	2,330,950
Other Program Expenses	129,044	34,244	3,499	166,017	500	99,939	98,707	4,500	45,430	181,209	62,066	825,155
TOTAL PROGRAM EXPENSES	54,542,970	16,740,476	2,694,824	33,606,427	439,571	17,882,447	27,334,761	4,961,559	1,633,405	10,168,394	8,222,558	178,227,392
ADMINISTRATIVE COSTS												
Management & General	1,076,819	348,555	64,053	650,327	10,674	407,527	580,162	118,264	37,260	234,511	111,997	3,640,149
Communications & Customer Svc	901,681	293,161	54,266	539,895	9,126	341,525	486,773	100,527	31,384	198,375	88,507	3,045,220
Total Administrative Costs	1,978,500	641,716	118,319	1,190,222	19,800	749,052	1,066,935	218,791	68,644	432,886	200,504	6,685,369
Total Program & Admin Expenses	56,521,470	17,382,192	2,813,143	34,796,649	459,371	18,631,499	28,401,696	5,180,350	1,702,049	10,601,280	8,423,062	184,912,761
Energy Savings (kwh)	134,005,616	55,690,299	11,142,004	142,703,677	933,315	32,376,285	89,065,487	43,338,635				509,255,317
Energy Savings (therms)	1,743,265	609,692	-	1,036,453	-	794,745	908,290		268,852			5,361,297
Energy Generation (kwh)										18,360,058	20,999,541	39,359,599

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2017 Draft Annual Projection**

ENERGY EFFICIENCY

PGE

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	1,133,331	375,735		788,900		348,342	685,932		3,332,240
Program Delivery:	8,564,006	2,814,425	1,385,152	5,300,248	240,752	1,942,116	2,329,813	2,470,226	25,046,738
Incentives:	17,756,489	5,058,000		12,182,115		3,266,781	8,988,811		47,252,196
Program Eval & Planning Svcs.:	546,838	395,523	17,538	407,964	17,538	240,449	314,503	17,538	1,957,891
Program Marketing/Outreach:	1,048,226	294,703		150,465		535,006	851,894		2,880,294
Program Quality Assurance:	27,738								27,738
Outsourced Services:	123,302	5,732		198,131		68,217	189,523		584,905
Trade Allies & Cust. Svc. Mgmt.:	71,438	24,564		20,232		191,266	115,955		423,455
IT Services:	178,844	151,179	5,332	156,516	762	290,529	180,241	6,856	970,259
Other Program Expenses	69,842	18,693	2,064	95,342	295	38,681	49,490	2,655	277,062
TOTAL PROGRAM EXPENSES	29,520,054	9,138,554	1,410,086	19,299,913	259,347	6,921,387	13,706,162	2,497,275	82,752,778
ADMINISTRATIVE COSTS									
Management & General	582,802	190,275	33,516	373,478	6,298	157,733	290,904	59,525	1,694,531
Communications & Customer Svc	488,013	160,035	28,395	310,057	5,384	132,187	244,077	50,598	1,418,746
Total Administrative Costs	1,070,815	350,310	61,911	683,535	11,682	289,920	534,981	110,123	3,113,277
Total Program & Admin Expenses	30,590,869	9,488,864	1,471,997	19,983,448	271,029	7,211,307	14,241,143	2,607,398	85,866,055
Energy Savings (kwh)	86,516,731	29,395,890	6,573,782	92,600,449	550,656	17,745,515	52,265,496	25,569,795	311,218,313

Energy Trust of Oregon, Inc
Detail by Service Territory and Program
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ENERGY EFFICIENCY

Pacific Power

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	671,927	242,849		517,275		297,754	404,209		2,134,014
Program Delivery:	5,034,012	1,813,624	962,563	3,616,882	167,302	1,532,870	1,291,620	1,716,598	16,135,471
Incentives:	10,324,264	3,271,075		6,862,377		3,079,454	5,231,356		28,768,526
Program Eval & Planning Svcs.:	320,116	255,480	12,187	233,241	12,187	213,132	181,879	12,187	1,240,409
Program Marketing/Outreach:	636,856	190,533		90,458		490,038	507,752		1,915,637
Program Quality Assurance:	16,238								16,238
Outsourced Services:	90,079	3,702		119,114		60,467	109,602		382,964
Trade Allies & Cust. Svc. Mgmt.:	41,819	15,866		12,164		169,537	67,058		306,444
IT Services:	104,695	97,651	3,706	94,096	530	257,523	104,234	4,765	667,200
Other Program Expenses	40,885	12,075	1,435	57,319	205	34,287	28,620	1,845	176,671
TOTAL PROGRAM EXPENSES	17,280,891	5,902,855	979,891	11,602,926	180,224	6,135,062	7,926,330	1,735,395	51,743,574
ADMINISTRATIVE COSTS									
Management & General	341,169	122,904	23,291	224,531	4,376	139,813	168,231	41,365	1,065,680
Communications & Customer Svc	285,680	103,372	19,732	186,404	3,742	117,169	141,151	35,161	892,411
Total Administrative Costs	626,849	226,276	43,023	410,935	8,118	256,982	309,382	76,526	1,958,091
Total Program & Admin Expenses	17,907,740	6,129,131	1,022,914	12,013,861	188,342	6,392,044	8,235,712	1,811,921	53,701,665
Energy Savings (kwh)	47,488,886	26,294,409	4,568,222	50,103,228	382,659	14,630,770	36,799,990	17,768,840	198,037,004

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2017 Draft Annual Projection**

ENERGY EFFICIENCY

NW Natural Industrial

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	41,414			140,043					181,457
Program Delivery:	186,914			632,583					819,497
Incentives:	1,118,290			1,038,689					2,156,979
Program Eval & Planning Svcs.:	26,227			38,419					64,646
Program Marketing/Outreach:	24,222			14,900					39,122
Program Quality Assurance:	1,330								1,330
Outsourced Services:	2,057			19,620					21,677
Trade Allies & Cust. Svc. Mgmt.:	3,426			2,004					5,430
IT Services:	8,578			15,499					24,077
Other Program Expenses	3,350			9,441					12,791
TOTAL PROGRAM EXPENSES	1,415,808	-	-	1,911,198	-	-	-	-	3,327,006
ADMINISTRATIVE COSTS									
Management & General	27,952			36,984					64,936
Communications & Customer Svc	23,406			30,704					54,110
Total Administrative Costs	51,358	-	-	67,688	-	-	-	-	119,046
Total Program & Admin Expenses	1,467,166	-	-	1,978,886	-	-	-	-	3,446,052
Energy Savings (therms)	443,244	-	-	700,716	-	-	-	-	1,143,960

**Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2017 Draft Annual Projection**

ENERGY EFFICIENCY

NW Natural Gas

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	208,056	63,486		55,296		224,345	218,742		769,925
Program Delivery:	1,373,563	474,121	274,362	196,156		1,134,309	1,061,210	656,000	5,169,721
Incentives:	3,366,395	855,144		404,385		2,278,802	3,121,675		10,026,401
Program Eval & Planning Svcs.:	98,835	66,789		13,911		159,082	112,171		450,788
Program Marketing/Outreach:	203,018	49,809		5,395		393,207	254,093		905,522
Program Quality Assurance:	5,013								5,013
Outsourced Services:	22,712	968		7,104		45,133	68,632		144,549
Trade Allies & Cust. Svc. Mgmt.:	12,912	4,148		725		126,543	41,991		186,319
IT Services:	32,324	25,528		5,612		192,216	65,271		320,951
Other Program Expenses	12,623	3,157		3,419		25,592	17,922		62,713
TOTAL PROGRAM EXPENSES	5,335,451	1,543,150	274,362	692,003	-	4,579,229	4,961,707	656,000	18,041,902
ADMINISTRATIVE COSTS									
Management & General	105,336	32,130	6,521	13,391		104,357	105,309	15,637	382,681
Communications & Customer Svc	88,203	27,024	5,525	11,117		87,456	88,357	13,291	320,973
Total Administrative Costs	193,539	59,154	12,046	24,508	-	191,813	193,666	28,928	703,654
Total Program & Admin Expenses	5,528,990	1,602,304	286,408	716,511	-	4,771,042	5,155,373	684,928	18,745,556
Energy Savings (therms)	1,105,846	547,292	-	300,722	-	759,007	810,567	-	3,523,434

Energy Trust of Oregon, Inc
Detail by Service Territory and Program
2017 Draft Annual Projection

ENERGY EFFICIENCY

Cascade Natural Gas

EXPENSES	Existing Buildings	New Buildings	NEEA Commercial	Production Efficiency	NEEA Industrial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	34,468	6,415		15,561		49,293	32,360		138,097
Program Delivery:	239,920	47,906	30,485	36,379		50,254	160,823	72,889	638,656
Incentives:	621,940	86,400		43,200		100,919	465,115		1,317,574
Program Eval & Planning Svcs.:	18,353	6,748		2,018		8,573	16,742		52,434
Program Marketing/Outreach:	29,310	5,033		783		16,742	36,594		88,462
Program Quality Assurance:	931								931
Outsourced Services:	35,100	98		1,031		2,432	10,244		48,905
Trade Allies & Cust. Svc. Mgmt.:	2,398	419		105		6,819	6,267		16,008
IT Services:	6,002	2,579		814		10,358	9,742		29,495
Other Program Expenses	2,344	319		496		1,379	2,675		7,213
TOTAL PROGRAM EXPENSES	990,766	155,917	30,485	100,387	-	246,769	740,562	72,889	2,337,775
ADMINISTRATIVE COSTS									
Management & General	19,560	3,246	725	1,943		5,624	15,718	1,737	48,553
Communications & Customer Svc	16,379	2,730	614	1,613		4,713	13,188	1,477	40,714
Total Administrative Costs	35,939	5,976	1,339	3,556	-	10,337	28,906	3,214	89,267
Total Program & Admin Expenses	1,026,705	161,893	31,824	103,943	-	257,106	769,468	76,103	2,427,042
Energy Savings (therms)	194,175	62,400	-	35,015	-	35,738	97,723	-	425,050

**Energy Trust of Oregon, Inc
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ENERGY EFFICIENCY

NW Natural Washington

EXPENSES	Existing Buildings	NEEA Commercial	Existing Homes	New Homes & Products	NEEA Residential	ETO Total
Program Management	28,967		68,180	14,507		111,654
Program Delivery:	136,750	31,006	109,336	129,560	74,135	480,787
Incentives:	398,050		145,735	187,205		730,990
Program Eval & Planning Svcs.:	20,579		22,294	18,006		60,879
Program Marketing/Outreach:	53,000		20,000	13,000		86,000
Program Quality Assurance						
Outsourced Services:	500		6,000	25,550		32,050
Trade Allies & Cust. Svc. Mgmt.:	14,467		17,366	6,468		38,301
IT Services:	25,670		11,468	10,176		47,314
Other Program Expenses	20,760		11,830	12,840		45,430
TOTAL PROGRAM EXPENSES	698,743	31,006	412,209	417,312	74,135	1,633,405
ADMINISTRATIVE COSTS						
Management & General	15,634	737	9,592	9,530	1,767	37,260
Communications & Customer Svc	13,135	624	8,093	8,030	1,502	31,384
Total Administrative Costs	28,769	1,361	17,685	17,560	3,269	68,644
Total Program & Admin Expenses	727,512	32,367	429,894	434,872	77,404	1,702,049
Energy Savings (therms)	151,056	-	53,429	64,367		268,852

**Energy Trust of Oregon, Inc
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RENEWABLE PROGRAMS

PGE Renewables

EXPENSES	Standard Solar	Custom Projects	ETO Total
Program Management	325,998	251,505	577,503
Program Delivery:	159,400		159,400
Incentives:	4,330,000	3,529,000	7,859,000
Program Eval & Planning Svcs.:	49,450	16,176	65,626
Program Marketing/Outreach:	90,155	15,960	106,115
Program Quality Assurance:			-
Outsourced Services:	122,111	48,000	170,111
Trade Allies & Cust. Svc. Mgmt.:	33,928	3,505	37,433
IT Services:	78,526	57,875	136,401
Other Program Expenses	94,160	26,103	120,263
TOTAL PROGRAM EXPENSES	5,283,728	3,948,124	9,231,852
ADMINISTRATIVE COSTS			
Management & General	121,857	53,776	175,633
Communications & Customer Svc	103,080	42,497	145,577
Total Administrative Costs	224,937	96,273	321,210
Total Program & Admin Expenses	5,508,665	4,044,397	9,553,062
Energy Generation (kwh)	9,903,000	2,147,541	12,050,541

**Energy Trust of Oregon, Inc
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RENEWABLE PROGRAMS

Pacific Power Renewables

EXPENSES	Standard Solar	Custom Projects	ETO Total
Program Management	301,106	272,292	573,398
Program Delivery:	110,600		110,600
Incentives:	4,040,000	3,585,000	7,625,000
Program Eval & Planning Svcs.:	45,716	16,686	62,402
Program Marketing/Outreach:	83,345	26,040	109,385
Program Quality Assurance:			-
Outsourced Services:	112,889	272,000	384,889
Trade Allies & Cust. Svc. Mgmt.:	31,366	3,795	35,161
IT Services:	72,595	62,658	135,253
Other Program Expenses	87,049	35,963	123,012
TOTAL PROGRAM EXPENSES	4,884,666	4,274,434	9,159,100
ADMINISTRATIVE COSTS			
Management & General	112,654	58,221	170,875
Communications & Customer Svc	95,295	46,010	141,305
Total Administrative Costs	207,949	104,231	312,180
Total Program & Admin Expenses	5,092,615	4,378,665	9,471,280
Energy Generation (kwh)	8,457,058	18,852,000	27,309,058

(tab) Glossary

Financial Glossary

updated October 26, 2015

Administrative Costs

Costs that, by nonprofit accounting standards, have general objectives which enable an organization's programs to function. The organization's programs in turn provide direct services to the organization's constituents and fulfill the mission of the organization.

i.e. management and general and general communication and outreach expenses

- I. **Management and General**
 - Includes governance/board activities, interest/financing costs, accounting, payroll, human resources, general legal support, and other general organizational management costs.
 - Receives an allocated share of indirect costs.
- II. **General Communications and Outreach**
 - Expenditures of a general nature, conveying the nonprofit mission of the organization and general public awareness.
 - Receives an allocated share of indirect costs.

Allocation

- A way of grouping costs together and applying them to a program as one pool based upon an allocation base that most closely represents the activity driver of the costs in the pool.
- Used as an alternative to charging programs on an invoice-by-invoice basis for accounting efficiency purposes.
- An example would be accumulating all of the costs associated with customer management (call center operations, Energy Trust customer service personnel, complaint tracking, etc). The accumulated costs are then spread to the programs that benefited by using the ratio of calls into the call center by program (i.e. the allocation base).

Allocation Cost Pools

- Employee benefits and taxes.
- Office operations. Includes rent, telephone, utilities, supplies, etc.
- Information Technology (IT) services.
- Planning and evaluation general costs.
- Customer service and trade ally support costs.
- General communications and outreach costs.
- Management and general costs.
- Shared costs for electric utilities.
- Shared costs for gas utilities.
- Shared costs for all utilities.

Auditor's Opinion

- An accountant's or auditor's opinion is a report by an independent CPA presented to the board of directors describing the scope of the examination of the organization's books, and certifying that the financial statements meet the AICPA (American Institute of Certified Public Accountants) requirements of GAAP (generally accepted accounting principles).

- Depending on the audit findings, the opinion can be unqualified or qualified regarding specific items. Energy Trust strives for and has achieved in all its years an unqualified opinion.
- An unqualified opinion indicates agreement by the auditors that the financial statements present an accurate assessment of the organization's financial results.
- The OPUC Grant Agreement requires an unqualified opinion regarding Energy Trust's financial records.
- Failure to follow generally accepted accounting principles (GAAP) can result in a qualified opinion.

Board-approved Annual Budget

- Funds approved by the board for *expenditures* during the budget year (subject to board approved program funding caps and associated policy) for the stated functions.
- Funds approved for *capital* asset expenditures.
- Approval of the general allocation of funds including commitments and cash outlays.
- Approval of expenditures is based on assumed revenues from utilities as forecasted in their annual projections of public purpose collections and/or contracted revenues.

Reserves

- In any one year, the amount by which revenues exceed expenses for that year in a designated category that will be added to the cumulative balance and brought forward for expenditure to the next budget year.
- In any one year, if expenditures exceed revenues, the negative difference is applied against the cumulative carryover balance.
- Does not equal the cash on hand due to noncash expense items such as depreciation.
- Tracked by major utility funder and at high level program area--by EE vs RE, not tracked by program.

Committed Funds

- Represents funds obligated to identified efficiency program participants in the form of signed applications or agreements and tracked in the project forecasting system.
- If the project is not demonstrably proceeding within agreed upon time frame, committed funds return to incentive pool. Reapplication would then be required.
- Funds are expensed when the project is completed.
- Funds may be held in the operating cash account, or in escrow accounts.

Contract obligations

- A signed contract for goods or services that creates a legal obligation.
- Reported in the monthly Contract Status Summary Report.

Cost-Effectiveness Calculation

- Programs and measures are evaluated for cost-effectiveness.
- The cost of program savings must be lower than the cost to produce the energy from both a utility and societal perspective.
- Expressed as a ratio of energy savings cost divided by the presumed avoided utility and societal cost of energy.
- Program cost-effectiveness evaluation is "fully allocated," i.e. includes all of the program costs plus a portion of Energy Trust administrative costs.

Dedicated Funds

- Represents funds obligated to identified renewable program participants in the form of signed applications or agreements and tracked in the project forecasting system.

- May include commitments, escrows, contracts, board designations, master agreements.
- Methodology utilized to develop renewable energy activity-based budgets amounts.

Direct Program Costs

- Can be directly linked to and reflect a causal relationship to one individual program/project; or can easily be allocated to two or more programs based upon usage, cause, or benefit.

Direct Program Evaluation & Planning Services

- Evaluation services for a specific program rather than for a group of programs.
- Costs incurred in evaluating programs and projects and included in determining total program funding caps.
- Planning services for a specific program rather than for a group of programs.
- Costs incurred in planning programs and projects and are included in determining program funding expenditures and caps.
- Evaluation and planning services attributable to a number of programs are recorded in a cost pool and are subsequently allocated to individual programs.

Escrowed Program (Incentive) Funds

- Cash deposited into a separate bank account that will be paid out pursuant to a contractual obligation requiring a certain event or result to occur. Funds can be returned to Energy Trust if such event or result does not occur. Therefore, the funds are still “owned” by Energy Trust and will remain on the balance sheet.
- The funds are within the control of the bank in accordance with the terms of the escrow agreement.
- When the event or result occurs, the funds are considered “earned” and are transferred out of the escrow account (“paid out”) and then are reflected as an expense on the income statement for the current period.

Expenditures/Expenses

- Amounts for which there is an obligation for payment of goods and/or services that have been received or earned within the month or year.

Projects Forecasting / Pipeline

Module developed in Project Tracking to provide information about the timing of future incentive payments, with the following definitions:

- Estimated-Project data may be inaccurate or incomplete. Rough estimate of energy savings, incentives and completion date by project and by service territory.
- Proposed-Project that has received a written incentive offer but no agreement or application has been signed. Energy savings, incentives and completion date to be documented by programs using this phase. For Renewable projects-project that has received Board approval.
- Accepted-Used for renewable energy projects in 2nd round of application; projects that have reached a stage where approval process can begin.
- Committed-Project that has a signed agreement or application reserving incentive dollars until project completion. Energy savings/generations, incentives and completion date by project and by service territory must be documented in project records and in FastTrack. If project not demonstrably proceeding within agreed upon time frame, committed funds return to incentive pool. Reapplication would then be required.
- Dedicated-Renewable project that has been committed, has a signed agreement, and if required, has been approved by the board of directors.

Incentives**I. Residential Incentives**

- Incentives paid to a residential program participant (party responsible for payment for utility service in particular dwelling unit) exclusively for energy efficiency and renewable energy measures in the homes or apartments of such residential customers.

II. Business Incentives

- Incentives paid to a participant other than a residential program participant as defined above following the installation of an energy efficiency or renewable energy measure.
- Above market cost for a particular renewable energy project.

III. Service Incentives

- Incentives paid to an installation contractor which serves as a reduction in the final cost to the participant for the installation of an energy efficiency or renewable energy measure.
- Payment for services delivered to participants by contractors such as home reviews and technical analysis studies.
- End-user training, enhancing participant technical knowledge or energy efficiency practices proficiency such as “how to” sessions on insulation, weatherization, or high efficiency lighting.
- CFL online home review fulfillment and PMC direct installations.
- Technical trade ally training to enhance program knowledge.
- Incentives for equipment purchases by trade allies to garner improvements of services and diagnostics delivered to end-users, such as duct sealing, HVAC diagnosis, air filtration, etc.

Indirect Costs

- Shared costs that are “allocated” for accounting purposes rather than assigning individual charges to programs.
- Allocated to all programs and administration functions based on a standard basis such as hours worked, square footage, customer phone calls, etc.
- Examples include rent/facilities, supplies, computer equipment and support, and depreciation.

IT Support Services

- Information technology costs incurred as a result of supporting all programs.
- Includes FastTrack energy savings and incentive tracking software, data tracking support of PMCs and for the program evaluation functions.
- Includes technical architecture design and physical infrastructure.
- Receives an allocation of indirect shared costs.
- Total costs subsequently allocated to programs and administrative units.

Outsourced Services

- Miscellaneous professional services contracted to third parties rather than performed by internal staff.
- Can be incurred for program or administrative reasons and will be identified as such.

Program Costs

- Expenditures made to fulfill the purposes or mission for which the organization exists and are authorized through the program approval process.
- Includes program management, incentives, program staff salaries, planning, evaluation, quality assurance, program-specific marketing and other costs incurred solely for program purposes.
- Can be direct or indirect (i.e. allocated based on program usage.)

Program Delivery Expense

- This will include all PMC labor and direct costs associated with: incentive processing, program coordination, program support, trade ally communications, and program delivery contractors.
- Includes contract payments to NEEA for market transformation efforts.
- Includes performance compensation incentives paid to program management contractors under contract agreement if certain incentive goals are met.
- Includes professional services for items such as solar inspections, anemometer maintenance and general renewable energy consulting.

Program Legal Services

- External legal expenditures and internal legal services utilized in the development of a program-specific contract.

Program Management Expense

- PMC billings associated with program contract oversight, program support, staff management, etc.
- ETO program management staff salaries, taxes and benefits.

Program Marketing/Outreach

- PMC labor and direct costs associated with marketing/outreach/awareness efforts to communicate program opportunities and benefits to rate payers/program participants.
- Awareness campaigns and outreach efforts designed to reach participants of individual programs.
- Co-op advertising with trade allies and vendors to promote a particular program benefit to the public.

Program Quality Assurance

- Independent in-house or outsourced services for the quality assurance efforts of a particular program (distinguished from program quality control).

Program Reserves

- Negotiated with utilities annually, with a goal of providing a cushion of approximately 5% above funds needed to fulfill annual budgeted costs. Management may access up to 50% of annual program reserve without prior board approval (resolution 633, 2012).

Program Support Costs

- Source of information is contained in statement of functional expense report.
- Portion of costs in OPUC performance measure for program administration and support costs.
 - Includes expenses incurred directly by the program.
 - Includes allocation of shared and indirect costs incurred in the following categories: supplies; postage and shipping; telephone; printing and publications; occupancy expenses; insurance; equipment; travel; business meetings; conferences and training; depreciation and amortization; dues, licenses,

subscriptions and fees; miscellaneous expense; and an allocation of information technology department cost.

Project Specific Costs (for Renewable Energy)

- Expenses directly related to identified projects or identified customers to assist them in constructing or operating renewable projects. Includes services to prospective as well as current customers.
- Must involve direct contact with the project or customer, individually or in groups, and provide a service the customer would otherwise incur at their own expense.
- Does not include general program costs to reach a broad (unidentified) audience such as websites, advertising, program development, or program management.
- Project-Specific costs may be in the categories of; Incentives, Staff salaries, Program delivery, Legal services, Public relations, Creative services, Professional services, Travel, Business meetings, Telephone, or Escrow account bank fees.

Savings Types

- **Working Savings/Generation:** the estimate of savings/generation that is used for data entry by program personnel as they approve individual projects. They are based on deemed savings/generation for prescriptive measures, and engineering calculations for custom measures. They do not incorporate any evaluation or transmission and distribution factors.
- **Reportable Savings/Generation:** the estimate of savings/generation that will be used for public reporting of Energy Trust results. This includes transmission and distribution factors, evaluation factors, and any other corrections required to the original working values. These values are updated annually, and are subject to revision each year during the “true-up” as a result of new information or identified errors.
- **Contract Savings:** the estimate of savings that will be used to compare against annual contract goals. These savings figures are generally the same as the reportable savings at the time that the contract year started. For purposes of adjusting working savings to arrive at this number, a single adjustment percentage (a SRAF, as defined below) is agreed to at the beginning of the contract year and is applied to all program measures. This is based on the sum of the adjustments between working and reportable numbers in the forecast developed for the program year.
- **Savings Realization Adjustment Factors (SRAF):** are savings realization adjustment factors applied to electric and gas working savings measures in order to reflect more accurate savings information through the benefit of evaluation and other studies. These factors are determined by the Energy Trust and used for annual contract amendments. The factors are determined based on the best available information from:
 - Program evaluations and/or other research that account for free riders, spill-over effects and measure impacts to date; and
 - Published transmission and distribution line loss information resulting from electric measure savings.

Total Program and Admin Expenses (line item on income statement)

- Used only for cost effectiveness calculations, levelized cost calculations and in management reports used to track funds spent/remaining by service territory.
- Includes all costs of the organization--direct, indirect, and an allocation of administration costs to programs.
- Should not be used for external financial reporting (not GAAP).

Total Program Expenses (line item on income statement)

- All indirect costs have been allocated to program costs with the exception of administration (management and general costs and communications & outreach).
- Per the requirements of Generally Accepted Accounting Principles (GAAP) for nonprofits, administrative costs should not be allocated to programs.
- There is no causal relationship—costs would not go away if the program did not exist.

Trade Ally Programs & Customer Service Management

- Costs associated with Energy Trust sponsorship of training and development of a trade ally network for a variety of programs.
- Trade Ally costs are tracked and allocated to programs based on the number of allies associated with that program.
- Costs in support of assisting customers which benefit all Energy Trust programs such as call center operations, customer service manager, complaint handling, etc.
- Customer service costs are tracked and allocated based on # of calls into the call center per month.

True Up

- True-up is a once-a-year process where we take everything we've learned about how much energy programs actually save or generate, and update our reports of historic performance and our software tools for forecasting and analyzing future savings.
- Information incorporated includes improved engineering models of savings (new data factor), anticipated results of future evaluations based on what prior evaluations of similar programs have shown (anticipated evaluation factor), and results from actual evaluations of the program and the year of activity in question (evaluation factor).
- Results are incorporated in the Annual Report (for the year just past) and the True-up Report (for prior years).
- Sometimes the best data on program savings or generation is not available for 2-3 years, especially for market transformation programs. So for some programs, the savings are updated through the annual true-up 2 or 3 times