



# Energy Trust of Oregon

## 2017 Annual Budget and 2017-2018 Action Plan

### DRAFT

**Presented to the Board of Directors  
November 2, 2016**

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# MEMO

**Date:** October 26, 2016  
**To:** Board of Directors  
**From:** Michael Colgrove, Executive Director  
**Subject:** Draft 2017 Budget and 2017-2018 Action Plan

I am pleased to present to you Energy Trust of Oregon's Draft 2017 Budget and 2017-2018 Action Plan, which will be the focus of our November 2 board meeting.

Enclosed are a handout and slide presentation summarizing the draft budget and action plan, a list of upcoming outreach activities, draft budget and action plan details, and proposed staffing details. New this year in the budget detail section are two memos requested by the Oregon Public Utility Commission (OPUC). One summarizes planning assumptions shaping the draft budget and action plan. A second identifies current energy efficiency measure exceptions approved by the OPUC. Additionally, 2016 and 2018 forecast information and a financial glossary are provided for your consideration and reference. Throughout the materials, you will see links between planned activities and the 2015-2019 Strategic Plan.

These documents guide Energy Trust in delivering the lowest-cost energy resources available to utilities and their customers, and diversifying Oregon's energy resource mix with small-scale renewable energy generation. The outcomes and benefits of our investments lower participant utility bills, avoid carbon dioxide emissions and strengthen our economy.

The draft budget and action plan are available for public comment from October 26 through November 9, 2016. In addition to the presentation at your Nov. 2 board meeting, staff and I will provide information on the draft budget to our five affiliated utilities, two advisory councils and the Oregon Public Utility Commission. I will also lead a public webinar presentation on November 4. All materials are available on our website, [www.energytrust.org/about/budget](http://www.energytrust.org/about/budget).

Feedback and comments received through these presentations will be incorporated into a Final Proposed 2017 Budget and 2017-2018 Action Plan to be considered by the board of directors at your December 16 board meeting.

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

Thank you,



## Draft 2017 Budget—Overview

Energy Trust of Oregon’s annual budget and two-year action plan are developed through a transparent, public process. They guide our delivery of the lowest-cost energy resource for customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista, and diversify Oregon’s energy resource mix with clean power from small-scale renewable energy systems.

Learn more at [www.energytrust.org/about/budget](http://www.energytrust.org/about/budget).

### Areas of Emphasis

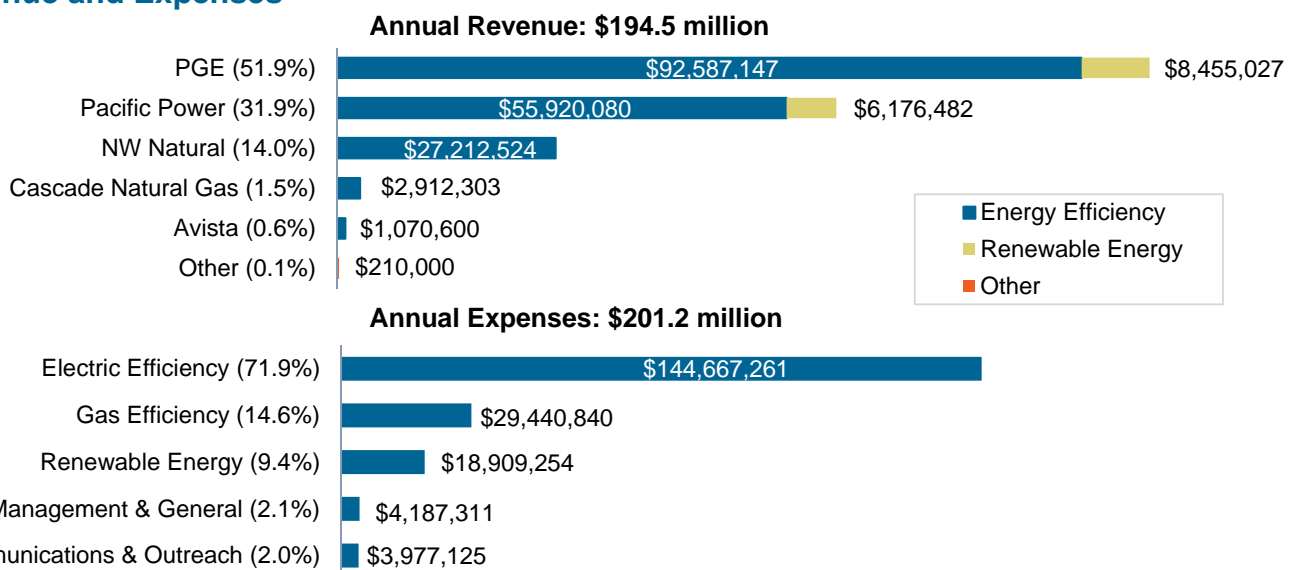
**Expanding participation**—Expand market research to improve services and reach new customers. Increase outreach to eastern and southern Oregon, moderate income households and small businesses, and recruit more business trade allies. Increase retail, direct installation and upstream approaches to serve more customers at lower costs. Expand informational resources for customers.

**New approaches, emerging technologies**—Innovation for future savings through pilots and Northwest Energy Efficiency Alliance electric and gas market transformation activities. Support new opportunities in irrigation modernization, wastewater treatment plants, the cannabis market, energy performance scoring for new manufactured homes, energy performance management and smart thermostats as part of utility demand response programs. Explore role in solar and storage, energy resilience, electric vehicles and other emerging areas to identify opportunity for savings and generation.

**Managing transitions**—Roll-out full services to Avista natural gas customers, respond to a rapidly changing LED market and any regulatory or policy shifts affecting solar incentives. Implement measure changes and modify approaches to serving residential customers. Continue stakeholder and customer outreach associated with executive director transition.

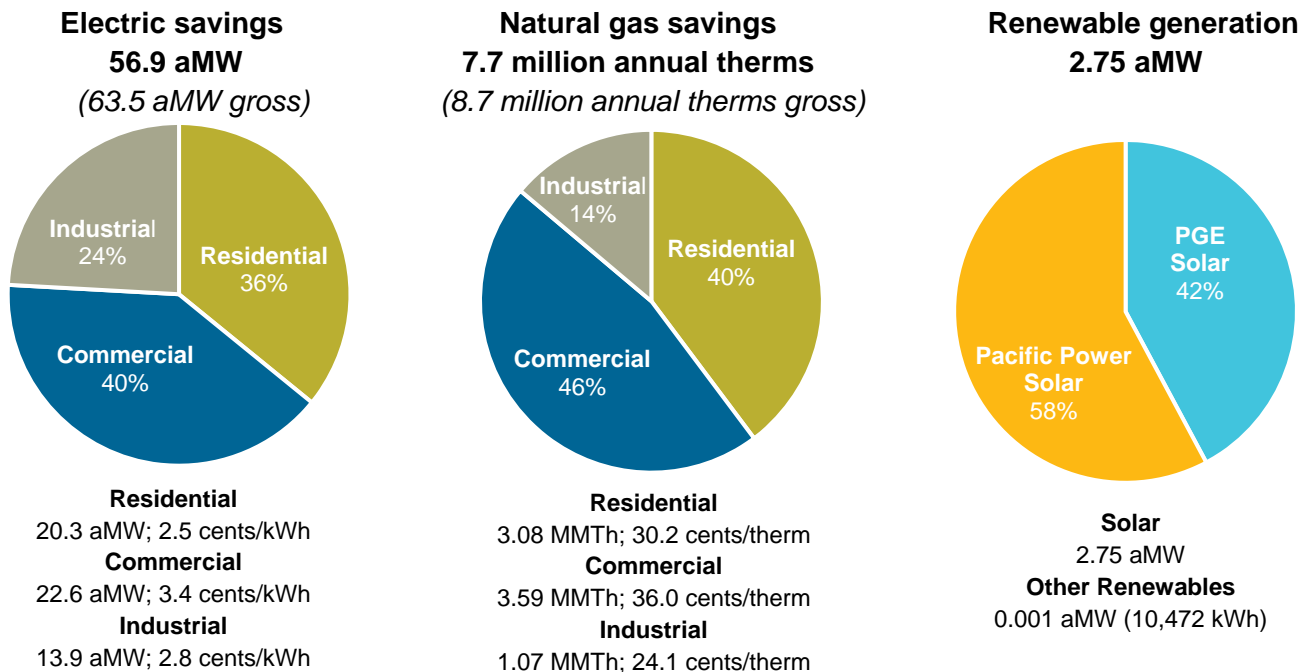
**Efficient and effective operations**—Use data and analysis to improve program effectiveness. Enhance internal systems and processes, supporting positive customer experiences, cost savings, transparency and accountability. Take steps toward diversifying workforce and staff development to serve a more diverse customer base. Maintain low staffing and administrative costs as a percentage of expenses.

### Revenue and Expenses



In agreement with our affiliated utilities, the budget utilizes reserves in 2017 to cover planned expenses in excess of anticipated revenue.

## Energy Efficiency and Generation Goals



## Investing \$201.2 Million to Deliver Significant Benefits

- Participants saving \$707 million on their utility bills over time from projects completed in 2017
- Energy saved at a cost of 3.0 cents/kWh and 31.5 cents/therm, a fraction of the cost of fossil fuels
- Jobs, wages and business income added to the local economy
- Air quality improvements by avoiding 4 million tons of carbon dioxide
- Training and support for 2,400 local businesses, many of them small companies employing 12,400 people to work on Energy Trust projects (self-reported by trade allies)

## Activities by Customer Type

### Homeowners and renters:

Online Home Energy Reviews; referrals to trade ally contractors; incentives for equipment, weatherization, LEDs, showerheads, clothes washers and solar; energy performance scoring for new homes, including manufactured; enhanced incentives for moderate-income customers

### Commercial businesses, public entities, nonprofits and multifamily properties:

Energy modeling, design and technical assistance; incentives for equipment, lighting and solar; Strategic Energy Management; Path to Net Zero; "Pay for Performance" pilot; multifamily rental unit and common-area

### Industrial and agricultural businesses:

Technical assistance, studies and analyses; customized solutions for industrial processes; equipment, lighting and solar incentives; Strategic Energy Management; expanded outreach to small industries; projects delivered by trade allies

### Renewable energy project developers:

Project development assistance; anaerobic digestion at wastewater treatment facilities, irrigation district modernization and hydropower; "soft" cost reduction strategies

*Notes: MMTh (million annual therms), aMW (average megawatt); this document reports in net except where noted*

## Draft 2017 Budget—Year-to-year Comparison

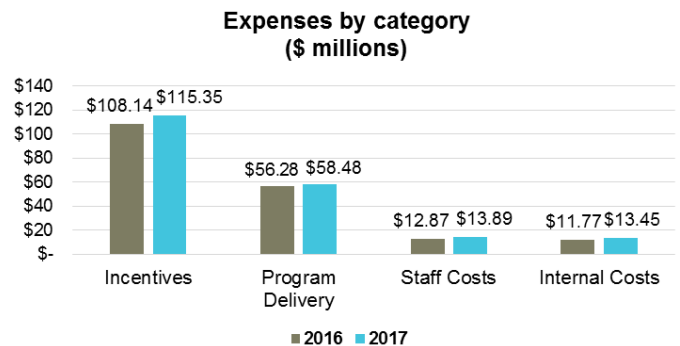
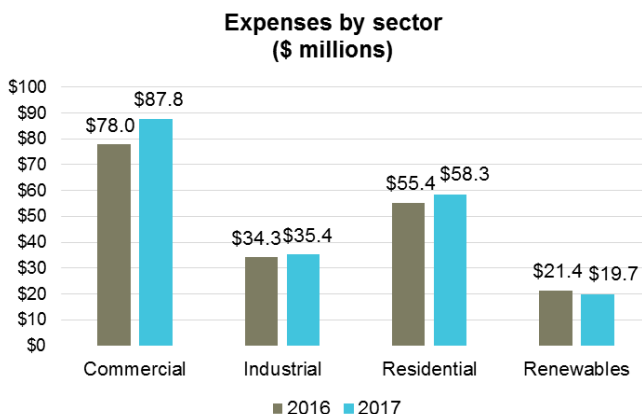
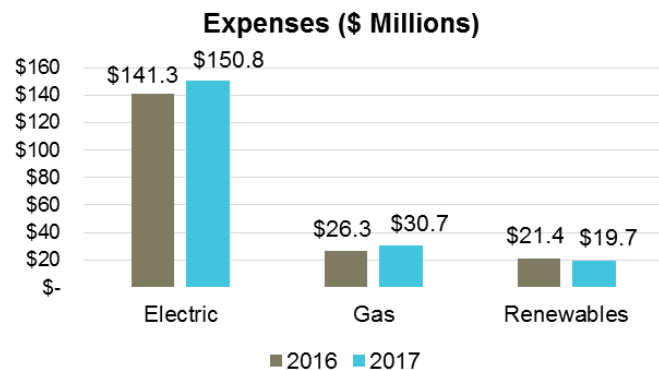
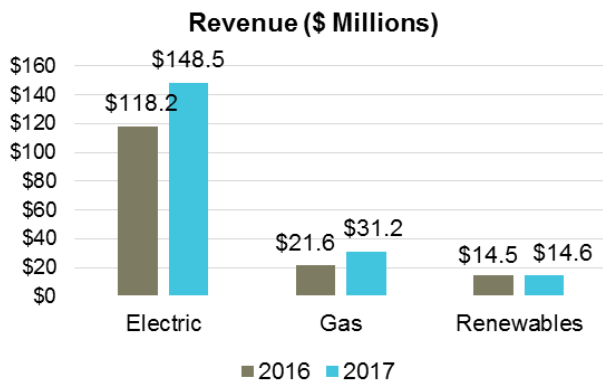
The detailed 2017 budget and 2017-18 action plans are posted at [www.energytrust.org/about/budget](http://www.energytrust.org/about/budget).

### Draft 2017 Budget Drivers

- Capture all cost-effective energy efficiency
  - Deliver greater savings than last year, 3.3% more electric savings and 29.2% more gas savings
  - Maximize savings in expanding new construction sector through New Homes and New Buildings
  - Increase retail, direct installation, instant incentives and upstream approaches
  - Roll-out full gas services to Avista customers
- Serve a high volume of customers investing in solar projects
- Use process improvements and internal system enhancements to manage costs
- Continue to meet/exceed Oregon Public Utility Commission performance measures

### Year-to-year Comparison of Revenues and Expenses

- Revenues up 25.8% over 2016 to support increased energy-saving goals (up for each utility) and maintain reserve amounts
- Expenses increased 6.4% over the 2016 budget; the single largest increase is in incentive spending, up \$7.2 million or 6.7% over 2016
- Staff and internal costs are up compared to 2016 and remain low compared to the overall budget; the increase reflects expanded work to plan for and serve new customers, manage transitions, develop new approaches and operate efficiently and effectively.
- Reserves approximately aligned with target levels for each utility

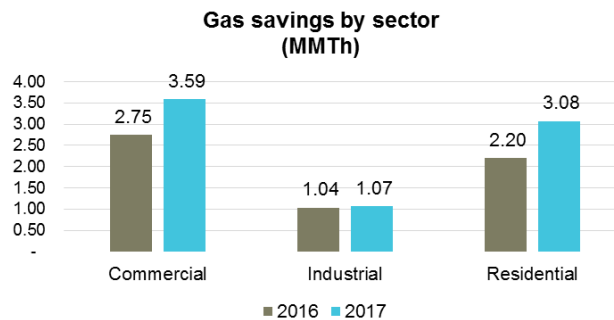
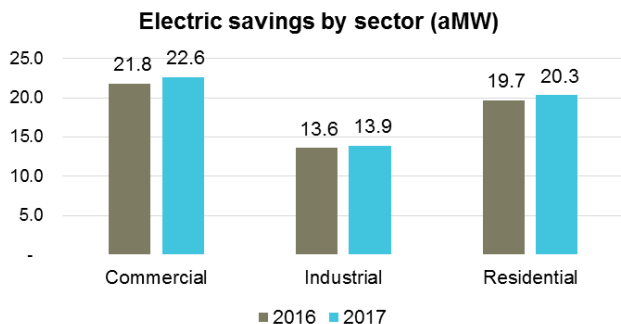


Notes: Charts depict approved 2016 budget to draft 2017 budget except where noted MMTh (million annual therms), aMW (average megawatt)

## Year-to-year Comparison of Savings and Generation

	Savings		Generation
	Electric aMW	Gas MMTh	Electric aMW
2016	55.1	5.99	4.13
2017	56.9	7.74	2.75
% Change	3.3%	29.2%	(33.4%)

	Savings Levelized Cost	
	Electric cent/kWh	Gas cents/therm
2016	2.9	33.7
2017	3.0	31.5



### Residential

- More electric savings are expected from NEEA and LEDs, and strong gas savings are expected from New Homes
- Existing Homes electric savings decreased slightly and gas savings increased 42% largely due to moving water heating support upstream, double the furnace installations in rentals and increased Savings Within Reach activity
- New opportunities in energy performance scoring for manufactured homes and smart thermostats as part of utility-led demand response programs

### Commercial and multifamily

- Increased project volume and double the number of new construction projects.
- Continued trend of fewer savings per project plus three large demand-side management gas projects
- Increased electric savings from new construction and lighting, gas savings from new construction and moderate commercial Strategic Energy Management savings
- Expected to serve more smaller multifamily buildings

### Industrial and agricultural

- Increased project volume, savings and incentives; new savings opportunities in cannabis market and projects resulting from customers' air pollution reduction efforts
- Expanded continuous Strategic Energy Management

### Renewable energy

- Generation down from last year due to uneven timing in large projects
- High solar demand will continue as a result of the 2016 changes in the federal Investment Tax Credit, lower installation costs and high consumer interest
- Nominal generation from 2 wind projects
- Continued project development assistance for hydropower at irrigation districts, biopower at wastewater treatment plants, geothermal and wind projects, though the vast majority of generation from these efforts will occur in 2018 and beyond

## Staffing Recap

- Requested positions: Planning Project Manager, Human Resources Generalist, Communications/Outreach Project Manager (temporary), Attorney (.5 FTE)
- Expand ability to incorporate utility dimensions into planning; support HR initiatives as staffing needs evolve; support additional market research, outreach and communications in light of expanding participation focus, program transitions, and active policy landscape; and continue to effectively review and negotiate contracts as program and operations require more legal services
- Will meet OPUC minimum performance measure for staffing costs to not exceed 7.75% on 3-yr rolling avg

	# FTE	% Annual Expenses	OPUC Perf. Measure
2016	105	6.8%	✓
2017	108.5	6.9%	✓

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

November 2, 2016

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### How is your budget and action plan developed?

Our annual budget and two-year action plan are developed through a transparent, public process that ensures stakeholder review and input. Our five-year Strategic Plan and each utility's Integrated Resource Plan (IRP) serve as primary building blocks for the budget, and are themselves developed through public processes at the Oregon Public Utility Commission (OPUC).

Annually starting in July and continuing through December, we work with Portland General Electric (PGE), Pacific Power, NW Natural, Cascade Natural Gas, Avista 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 available online.



### How can I participate?

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., Wednesday, November 9, 2016. Comments may be emailed to [info@energytrust.org](mailto:info@energytrust.org), or mailed or submitted in person to Energy Trust of Oregon, 421 SW Oak St., Suite 300, Portland, Oregon 97204.

### Who reviews and approves the budget and action plan?

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

### Where can I learn more information about next year's budget and action plan?

Visit our website at [www.energytrust.org/about/budget](http://www.energytrust.org/about/budget) to find the draft budget and action plan, view the budget schedule and register for the public webinar. All board and advisory council meeting agendas and packet materials are at [www.energytrust.org/about/public-meetings](http://www.energytrust.org/about/public-meetings).

**How are programs and services funded?**

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

**What benefits will the budget provide?**

Our budget and action plan are designed to help a range of customers save energy and produce renewable power—from homeowners to large industrial facilities around the state. We deliver the low-cost energy efficiency utilities rely on to meet their customers' energy needs, and add clean, renewable power to the electric grid. Projects and actions resulting from our budget reduce participating customer utility bills, help keep energy costs lower for all utility customers, avoid carbon emissions and strengthen local economies.

**What accountability measures are in place to ensure funds are spent wisely?**

All 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 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 do you report on expenditures and progress to 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 the OPUC.

**What do you take into account when setting the budget?**

We work closely with all five 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 resources drive our five-year strategic plan and guide our two-year action plan and annual budget.

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, any 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 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 ensure we can continue to provide programs and services for customers throughout the year. We have a minimum reserve amount for all five utilities, negotiated and set annually with each utility during the budget process.



## **DRAFT 2017 Annual Budget & 2017-2018 Action Plan**

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# Draft 2017 Annual Budget & 2017-18 Action Plan

November 2, 2016



# Today's Presentation

- Projected 2016 Results
- Building Blocks
- Draft 2017-2018  
Action Plan Highlights
- Draft 2017 Budget
- Next Steps
- Discussion and Feedback



# 14 Years of Affordable, Clean Energy

\$1.3 billion investment delivers these customer benefits:



**Nearly 600,000 sites** transformed into energy-efficient, comfortable and productive homes and businesses

**10,000 clean energy systems** generating renewable power from the sun, wind, water, geothermal heat and biopower



**\$5.6 billion** in savings over time on participant utility bills from their energy-efficiency and solar investments

**17.4 million tons of carbon dioxide** emissions kept out of our air



# Projected 2016 Results

- ✓ Forecasting to exceed savings goals for all utilities
- ✓ Expenditures are up; levelized costs remain low
- ✓ Two large renewable energy projects are delayed, causing generation shortfall
- ✓ Projecting reserves will be reduced by \$36.8 million—more than planned
- ✓ Large pipeline of projects
- ✓ Avista collaboration on track

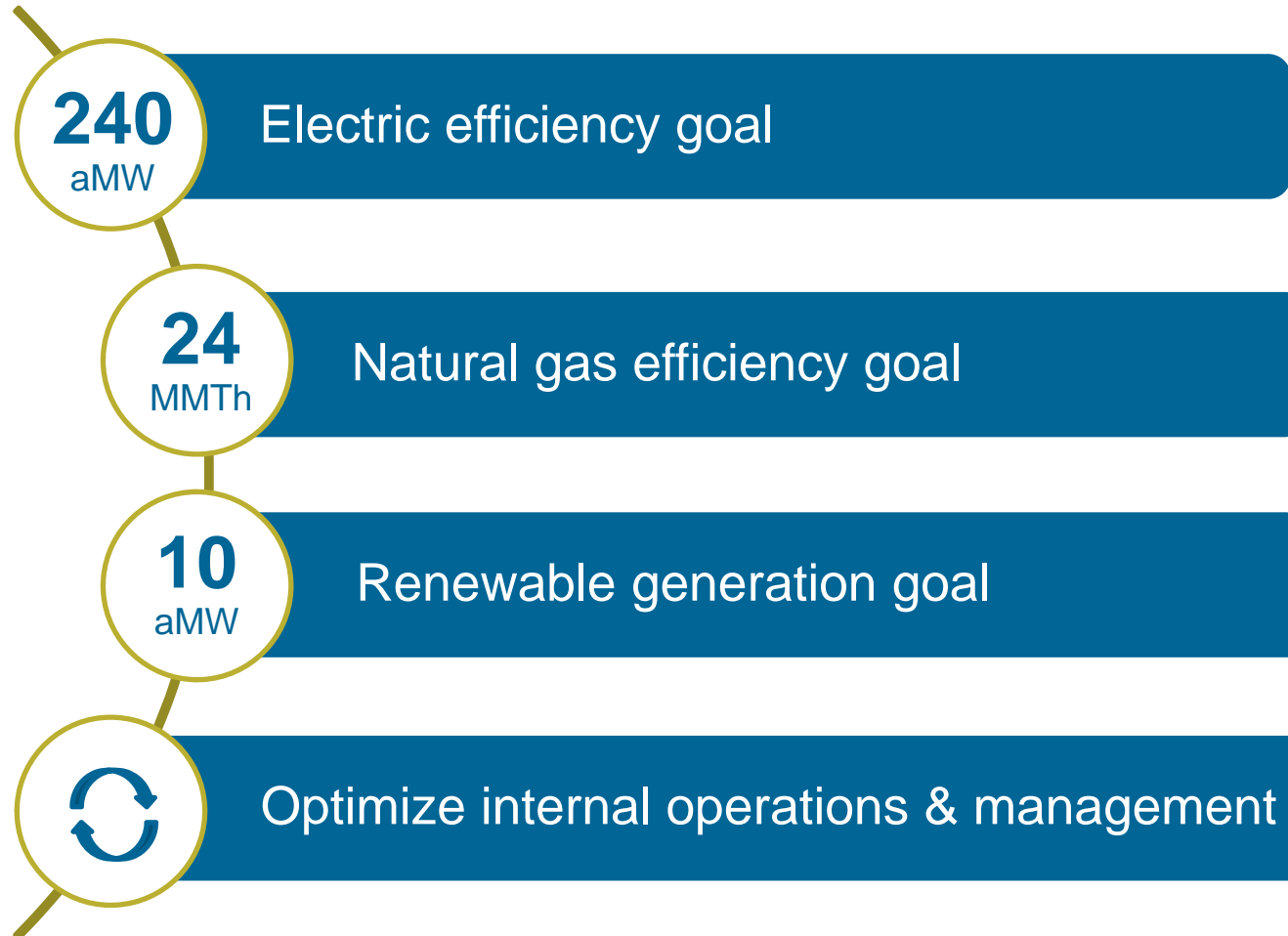


# Budget & Action Plan Building Blocks

# Building Blocks for Budget & Action Plan

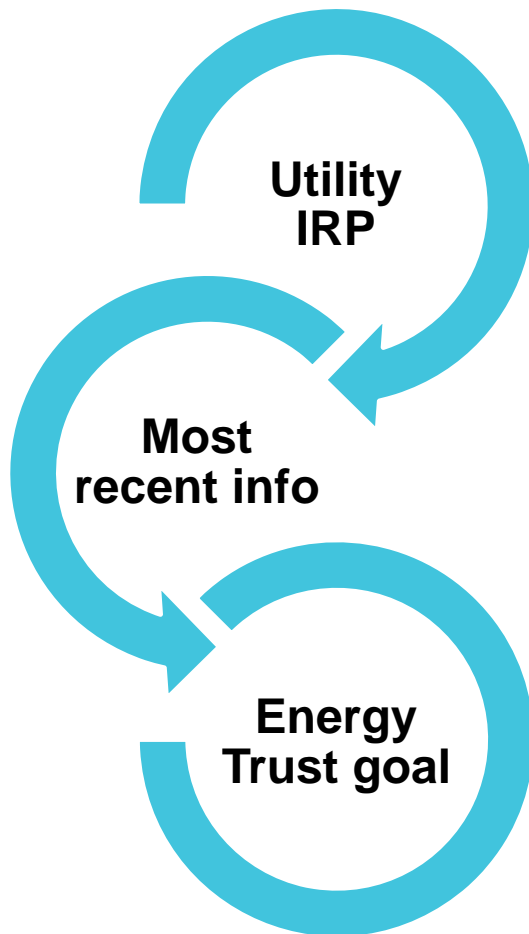


# 2015-2019 Strategic Plan Goals



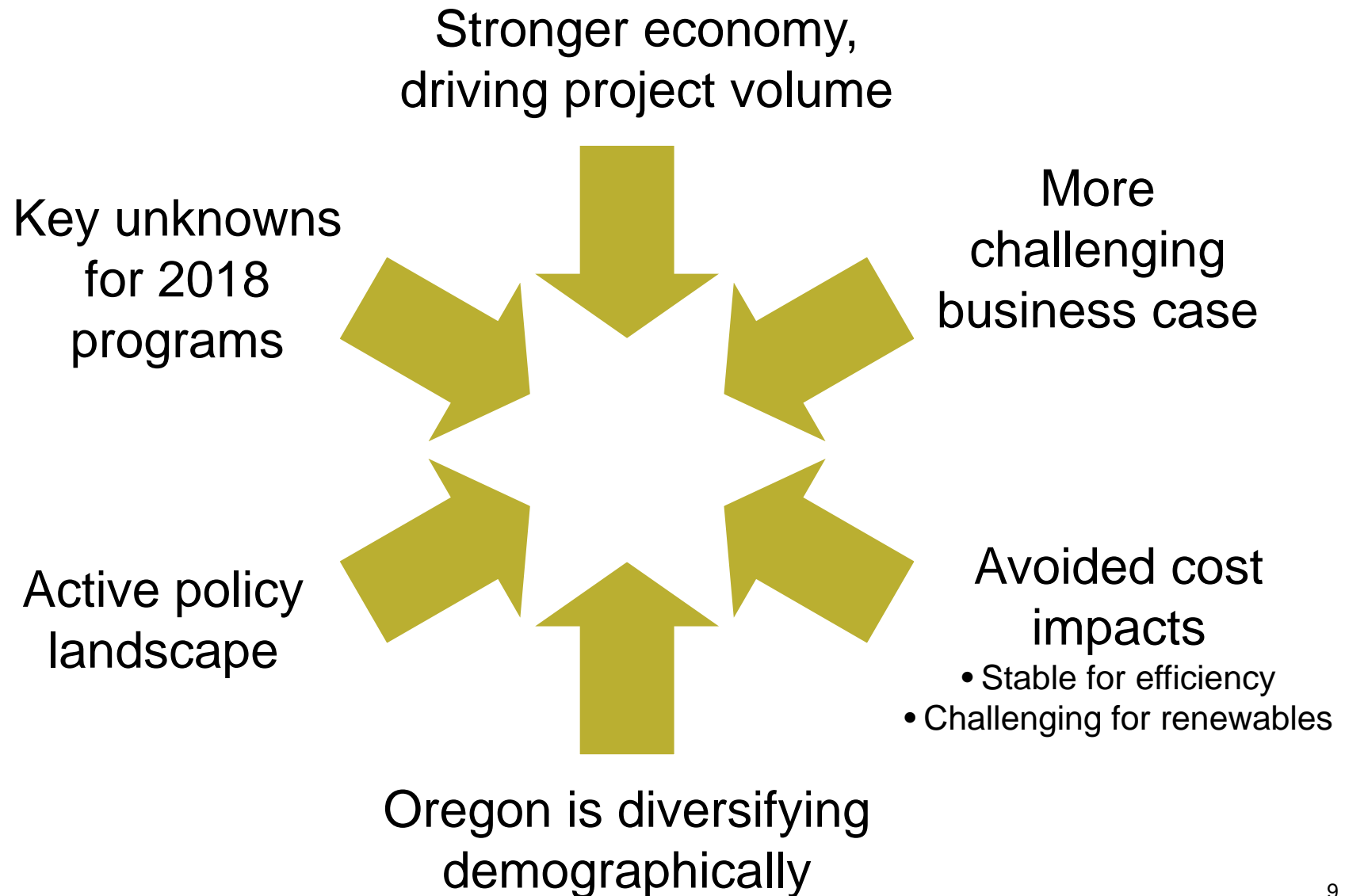


# Budget and Action Plan Annual Goals

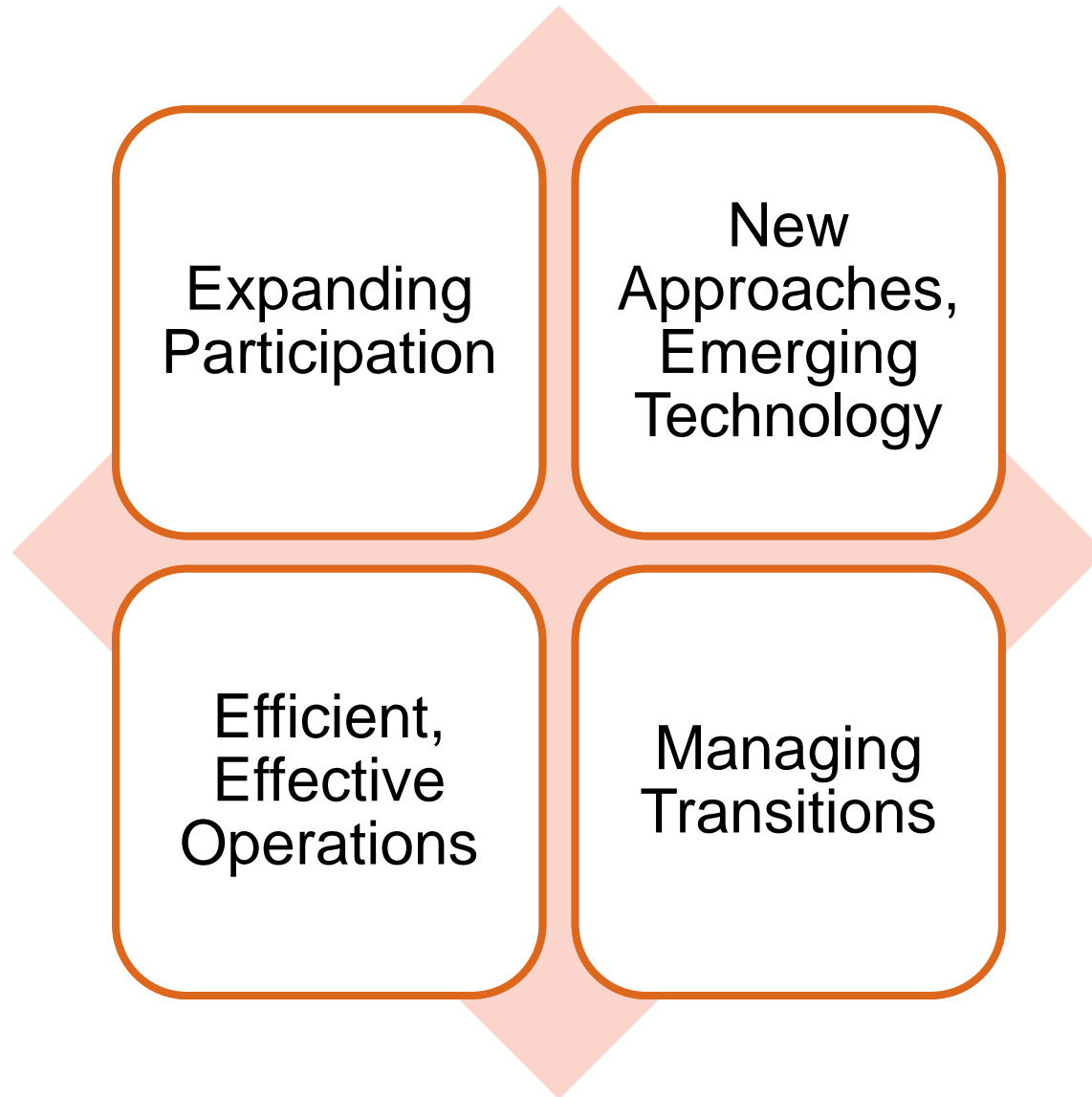


- Annual savings goals approximate each utility's Integrated Resource Plan (IRP) target
- Two year IRP cycle
- Energy Trust goals can be higher because of new information
- Utilities file tariffs to collect funding necessary to meet goal

# Budget and Action Plan Context



# Areas of Emphasis



# Draft 2017-2018 Action Plan Highlights

# Expanding Participation

- Continuing successful 2016 activities
- Growing program outreach and adding business trade allies
- Increasing upstream, retail and direct installation approaches
- Enhancing stakeholder and community engagement
- Continuing strategies to reach rural customers
- Expanding informational resources for customers and capacity to respond
- More market research and planning



# New Approaches, Emerging Technology

- Supporting new markets, including:
  - Cannabis production
  - Emission control technologies
  - Energy performance management
  - Smart thermostats and utility-led demand response
- Implementing 8+ pilots
- Investing in NEEA efforts
- Exploring roles in new areas linked to energy efficiency and renewable energy
- Developing educational approaches



# Managing Transitions

- Responding to solar policy decisions
- Expanding project development
- Responding to rapidly changing LED market
- Implementing measure changes
- Implementing residential changes
- Engaging trade allies proactively
- Offering programs to Avista customers
- Continuing outreach to complete Executive Director transition



# Efficient, Effective Operations

- Expanding instant incentives, upstream rebates and online forms
- Continuing data and system enhancements
- Increasing use of data and analytics
- Providing trade ally support
- Launching revised program packages
- Leveraging government and municipal initiatives
- Supporting utility engagements as a channel to customers
- Fostering a diverse workforce





# Draft 2017 Annual Budget

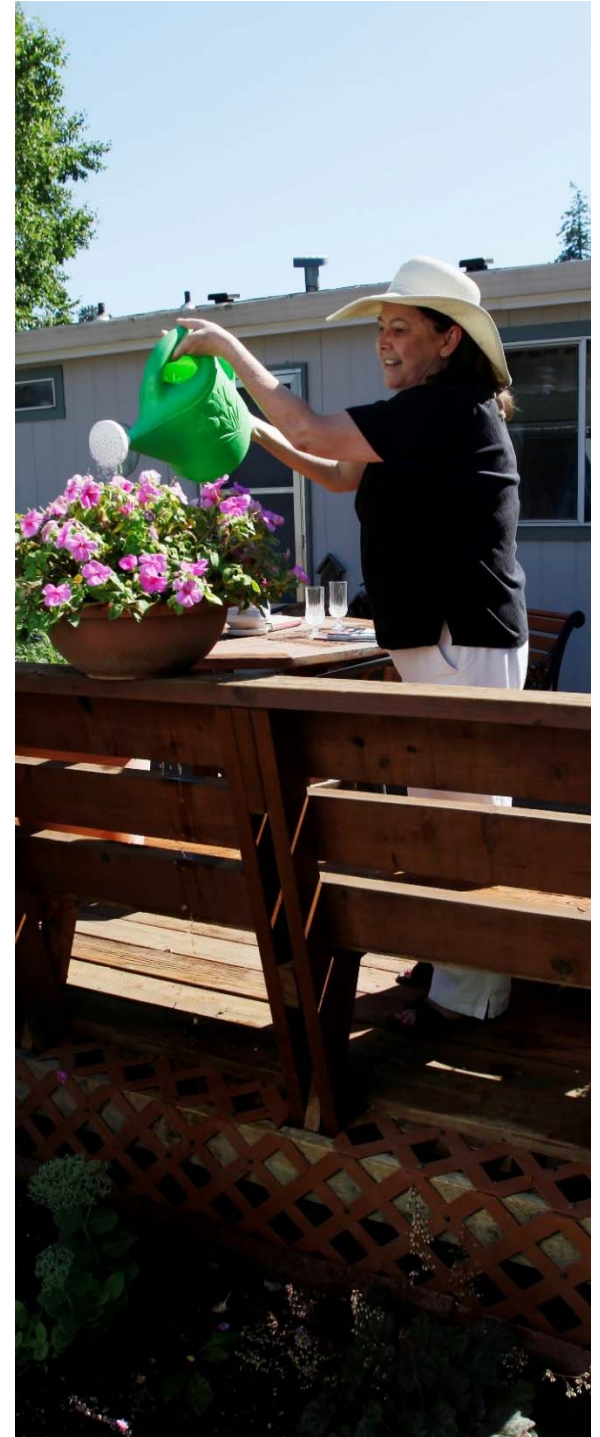
# 2017 Draft Budget Summary

- Investing \$201.2 million
- Saving 56.88 aMW and 7.74 MMTh
  - Electric savings up by 3.3%
  - Gas savings up 29.2%
- Delivering highly cost-effective energy
  - 3.0 cents/kWh
  - 31.5 cents/therm levelized
- Generating 2.75 aMW
  - Solar is up 2.7%
  - Overall renewable generation down 33.4%

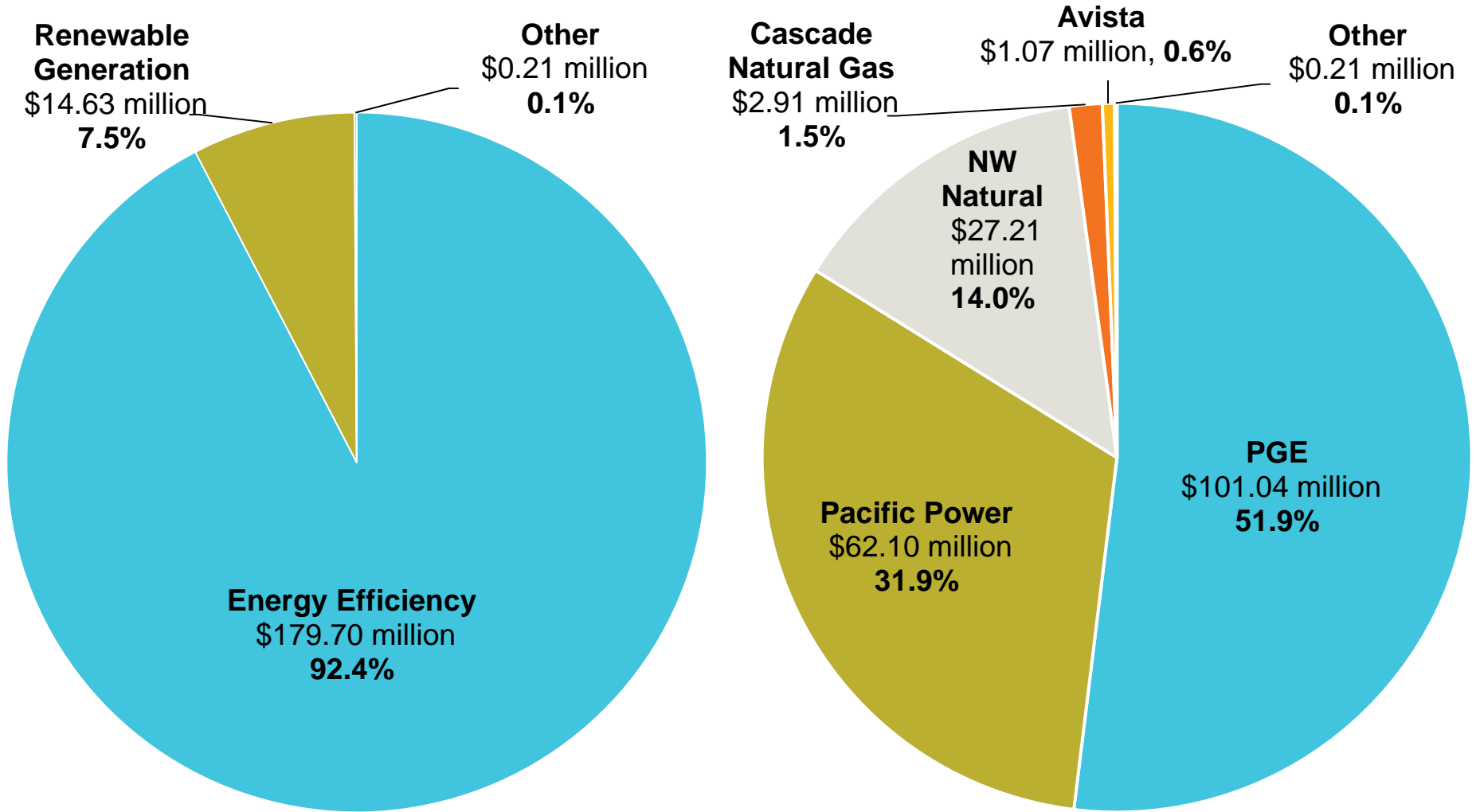


# 2017 Draft Budget Summary

- Overall spending up 6.4% due to increased project volume and growth in incentives, delivery and internal costs
- Incentives up 6.7% and represent 57.3% of total planned expenditures
- Revenue up significantly; reserves on target, down from prior years
- Staffing costs at 6.6%, well below OPUC performance measure
- Low administrative and program support costs at 5.8%

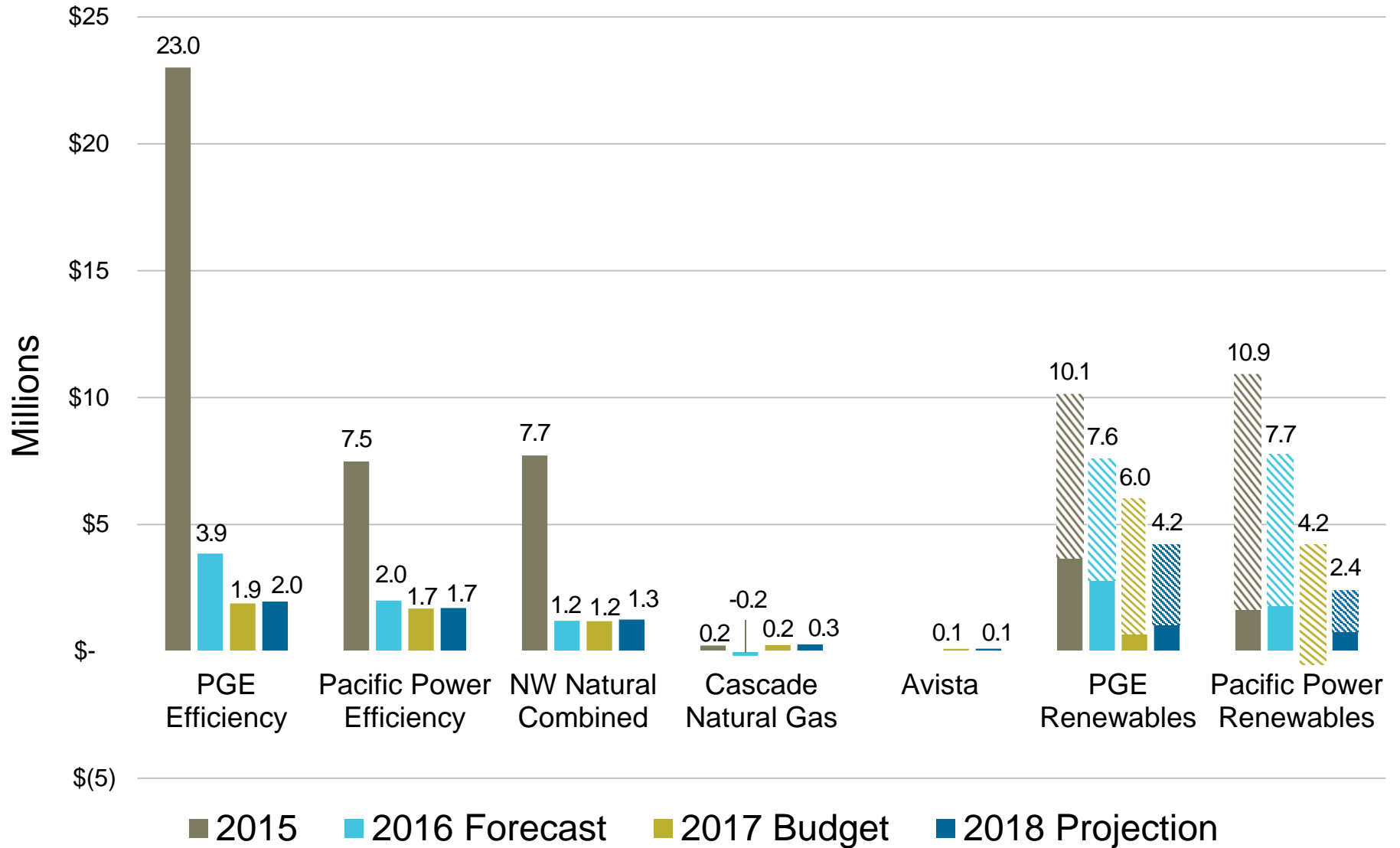


# 2017 Budgeted Revenues



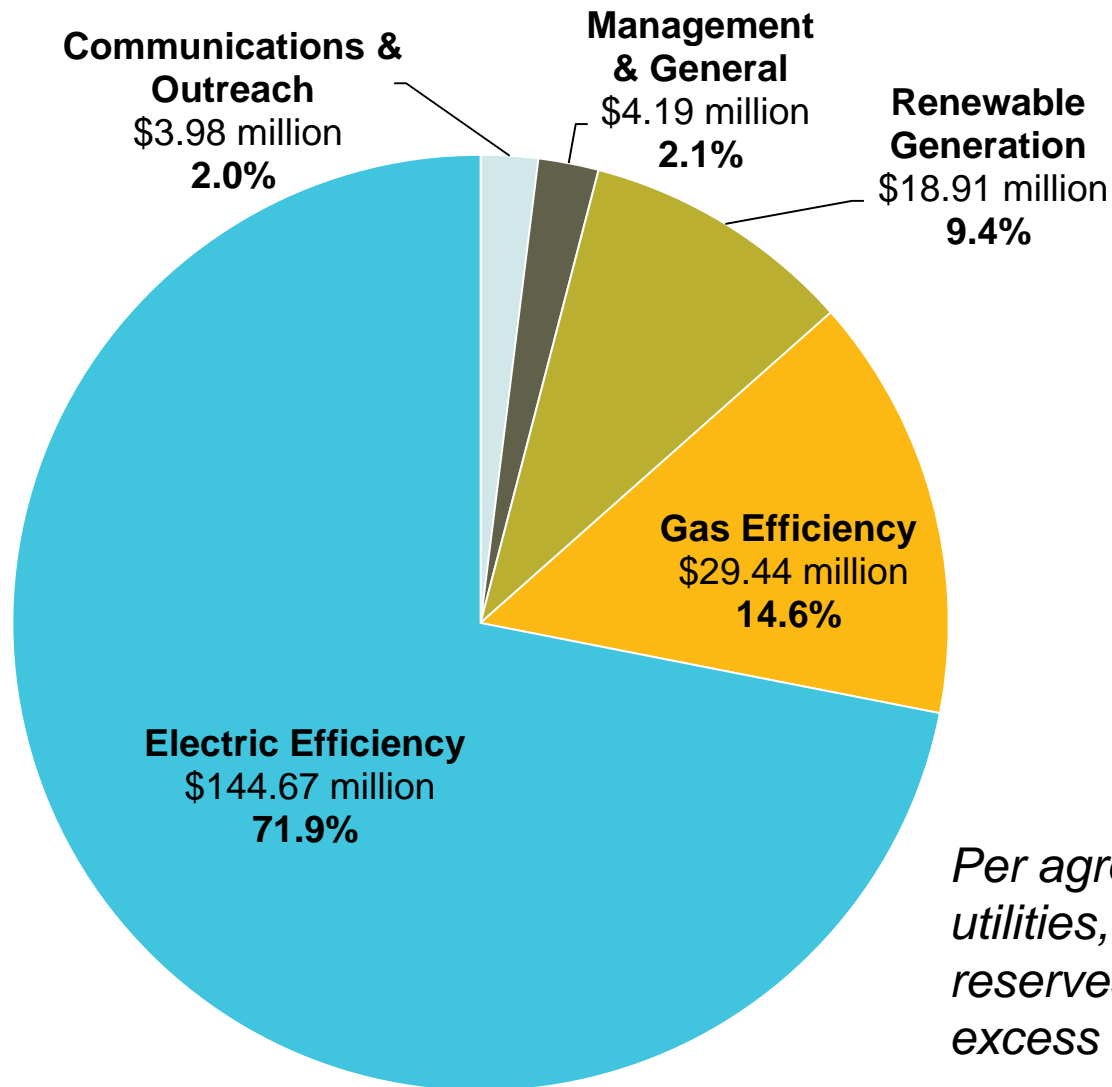
Total 2017 revenue \$194.5 million, up 25.8%

# Projected Year-End Reserves



Cross-hatches represent funds committed to renewable energy projects scheduled for completion in future years.

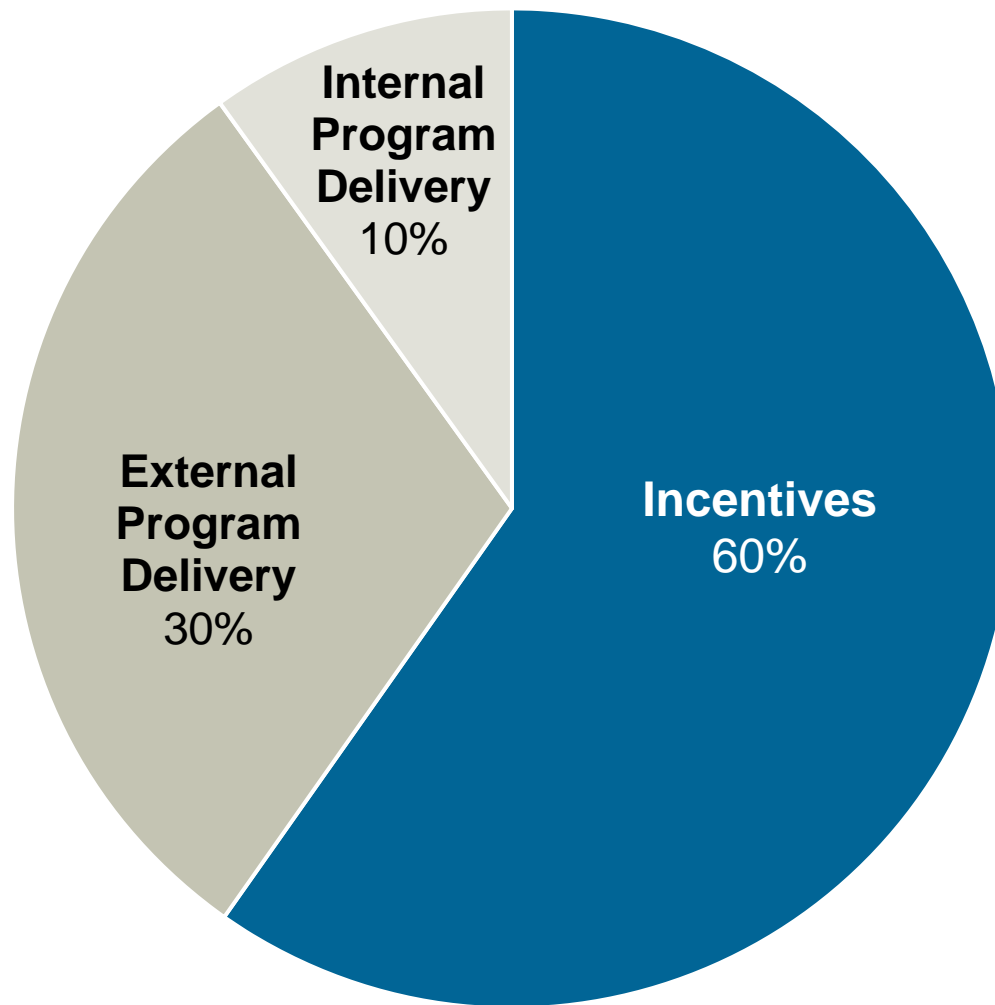
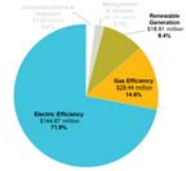
# 2017 Budgeted Expenditures



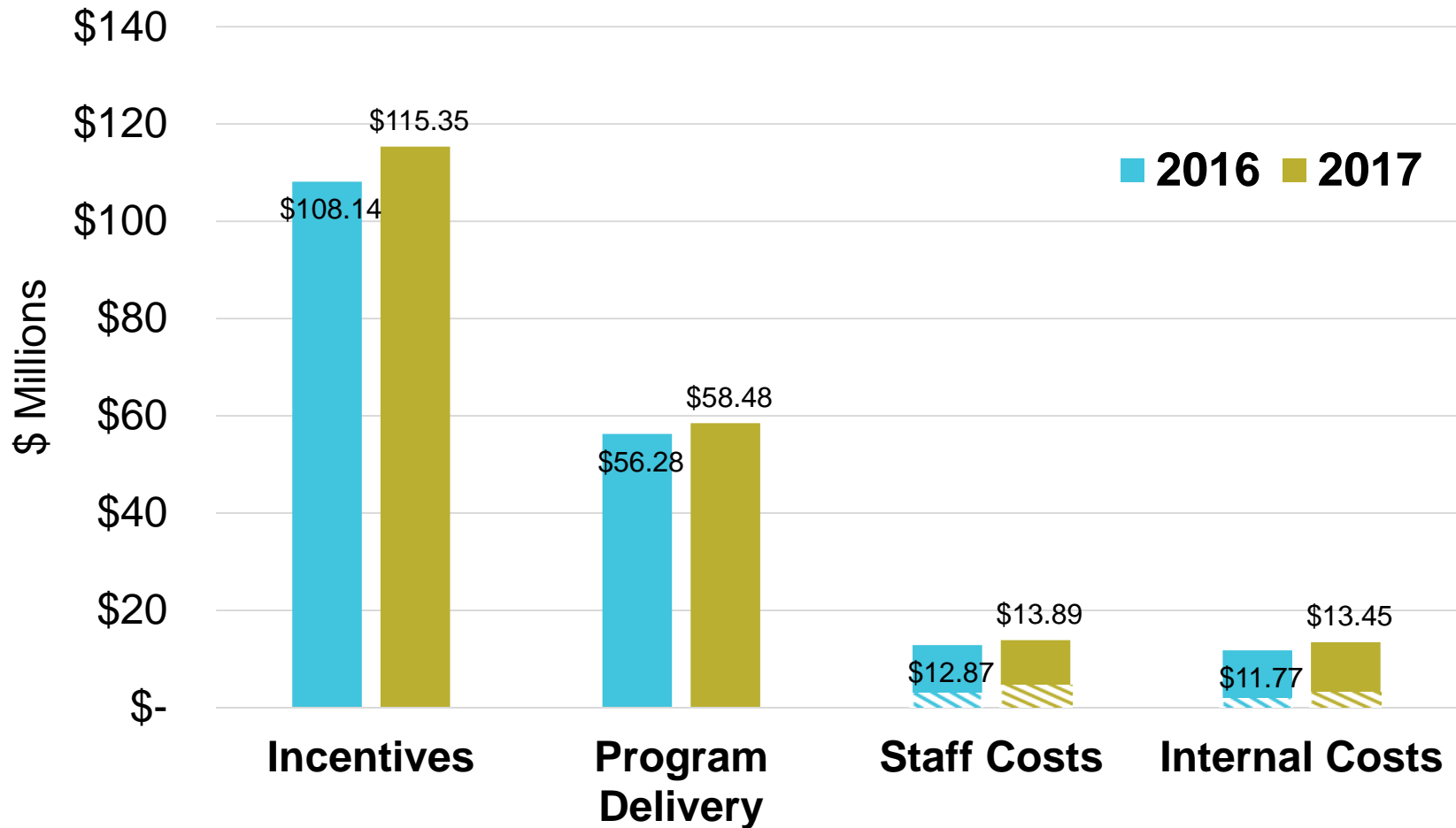
**\$201.2 million**  
Up 6.4% from 2016

*Per agreement with our affiliated utilities, the 2017 budget utilizes reserves to cover planned expenses in excess of anticipated revenue.*

# 2017 Program Expenditures Detail



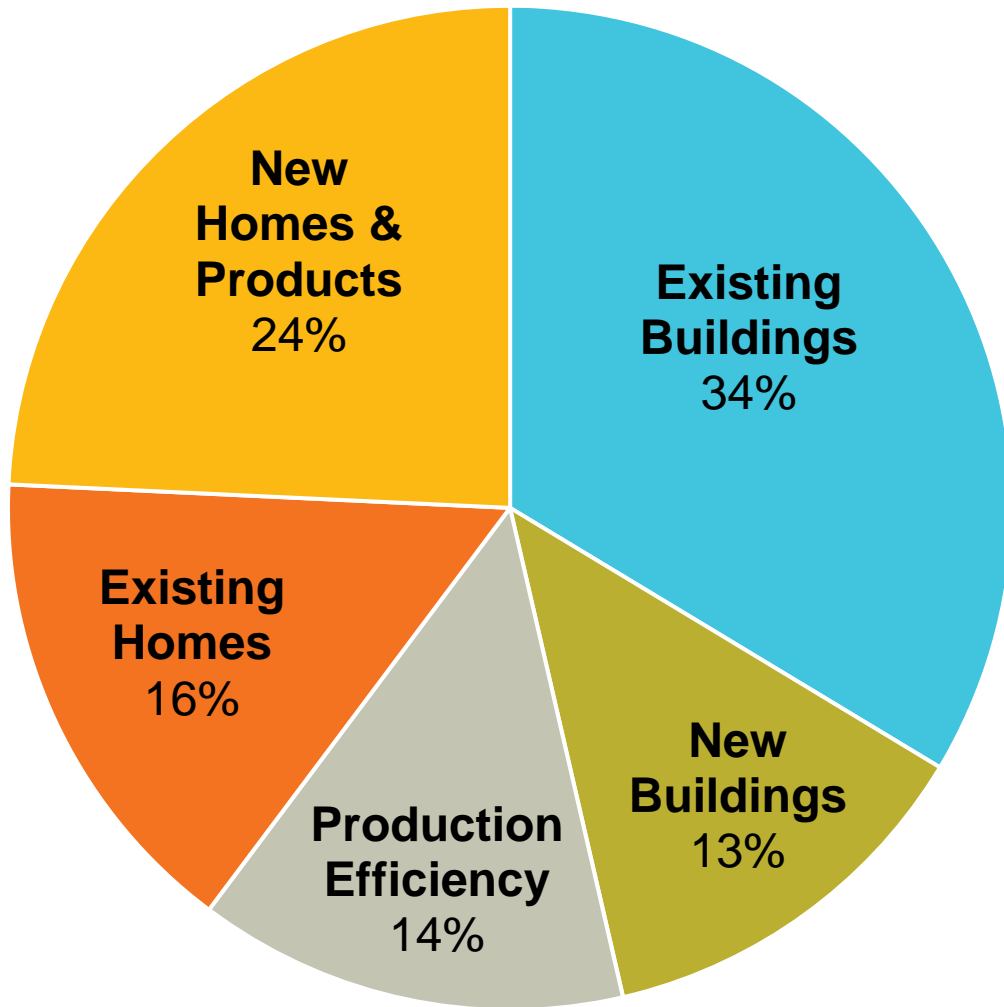
# 2016 Budget Compared to 2017 Budget



*Cross-hatches represent Management & General and Communications & Outreach as a portion of Staff Costs and Internal Costs. The remaining portion represents Internal Program Delivery.*



# 2017 Natural Gas Savings by Program

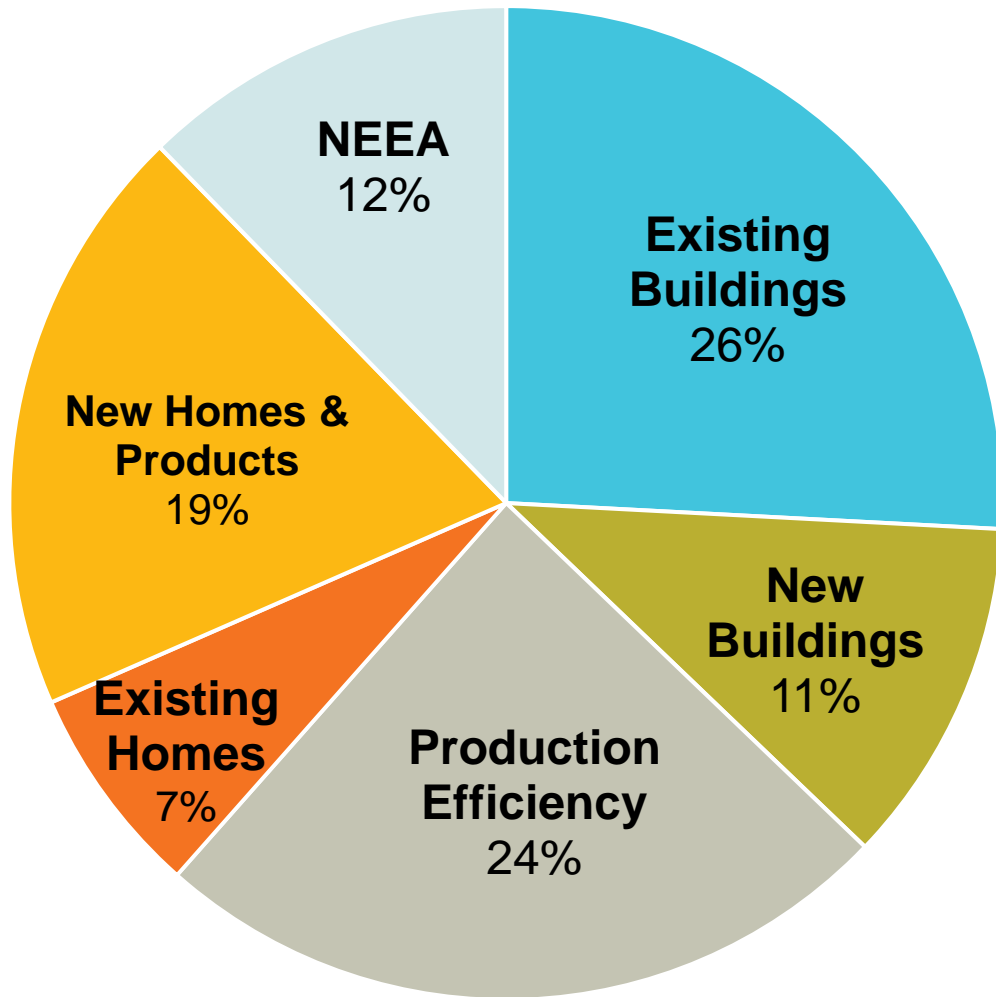


**7.74 MMTh goal**  
**31.5 cents/therm**

- Up 29.2% from 2016
- \$29.4 million in customer incentives, services and delivery

*MMTh: million annual therms*  
*Cost per therm is levelized*

# 2017 Electric Savings by Program



**56.88 aMW goal**  
**3.0 cents/kWh**

- Up 3.3% from 2016
- \$144.7 million in customer incentives, services and delivery

*aMW: average megawatts*  
*Cost per kilowatt hour is levelized*

# NEEA Goals and Budget

	2016 Savings Goal	2016 Savings Re-forecast	2017 Savings Goal	2017 Budget (\$ Million)	2017 Levelized Cost (per kWh)
PGE (aMW)	4.12	4.25	4.12	\$4.32	1.3¢
Pacific Power (aMW)	2.86	2.95	2.87	\$3.00	1.3¢
NW Natural	-	-	-	\$1.07	N/A
Cascade Natural Gas	-	-	-	\$0.11	N/A

# 2017 Renewable Energy Programs

	Total Budget 2016		Total Budget 2017	
	\$ Million	aMW	\$ Million	aMW
Other Renewables	\$5.8	0.01	\$6.5*	0.001
Solar	\$15.6	4.12	\$13.2	2.75
<b>Total</b>	<b>\$21.4</b>	<b>4.13</b>	<b>\$19.7</b>	<b>2.75</b>

Solar up 3.4%, overall generation down 33.4%  
 \$19.7 million in customer incentives, services and delivery

\* Other Renewables expenditures include:

- Milestone payments on five projects completed, with generation claimed in prior years (29%)
- Project development assistance payments for potential generation in future years (49%)
- Staff, professional services, outreach and other allocated costs (22%)
- Commercial operation payment for two small wind projects scheduled for completion in 2017 (1%)

# 2017 Utility Savings & Generation Summary

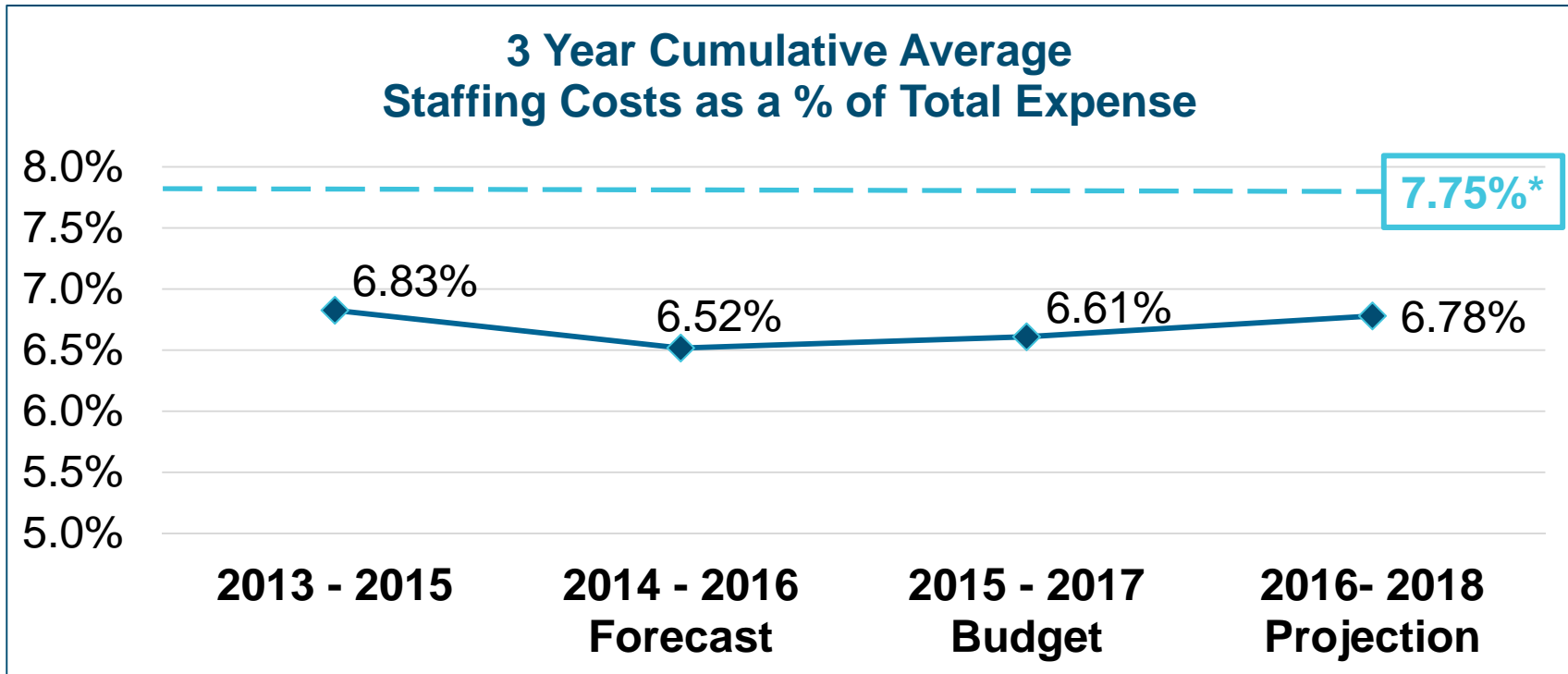
	2016 Budget Savings & Generation (Net) aMW or MMTh	2017 Budget Savings & Generation (Net) aMW or MMTh	IRP target for 2017 (Net) aMW or MMTh	2017 Budget (\$ Million)	2017 Budget Levelized Cost Per kWh or therm
PGE (Efficiency)	33.66	35.23	31.87*	\$94.55	3.0¢
Pacific Power (Efficiency)	21.42	21.64	19.94*	\$56.23	2.9¢
NW Natural (OR)	5.25	6.54	4.40*	\$25.16	30.8¢
NW Natural (WA)	0.27	0.28	0.26*	\$2.07	55.5¢
Cascade Natural Gas	0.47	0.57	0.36*	\$2.49	33.9¢
Avista	-	0.34	0.34	\$0.97	20.0¢
PGE (Renewable)	1.09	1.16	N/A	\$10.05	N/A
Pacific Power (Renewable)	3.04	1.59	N/A	\$9.66	N/A

*MMTh: million annual therms  
aMW: average megawatts*

*\* Energy Trust IRP targets submitted to utilities for inclusion in their current IRP filings. Additional savings opportunities have been identified above these targets and are under consideration for future IRP acknowledgment proceedings.*

# Proposed 2017 Staffing

- 3.5 new FTE proposed
- Well below OPUC performance measure



*Staffing costs are embedded in internal program delivery, general communications and outreach, and management and general.*

**\* 3-yr rolling average performance measure is 7.75%**

# Customer Benefits from 2017 Investments

- **\$707 million in future bill savings** from energy improvements made in 2017 with help from Energy Trust
- Improved air quality by avoiding 4 million tons of carbon dioxide
- Enough energy to power 46,000 homes and heat 14,700 homes
- Continued high customer satisfaction
- Expanded access and participation statewide
- Training and support for 2,400 local businesses



# 2018 Annual Budget Projection

- Expenditures in 2018 are projected to increase 2.5%
- Electric savings expected to increase by 8%
- Gas savings projected to increase by 4.2%
- Levelized cost projections:
  - Electric 2.8¢/kWh in 2018 vs 3.0¢/kWh in 2017
  - Gas 32.3¢/therm in 2018 vs 31.5¢/therm in 2017
- Total renewable generation is expected to decrease 6.75%



# Budget Outreach Schedule

October & November

December

RAC/CAC presentations Oct. 21

Draft budget online, Oct. 26

Board of Directors, Nov. 2

Public webinar, Nov. 4

OPUC public meeting, Nov. 8

**Public comments due Nov. 9**

Comments reviewed, final adjustments

RAC/CAC updates, Nov. 16

Final proposed budget online,  
**Dec. 7**

Board of Directors, **Dec. 16**

Action on Final Proposed  
2017-18 Budget and Action Plan

+ [www.energytrust.org/about/budget](http://www.energytrust.org/about/budget)  
Send comments to [info@energytrust.org](mailto:info@energytrust.org)

# Discussion and Feedback

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

+ [www.energytrust.org/about/budget](http://www.energytrust.org/about/budget)  
Send comments to [info@energytrust.org](mailto:info@energytrust.org)

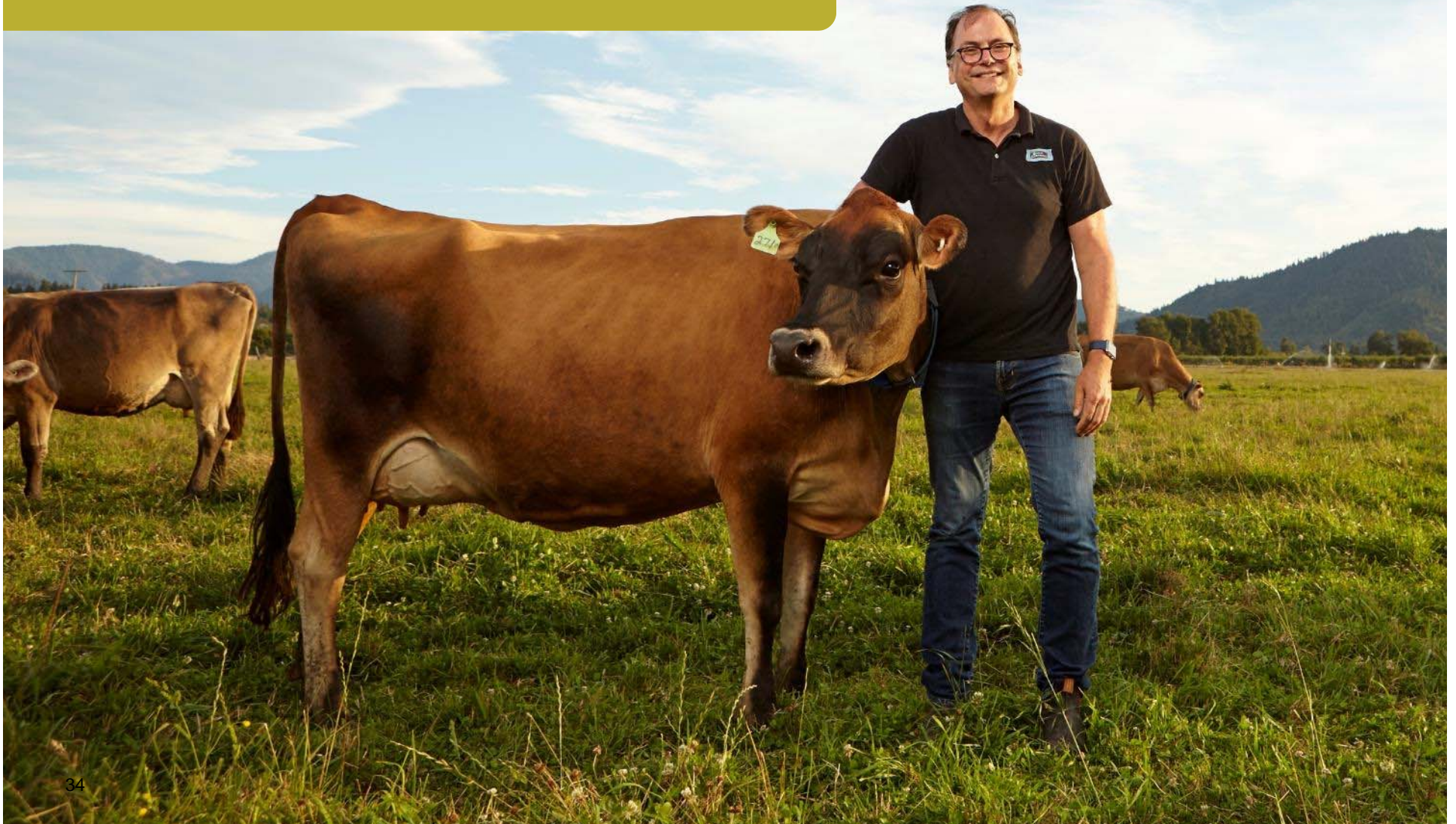
+ Comments due November 9



Thank You

[info@energytrust.org](mailto:info@energytrust.org)

1.866.368.7878



(tab) Outreach

## 2017 Budget and 2017-18 Action Plan Outreach

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### Key dates

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

**Wednesday, October 26**—Public comment period opens; draft materials posted online for review

**Wednesday, November 2**—Presentation on the draft budget and action plan to the Energy Trust Board of Directors

**Friday, November 4**—Live webinar; Executive Director Michael Colgrove will present on the draft budget and action plan

**Tuesday, November 8**—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

**Wednesday, November 9**—Public comment period closes

**Wednesday, November 16**—Review of any changes to the draft materials with the Energy Trust Renewable Energy Advisory Council and Conservation Advisory Council

**Wednesday, December 7**—Budget documents are revised and posted online

**Friday, December 16**—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., Wednesday, November 9, 2016. Comments may be emailed to [info@energytrust.org](mailto:info@energytrust.org), mailed or submitted in person to Energy Trust of Oregon, 421 SW Oak St., Suite 300, Portland, Oregon 97204.

Energy Trust Board of Directors, Conservation Advisory Council and Renewable Energy Advisory Council meetings are held at Energy Trust of Oregon, 421 SW Oak St., Suite 300, Portland, Oregon 97204.

### Resources

Visit the Energy Trust website at [www.energytrust.org/about/budget](http://www.energytrust.org/about/budget) for links to the budget and action plan materials, to view the most up-to-date budget schedule and to register for the webinar.

All Energy Trust board and advisory council meeting agendas, packet materials and meeting notes are online at [www.energytrust.org/about/public-meetings](http://www.energytrust.org/about/public-meetings).

(tab) Budget Detail)

**Energy Trust of Oregon  
Income Statement  
2016 to 2018 Comparison**

	<b>Budget</b>	<b>Forecast</b>	<b>Budget</b>	<b>Budget</b>
	2016	2016	2017	2018
<b><u>REVENUES</u></b>				
Public Purpose Funds-PGE	36,660,651	35,901,203	37,255,027	37,255,027
Public Purpose Funds-PacifiCorp	27,664,181	28,379,891	27,524,599	27,524,599
Public Purpose Funds-NW Natural	14,539,218	13,413,038	17,342,850	19,072,900
Public Purpose Funds-Cascade	2,114,889	1,893,942	2,912,303	2,730,021
Public Purpose Funds-Avista			1,070,600	1,052,909
<b>Total Public Purpose Funds</b>	<b>80,978,939</b>	<b>79,588,074</b>	<b>86,105,378</b>	<b>87,635,455</b>
Incremental Funds - PGE	42,525,000	42,243,683	63,787,147	69,333,950
Incremental Funds - PacifiCorp	25,902,402	25,544,600	34,571,963	35,510,776
NW Natural - Industrial DSM	3,215,724	3,027,054	7,578,812	7,963,668
NW Natural - Washington	1,741,236	1,537,679	2,290,862	2,216,756
Revenue from Investments	300,000	527,756	210,000	120,000
<b>TOTAL REVENUE</b>	<b>154,663,301</b>	<b>152,468,846</b>	<b>194,544,162</b>	<b>202,780,605</b>
<b><u>EXPENSES</u></b>				
Program Subcontracts	56,275,209	55,081,040	58,482,905	59,130,533
Incentives	108,136,624	111,074,331	115,354,005	120,927,719
Salaries and Related Expenses	12,870,778	12,118,234	13,889,959	14,437,146
Professional Services	8,419,415	7,901,979	10,223,498	8,860,098
Supplies	46,450	45,950	48,600	48,500
Telephone	75,200	75,200	69,900	69,900
Postage and Shipping Expenses	16,500	18,500	18,000	17,500
Occupancy Expenses	771,332	771,332	950,433	940,133
Noncapitalized Equip. & Depr.	1,413,163	1,306,396	1,219,396	728,256
Call Center	187,400	187,400	200,000	200,000
Printing and Publications	98,500	15,500	16,550	8,800
Travel	211,800	198,300	232,200	217,300
Conference, Training & Mtng Exp	287,640	268,550	211,450	208,750
Interest Expense and Bank Fees	4,000	1,700	4,000	4,000
Insurance	110,000	110,000	110,000	110,000
Miscellaneous Expenses	2,750	2,750	3,000	2,750
Dues, Licenses and Fees	129,890	130,593	147,895	148,626
<b>TOTAL EXPENSES</b>	<b>189,056,651</b>	<b>189,307,754</b>	<b>201,181,791</b>	<b>206,060,010</b>
<b>TOTAL REVENUE LESS EXPENSES</b>	<b>(34,393,350)</b>	<b>(36,838,908)</b>	<b>(6,637,629)</b>	<b>(3,279,405)</b>

**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)
<b>Commercial</b>							
Business Energy Solutions – Existing Buildings	53.1	10.6	63.7	14.70	3.8	2,445,871	41.32
Business Energy Solutions – New Buildings	17.8	2.5	20.4	6.44	2.7	986,074	20.70
Mkt Transformation (Alliance)	2.5	0.3	2.9	1.50	3.3		
<b>Total Commercial</b>	<b>73.5</b>	<b>13.5</b>	<b>86.9</b>	<b>22.64</b>	<b>3.4</b>	<b>3,431,945</b>	<b>35.37</b>
<b>Industrial</b>							
Production Efficiency	32.2	2.9	35.1	13.86	2.8	1,071,174	24.11
Mkt Transformation (Alliance)	0.2	0.0	0.2	0.08	5.4		
<b>Total Industrial</b>	<b>32.5</b>	<b>2.9</b>	<b>35.4</b>	<b>13.94</b>	<b>2.8</b>	<b>1,071,174</b>	<b>24.11</b>
<b>Residential</b>							
Home Energy Solutions – Existing Homes	13.7	6.8	20.6	3.92	3.6	1,132,589	48.33
Home Energy Solutions – New Homes & Products	26.6	4.7	31.3	10.97	2.8	1,818,382	16.58
Mkt Transformation (Alliance)	4.5	0.8	5.3	5.41	1.0		
<b>Total Residential</b>	<b>44.9</b>	<b>12.3</b>	<b>57.1</b>	<b>20.30</b>	<b>2.5</b>	<b>2,950,971</b>	<b>28.73</b>
<b>Washington</b>							
Business Energy Solutions – Existing Buildings		0.8	0.8			156,525	48.30
Home Energy Solutions – Existing Homes		0.5	0.5			67,554	53.68
Home Energy Solutions – New Homes & Products		0.6	0.6			57,761	63.74
Mkt Transformation (Alliance)		0.1	0.1				
<b>Total Washington</b>		<b>2.1</b>	<b>2.1</b>			<b>281,841</b>	<b>55.55</b>
<b>Total Energy Efficiency</b>	<b>\$150.8</b>	<b>\$30.7</b>	<b>\$181.5</b>	<b>56.88</b>	<b>3.0</b>	<b>7,735,931</b>	<b>31.46</b>

**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	7.7		6.5	0.81	9.51	0.00	5,419.00
Solar Electric	10.2		13.2	1.51	6.74	2.75	4.82
<b>Total Renewable Resources</b>	<b>\$17.9</b>		<b>\$19.7</b>	<b>2.32</b>	<b>7.71</b>	<b>2.75</b>	<b>7.17</b>

**TOTAL BUDGET - ALL**

**\$201.2**

<sup>1</sup> some columns may not add due to rounding



ENERGY TRUST OF OREGON  
Income Statement by Service Territory  
2017 Draft Annual Budget

	ENERGY EFFICIENCY									
	PGE	PacifiCorp	Total	NWN Industrial	NW Natural	Cascade	Avista	Oregon Total	NWN WA	Efficiency Total
<b>REVENUES</b>										
Public Purpose Funding	28,800,000	21,348,117	50,148,117	0	17,342,850	2,912,303	1,070,600	71,473,870	0	71,473,870
Incremental Funding	63,787,147	34,571,963	98,359,110	7,578,812				105,937,922	2,290,862	108,228,784
Contributions										
Revenue from Investments										
Gain or Loss on Investments										
<b>TOTAL PROGRAM REVENUE</b>	<b>92,587,147</b>	<b>55,920,080</b>	<b>148,507,227</b>	<b>7,578,812</b>	<b>17,342,850</b>	<b>2,912,303</b>	<b>1,070,600</b>	<b>177,411,792</b>	<b>2,290,862</b>	<b>179,702,654</b>
<b>EXPENSES</b>										
Program Management (Note 3)	3,492,326	2,081,631	5,573,956	248,785	710,512	85,451	39,755	6,658,460	140,343	6,798,803
Program Delivery	27,047,889	16,397,136	43,445,025	962,830	5,146,261	713,246	233,675	50,501,037	498,542	50,999,579
Incentives	51,816,615	30,508,243	82,324,858	5,507,441	9,238,428	1,381,381	540,375	98,992,480	884,147	99,876,627
Program Eval & Planning Svcs.	2,841,205	1,658,706	4,499,913	159,370	465,251	60,422	27,963	5,212,916	192,242	5,405,158
Program Marketing/Outreach	2,766,036	1,653,483	4,419,521	54,268	765,322	73,866	47,050	5,360,027	103,832	5,463,859
Program Legal Services	0	0	0	0	0	0	0	0	0	0
Program Quality Assurance	47,750	24,477	72,228	0	10,837	1,309	626	85,000	0	85,000
Outsourced Services	1,113,666	640,540	1,754,207	52,150	264,370	26,312	16,211	2,113,250	36,550	2,149,800
Trade Allies & Cust. Svc. Mgmt.	352,930	242,589	595,518	17,641	158,622	10,411	10,305	792,495	39,480	831,975
IT Services	975,191	585,095	1,560,286	62,949	240,679	26,547	14,713	1,905,178	46,925	1,952,103
Other Program Expenses - all	261,558	160,192	421,749	21,203	52,263	6,104	3,101	504,421	40,777	545,198
<b>TOTAL PROGRAM EXPENSES</b>	<b>90,715,166</b>	<b>53,952,092</b>	<b>144,667,261</b>	<b>7,086,637</b>	<b>17,052,545</b>	<b>2,385,049</b>	<b>933,774</b>	<b>172,125,264</b>	<b>1,982,838</b>	<b>174,108,102</b>
<b>ADMINISTRATIVE COSTS</b>										
Management & General (Notes 1 & 2)	1,967,970	1,170,434	3,138,405	153,737	369,937	51,741	20,257	3,734,079	43,016	3,777,095
Communications & Customer Svc (Notes 1 & 2)	1,869,187	1,111,685	2,980,871	146,021	351,368	49,144	19,240	3,546,643	40,856	3,587,499
<b>Total Administrative Costs</b>	<b>3,837,157</b>	<b>2,282,119</b>	<b>6,119,276</b>	<b>299,758</b>	<b>721,305</b>	<b>100,885</b>	<b>39,497</b>	<b>7,280,722</b>	<b>83,872</b>	<b>7,364,594</b>
<b>TOTAL PROG &amp; ADMIN EXPENSES</b>	<b>94,552,323</b>	<b>56,234,211</b>	<b>150,786,537</b>	<b>7,386,395</b>	<b>17,773,850</b>	<b>2,485,934</b>	<b>973,271</b>	<b>179,405,986</b>	<b>2,066,710</b>	<b>181,472,696</b>
<b>TOTAL REVENUE LESS EXPENSES</b>	<b>(1,965,176)</b>	<b>(314,131)</b>	<b>(2,279,310)</b>	<b>192,417</b>	<b>(431,000)</b>	<b>426,369</b>	<b>97,329</b>	<b>(1,994,194)</b>	<b>224,152</b>	<b>(1,770,042)</b>
<b>NET ASSETS - RESERVES</b>										
Cumulative Carryover 12/31/16 Forecast (Note 4)	3,856,219	2,001,155	5,857,372	7,582	1,319,691	(177,777)	-	7,006,869	(124,153)	6,882,716
Change in net assets this year	(1,965,176)	(314,131)	(2,279,310)	192,417	(431,000)	426,369	97,329	(1,994,194)	224,152	(1,770,042)
<b>Ending Net Assets - Reserves</b>	<b>1,891,043</b>	<b>1,687,024</b>	<b>3,578,062</b>	<b>200,000</b>	<b>888,691</b>	<b>248,592</b>	<b>97,329</b>	<b>5,012,675</b>	<b>100,000</b>	<b>5,112,674</b>
<b>Ending Reserve by Category</b>										
Program Reserves (Efficiency and Renewables)	1,891,043	1,687,024	3,578,062	200,000	888,691	248,592	97,329	5,012,675	100,000	5,112,674
Assets Released for General Purpose										
Emergency Contingency Pool										
<b>TOTAL NET ASSETS CUMULATIVE</b>	<b>1,891,043</b>	<b>1,687,024</b>	<b>3,578,062</b>	<b>200,000</b>	<b>888,691</b>	<b>248,592</b>	<b>97,329</b>	<b>5,012,675</b>	<b>100,000</b>	<b>5,112,674</b>

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

Note 2) Admin costs are allocated for mgmt reporting only. GAAP for Not for Profits does not allow allocation of admin costs to program expenses.

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

Note 4) Cumulative carryover is from the 2016 Draft Forecast.

ENERGY TRUST OF OREGON  
Income Statement by Service Territory  
2017 Draft Annual Budget

	RENEWABLE ENERGY			Other	TOTAL
	PGE	PacifiCorp	Total		All Programs
<b>REVENUES</b>					
Public Purpose Funding	8,455,027	6,176,482	14,631,508	0	86,105,378
Incremental Funding					108,228,784
Contributions					
Revenue from Investments				210,000	210,000
Gain or Loss on Investments					
<b>TOTAL PROGRAM REVENUE</b>	<b>8,455,027</b>	<b>6,176,482</b>	<b>14,631,508</b>	<b>210,000</b>	<b>194,544,162</b>
<b>EXPENSES</b>					
Program Management (Note 3)	584,559	601,479	1,186,038		7,984,841
Program Delivery	264,120	180,380	444,500		51,444,079
Incentives	7,851,370	7,626,007	15,477,377		115,354,005
Program Eval & Planning Svcs.	119,709	108,731	228,440		5,633,598
Program Marketing/Outreach	113,006	97,994	211,000		5,674,859
Program Legal Services	9,688	10,312	20,000		20,000
Program Quality Assurance	0	0	0		85,000
Outsourced Services	341,855	306,644	648,499		2,798,299
Trade Allies & Cust. Svc. Mgmt.	55,671	44,167	99,839		931,814
IT Services	139,995	142,390	282,387		2,234,489
Other Program Expenses - all	165,209	145,964	311,174		856,371
<b>TOTAL PROGRAM EXPENSES</b>	<b>9,645,182</b>	<b>9,264,068</b>	<b>18,909,254</b>	<b>0</b>	<b>193,017,355</b>
<b>ADMINISTRATIVE COSTS</b>					
Management & General (Notes 1 & 2)	209,242	200,974	410,216		4,187,311
Communications & Customer Svc (Notes 1 & 2)	198,740	190,886	389,625		3,977,125
<b>Total Administrative Costs</b>	<b>407,982</b>	<b>391,860</b>	<b>799,841</b>		<b>8,164,436</b>
<b>TOTAL PROG &amp; ADMIN EXPENSES</b>	<b>10,053,164</b>	<b>9,655,928</b>	<b>19,709,095</b>		<b>201,181,791</b>
<b>TOTAL REVENUE LESS EXPENSES</b>	<b>(1,598,137)</b>	<b>(3,479,446)</b>	<b>(5,077,587)</b>	<b>210,000</b>	<b>(6,637,629)</b>
<b>NET ASSETS - RESERVES</b>					
Cumulative Carryover 12/31/16 Forecast (Note 4)	7,582,399	7,661,629	15,244,026	9,267,641	31,394,383
Change in net assets this year	(1,598,137)	(3,479,446)	(5,077,587)	210,000	(6,637,629)
<b>Ending Net Assets - Reserves</b>	<b>5,984,262</b>	<b>4,182,183</b>	<b>10,166,439</b>	<b>9,477,641</b>	<b>24,756,754</b>
<b>Ending Reserve by Category</b>					
Program Reserves (Efficiency and Renewables)	5,984,262	4,182,183	10,166,439	9,477,641	24,756,754
Assets Released for General Purpose					
Emergency Contingency Pool					
<b>TOTAL NET ASSETS CUMULATIVE</b>	<b>5,984,262</b>	<b>4,182,183</b>	<b>10,166,439</b>		<b>24,756,754</b>

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

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communications & Customer Service	Total Admin Expenses	Total
<b>Program Expenses</b>							
Incentives	99,876,628	15,477,377	115,354,005				115,354,005
Program Management & Delivery	58,028,405	454,500	58,482,905				58,482,905
Payroll and Related Expenses	3,675,437	1,176,038	4,851,475	2,697,215	1,717,405	4,414,620	9,266,095
Outsourced Services	6,566,499	949,499	7,515,998	648,500	1,521,000	2,169,500	9,685,498
Planning and Evaluation	2,631,859	158,440	2,790,299	5,868	137,901	143,769	2,934,068
Customer Service Management	460,133	89,563	549,696				549,696
Trade Allies Network	371,842	20,276	392,118				392,118
<b>Total Program Expenses</b>	<b>171,610,803</b>	<b>18,325,693</b>	<b>189,936,496</b>	<b>3,351,583</b>	<b>3,376,307</b>	<b>6,727,889</b>	<b>196,664,385</b>
<b>Program Support Costs</b>							
Supplies	12,607	4,049	16,656	12,660	6,218	18,878	35,534
Postage and Shipping Expenses	4,299	1,499	5,799	4,967	1,933	6,899	12,698
Telephone	3,153	2,000	5,152	1,809	1,417	3,226	8,378
Printing and Publications	2,006	1,000	3,006	5,651	4,902	10,553	13,559
Occupancy Expenses	272,396	95,011	367,407	156,294	122,458	278,752	646,159
Insurance	31,526	10,996	42,523	18,089	14,173	32,262	74,784
Equipment	4,442	147,149	151,592	2,549	1,997	4,546	156,138
Travel	70,250	14,000	84,250	61,950	45,000	106,950	191,200
Meetings, Trainings & Conferences	43,500	11,200	54,700	75,850	12,500	88,350	143,050
Interest Expense and Bank Fees				4,000		4,000	4,000
Depreciation & Amortization	20,842	7,270	28,111	11,958	9,370	21,328	49,439
Dues, Licenses and Fees	79,315	6,700	86,015	14,930	16,500	31,430	117,445
Miscellaneous Expenses	860	300	1,160	493	387	880	2,040
IT Services	1,952,102	282,386	2,234,489	464,528	363,964	828,492	3,062,981
<b>Total Program Support Costs</b>	<b>2,497,299</b>	<b>583,560</b>	<b>3,080,859</b>	<b>835,728</b>	<b>600,819</b>	<b>1,436,547</b>	<b>4,517,406</b>
<b>TOTAL EXPENSES</b>	<b>174,108,102</b>	<b>18,909,253</b>	<b>193,017,355</b>	<b>4,187,311</b>	<b>3,977,125</b>	<b>8,164,436</b>	<b>201,181,791</b>

OPUC Measure vs. 8% 5.8%

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

	PGE	Pacific Power	Subtotal Elec.	NWN Industrial	NW Natural Gas	Cascade	Avista	Subtotal Gas	Oregon Total	NWN WA	ETO Total
<b>Energy Efficiency</b>											
<b>Commercial</b>											
Existing Buildings	33,730,650	19,347,533	53,078,184	5,009,943	4,204,118	1,243,376	174,167	10,631,603	63,709,787	842,464	64,552,251
New Buildings	11,869,576	5,966,178	17,835,755	252,165	1,832,370	318,984	125,248	2,528,766	20,364,521		20,364,521
NEEA	1,504,135	1,045,246	2,549,380		273,253	30,361		303,614	2,852,995	30,880	2,883,875
<b>Total Commercial</b>	<b>47,104,361</b>	<b>26,358,957</b>	<b>73,463,318</b>	<b>5,262,108</b>	<b>6,309,741</b>	<b>1,592,721</b>	<b>299,415</b>	<b>13,463,984</b>	<b>86,927,303</b>	<b>873,344</b>	<b>87,800,647</b>
<b>Industrial</b>											
Production Efficiency	19,645,792	12,576,097	32,221,890	2,124,286	622,899	118,732	25,097	2,891,015	35,112,905		35,112,905
NEEA	141,707	98,474	240,181						240,181		240,181
<b>Total Industrial</b>	<b>19,787,499</b>	<b>12,674,572</b>	<b>32,462,071</b>	<b>2,124,286</b>	<b>622,899</b>	<b>118,732</b>	<b>25,097</b>	<b>2,891,015</b>	<b>35,353,086</b>	<b>-</b>	<b>35,353,086</b>
<b>Residential</b>											
Existing Homes	7,394,597	6,325,057	13,719,653	-	6,191,293	219,641	419,740	6,830,675	20,550,328	526,042	21,076,370
New Homes/Products	17,593,600	9,018,626	26,612,226	-	3,962,513	478,462	229,019	4,669,995	31,282,221	589,639	31,871,860
NEEA	2,672,269	1,857,000	4,529,269		687,401	76,378		763,779	5,293,048	77,684	5,370,732
<b>Total Residential</b>	<b>27,660,466</b>	<b>17,200,683</b>	<b>44,861,149</b>	<b>-</b>	<b>10,841,208</b>	<b>774,481</b>	<b>648,759</b>	<b>12,264,448</b>	<b>57,125,597</b>	<b>1,193,365</b>	<b>58,318,962</b>
<b>Energy Efficiency Program Costs</b>	<b>94,552,327</b>	<b>56,234,212</b>	<b>150,786,539</b>	<b>7,386,394</b>	<b>17,773,848</b>	<b>2,485,934</b>	<b>973,272</b>	<b>28,619,448</b>	<b>179,405,986</b>	<b>2,066,709</b>	<b>181,472,695</b>
<b>Renewables</b>											
Solar Electric (Photovoltaic)	7,401,132	5,829,909	13,231,041						13,231,041		13,231,041
Other Renewable	2,652,031	3,826,023	6,478,054						6,478,054		6,478,054
<b>Renewables Program Costs</b>	<b>10,053,163</b>	<b>9,655,932</b>	<b>19,709,095</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,709,095</b>	<b>-</b>	<b>19,709,095</b>
<b>Cost Grand Total</b>	<b>104,605,489</b>	<b>65,890,144</b>	<b>170,495,634</b>	<b>7,386,394</b>	<b>17,773,848</b>	<b>2,485,934</b>	<b>973,272</b>	<b>28,619,448</b>	<b>199,115,081</b>	<b>2,066,709</b>	<b>201,181,791</b>
<b>Cost Grand Total</b>	<b>104,605,489</b>	<b>65,890,144</b>	<b>170,495,634</b>	<b>7,386,394</b>	<b>17,773,848</b>	<b>2,485,934</b>	<b>973,272</b>	<b>28,619,448</b>	<b>199,115,081</b>	<b>2,066,709</b>	<b>201,181,791</b>

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**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	2,013,077	662,795	-	1,512,016	-	895,651	1,574,921	-	140,343	638,931	547,107	7,984,841
Program Delivery:	16,988,914	5,433,138	2,710,806	10,195,801	204,027	4,873,371	5,043,143	5,051,837	498,542	444,500	-	51,444,079
Incentives:	37,467,349	11,464,443	-	20,074,077	-	10,391,478	19,595,136	-	884,147	10,450,000	5,027,377	115,354,007
Program Eval & Planning Svcs.:	1,773,848	961,012	26,407	813,176	26,407	787,257	798,403	26,407	192,242	168,561	59,879	5,633,599
Program Marketing/Outreach:	1,561,799	541,169	-	329,501	-	1,405,784	1,521,772	-	103,832	183,000	28,000	5,674,857
Program Legal	-	-	-	-	-	-	-	-	-	10,000	10,000	20,000
Program Quality Assurance:	-	-	-	-	-	-	84,999	-	-	-	-	84,999
Outsourced Services:	456,249	135,001	-	282,000	-	444,999	795,000	-	36,550	296,499	352,000	2,798,298
Trade Allies & Cust. Svc. Mgmt.:	178,552	46,047	-	48,232	-	429,146	90,521	-	39,480	98,663	1,175	931,816
IT Services:	541,620	266,162	-	275,953	-	403,564	417,875	-	46,925	162,613	119,772	2,234,484
Other Program Expenses	142,886	28,315	-	157,185	-	85,094	90,941	-	40,777	241,327	69,846	856,371
<b>TOTAL PROGRAM EXPENSES</b>	<b>61,124,294</b>	<b>19,538,082</b>	<b>2,737,213</b>	<b>33,687,941</b>	<b>230,434</b>	<b>19,716,344</b>	<b>30,012,711</b>	<b>5,078,244</b>	<b>1,982,838</b>	<b>12,694,094</b>	<b>6,215,156</b>	<b>193,017,351</b>
<b>ADMINISTRATIVE COSTS</b>												
Management & General	1,326,028	423,857	59,380	730,824	4,999	427,725	651,096	110,167	43,016	275,385	134,831	4,187,308
Communications & Customer Svc	1,259,467	402,582	56,400	694,141	4,748	406,256	618,413	104,638	40,856	261,562	128,064	3,977,127
<b>Total Administrative Costs</b>	<b>2,585,495</b>	<b>826,439</b>	<b>115,780</b>	<b>1,424,965</b>	<b>9,747</b>	<b>833,981</b>	<b>1,269,509</b>	<b>214,805</b>	<b>83,872</b>	<b>536,947</b>	<b>262,895</b>	<b>8,164,435</b>
<b>Total Program &amp; Admin Expenses</b>	<b>63,709,789</b>	<b>20,364,521</b>	<b>2,852,993</b>	<b>35,112,906</b>	<b>240,181</b>	<b>20,550,325</b>	<b>31,282,220</b>	<b>5,293,049</b>	<b>2,066,710</b>	<b>13,231,041</b>	<b>6,478,051</b>	<b>201,181,786</b>
<b>Energy Savings (kwh)</b>	<b>128,739,447</b>	<b>56,426,392</b>	<b>13,165,095</b>	<b>121,405,750</b>	<b>672,410</b>	<b>34,377,675</b>	<b>96,093,592</b>	<b>47,378,717</b>				<b>498,259,078</b>
<b>Energy Savings (therms)</b>	<b>2,445,871</b>	<b>986,074</b>	<b>-</b>	<b>1,071,175</b>	<b>-</b>	<b>1,132,589</b>	<b>1,818,382</b>	<b>-</b>	<b>281,840</b>			<b>7,735,931</b>
<b>Energy Generation (kwh)</b>										<b>24,069,000</b>	<b>10,472</b>	<b>24,079,472</b>

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**ENERGY EFFICIENCY**

**PGE**

<b>EXPENSES</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>Production</b>	<b>NEEA</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>ETO Total</b>
	<b>Buildings</b>	<b>Buildings</b>	<b>Commercial</b>	<b>Efficiency</b>	<b>Industrial</b>	<b>Homes</b>	<b>Homes &amp; Products</b>	<b>Residential</b>	
Program Management	1,119,986	394,381		770,738		311,746	895,475		3,492,326
Program Delivery:	9,620,247	3,295,260	1,427,513	5,518,142	120,376	1,723,484	2,794,625	2,548,242	27,047,889
Incentives:	19,031,136	6,528,676		11,480,446		3,746,396	11,029,961		51,816,615
Program Eval & Planning Svcs.:	985,001	567,399	15,580	467,865	15,580	319,730	454,470	15,580	2,841,205
Program Marketing/Outreach:	891,436	325,189		184,316		504,475	860,620		2,766,036
Program Legal									-
Program Quality Assurance:							47,750		47,750
Outsourced Services:	257,702	78,633		157,745		159,568	460,018		1,113,666
Trade Allies & Cust. Svc. Mgmt.:	94,395	26,820		26,980		153,883	50,852		352,930
IT Services:	286,338	155,030		154,363		144,710	234,750		975,191
Other Program Expenses	75,539	16,492		87,926		30,513	51,088		261,558
<b>TOTAL PROGRAM EXPENSES</b>	<b>32,361,780</b>	<b>11,387,880</b>	<b>1,443,093</b>	<b>18,848,521</b>	<b>135,956</b>	<b>7,094,505</b>	<b>16,879,609</b>	<b>2,563,822</b>	<b>90,715,166</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	702,055	247,048	31,306	408,899	2,949	153,908	366,186	55,619	1,967,970
Communications & Customer Svc	666,815	234,647	29,735	388,374	2,801	146,182	347,805	52,828	1,869,187
<b>Total Administrative Costs</b>	<b>1,368,870</b>	<b>481,695</b>	<b>61,041</b>	<b>797,273</b>	<b>5,750</b>	<b>300,090</b>	<b>713,991</b>	<b>108,447</b>	<b>3,837,157</b>
<b>Total Program &amp; Admin Expenses</b>	<b>33,730,650</b>	<b>11,869,575</b>	<b>1,504,134</b>	<b>19,645,794</b>	<b>141,706</b>	<b>7,394,595</b>	<b>17,593,600</b>	<b>2,672,269</b>	<b>94,552,323</b>
<b>Energy Savings (kwh)</b>	<b>83,107,621</b>	<b>36,642,237</b>	<b>7,767,406</b>	<b>73,019,613</b>	<b>396,722</b>	<b>19,247,343</b>	<b>60,523,548</b>	<b>27,953,443</b>	<b>308,657,934</b>

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**ENERGY EFFICIENCY**

**Pacific Power**

<b>EXPENSES</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>Production</b>	<b>NEEA</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>ETO Total</b>
	<b>Buildings</b>	<b>Buildings</b>	<b>Commercial</b>	<b>Efficiency</b>	<b>Industrial</b>	<b>Homes</b>	<b>Homes &amp; Products</b>	<b>Residential</b>	
Program Management	618,006	186,777		530,185		255,726	490,937		2,081,631
Program Delivery:	5,479,263	1,470,670	992,000	3,812,446	83,651	1,453,722	1,334,572	1,770,812	16,397,136
Incentives:	11,016,735	3,492,463		7,045,064		3,250,363	5,703,618		30,508,243
Program Eval & Planning Svcs.:	564,986	285,200	10,827	286,697	10,827	256,377	232,965	10,827	1,658,706
Program Marketing/Outreach:	493,922	149,726		117,988		434,188	457,659		1,653,483
Program Legal									-
Program Quality Assurance:							24,477		24,477
Outsourced Services:	127,739	39,524		100,979		136,489	235,809		640,540
Trade Allies & Cust. Svc. Mgmt.:	54,144	13,481		17,271		131,626	26,067		242,589
IT Services:	164,241	77,925		98,814		123,780	120,335		585,095
Other Program Expenses	43,329	8,290		56,285		26,100	26,188		160,192
<b>TOTAL PROGRAM EXPENSES</b>	<b>18,562,365</b>	<b>5,724,056</b>	<b>1,002,827</b>	<b>12,065,729</b>	<b>94,478</b>	<b>6,068,371</b>	<b>8,652,627</b>	<b>1,781,639</b>	<b>53,952,092</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	402,691	124,177	21,755	261,753	2,050	131,647	187,710	38,651	1,170,434
Communications & Customer Svc	382,478	117,944	20,663	248,615	1,947	125,039	178,288	36,711	1,111,685
<b>Total Administrative Costs</b>	<b>785,169</b>	<b>242,121</b>	<b>42,418</b>	<b>510,368</b>	<b>3,997</b>	<b>256,686</b>	<b>365,998</b>	<b>75,362</b>	<b>2,282,119</b>
<b>Total Program &amp; Admin Expenses</b>	<b>19,347,534</b>	<b>5,966,177</b>	<b>1,045,245</b>	<b>12,576,097</b>	<b>98,475</b>	<b>6,325,057</b>	<b>9,018,625</b>	<b>1,857,001</b>	<b>56,234,211</b>
<b>Energy Savings (kwh)</b>	<b>45,631,826</b>	<b>19,784,155</b>	<b>5,397,689</b>	<b>48,386,137</b>	<b>275,688</b>	<b>15,130,331</b>	<b>35,570,044</b>	<b>19,425,274</b>	<b>189,601,144</b>

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**ENERGY EFFICIENCY**

**NW Natural Industrial**

<b>EXPENSES</b>	<b>Existing Buildings</b>	<b>New Buildings</b>	<b>NEEA Commercial</b>	<b>Production Efficiency</b>	<b>NEEA Industrial</b>	<b>Existing Homes</b>	<b>New Homes &amp; Products</b>	<b>NEEA Residential</b>	<b>ETO Total</b>
Program Management	95,155	4,081		149,549					248,785
Program Delivery:	285,607	7,363		669,860					962,830
Incentives:	4,186,103	212,019		1,109,319					5,507,441
Program Eval & Planning Svcs.:	105,490	10,811		43,069					159,370
Program Marketing/Outreach:	32,542	1,742		19,984					54,268
Program Legal									
Program Quality Assurance:									-
Outsourced Services:	33,367	1,680		17,103					52,150
Trade Allies & Cust. Svc. Mgmt.:	14,143	573		2,925					17,641
IT Services:	42,902	3,311		16,736					62,949
Other Program Expenses	11,318	352		9,533					21,203
<b>TOTAL PROGRAM EXPENSES</b>	<b>4,806,627</b>	<b>241,932</b>	-	<b>2,038,078</b>	-	-	-	-	<b>7,086,637</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	104,275	5,248		44,214					153,737
Communications & Customer Svc	99,041	4,985		41,995					146,021
<b>Total Administrative Costs</b>	<b>203,316</b>	<b>10,233</b>	-	<b>86,209</b>	-	-	-	-	<b>299,758</b>
<b>Total Program &amp; Admin Expenses</b>	<b>5,009,943</b>	<b>252,165</b>	-	<b>2,124,287</b>	-	-	-	-	<b>7,386,395</b>
<b>Energy Savings (therms)</b>	<b>1,311,647</b>	<b>153,103</b>	-	<b>745,597</b>	-	-	-	-	<b>2,210,347</b>



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**ENERGY EFFICIENCY**

**NW Natural Gas**

<b>EXPENSES</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>Production</b>	<b>NEEA</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>ETO Total</b>
	<b>Buildings</b>	<b>Buildings</b>	<b>Commercial</b>	<b>Efficiency</b>	<b>Industrial</b>	<b>Homes</b>	<b>Homes &amp; Products</b>	<b>Residential</b>	
Program Management	138,236	63,518		48,149		300,147	160,462		710,512
Program Delivery:	1,206,097	548,837	262,164	152,484		1,543,404	773,770	659,505	5,146,261
Incentives:	2,405,022	970,870		364,923		3,068,630	2,428,983		9,238,428
Program Eval & Planning Svcs.:	88,523	78,557		12,629		191,385	94,157		465,251
Program Marketing/Outreach:	110,261	53,236		5,860		423,031	172,934		765,322
Program Legal									
Program Quality Assurance:							10,837		10,837
Outsourced Services:	28,000	12,205		5,015		135,001	84,149		264,370
Trade Allies & Cust. Svc. Mgmt.:	11,868	4,163		858		130,192	11,541		158,622
IT Services:	36,001	24,062		4,907		122,431	53,278		240,679
Other Program Expenses	9,498	2,560		2,795		25,815	11,595		52,263
<b>TOTAL PROGRAM EXPENSES</b>	<b>4,033,506</b>	<b>1,758,008</b>	<b>262,164</b>	<b>597,620</b>	<b>-</b>	<b>5,940,036</b>	<b>3,801,706</b>	<b>659,505</b>	<b>17,052,545</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	87,503	38,138	5,687	12,965		128,863	82,474	14,307	369,937
Communications & Customer Svc	83,110	36,224	5,402	12,314		122,395	78,334	13,589	351,368
<b>Total Administrative Costs</b>	<b>170,613</b>	<b>74,362</b>	<b>11,089</b>	<b>25,279</b>	<b>-</b>	<b>251,258</b>	<b>160,808</b>	<b>27,896</b>	<b>721,305</b>
<b>Total Program &amp; Admin Expenses</b>	<b>4,204,119</b>	<b>1,832,370</b>	<b>273,253</b>	<b>622,899</b>	<b>-</b>	<b>6,191,294</b>	<b>3,962,514</b>	<b>687,401</b>	<b>17,773,850</b>
<b>Energy Savings (therms)</b>	<b>869,708</b>	<b>698,509</b>	<b>-</b>	<b>274,773</b>	<b>-</b>	<b>986,451</b>	<b>1,503,612</b>	<b>-</b>	<b>4,333,054</b>

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**ENERGY EFFICIENCY**

**Cascade Natural Gas**

<b>EXPENSES</b>	<b>Existing Buildings</b>	<b>New Buildings</b>	<b>NEEA Commercial</b>	<b>Production Efficiency</b>	<b>NEEA Industrial</b>	<b>Existing Homes</b>	<b>New Homes &amp; Products</b>	<b>NEEA Residential</b>	<b>ETO Total</b>
Program Management	36,117	9,973		10,968		9,783	18,610		85,451
Program Delivery:	348,007	77,970	29,129	36,039		52,820	96,003	73,278	713,246
Incentives:	728,187	188,969		60,795		111,542	291,888		1,381,381
Program Eval & Planning Svcs.:	26,181	13,675		2,407		6,790	11,369		60,422
Program Marketing/Outreach:	29,178	7,968		1,117		15,125	20,478		73,866
Program Legal									
Program Quality Assurance:							1,309		1,309
Outsourced Services:	8,281	2,125		956		4,789	10,161		26,312
Trade Allies & Cust. Svc. Mgmt.:	3,510	725		163		4,619	1,394		10,411
IT Services:	10,647	4,189		935		4,343	6,433		26,547
Other Program Expenses	2,809	446		533		916	1,400		6,104
<b>TOTAL PROGRAM EXPENSES</b>	<b>1,192,917</b>	<b>306,040</b>	<b>29,129</b>	<b>113,913</b>	<b>-</b>	<b>210,727</b>	<b>459,045</b>	<b>73,278</b>	<b>2,385,049</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	25,879	6,639	632	2,471		4,571	9,959	1,590	51,741
Communications & Customer Svc	24,580	6,306	600	2,347		4,342	9,459	1,510	49,144
<b>Total Administrative Costs</b>	<b>50,459</b>	<b>12,945</b>	<b>1,232</b>	<b>4,818</b>	<b>-</b>	<b>8,913</b>	<b>19,418</b>	<b>3,100</b>	<b>100,885</b>
<b>Total Program &amp; Admin Expenses</b>	<b>1,243,376</b>	<b>318,985</b>	<b>30,361</b>	<b>118,731</b>	<b>-</b>	<b>219,640</b>	<b>478,463</b>	<b>76,378</b>	<b>2,485,934</b>
<b>Energy Savings (therms)</b>	<b>233,516</b>	<b>94,769</b>	<b>-</b>	<b>41,155</b>	<b>-</b>	<b>49,071</b>	<b>150,893</b>	<b>-</b>	<b>569,405</b>

**Energy Trust of Oregon, Inc**  
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**ENERGY EFFICIENCY**

**Avista**

<b>EXPENSES</b>	<b>Existing Buildings</b>	<b>New Buildings</b>	<b>NEEA Commercial</b>	<b>Production Efficiency</b>	<b>NEEA Industrial</b>	<b>Existing Homes</b>	<b>New Homes &amp; Products</b>	<b>NEEA Residential</b>	<b>ETO Total</b>
Program Management	5,577	4,065		2,427		18,249	9,437		39,755
Program Delivery:	49,693	33,038		6,830		99,941	44,173		233,675
Incentives:	100,166	71,446		13,530		214,547	140,686		540,375
Program Eval & Planning Svcs.:	3,667	5,370		509		12,975	5,442		27,963
Program Marketing/Outreach:	4,460	3,308		236		28,965	10,081		47,050
Program Legal									
Program Quality Assurance:							626		626
Outsourced Services:	1,160	834		202		9,152	4,863		16,211
Trade Allies & Cust. Svc. Mgmt.:	492	285		35		8,826	667		10,305
IT Services:	1,491	1,645		198		8,300	3,079		14,713
Other Program Expenses	393	175		113		1,750	670		3,101
<b>TOTAL PROGRAM EXPENSES</b>	<b>167,099</b>	<b>120,166</b>	<b>-</b>	<b>24,080</b>	<b>-</b>	<b>402,705</b>	<b>219,724</b>	<b>-</b>	<b>933,774</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	3,625	2,607		522		8,736	4,767		20,257
Communications & Customer Svc	3,443	2,476		496		8,298	4,527		19,240
<b>Total Administrative Costs</b>	<b>7,068</b>	<b>5,083</b>	<b>-</b>	<b>1,018</b>	<b>-</b>	<b>17,034</b>	<b>9,294</b>	<b>-</b>	<b>39,497</b>
<b>Total Program &amp; Admin Expenses</b>	<b>174,167</b>	<b>125,249</b>	<b>-</b>	<b>25,098</b>	<b>-</b>	<b>419,739</b>	<b>229,018</b>	<b>-</b>	<b>973,271</b>
<b>Energy Savings (therms)</b>	<b>31,000</b>	<b>39,692</b>	<b>-</b>	<b>9,649</b>	<b>-</b>	<b>97,068</b>	<b>163,877</b>	<b>-</b>	<b>341,286</b>

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**ENERGY EFFICIENCY**

**NW Natural Washington**

<b>EXPENSES</b>	<b>Existing</b>	<b>NEEA</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>ETO Total</b>
	<b>Buildings</b>	<b>Commercial</b>	<b>Homes</b>	<b>Homes &amp; Products</b>	<b>Residential</b>	
Program Management	51,951		45,392	43,000		140,343
Program Delivery:	160,000	29,627	96,511	137,873	74,531	498,542
Incentives:	414,087		211,367	258,693		884,147
Program Eval & Planning Svcs.:	62,813		74,550	54,879		192,242
Program Marketing/Outreach:	63,500		30,681	9,651		103,832
Program Legal						
Program Quality Assurance						
Outsourced Services:	1,000			35,550		36,550
Trade Allies & Cust. Svc. Mgmt.:	19,733		13,954	5,793		39,480
IT Services:	18,655		20,714	7,556		46,925
Other Program Expenses	16,537		11,526	12,714		40,777
<b>TOTAL PROGRAM EXPENSES</b>	<b>808,276</b>	<b>29,627</b>	<b>504,695</b>	<b>565,709</b>	<b>74,531</b>	<b>1,982,838</b>
<b>ADMINISTRATIVE COSTS</b>						
Management & General	17,535	643	10,949	12,272	1,617	43,016
Communications & Customer Svc	16,655	610	10,399	11,656	1,536	40,856
<b>Total Administrative Costs</b>	<b>34,190</b>	<b>1,253</b>	<b>21,348</b>	<b>23,928</b>	<b>3,153</b>	<b>83,872</b>
<b>Total Program &amp; Admin Expenses</b>	<b>842,466</b>	<b>30,880</b>	<b>526,043</b>	<b>589,637</b>	<b>77,684</b>	<b>2,066,710</b>
<b>Energy Savings (therms)</b>	<b>156,525</b>	<b>-</b>	<b>67,554</b>	<b>57,761</b>		<b>281,840</b>

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**RENEWABLE PROGRAMS**

**PGE Renewables**

<b>EXPENSES</b>	<b>Standard Solar</b>	<b>Custom Projects</b>	<b>ETO Total</b>
Program Management	357,409	227,150	584,559
Program Delivery:	264,120		264,120
Incentives:	5,830,000	2,021,370	7,851,370
Program Eval & Planning Svcs.:	94,289	25,420	119,709
Program Marketing/Outreach:	102,366	10,640	113,006
Program Legal	5,594	4,094	9,688
Program Quality Assurance:			-
Outsourced Services:	165,855	176,000	341,855
Trade Allies & Cust. Svc. Mgmt.:	55,190	481	55,671
IT Services:	90,962	49,033	139,995
Other Program Expenses	134,993	30,216	165,209
<b>TOTAL PROGRAM EXPENSES</b>	<b>7,100,778</b>	<b>2,544,404</b>	<b>9,645,182</b>
<b>ADMINISTRATIVE COSTS</b>			
Management & General	154,044	55,198	209,242
Communications & Customer Svc	146,312	52,428	198,740
<b>Total Administrative Costs</b>	<b>300,356</b>	<b>107,626</b>	<b>407,982</b>
<b>Total Program &amp; Admin Expenses</b>	<b>7,401,134</b>	<b>2,652,030</b>	<b>10,053,164</b>
<b>Energy Generation (kwh)</b>	<b>10,120,000</b>	<b>-</b>	<b>10,120,000</b>

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**RENEWABLE PROGRAMS**

**Pacific Power Renewables**

<b>EXPENSES</b>	<b>Standard Solar</b>	<b>Custom Projects</b>	<b>ETO Total</b>
Program Management	281,522	319,957	601,479
Program Delivery:	180,380		180,380
Incentives:	4,620,000	3,006,007	7,626,007
Program Eval & Planning Svcs.:	74,272	34,459	108,731
Program Marketing/Outreach:	80,634	17,360	97,994
Program Legal	4,406	5,906	10,312
Program Quality Assurance:			-
Outsourced Services:	130,644	176,000	306,644
Trade Allies & Cust. Svc. Mgmt.:	43,473	694	44,167
IT Services:	71,651	70,739	142,390
Other Program Expenses	106,334	39,630	145,964
<b>TOTAL PROGRAM EXPENSES</b>	<b>5,593,316</b>	<b>3,670,752</b>	<b>9,264,068</b>
<b>ADMINISTRATIVE COSTS</b>			
Management & General	121,341	79,633	200,974
Communications & Customer Svc	115,250	75,636	190,886
<b>Total Administrative Costs</b>	<b>236,591</b>	<b>155,269</b>	<b>391,860</b>
<b>Total Program &amp; Admin Expenses</b>	<b>5,829,907</b>	<b>3,826,021</b>	<b>9,655,928</b>
<b>Energy Generation (kwh)</b>	<b>13,949,000</b>	<b>10,472</b>	<b>13,959,472</b>

# MEMO

**Date:** October 26, 2016  
**To:** Board of Directors  
**From:** Michael Colgrove, Executive Director  
**Subject:** Staffing for the Draft 2017 Budget and 2017-2018 Action Plan

Energy Trust proposes to add 3.5 full-time equivalent staff positions (FTE) in 2017, increasing from the current approved level of 105 to 108.5. All proposed positions provide direct support to energy program and organizational goals. Each is linked to Energy Trust's key budget and action plan focus areas: expanding participation, innovating with emerging technologies and new approaches, managing transition, and operating an efficient and effective organization. One position is proposed with a limited term not to exceed two years. Detail on each position is provided below.

In 2017, Energy Trust anticipates continued and full compliance with key OPUC minimum performance metrics related to administrative support and staffing costs as a percent of expenditures.

Administrative and program support costs are at 5.8 percent of the draft budget, remaining well under the OPUC administrative and program support metric of 8 percent. Staffing as a percent of total expenditures is 6.6 percent and remains well under the 7.75 percent metric, calculated on a three-year rolling average.

## **1. Planning Project Manager (new position – 1 FTE)**

The proposed planning project manager position is linked to Energy Trust's focus on expanding participation, innovating with emerging technologies and new approaches, and managing transition. The position will enable expansion of utility planning work and support for regulatory processes, including the addition of a fifth utility IRP for Avista, transmission and distribution (T&D) deferral analysis, and increased focus on peak management through energy efficiency and renewable energy. It will allow the planning team to provide enhanced strategic planning support and advice to programs and marketing staff by improving mapping of resource and technology planning tools into concrete inputs for program design.

Additionally, it will create a coordination mechanism for identifying and communicating insights gained from existing and planned market research, identifying which program services may benefit from the insight, establishing priorities and disseminating results.

This position will provide benefit to utility customers by supporting program efforts to expand participation and be ready for new opportunities. Specifically, this position will deliver benefits to customers by helping Energy Trust:

- Support energy efficiency and renewable energy resource opportunities that provide other benefits and align with the priorities of governments and other organizations, such as projects with energy and water benefits, biopower projects that manage waste streams, and projects that save gas or electricity and transportation fuel.
- Pursue initiatives with government, utility and other entities in response to new state and national policy initiatives that complement and promote clean energy development.
- Collaborate as appropriate with utility-led peak load management programs to identify activities that will benefit customers and support program development to that end.
- Track and report utility customer benefits from Energy Trust activities related to state and federal greenhouse gas emission goals.
- More effectively utilize insights of market research to reach customers that have not previously been served.

## **2. Human Resources Generalist (new position – 1 FTE)**

The proposed human resources generalist supports Energy Trust's focus on expanding participation, managing transition and operating an efficient and effective organization. This position will enable the human resources team to focus on strategic and operational initiatives to ensure Energy Trust is able to recruit and retain critical staff expertise as energy efficiency and renewable energy programs evolve. Strategic focus areas include career development planning, professional development and training, workforce diversification and employee engagement.

The position will also allow the human resources team to improve efficient business practices and systems while maintaining day-to-day operations to meet the needs of the organization. The human resources generalist will be responsible for the day-to-day operations of the human resources team, including management of human resources policies and processes, recruitment, onboarding, compensation, benefits, talent management and compliance. This will enable the current human resources manager and senior finance project manager to focus on strategic initiatives and process improvement.

This position will provide benefit to utility customers by supporting all Energy Trust programs and operations that deliver utility customer benefits. Specifically, this position will deliver benefits to customers by helping Energy Trust:

- Ensure we have the staff expertise needed to design and deliver current and future customer programs and services.
- Support efficient and effective use of ratepayer dollars through retention of employee talent as the organization evolves.
- Diversify Energy Trust's workforce to ensure customer programs and services are optimized for all eligible customers.



### **3. Communications & Outreach Project Manager (new limited term position – 1 FTE through 2018)**

The proposed communications and outreach project manager is linked to Energy Trust's focus on expanding participation, managing transition and operating an efficient and effective organization. This position will enable the marketing and outreach teams to expand strategic work in support of program efforts to reach customers not yet served: market research, diverse customer outreach and engagement, rural community outreach and development of new informational content and targeted educational strategies.

Additionally, this proposed position will enable Energy Trust to communicate proactively with stakeholders as major customer programs and services evolve, and to ensure Energy Trust's new executive director is known and accessible in all regions of the state. Finally this position will support accurate and timely responses to increased media, legislative and stakeholder information requests related to an active policy and regulatory docket landscape.

This position is proposed for a limited term not to exceed two years through 2018 because the additional marketing, outreach and communications work is related to current development needs, transition, and policy activity that may not be sustained beyond the two-year time frame. It is difficult to successfully contract for this work given the continuity of knowledge needed to manage stakeholder engagement and communication projects efficiently and effectively.

This position will provide benefit to utility customers by supporting program efforts to reach and serve new customers and ensuring Energy Trust continues to be accessible and responsive to their needs and interests. Specifically, this position will deliver benefits to customers by helping Energy Trust:

- Better understand and address diverse customer barriers to engagement in energy efficiency and renewable energy offers and services.
- Connect with rural and diverse communities to provide information and resources needed to support engagement.
- Support community activities with multiple goals and customer benefits, including saving energy and generating renewable energy.
- Communicate clearly regarding changes in program offers affecting customers, contractors and other stakeholders.
- Respond in a timely manner to policy questions so customers, contractors and stakeholders will understand potential energy efficiency and renewable energy opportunities, and the services available to them.
- Establish connections between customers and stakeholders throughout the state and Energy Trust's new executive director, so he can lead the organization with specific knowledge of customer needs and interests.

#### **4. Attorney (new position – 0.5 FTE)**

The proposed half-time attorney position is linked to Energy Trust's focus on operating an efficient and effective organization, expanding participation and managing transition. The organization's near 15 year history of engaging with customers has resulted in an increasing inventory of customer data and customer projects. Engaging additional internal legal resources will help ensure that Energy Trust has or will put in place the policies, procedures and practices to safeguard customer interests and ratepayer funds cost effectively. This position will provide a small expansion of the legal team to support the organization with legal services needed for expanding business operations, programs and services to deliver energy efficiency and renewable energy to all eligible customers, and guide the organization's efforts to diversify its workforce and contracted services.

This position will support the legal team in drafting contracts, contract negotiation and strategy. The attorney will provide legal oversight for large contracts and competitive solicitations in the residential, renewables and operations group, and will provide backup support to the legal contracts manager on commercial, multifamily, industrial and agriculture groups. The position will also work with senior counsel on contracts with funding utilities and provide legal counsel on customer service complaints.

Through the creation of this position, the current general counsel will have the capacity to focus on the increased workload in policy and legislative matters, employment and business transaction law, and enterprise and organization-wide risk management coverage.

This position will provide benefit to utility customers by supporting program contracting essential to delivering services to customers, and by ensuring Energy Trust follows policies to protect customers and minimize risk to ratepayer funded investments. Specifically, this position will deliver benefits to customers by helping Energy Trust:

- Provide timely responsiveness in negotiation of customer project incentive funding agreements and forms.
- Ensure and support processes for greater accountability in contract and vendor performance.
- Ensure customer dollars are invested wisely and protected from risk.
- Resolve customer complaints in a timely manner.
- Secure and protect customer data.

## MEMO

Date: October 26, 2016  
To: Board of Directors  
From: Mike Colgrove, Executive Director  
Subject: Measure Exceptions as of October 21, 2016

In the Oregon Public Utility Commission's comments on the Energy Trust Proposed Final 2016-17 Budget and Action Plan, dated November 17, 2016, the commission requested that Energy Trust summarize energy efficiency measure exceptions incorporated into the 2017-2018 Draft Budget and Action Plan, and include this information in future draft budget and action plan materials so it is readily available to OPUC staff and stakeholders. In response to this request, Energy Trust has compiled the information below pertaining to measure exceptions, including a list of all current measure exceptions.

### Background

Commission Order No. 94-590 in Docket UM 551 specifies that the total resource cost test (TRC) must be used to determine if energy efficiency measures and programs are cost-effective. The same order allows for measures that are not cost-effective to be included in utility programs if it is demonstrated that:

- A. The measure produces significant non-quantifiable non-energy benefits. In this case, the incentive payment should be set at no greater than the cost-effective limit (defined as present value of avoided costs plus 10%) less the perceived value of bill savings, e.g. two years of bill savings
- B. Inclusion of the measure will increase market acceptance and is expected to lead to reduced cost of the measure
- C. The measure is included for consistency with other DSM program in the region
- D. Inclusion of the measure helps to increase participation in a cost-effective program
- E. The package of measures cannot be changed frequently and the measure will be cost-effective during the period the program is offered
- F. The measure or package of measures is included in a pilot or research project intended to be offered to a limited number of customers
- G. The measure is required by law or is consistent with Commission policy and/or direction

### Summary of Current Exceptions

- Since Energy Trust began tracking and reporting measure exceptions in 2014, the OPUC has granted exceptions on 51 measures in 10 programs:
  1. Existing Buildings
  2. Multifamily
  3. New Buildings

4. Existing Single Family
  5. New Buildings
  6. Production Efficiency
  7. Existing Manufactured Homes
  8. Irrigation
  9. New Homes
  10. Products
- The following tables represent the portion of total Energy Trust savings from measures with exceptions for 2015 and 2016 (year to date through October 21, 2016).

<b>2015 Measures</b>	<b>kWh</b>	<b>kWh % of total</b>	<b>Therms</b>	<b>Therms % of total</b>
Measures with Exceptions that are not currently cost-effective	7,910,869	1.58%	102,872	1.61%
Measures with Exceptions that are currently cost-effective	1,081,319	0.22%	666	0.01%
Packages that contain measures with exceptions	1,314,351	0.26%	21,062	0.33%
Savings from measures that do not have exceptions	488,840,442	97.94%	6,277,838	98.05%
<b>Grand Total</b>	<b>499,146,981</b>	<b>100.00%</b>	<b>6,402,438</b>	<b>100.00%</b>

<b>2016 (year to date through 10/21/16)</b>	<b>kWh</b>	<b>kWh % of total</b>	<b>Therms</b>	<b>Therms % of total</b>
Measures with Exceptions that are not currently cost-effective	9,602,701	3.18%	52,527	1.50%
Measures with Exceptions that are currently cost-effective	500,531	0.17%	12	0.00%
Packages that contain measures with exceptions	1,030,925	0.34%	14,941	0.43%
Savings from measures that do not have exceptions	291,280,385	96.32%	3,432,431	98.07%
<b>Grand Total</b>	<b>302,414,542</b>	<b>100.00%</b>	<b>3,499,911</b>	<b>100.00%</b>

- Of the 51 measures that are on record with an exception from the OPUC:
  - 42 of these measures are currently being offered by programs.
  - 35 of these measures are not cost-effective based on the most recently updated cost-effectiveness calculations applied for that measure.
  - 7 of these measures are cost-effective and are being offered by the programs.
  - 18 of these measures are considered “minor measures”. A “minor measure” is one where the total dollars and savings associated with the measure are less than 5 percent of total annual program activity or the total resource cost (TRC) for the measure is greater than 0.8, regardless of the total dollars and savings associated with the measure on an annual basis. As such, these measures do not require Commission approval and are typically approved via email from OPUC staff.

- Only two of these measure exceptions have expiration dates. Other measures will be reviewed for cost-effectiveness as they are updated, and as market conditions and other variables affecting baselines change. Energy Trust may request further exceptions from the OPUC for these measures if they seem warranted:
  - Gas Storage Water Heaters with energy factors of .67 and .70 – Current exception will expire at the end of 2016. This measure is being offered by the Multifamily program.
  - Window installations in Multifamily buildings with electric heat – Current exception will expire at the end of 2017.
- Measure exceptions were approved by the OPUC according to the criteria outlined in the “Background” section above. The following table identifies how many measures qualified for each criteria listed above

Criteria for Exception	Number of Instances (some measure exceptions meet multiple criteria)
A	13
B	11
C	18
D	22
E	7
F	5
G	0

- A complete list of all measures that currently have exceptions from the OPUC is attached.

**Energy Trust program measures with current exceptions from the OPUC  
October 21, 2016**

Program(s)	Measure	Exception Criteria	Date Granted	Expiration Date	Minor Measure?	Currently Cost-effective?	Current Measure?	Additional Comments
Existing Buildings Multifamily	DHP in Existing Multifamily (Portland) 3/4 ton	d	10/19/16	09/30/17*	Yes	No	Yes	Expiration date may be revised upon update of the measure
Existing Buildings Multifamily (≤ 4 units or side-by-side)	Ceiling Insulation (Gas)	a	09/08/16	N/A	Yes	No	Yes	
Existing Buildings Multifamily (≤ 4 units or side-by-side)	Floor Insulation Incentive Cap (Gas)	a	09/08/16	N/A	Yes	No	Yes	
Existing Buildings Multifamily (≤ 4 units or side-by-side)	Wall Insulation Incentive Cap (Gas)	a	09/08/16	N/A	Yes	No	Yes	
New Homes	Path 4 (EPS) Advanced Whole Home Subtype Weighted	b,c,d	08/18/16	N/A	Yes	No	Yes	
Existing Buildings Multifamily (> 4 units)	Windows (Electric)	a	04/29/16	12/31/17	Yes	No	Yes	
New Buildings	Market Solutions - Retail Building Type Good-to-Better	d	11/02/15	N/A	Yes	No	Yes	
New Buildings	Market Solutions - Schools Lighting Reduction	d,e	11/02/15	N/A	Yes	No	Yes	
Existing Buildings, New Buildings	Oversized Air Cooled Condenser w/VFD compared to VFD on standard (CZ2) per ton	d	10/28/15	N/A	Yes	No	Yes	
Existing Buildings Multifamily, Residential	Gas Storage Water Heaters: 0.67, 0.70	b	09/02/15	12/31/16	Yes	No	Yes	
Existing Single Family	Ductless Heat Pumps	b,c	09/02/15	N/A	Yes	No	Yes	Measure is in the process of being revised
New Homes, Products	Clothes Washers (Gas only)	c	09/02/15	N/A	Yes	No	Yes	

**Energy Trust program measures with current exceptions from the OPUC  
October 21, 2016**

Program(s)	Measure	Exception Criteria	Date Granted	Expiration Date	Minor Measure?	Currently Cost-effective?	Current Measure?	Additional Comments
Existing Buildings Multifamily ( $\leq 4$ units), Existing Single Family	Floor Insulation Incentive Cap (Gas)	a	04/30/15	N/A	No	No	Yes	
Existing Buildings Multifamily ( $\leq 4$ units), Existing Single Family	Wall Insulation Incentive Cap (Gas)	a	04/30/15	N/A	No	No	Yes	
Existing Buildings, New Buildings	LED Refrigeration Case Lighting (T12 to LED low power)	d	03/12/15	N/A	Yes	No	Yes	Measure will be cancelled March 2017
Existing Buildings Multifamily	Ceiling Insulation (Electric)	a,c	01/29/15	N/A	No	No	Yes	
Existing Buildings Multifamily	Floor Insulation (Electric)	a	01/29/15	N/A	No	Yes	Yes	
New Buildings Multifamily	Pilot - Gas Condo Pack	f	01/29/15	N/A	Yes	No	No	Not currently offered, but available if there is market interest
Existing Buildings, New Buildings, Production Efficiency	Zero Loss Drains	c	01/15/15	N/A	Yes	No	Yes	
Existing Buildings, New Buildings, Production Efficiency	Receiver Capacity Addition (Retrofit)	c	01/15/15	N/A	Yes	Yes	Yes	
Existing Buildings	2 lamp 4 foot T8 to 25W LED	e	11/10/14	N/A	Yes	Yes	Yes	
Existing Single Family	Pilot - Air Sealing as Added Requirement for Ceiling Insulation	f	10/01/14	N/A	No	No	No	
Existing Manufactured Homes	Manufactured Home Duct and Air Sealing (Gas)	c	10/01/14	N/A	No	No	Yes	
Existing Buildings, Existing Single Family, New Homes, Products	Spa Covers (Gas)	c	10/01/14	N/A	No	Yes	Yes	

**Energy Trust program measures with current exceptions from the OPUC  
October 21, 2016**

Program(s)	Measure	Exception Criteria	Date Granted	Expiration Date	Minor Measure?	Currently Cost-effective?	Current Measure?	Additional Comments
New Homes	New Homes Builder Option Package with 0.67 Water Heater	b,c	10/01/14	N/A	No	N/A	No	Measure redesigned to EPS in 2017
Existing Buildings Multifamily	Ceiling Insulation (Gas)	a	10/01/14	N/A	No	No	Yes	
New Buildings	New Commercial Buildings Condensing Tank Water Heater - Schools	b	10/01/14	N/A	No	No	Yes	
Existing Buildings Multifamily, New Buildings Multifamily	Market Solutions - Good-to-Better and Better-to-Best (Gas)	a,b,d,e	10/01/14	N/A	No	Yes	Yes	
New Buildings	Market Solutions - Tankless Water Heat in Offices	a,b,d,e	10/01/14	N/A	No	No	Yes	
Existing Buildings Multifamily ( $\leq 4$ units), Existing Single Family	Pilot - Condensing Gas Furnace (Rental)	f	08/20/14	N/A	Yes	No	Yes	
Existing Buildings Multifamily, Existing Single Family	Duct Insulation (Electric)	a,d	07/22/14	N/A	No	Yes	Yes	Measure is only offered by multifamily currently
New Homes	Zonal Electric Advanced Electric Resistance Home	c,d	07/22/14	N/A	No	No	Yes	Measure redesigned to EPS
Existing Buildings, New Buildings	LED A-Lamp (omnidirectional 310 to 749 lm)	b	07/22/14	N/A	No	Yes	Yes	
Existing Buildings, New Buildings	Ozone Laundry - Motel	d	07/22/14	N/A	No	No	No	
New Buildings, New Buildings Multifamily	HVAC - AAHP 5 ton	d	07/22/14	N/A	No	No	No	Measure cancelled in 2016 midyear
New Buildings, New Buildings Multifamily	HVAC - GSHP 2 ton	d	07/22/14	N/A	No	No	Yes	
New Buildings, New Buildings Multifamily	HVAC - WSHP 2 ton	d	07/22/14	N/A	No	No	Yes	
New Buildings, New Buildings Multifamily	HVAC - AC Unit 12.5 ton	d	07/22/14	N/A	No	No	No	Measure cancelled in 2016 midyear



**Energy Trust program measures with current exceptions from the OPUC  
October 21, 2016**

Program(s)	Measure	Exception Criteria	Date Granted	Expiration Date	Minor Measure?	Currently Cost-effective?	Current Measure?	Additional Comments
New Buildings	Market Solutions - Radiant Heating and Cooling in Offices	a,b,e	07/22/14	N/A	No	No	Yes	
New Buildings	Market Solutions - Air Barriers in Offices	c,d,e	07/22/14	N/A	No	No	Yes	
New Buildings	Market Solutions - Fan Static Pressure in Offices and Retail	b,e	07/22/14	N/A	No	No	Yes	
New Buildings	Market Solutions - Phantom Plug Load in Offices	b,c	07/22/14	N/A	No	No	Yes	
Existing Single Family	Pilot - Nest Thermostat	f	07/22/14	N/A	No	Yes	No	Pilot revised into a cost-effective measure
Existing Buildings, New Buildings	Commercial Vent Hoods with VFD < 2HP (Electric)	d	07/22/14	N/A	No	No	Yes	
Irrigation	Irrigation - Drain Replacement	c,d	07/22/14	N/A	No	No	Yes	
Irrigation	Irrigation - Drop Tube or Hose Extension	c,d	07/22/14	N/A	No	No	Yes	
Irrigation	Irrigation - New or Rebuilt Brass Impact Sprinkler	c,d	07/22/14	N/A	No	No	Yes	
Irrigation	Irrigation - Rotating Sprinkler for low-pressure	c,d	07/22/14	N/A	No	No	Yes	
Existing Buildings, Production Efficiency	Various High Performance 4' T8 Lamps	c,d	07/22/14	N/A	No	N/A	No	
Existing Buildings, New Buildings	Street Lights for PacifiCorp - Schedule 51 70W HPS / 48W LED	c,d	05/02/14	N/A	Yes	No	Yes	
Existing Buildings	Pilot - Pay for Performance	f	02/18/14	N/A	No	No	No	This project was granted an exception and did not move forward to implementation.

## MEMO

Date: October 26, 2016  
To: Board of Directors  
From: Mike Colgrove, Executive Director  
Subject: Planning Assumptions for 2017-2018 Draft Budget and Action Plan

In the Oregon Public Utility Commission's comments on the Energy Trust Proposed Final 2016-17 Budget and Action Plan, dated November 17, 2015, the commission requested that Energy Trust document major planning assumptions and changes, and include this information in future draft budget and action plan materials so it is readily available to OPUC staff and stakeholders.

In response to this request, Energy Trust has compiled the following list of major planning assumptions that shape the direction and content of Energy Trust's 2017-18 Draft Budget and Action Plan. Additionally, each of the individual program action plans contained in the 2017-2018 Draft Budget and Action Plan package contain a section highlighting "Key Assumptions, Risks and/or Challenges" specifically related to the program. We welcome your feedback on this information and how best to integrate it in future budget materials.

- Oregon has experienced robust economic growth for the last few years and it is assumed that the current favorable economic environment will continue, resulting in project activity in all sectors throughout 2017. The October 5<sup>th</sup> State of Oregon Economic Indicators report for August 2016, published by University of Oregon, notes that the economy remains strong, although it observes growth is starting to level out.
- Avoided Costs for energy efficiency in Oregon for 2017 will remain the same as Avoided Costs used for energy efficiency in Oregon for 2016. Energy Trust is aware that the Oregon PUC will run a docket on Avoided Costs in late 2016 that will continue into 2017. Outcomes from this docket will influence how Avoided Costs are formulated and updated for 2018.
- Avoided Costs for renewables decreased in Oregon for 2017 through updates to qualifying facilities (QF) rates in regulatory proceedings. The resulting lower price for purchased power from renewable energy projects increases the above-market costs for those projects, and therefore reduces the number of projects that can be funded within Energy Trust's budget for renewable generation. Further reductions in avoided-cost prices for renewable generation projects will make project economics even more challenging.
- Energy Trust assumes that all federal and state energy tax credit and incentive policies related to solar and other renewables projects will remain stable, either available as-is or expiring under current expected timelines. The planned expiration or reduction in some tax credits will raise above-market costs for affected renewable technologies.

- Energy Trust offers incentives for residential efficiency measures that are also eligible for the State of Oregon's residential energy tax credit (RETC). These measure include ductless heat pumps, heat pumps, gas furnaces in rentals and Savings Within Reach projects, heat pump water heaters, gas tank water heaters, gas water heaters, and solar. If changes to the current RETC occur, Energy Trust will likely experience impacts to savings and generation.
- Energy Trust anticipates continued engagement in all major efficiency market sectors, continuing all programs in 2016 with some measure adjustments as needed. A few notable measures are being discontinued for 2017, including appliance recycling and CFLs. Detailed program action plans included in Energy Trust's Draft 2017 Budget and 2017-2018 Action Plan note measures that are being discontinued.
- Baselines have been updated for measures due to changes in equipment efficiency standards, changes in market preferences, and new information from field tests. Measures with baseline changes include LED lighting, showerheads, and gas hearths.
  - Energy Trust will continue to track equipment standards and market trends, and these may result in additional adjustments for 2018-2019 budget cycle.
- Energy Efficiency program savings realization rates are down overall compared to 2016. This means that, on average, in 2017 Energy Trust will need to complete more projects to bring in the same amount of savings that the organization achieved in 2016.
- Successful market penetration and evolving market conditions are leading to an increased focus on mid-stream and up-stream approaches in residential and commercial sectors in 2017.
- Energy Trust expansion into Avista service territory will require additional resources across the organization. Pacific Power activity in areas that overlap with Avista territory may increase.
- Changing costs and current policy discussions related to solar electric installations may result in a need to transform Energy Trust solar offerings in 2018.
- The evolving landscape for demand response and electric vehicles may result in opportunities for Energy Trust to engage stakeholders in activities that have some linkage to energy efficiency and renewable generation objectives.

Energy Trust of Oregon  
Capital Budget  
Draft Budget 2017 - 2018

	Q1	Q2	Q3	Q4	Budget
<b>2017 Capital Acquisitions</b>					
<b>Information Systems</b>					
Phone System	70,000				70,000
MS Dynamics CRM licensing	13,000				13,000
Solar Winds Network Monitoring	6,000				6,000
Procurement Automation		100,000			100,000
Server		35,000			35,000
subtotal	89,000	135,000	-	-	224,000
<b>Office Operations</b>					
Lighting Design	15,000				15,000
Chairs	10,000				10,000
Tenant Improvements			265,000		265,000
subtotal	25,000	-	265,000	-	290,000
<b>2018 Capital Acquisitions</b>					
Server		35,000			35,000
subtotal	-	35,000	-	-	35,000
<b>TOTAL</b>	114,000	170,000	265,000	-	549,000

(tab) Action Plans

### **Commercial sector—Existing Multifamily**

#### **Program Description**

The Existing Multifamily program serves existing multifamily structures with two or more dwelling units across diverse market segments, including market rate housing, affordable housing, assisted living facilities, campus housing facilities, homeowners associations and individual unit owners. Offerings include free installation of LEDs, showerheads and faucet aerators and distribution of energy-saving advanced power strips in tenant units; incentives for common-area lighting upgrades; incentives for standard measures including HVAC equipment, water heaters, weatherization, appliances and foodservice equipment; midstream incentives provided to distributors for qualifying equipment and lighting measures; incentives for custom projects; and technical services including technical analysis studies and free walkthrough surveys.

#### **2017 Strategic Focus**

- Identify and implement program improvements based on 2016 process evaluation findings.
- Expand program participation in market segments and regions where participation has historically been low, using market and program participation data analysis and customized marketing and outreach strategies.
- Continue to foster long-term relationships with customers to drive repeat program participation and deeper energy savings per site.
- Continue to seek out new savings opportunities by developing and implementing pilots to test new measures as appropriate.
- Conduct ongoing monitoring of cost-effectiveness for program offerings, with close attention to challenges facing installation of free energy-saving measures in units.
- Streamline program participation requirements and processes, with a strong emphasis on cross-program collaboration to improve customer experience.
- Enhance relationships with market actors, including trade allies, distributors and manufacturers, and external partners such as Oregon Housing and Community Services, the City of Portland and the Portland Water Bureau.

#### **2017 Activities—Ongoing**

##### **Deepen relationships with customers and expand participation**

- Maintain account management approach with Program Management Contractor Lockheed Martin providing a team of business development representatives who conduct direct outreach to property owners and managers, including a dedicated representative serving rural areas.
- Continue successful marketing, communication and event strategies, including a quarterly customer newsletter, the My Business advertising campaign, direct marketing, development of materials to support customer outreach, and outreach events throughout the state.

##### **Offer a wide range of incentives and services to participants**

- Provide free installation of efficient LEDs, showerheads and faucet aerators and free distribution of energy-saving advanced power strips in individual dwelling units. This offering provides the majority of savings in each utility territory and serves as an initial engagement tactic.

## **2017-2018 Program Action Plan**

- Promote common-area lighting solutions to gain additional electric savings, with emphasis on smaller multifamily properties that have lower program participation than larger properties.
- Focus on opportunities to gain savings from standard measures, which have seen modest growth.
- Continue and expand midstream incentive offerings, in which incentives are provided directly to distributors for appliances, water heating and HVAC equipment, with savings passed onto customers.
- Continue to work with assisted living facilities enrolled in commercial Strategic Energy Management.

### **Grow program offerings and seek new savings opportunities**

- Partner with the Portland Water Bureau on a water sub-metering pilot to study the savings associated with shifting participants from master-metered to individually metered water billing.
- Conduct billing data analysis for a Cadet pilot to determine if energy-efficient wall heaters provide savings for multifamily customers who are not able to make other system upgrades.
- Continue testing GreenPSF, an online tool enabling customers to solicit multiple bids for custom projects via a competitive online request for proposals process. The test will determine if GreenPSF increases close rates and decreases timeframes for custom projects.
- Assist Multnomah County and the Portland Development Commission to market Commercial Property Assessed Clean Energy financing as appropriate for energy-efficiency and renewable energy projects.

## **2017 Activities—New**

### **Streamline program design to improve customer experience**

- Incorporate more analyses on motivations and barriers to participation in each market segment to potentially modify outreach and offerings.
- Simplify measure eligibility requirements among varying types of multifamily properties to develop a more streamlined structure that will be consistent across measures.

### **Refine outreach strategies to expand participation**

- Analyze program and market data to identify customer groups and/or regions for targeted outreach.
- Launch program to Avista customers, reaching out to dual-fuel customers to participate in free installation of LEDs, showerheads and faucet aerators in units. Re-engage participants in Avista territory who have received electric incentives to introduce gas offerings.
- Recruit customers in Central Oregon and/or Portland for commercial SEM.
- Identify cross-program outreach opportunities, such as coordination with Existing Buildings to drive comprehensive projects on campuses.

### **Explore new savings opportunities**

- Consider transition to tier 2 advanced power strips from tier 1 advanced power strips, pending results of the tier 2 advanced power strip pilot. Tier 1 power strips automatically shut down peripheral entertainment system devices, such as DVD players and speakers, when televisions are turned off. Tier 2 power strips can also sense when televisions are not in use through infrared remote signal sensors, and will automatically power down both televisions and peripheral devices when not in use.
- Explore activities for tenant engagement that could reduce in-unit energy consumption. These activities could include automated control technologies.

## **2017-2018 Program Action Plan**

### **2017 Key Assumptions, Risks and/or Challenges**

- Market penetration rates will continue to increase, resulting in a decrease in the average sizes of properties served. This will lead to lower average savings and a comparatively higher average cost of acquisition per project.
- The impacts of the U.S. Environmental Protection Agency Energy Independence and Security Act are largely unknown, and may pose challenges to the cost-effectiveness of the direct installation of LEDs.
- Findings from a showerhead flow-rate study conducted by the program in 2016 resulted in significantly decreased savings for shower devices, which reduced 2017 total estimated program savings by 12 percent on the electric side and 27 percent on the gas side.
- A study is currently underway to determine persistence of savings for tier 1 advanced power strips. If the results are not favorable, this could have an impact on savings for this high-volume offering.
- The program anticipates continued low vacancy rates in the rental market, which can lower motivations for property owners and managers to make improvements.

### **2018 Strategic Focus**

- Continue to identify new technologies and savings opportunities through market research and pilots, and monitor current program offerings for cost-effectiveness.
- Continue to customize and target outreach tactics based on individual market segments, customer types and geographic regions to increase engagement with customer groups with historically low participation rates.
- Maintain efforts to continually re-engage with participants to cultivate long-term relationships and drive repeat participation.

### **Targets**

Financial and Savings information for the Multifamily Program are included with Existing Buildings





### Commercial sector—Existing Buildings

#### Program Description

Energy Trust's Existing Buildings program provides electric and gas energy-efficiency solutions for existing commercial buildings. The program has three components: program management and delivery through Program Management Contractor ICF International, commercial Strategic Energy Management and Pay for Performance offerings through ICF International, and management and delivery of the Existing Multifamily program through PMC Lockheed Martin. The Multifamily Action Plan is a separate document. The Existing Buildings program consists of three tracks.

1. The **custom track** acquires electric and gas savings through energy-efficient capital projects and operations and maintenance upgrades. PMC account managers and engineering firms identify and promote customer opportunities.
2. The **standard track** provides incentives for standard measures with predetermined savings for buildings of all sizes and across all commercial market sectors. The program promotes measures through customer outreach and cultivation of trade ally contractors.
3. The **lighting track** uses a combination of customer outreach and outreach through a network of trade allies. In addition to the traditional lighting track, the program offers incentives provided midstream to distributors and retailers with savings passed onto small commercial customers and state agencies.
4. The **energy performance management track** uses training, tools, technical assistance and incentives to help customers save energy by improving energy management practices.
  - o **Commercial Strategic Energy Management** is a year-long cohort approach and offers technical assistance to deepen commitment to energy management. The offering helps customers drive persistent energy-efficiency improvements in large buildings or campuses.
  - o **Pay for Performance** includes annual financial incentives for demonstrated energy savings rather than one upfront payment at project completion. Pay for Performance projects can include operations and maintenance, behavioral and capital measures at the building level.
  - o **Retrocommissioning** features targeted incentives for specific operations and maintenance improvements such as controls or HVAC adjustments at a measure level.

#### 2017 Strategic Focus

- Deliver tailored services to the market, including to business and property owners, tenants, property managers, trade allies and non-ally contractors, distributors, product representatives and manufacturers.
- Improve service delivery to customers that have not yet participated, including by targeting geographic regions, market sectors and participant diversity.
- Develop the Trade Ally Network to promote energy-efficiency projects of all types and sizes.
- Expand program with direct-installation and midstream incentive approaches. Direct installation is free installation of efficient lighting .Midstream incentives are paid midstream to distributors and retailers, with savings passed onto customers.
- Adapt lighting program offerings to respond to changes in the market, standards and codes.
- Cultivate customer relationships, training and education for long-term engagement.

## **2017-2018 Program Action Plan**

- Increase program offerings for customers to implement ongoing operations and maintenance opportunities with energy savings through commercial SEM and Pay for Performance offerings.
- Improve customer experience and capture efficiencies in delivery costs.

### **2017 Activities—Ongoing**

#### **Refine delivery strategies**

- Maintain current standard equipment and lighting incentives with a few adjustments, and investigate additional measures to add mid-year. Continue customized offerings for small business customers, including:
  - Small Commercial Energy Savings installation offering for lighting and non-lighting measures.
  - Midstream offerings for lighting and non-lighting equipment, with incentives paid to distributors and savings passed onto customers.
  - Evaluate expanding the state procurements buy-down offer to other public sector agencies.
- Launch two new commercial SEM cohorts and continue working with current participants. Transition delivery from Program Delivery Contractors to ICF International.
- Continue Pay for Performance as an enhanced offering with up to six customers, with transition of program management to ICF International.
- Maintain outreach activity in market sectors with the greatest potential for savings, including lodging, hospitality, foodservice, office buildings, grocery and healthcare. Add outreach staff to meet increased demand from K-12 schools.
- Continue marketing, communication and events, including quarterly customer newsletter Energy Assets, the My Business advertising campaign, program advertising and event sponsorships.

#### **Target customer needs**

- Use data analysis to guide targeted marketing.
- Promote community energy efforts including Commercial Property Assessed Clean Energy and City of Portland Energy Performance Reporting.
- Provide incentives for Building Operator Certification training to educate customers about energy-efficient improvements through operations, maintenance and management skills.

#### **Expand participation**

- Focus on regional market engagement through staff in Central Oregon, Eastern Oregon and Southern Oregon.
- Build participation among minority- and women-owned businesses and emerging small business owners by engaging with minority chambers and associations, such as Oregon Association of Minority Entrepreneurs, Women in Construction and Commercial Real Estate Women.
- Support national retail and restaurant customers through representatives at national conferences, and provide direct outreach to corporate offices of national chains.
- Support trade ally development with tools, training and marketing support.

### **2017 Activities—New**

#### **Launch service to Avista business customers**

- Offer the full suite of offerings to Avista customers, with emphasis on targeting customers in sectors with high gas use, such as restaurants.

#### **Streamline program operations**

## **2017-2018 Program Action Plan**

- Improve incentive applications and documentation to simplify processes for customers.
- Develop a custom, tablet-based scoping tool to identify potential energy-efficiency measures, and generate a comprehensive scoping report to aid customers in decision making.
- Develop additional calculators and tools to reduce processing time for custom energy audits and studies.

### **Seek new savings opportunities**

- Consider midstream incentives for heat pumps, HVAC unit heaters and foodservice equipment, with incentives paid midstream to distributors and retailers and savings passed onto customers.
- Introduce an incentive for Energy Management Certification.
- Streamline incentive design for operations and maintenance and energy management offerings.

### **Build on Strategic Energy Management success**

- Continue to expand commercial SEM participation in Eastern Oregon.
- Develop a standardized curriculum for continued commercial SEM engagement.
- Provide technical support for existing commercial SEM customers in Avista territory.
- Introduce incentives for commercial SEM participants who hire paid interns to increase capacity for energy management.
- Use program, utility and mapping data to identify potential new commercial SEM participants.

## **2017 Key Assumptions, Risks and/or Challenges**

- The economic and policy environment will not change significantly from 2016 and 2017.
- Customer interest in LED lighting will remain stable or increase.
- Natural gas prices and avoided costs will remain stable.
- Savings and incentives may exceed goals and budget for some utilities in 2016. If the 2017 pipeline remains strong, additional incentive dollars may be needed.
- The number of incentive applications will continue to increase, with reduced savings per project. This may require more staffing for market outreach and processing, or revisions to delivery methods.
- As the program seeks to drive more customers and projects directly to trade allies, the program must support allies with new tools, trainings and resources for outreach and marketing while still supporting small- and mid-size customers directly.

## **2018 Strategic Focus**

- Build on strategies that engage customers in cost-effective standard, custom and lighting measures through trade ally and allied technical assistance contractor engagement.
- Incorporate and expand energy management offerings, such as Pay for Performance and Strategic Energy Management, which deliver continuous, multiyear savings at the whole building, portfolio or campus level and help customers integrate energy efficiency into business practices.
- Expand program offerings with free installation of efficient lighting.
- Expand program offerings with midstream incentive approaches. Drive market adoption of new lighting, HVAC and controls technologies.

## 2017-2018 Program Action Plan

### Targets

	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (cents / KWh)	Savings therms	levelized cost (cents / therm)
2016 Reforecast	\$49.8	\$7.0	\$56.9	16.6	3.2	2,029,984	28.9
2017 Budget	\$53.1	\$10.6	\$63.7	14.7	3.8	2,445,871	41.3
2018 Projection	\$53.8	\$11.3	\$65.1	15.1	3.8	2,590,334	41.1

	2016 Budget	2016 Forecast	2017 Draft Budget	2018 Draft Projection
<b>Incentives</b>	<b>32,758,309</b>	<b>33,258,618</b>	<b>37,467,348</b>	<b>39,084,362</b>
<b>Delivery Costs</b>				
Program Management	1,403,579	934,009	714,088	735,511
Program Delivery	15,359,399	15,363,969	16,988,914	17,218,704
Marketing-PMC	1,098,273	1,073,638	1,170,400	1,203,472
Performance Comp	442,500	376,500	296,250	306,250
<b>Total Delivery Costs</b>	<b>18,303,751</b>	<b>17,748,116</b>	<b>19,169,652</b>	<b>19,463,937</b>
<b>ETO expenses</b>				
Staffing	1,051,935	1,006,288	1,002,738	1,055,958
Marketing	433,000	433,000	371,400	367,900
Other Services	1,256,400	1,171,300	1,528,317	1,142,339
General	75,550	59,650	55,000	55,500
Allocations	1,363,696	1,279,898	1,529,839	1,443,651
<b>Sub-Total before Admin Costs</b>	<b>55,242,641</b>	<b>54,956,870</b>	<b>61,124,294</b>	<b>62,613,647</b>
<b>Administrative Costs</b>	<b>2,051,113</b>	<b>1,907,974</b>	<b>2,585,495</b>	<b>2,461,713</b>
<b>TOTAL EXPENSE</b>	<b>57,293,754</b>	<b>56,864,844</b>	<b>63,709,789</b>	<b>65,075,360</b>

### **Commercial sector—New Buildings**

#### **Program Description**

New Buildings influences commercial design and construction practices to deliver buildings with low energy use in Oregon. Program staff work closely with building owners and design teams to make energy considerations part of building design criteria and an asset for the building owner in both major renovations and new construction projects. Leveraging energy-efficiency and renewable energy strategies along with incentives, program outreach managers influence a broad range of market actors to achieve energy-efficiency targets. New Buildings delivers highly technical solutions, simplified where possible, to create cost-effective, above-code options that leverage architectural design solutions and systems. New Buildings provides incentives to support high-performance design, including early design assistance, energy modeling incentives and a solar ready offering; incentives for whole building approaches including modeled savings, Leadership in Energy and Environmental Design and standard incentive packages for small commercial buildings; as well as prescriptive and calculated incentives such as standard offerings and lighting calculators.

#### **2017 Strategic Focus**

- Build market momentum to accelerate adoption of a Path to Net Zero offering and progress toward Architecture 2030 goals. Deliver standard incentive packages to small commercial customers.
- Streamline technical processes to address perceived barriers and add value to the construction process. Influence design assumptions, equipment selection and building performance.
- Pilot and promote emerging technologies to accelerate early adoption and build measure options.
- Create market partnerships and help accelerate analysis and implementation of technologies and approaches that meet energy and resilience goals.
- Continue to influence decisions from early design to occupancy. Deploy additional tools and reposition offerings to drive further market adoption and improve building energy performance.

#### **2017 Activities—Ongoing**

##### **Deliver technical assistance and design support**

- Engage building owners, developers, business owners, contractors and design professionals from early design to building performance, through Program Management Contractor CLEARResult.
- Deliver technical energy-saving solutions using whole building energy modeling, technical assistance, early design, and standard and custom measures to advance the market. Target and support small commercial construction, requiring streamlined approaches.
- Continue to support innovation with Path to Net Zero, an offering designed to support a project from goal setting through design, construction and commissioning of buildings that target a 40 percent or greater energy reduction compared to code baseline. This offering leverages energy-efficiency and renewable energy strategies along with incentives and targeted market support to address information barriers to participation.
- Support the connection between energy efficiency and resilience by funding education, technical assistance and implementation of renewable and efficiency measures that also meet resilience goals.

##### **Maintain comprehensive market delivery and strategic market transformation activities**

## **2017-2018 Program Action Plan**

- Continue successful regional outreach and delivery model with personnel based in Eastern Oregon, Southern Oregon and the Portland Metro area.
- Engage the small commercial market through standard incentive packages for small commercial buildings, targeted by building types. Engage the data center market with updates made in 2016, targeting small- and mid-sized facilities.
- Implement solar ready, an offering that supports early feasibility of installing solar for a new construction/major renovation project, with a revised focus on solar feasibility.
- Coordinate with Northwest Energy Efficiency Alliance to leverage regional activity and prepare for code updates for commercial new construction, enhanced codes pathway and commercial lighting.

### **2017 Activities—New**

#### **Increase market penetration**

- Enhance messaging through targeted content, addressing specific market barriers in design and construction.
- Develop design professional resources for targeted market sectors such as multifamily, schools, universities and hospitals.
- Expand the training and education offering—Allies for Efficiency—with best practices, case studies and local success stories. Expand delivery through co-sponsorships.
- Collaborate with cities to advance energy-efficiency opportunities at the master planning stage, supporting large-scale developments.
- Improve the ability of design teams to maintain energy strategies through building construction.
- Streamline the program's early, technical delivery to address major market barriers and modify offers to drive market uptake.

#### **Strategic program development and innovation**

- Pilot tools, technologies and strategies to improve design assumptions and building performance, creating a feedback loop from building operators to building designers. Ramp down the variable refrigerant flow pilot, a 2015-16 pilot that sought to establish cost data and savings data to create a standard measure for variable refrigerant flow and assess viability as a formal program offering.
- Review leading national codes and other sources for possible new measures or technical pilots.

### **2017 Key Assumptions, Risks and/or Challenges**

- Construction will continue at a fast pace, which negatively impacts the program's ability to advance code and integrate energy-efficient systems into the projects.
- Growth is expected to continue through 2018 or 2019, with strong activity in office, retail, mixed-use, multifamily and school buildings.
- Anticipated 2018 code changes will be published in 2017.
- Potential policy decisions regarding solar may cause customers to reconsider participation in the Path to Net Zero offering.

### **2018 Strategic Focus**

- Continue program improvements, pilots and deployment of market transformation plans.

## 2017-2018 Program Action Plan

- Continue to grow the network of designers by providing recognition, case studies, education and opportunities for collaboration as early adopters help bring net-zero buildings to mainstream practice.
- As information on timing and scope of the next code change becomes available, adapt program offerings to prepare the market for code updates. This includes developing new measures, creating business cases for measures that are not cost-effective and exploring opportunities for whole building cost-effectiveness.
- The program will continue to identify opportunities for deeper impact by providing support to new construction development areas that closely align with energy efficiency, such as renewable energy, resilience and master planning.

### Targets

Year	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (cents / KWh)	Savings therms	levelized cost (cents / therm)
2016 Reforecast	\$15.9	\$1.9	\$17.9	5.8	3.0	597,714	27.1
2017 Budget	\$17.8	\$2.5	\$20.4	6.4	2.7	986,074	20.7
2018 Projection	\$20.6	\$3.2	\$23.8	8.0	2.5	1,001,564	25.8

	2016 Budget	2016 Forecast	2017 Draft Budget	2018 Draft Projection
<b>Incentives</b>	<b>9,143,625</b>	<b>9,826,797</b>	<b>11,464,443</b>	<b>15,073,954</b>
<b>Delivery Costs</b>				
Program Management	229,092	229,092	229,771	229,092
Program Delivery	5,028,083	5,028,083	5,433,137	5,333,274
Marketing-PMC	416,078	416,078	401,170	401,170
Performance Comp	130,000	127,500	105,000	105,000
<b>Total Delivery Costs</b>	<b>5,803,253</b>	<b>5,800,753</b>	<b>6,169,078</b>	<b>6,068,536</b>
<b>ETO expenses</b>				
Staffing	308,688	268,401	328,025	345,344
Marketing	123,000	113,000	132,000	132,000
Other Services	593,715	669,665	790,067	650,089
General	14,500	11,500	0	0
Allocations	610,281	571,131	654,467	613,378
<b>Sub-Total before Admin Costs</b>	<b>16,597,062</b>	<b>17,261,247</b>	<b>19,538,080</b>	<b>22,883,301</b>
<b>Administrative Costs</b>	<b>616,235</b>	<b>599,270</b>	<b>826,441</b>	<b>899,678</b>
<b>TOTAL EXPENSE</b>	<b>17,213,297</b>	<b>17,860,517</b>	<b>20,364,521</b>	<b>23,782,979</b>



### Industrial sector—Production Efficiency

#### Program Description

Energy Trust's Production Efficiency program provides electric and gas energy-efficiency solutions for all sizes and types of eligible industrial and agricultural customers. The program provides services and incentives through three primary delivery tracks. The program is designed and managed in-house by staff, and is delivered to market through the support of contractors and other market actors.

1. The **standard tracks** focus on simpler, common equipment measures, typically installed through Energy Trust trade allies and other vendors. They are delivered by standard track Program Delivery Contractors (PDCs) that focus on trade ally outreach and training, new measure and calculator tool development, project verification and delivery of savings from lighting, irrigation, small compressed air, variable frequency drives and other standard and calculated measures.
2. The **custom track** allows for a comprehensive approach to gas and electric process efficiency projects, retrofits and operations and maintenance improvements. Custom PDC industrial efficiency experts act as long-term energy efficiency account managers for industrial customers of all sizes and types in assigned geographic territories, delivering more than one-half of all Production Efficiency savings. Allied Technical Assistance Contractors provide analyses in support of the program for custom projects.
3. The **energy performance management track** provides training, tools and technical support of Strategic Energy Management (SEM) coaches to help customers save energy by establishing or improving energy performance management practices in the workplace. SEM offerings aim to secure and deepen customer commitment to energy management and improve capability to drive persistent, measureable improvements in the energy intensity of their operations.

#### 2017 Strategic Focus

- Continue to implement and continuously improve standard, custom, and first-year SEM offerings.
- Provide more outreach, technical services and other support to increase savings from the agriculture sector and small- to medium-sized industrial customers.
- Implement new Continuous SEM offering, using adaptive management to tune delivery and drive savings results with 25 to 50 former first-year SEM participants.
- To reduce fluctuations in annual savings results due to a small volume of gas projects, continue to increase the number of gas projects completed in all tracks.
- Work with other organizations such as Northwest Energy Efficiency Alliance and Pacific Northwest National Laboratory to help deploy emerging technologies, including tests of new applications of existing technology, such as smart controls, energy information systems and advanced lighting design.
- Continuously improve internal processes and systems, including use of data and information to support program activities and technical management of all tracks.

#### 2017 Activities—Ongoing

##### Continuously improve program design and services

- Work with standard track PDCs to recruit, train and provide ongoing support for trade ally vendors to sell more efficient products, equipment and systems.

## **2017-2018 Program Action Plan**

- Use custom PDCs as long-term account managers and technical consultants for all types and sizes of industrial customers.

### **Broaden participation**

- Continue rural outreach and services to farmers, irrigators and their vendors directly and by leveraging and collaborating with other agencies and nonprofits who are active in agriculture.
- Drive geographic diversity of gas and electric savings through outreach to trade allies, associations and other market actors across the state.
- Continue to recruit new participants into first-year SEM, adding 15-25 new SEM participants per year.
- Support successful marketing, communication and event strategies, including direct marketing, materials to support PDC outreach, a quarterly customer newsletter, sponsorship of the NW Industrial Energy Efficiency Summit and the Oregon Manufacturing Awards, and continuing the My Business advertising campaign for trade allies
- Working with utilities and other industry partners, improve awareness of the benefits of efficiency and services available for small- to medium-sized industrial customers.

### **Develop new measures and approaches to save energy**

- Continue to develop new measures and calculator tools for small compressed air, irrigation, refrigeration and other common measures. Update and improve the lighting calculator tool.
- Promote integration of lighting controls and other best practices in comprehensive lighting projects through ongoing promotion of advanced lighting strategies.
- Provide outreach, technical services and incentives to reduce energy use of new or expanding cannabis production facilities. Engage with local market actors and peers in other states to accelerate efficiency solutions and inform planning and strategies.

## **2017 Activities—New**

### **Continuously improve program design and services**

- Provide information and standard reports to customers about their historical participation in Energy Trust programs and the status of projects in process.

### **Broaden participation**

- Provide all available services and incentives for gas efficiency to eligible industrial and agricultural sites in Avista territory.
- Custom PDCs will begin using a tablet-based scoping tool, providing documentation of savings opportunities across all types of energy-using systems at a site. This new service will encourage repeat participation and support customer and PDC planning efforts for future energy projects. By standardizing and automating reports, PDC effort and cost associated with providing custom engineering services at small- to medium-sized industrial sites is reduced. This enables the program to provide more technical services that drive savings to these smaller industries.

### **Develop new measures and approaches to save energy**

- Continue recruitment for the new, multiyear Continuous SEM offering (launching in Q4 2016), bringing in an additional 25 to 50 participants in 2017. Continuous SEM targets the approximately 180 sites that previously participated in first-year SEM offerings. Going forward, Continuous SEM provides a seamless transition for graduates of first-year SEM to further hone their energy management practices and reduce energy waste. Continuous SEM provides coaching services, technical training, energy performance tracking support and performance-based incentives to drive continuous improvement in energy performance.

## **2017-2018 Program Action Plan**

- Build capacity of industrial and agricultural customers to diagnose energy waste and savings opportunities through a regional tool lending library of diagnostic equipment.
- Research technologies and implement a coordinated strategy to make emissions control technologies at sites in Energy Trust territory more energy efficient.

### **2017 Key Assumptions, Risks and/or Challenges**

- Spending of SB 1149 funds on large energy users in the PGE territory will remain under the approved incentive cap, which was developed to comply with SB 838 legislative language that large users who don't pay SB 838 funds should not directly benefit from these funds. If analysis indicates the cap has been exceeded, the program will need to act to reduce spending on these customers. This would impact savings and spending for PGE.
- The economic and policy environment that manufacturers and the program are operating in will not change in significant ways compared to 2015 and 2016.
- The program has held most incentive levels steady for years, with the exception of lighting in 2014. The program has had challenges consistently hitting annual goals in some utility territories. During budget development, staff will reconsider current incentive levels for custom projects and measures in the streamlined industrial track, and determine whether they are sufficient to reliably achieve electric and gas savings goals.

### **2018 Strategic Focus**

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

## 2017-2018 Program Action Plan

### Targets

Year	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (cents / KWh)	Savings therms	levelized cost (cents / therm)
2016 Reforecast	\$29.4	\$2.7	\$32.0	11.8	3.0	1,154,522	21.9
2017 Budget	\$32.2	\$2.9	\$35.1	13.9	2.8	1,071,174	24.1
2018 Projection	\$34.3	\$3.0	\$37.3	17.0	2.5	1,104,744	23.9

	2016 Budget	2016 Forecast	2017 Draft Budget	2018 Draft Projection
<b>Incentives</b>	<b>19,470,290</b>	<b>18,245,622</b>	<b>20,074,077</b>	<b>21,658,364</b>
<b>Delivery Costs</b>				
Program Management				
Program Delivery	9,642,718	9,642,718	10,195,801	10,457,287
Marketing-PMC				
Performance Comp	325,000	272,000	317,500	317,500
<b>Total Delivery Costs</b>	<b>9,967,718</b>	<b>9,914,718</b>	<b>10,513,301</b>	<b>10,774,787</b>
<b>ETO expenses</b>				
Staffing	1,117,512	1,060,848	1,194,516	1,252,268
Marketing	259,000	250,000	322,000	298,000
Other Services	1,007,000	764,503	797,533	1,154,544
General	60,500	25,900	37,500	37,500
Allocations	731,219	690,094	749,012	704,944
<b>Sub-Total before Admin Costs</b>	<b>32,613,239</b>	<b>30,951,685</b>	<b>33,687,939</b>	<b>35,880,407</b>
<b>Administrative Costs</b>	<b>1,210,902</b>	<b>1,074,570</b>	<b>1,424,965</b>	<b>1,410,671</b>
<b>TOTAL EXPENSE</b>	<b>33,824,141</b>	<b>32,026,255</b>	<b>35,112,905</b>	<b>37,291,078</b>

### **Residential sector—Existing Homes**

#### **Program Description**

The Existing Homes program provides incentives, technical assistance and financing with repayment through utility bills for customers living in existing single-family and manufactured homes. Delivered by Program Management Contractor CLEAResult, subcontractors, trade allies, distributors, retailers and community organizations, the program encourages efficient space heating and controls, water heating, insulation, windows, lighting, water conservation and behavioral actions through incentives, education, trade ally support and market interventions.

#### **2017 Strategic Focus**

- Implement new, cost-effective delivery approaches that support cost-effective savings acquisition, such as moving measures midstream. Midstream incentives are paid directly to distributors or retailers and savings passed onto customers.
- Prepare the program to respond to reduced savings from lighting and water conservation devices.
- Establish partnerships and collaboration protocols with low-income stakeholders that leverage Energy Trust's market engagement to support greater efficiency within the lower-income customer base.
- Diversify participation across the service territory through increased analytics, targeting and strategic customer messaging.
- Coordinate with utilities to define how residential energy efficiency supports demand response efforts.
- Identify opportunities for operational efficiencies with incentive processing, trade ally management, quality assurance and measure development processes.

#### **2017 Activities—Ongoing**

##### **Expand participation**

- Offer weatherization and equipment incentives to electric and gas customers, and pursue targeted efforts to serve moderate-income and rental households.
- Target new participants by providing no-cost LEDs, faucet aerators and showerheads through free Energy Saver Kits and LivingWise kits delivered to sixth grade students in schools.
- Continue marketing campaign to drive participation in all Energy Trust residential programs, in combination with measure-specific marketing.

##### **Refine core measures**

- Expand midstream offering for water heating and hearth electronic ignition products, with incentives provided midstream to distributors or retailers and savings passed onto customers.
- Offer incentives for self-installed web-enabled smart thermostat controls.
- Evolve services and offers for residents of existing manufactured homes, incorporating evaluation results of 2016 heat pump pilot to supplement electric forced air furnaces and windows.
- Continue to support and expand energy-efficiency advancements in moderate-income and rental homes, with primary focus on heating system upgrades.

##### **Enhance delivery**

- Improve customer and trade ally experiences through easy participation and instant incentive offerings to reduce customer out-of-pocket expenditures at time of sale.

## **2017-2018 Program Action Plan**

- Coordinate with Oregon Housing and Community Services, Community Action Partnership of Oregon and agencies serving low-income populations on strategies that result in energy savings across income segments.
- Continue to evolve quality assurance processes to reduce administrative impacts and leverage technology innovations, program partners and available data resources.
- Continue collaboration on process improvements for financing with repayment through utility bills.
- Complete 2016 Nest Seasonal Savings pilot delivery and evaluation. Seasonal Savings is an efficiency measure that builds on Nest thermostats to deliver additional energy savings by making minor automatic adjustments to a participant's thermostat schedule.

### **2017 Activities—New**

#### **Expand participation**

- Expand all services and offerings to Avista customers, including offerings, targeted marketing, market development and outreach.
- Develop a pipeline of new savings opportunities. Potential opportunities include proper heat pump sizing and controls, web-enabled thermostats and ceiling insulation in hard-to-reach markets.
- Transition LivingWise kits to include new opportunities, such as advanced power strips that turn off accessory entertainment devices when not in use.
- Bolster participation among diverse customer and trade ally groups through targeted enhanced offerings and outreach.

#### **Refine core measure**

- Identify measure design enhancements in response to cost-effectiveness constraints.
- Continue to enhance trade ally online experiences through the Trade Ally Portal, with potential to build additional integrations and web features.
- Explore options to adapt the Energy Saver Kit ordering process to improve installation rates and increase savings per kit.
- Develop instant incentives for online purchases of Nest thermostats.

#### **Enhance delivery**

- Assess opportunities for increased midstream engagement with distributors, and learn about the potential to provide incentives to distributors for HVAC measures.
- Support initiatives that leverage demand response activities, such as PGE's pilot to enable customers to shift or reduce electricity consumption while adding stability to the electric system during periods of high energy use. Support energy-efficiency measures through efforts such as connected thermostats and special tariffs.
- Support transition from Energy Trust's EPS™, an energy performance scoring tool that rates a home's energy consumption and costs, to the U.S. Department of Energy's Home Energy Score tool.
- Expand on 2016 pilot investments, including automated thermostat optimization, such as Nest's Seasonal Savings, and explore other software products for thermostats.
- Collaborate with the New Homes program to support real estate market engagement across residential programs.

### **2017 Key Assumptions, Risks and/or Challenges**

- A strong home improvement market will continue to bolster equipment upgrades.

## **2017-2018 Program Action Plan**

- Reduction in measure savings from showerheads and lighting will not limit Energy Saver Kit offerings.
- Midstream engagement will rely on market actors' acceptance of data reporting requirements.
- There will be continued synergy between demand response and energy-efficiency offerings that will drive demand for smart thermostats.
- Contractors in Avista territory will adopt Energy Trust services and incentives for customers.

## **2018 Strategic Focus**

- Align program design and delivery with residential sector assessment findings.
- Evaluate pilots to determine opportunities for program integration.
- Continue to redesign program offerings to include new cost-effective delivery approaches.
- Monitor new technologies and services to support savings growth potential.
- Evaluate midstream program implementation and assess expansion to other markets or measures.

## 2017-2018 Program Action Plan

### Targets

	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (cents / KWh)	Savings therms	levelized cost (cents / therm)
2016 Reforecast	\$14.6	\$5.4	\$20.1	4.3	3.4	964,278	39.0
2017 Budget	\$13.7	\$6.8	\$20.6	3.9	3.6	1,132,589	48.3
2018 Projection	\$13.1	\$6.8	\$19.9	3.7	3.7	1,126,926	48.0

	2016 Budget	2016 Forecast	2017 Draft Budget	2018 Draft Projection
<b>Incentives</b>	<b>10,008,058</b>	<b>10,125,803</b>	<b>10,391,477</b>	<b>10,119,872</b>
<b>Delivery Costs</b>				
Program Management	278,167	249,172	327,352	327,352
Program Delivery	5,108,563	4,762,541	4,873,371	4,873,371
Marketing-PMC	1,201,245	1,514,901	1,111,785	1,111,785
Performance Comp	200,000	200,000	115,000	115,000
<b>Total Delivery Costs</b>	<b>6,787,975</b>	<b>6,726,614</b>	<b>6,427,508</b>	<b>6,427,508</b>
<b>ETO expenses</b>				
Staffing	429,894	409,534	453,299	479,637
Marketing	290,000	300,000	284,000	284,000
Other Services	526,250	521,979	746,400	448,422
General	54,250	39,250	40,750	40,750
Allocations	1,321,178	1,285,384	1,372,914	1,309,702
<b>Sub-Total before Admin Costs</b>	<b>19,417,605</b>	<b>19,408,564</b>	<b>19,716,348</b>	<b>19,109,891</b>
<b>Administrative Costs</b>	<b>720,959</b>	<b>673,820</b>	<b>833,981</b>	<b>751,323</b>
<b>TOTAL EXPENSE</b>	<b>20,138,564</b>	<b>20,082,384</b>	<b>20,550,328</b>	<b>19,861,213</b>



### **Residential sector—Products**

#### **Program Description**

The Products program provides standard incentives to customers for purchase and installation of energy-efficient products. The program is delivered through Program Management Contractor Ecova, subcontractors, manufacturers and a statewide network of retailers. It acquires cost-effective electric and gas savings through targeted outreach, innovative program offerings and marketing, program efficiencies and focus on retailers and the retail channel. Data analysis, flexible incentive levels and retailer and consumer education helps the program maximize uptake of energy-efficient products and deliver sustained energy savings. The program is comprised of five components: retail lighting and showerheads, new appliances, lighting and showerheads delivered through kits and giveaways, and new manufactured homes.

#### **2017 Strategic Focus**

- Educate retailers and consumers about the benefits and features of energy-efficient lighting, showerheads and appliances through targeted marketing.
- Identify strategies to enhance Energy Trust's ability to forecast changes in the lighting market to prepare for significant changes in the baseline.
- Focus on lighting sales and tracking the lighting market. Continue to conduct lighting snapshots to help track the status of the market.
- Evaluate program delivery approaches to increase cost-effectiveness of energy savings.
- Research and test new methods and technologies for improving program delivery and increasing savings.
- Maintain and increase participation of manufacturers and retailers, while expanding presence in rural areas.
- 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.

#### **2017 Activities—Ongoing**

##### **Expand participation**

- Support manufactured home retailers, including through rollout of EPS™ for manufactured homes. EPS is an energy performance score for homes.
- Develop and implement strategies to incorporate an early retirement or replacement program for older manufactured homes.
- Grow participating small and independent retailers, increasing program presence in communities outside the Portland Metro area.
- Continue marketing campaign to drive participation in measures, such as water heaters and smart thermostats, in combination with measure-specific marketing.

##### **Refine measures and offers**

## **2017-2018 Program Action Plan**

- Drive savings from efficient retail consumer products by providing incentives through manufacturers and retailers. Efforts aim to reduce the cost, increase the availability and improve the consumer understanding of energy-efficient products.
  - Maintain retail lighting and showerhead program design that uses data analytics and incentive level flexibility to maximize energy savings across the service territory.
  - Train retailers on the benefits of smart thermostats.
  - Support and promote new ENERGY STAR® products.
  - Continue to engage customers and retailers through outreach, events and demonstrations.

### **Enhance delivery**

- Monitor lighting market changes through continued lighting snapshots performed by Ecova field staff. Lighting snapshots are informal surveys that occur every three to four months. They reflect shelf-space data for a broad range of lighting categories and types, and are meant to give an idea of the relative shelf space dedicated CFL, non-ENERGY STAR LED, ENERGY STAR LED and incandescent/halogen bulbs.
- Collaborate with regional stakeholders to design and implement retail offerings across the region.
- Work with existing agency partners, such as food banks, to distribute light bulbs and showerheads through Carry Home the Savings Kits, and continue other product giveaways. Reach out to new partners across the state.

## **2017 Activities—New**

### **Expand participation**

- Serve customers in Avista territory with smart thermostats, water heaters, new clothes washers, new manufactured homes, showerheads available through retail stores and water districts, and low-income kits distributed by food banks.
- Establish relationships with new online retailers and engage the online marketplace.

### **Refine measures and offers**

- Enhance Energy Trust's ability to forecast changes in the lighting market to prepare for significant changes in the baseline. The baseline is representative of the average efficiency of products on the market. Changes in baseline impact Energy Trust's ability to claim savings.
- Develop and implement strategies to incorporate advanced power strips into the program portfolio. Advanced power strips prevent electronics from using power when they are turned off, and are designed primarily for home entertainment centers and home offices.
- Explore potential for piloting Bluetooth-enabled tier 2 advanced power strips. Tier 2 advanced power strips have the same features as regular advanced power strips, and also include a sensor that detects when electronics are not in use and turns them off.
- Research how incentives and marketing messaging impact overall sales and program costs for lightbulbs. Perform a targeted market test that evaluates the relative and combined effects of marketing and incentives for popular A-Line LED bulbs.

### **Enhance delivery**

- Implement a midstream delivery model for efficient water heaters, with incentives paid to distributors or retailers and savings passed onto customers.
- Research market baseline for residential grow lights, and determine potential to expand energy-efficient lighting offerings.

## **2017-2018 Program Action Plan**

### **2017 Key Assumptions, Risks and/or Challenges**

- Lighting measure savings per unit will be lower overall in 2017. The volume of qualified units will remain consistent with 2016, provided LEDs capture market share from CFLs and qualified LEDs remain competitive with non-ENERGY STAR LEDs.
- The refrigerator/freezer and clothes washer recycling program will sunset at the end of 2016. Energy Trust is currently working on a retirement plan.
- The OPUC exception for gas storage water heaters will be extended.
- Market actors will continue to accept program design and data reporting requirements.
- Current Bonneville Power Administration Simple Steps Smart Savings™ program contracts will continue through 2017 as currently structured. Simple Steps, Smart Savings reimburses Bonneville Power Administration's public utility customers for qualifying energy-efficient products purchased at retail stores.

### **2018 Strategic Focus**

- Continue to focus on lighting sales and tracking the lighting market.
- Align program design and delivery with residential sector assessment findings.

### **Targets**

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

### **Residential sector—New Homes**

#### **Program Description**

The New Homes program acquires cost-effective electric and gas savings by engaging builders to construct energy-efficient homes that exceed Oregon residential energy code requirements. Through incentives, educational opportunities, trade and program ally support and quality assurance, the program offers builders resources necessary to improve their building practices and increase the energy efficiency of new homes. Whole-home, performance-based program design is delivered through Program Management Contractor CLEARResult, subcontractors, home builders associations and trade allies.

#### **2017 Strategic Focus**

- The New Homes program will promote cost-effective specifications through revised program pathways while providing builders flexibility to customize and select improvements.
- The program will continue to prioritize recruitment of builders outside the Portland Metro and Bend markets to bolster participation in regions where participation has been comparatively low.
- The program will leverage code changes to reach out to non-participating builders.
- Enhanced project tracking and analytic capabilities will be operational in 2017, enabling Energy Trust to better monitor changes and trends in building practices.
- The program will research and test new methodologies and technologies for improving program delivery and increasing savings while also supporting sector assessment findings.

#### **2017 Activities—Ongoing**

##### **Technical and design assistance**

- Provide outreach and technical services to help participating builders maximize energy savings.
- Maintain quality assurance and quality control procedures.
- Work with home builders associations and other industry actors to provide technical assistance in support of a potential update to Oregon residential energy code.
- Coordinate and provide technical assistance to the City of Portland for a potential ordinance regarding home scoring.

##### **Comprehensive market delivery leading to market transformation**

- Support Northwest Energy Efficiency Alliance and the Regional Technical Forum's development of a regional standard protocol for performance-based residential new construction efficiency programs.
- Continue to support regional market transformation by driving early uptake of anticipated future Oregon residential energy code requirements.

##### **Increase market penetration**

- Maintain project volume to match housing market growth and achieve a 33 percent market share for homes that exceed Oregon's energy code requirements throughout Energy Trust service territory.
- Work with the cities of Hillsboro, Beaverton and others to advance opportunities for energy efficiency in new housing developments prior to the building permitting process. Deliver training and support to real estate industry actors.
- Drive outreach efforts to recruit new builders, focusing on regions with historically low participation and using home builders associations and regional staff as outreach channels.

## **2017-2018 Program Action Plan**

- Coordinate and share best practices between Oregon and Southwest Washington EPS™ offerings. EPS is an energy performance score for homes.

### **2017 Activities—New**

#### **Comprehensive market delivery leading to market transformation**

- Re-engage modular home builders to assess opportunities, with an emphasis on Southern Oregon.
- Prepare for a potential Q3 2018 update to Oregon residential energy code, if needed.
- Implement revised, approved whole-home, performance-based incentive structure and updated performance pathways.
- Expand whole-home savings to incorporate smart thermostats.

#### **Increase market penetration**

- Integrate Avista customers into the program's overall market engagement strategy.

#### **Refine program delivery**

- Enhance and improve quality of project data captured in business systems.
- Coordinate with the midstream water heater initiative offered by Products and Existing Homes programs.

### **2017 Key Assumptions, Risks and/or Challenges**

- New construction starts will sustain or increase from 2016 levels, with the Portland Metro and Bend areas driving the majority of production.
- The addition of Avista service territory will add to overall production, and will positively impact savings in Pacific Power territory.
- Revised incentive structures and performance pathways will be readily accepted by builders.

### **2018 Strategic Focus**

- Strategic priorities for the New Homes program will remain consistent through 2018.
- If an update to Oregon residential energy code occurs, the program will support the industry's technical capacity to respond to improved minimum performance levels. In addition, the program will revise savings values and author a new measure approval document, with a focus on maintaining savings and market share with a higher baseline.

## 2017-2018 Program Action Plan

### Targets – New Homes and Products

Year	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (cents / KWh)	Savings therms	levelized cost (cents / therm)
2016 Reforecast	\$25.5	\$7.0	\$32.5	12.3	2.6	1,414,998	31.7
2017 Budget	\$26.6	\$4.7	\$31.3	11.0	2.8	1,818,382	16.6
2018 Projection	\$26.1	\$5.0	\$31.1	10.8	2.8	1,958,967	16.4

	2016 Budget	2016 Forecast	2017 Draft Budget	2018 Draft Projection
<b>Incentives</b>	<b>18,509,877</b>	<b>21,998,535</b>	<b>19,595,135</b>	<b>19,891,919</b>
<b>Delivery Costs</b>				
Program Management	593,546	608,472	811,176	811,176
Program Delivery	4,747,797	4,645,599	5,043,143	4,987,598
Marketing-PMC	1,093,953	1,066,109	1,131,772	1,131,772
Performance Comp	155,000	155,000	160,000	160,000
<b>Total Delivery Costs</b>	<b>6,590,296</b>	<b>6,475,180</b>	<b>7,146,091</b>	<b>7,090,546</b>
<b>ETO expenses</b>				
Staffing	629,430	568,641	603,745	638,896
Marketing	497,000	497,007	380,000	380,000
Other Services	487,500	482,900	1,139,733	796,755
General	44,500	31,500	29,500	29,500
Allocations	1,441,697	1,362,401	1,118,510	1,051,861
<b>Sub-Total before Admin Costs</b>	<b>28,200,300</b>	<b>31,416,164</b>	<b>30,012,714</b>	<b>29,879,477</b>
<b>Administrative Costs</b>	<b>1,047,053</b>	<b>1,090,695</b>	<b>1,269,507</b>	<b>1,174,739</b>
<b>TOTAL EXPENSE</b>	<b>29,247,353</b>	<b>32,506,858</b>	<b>31,282,221</b>	<b>31,054,215</b>

### Commercial sector—Southwest Washington

#### Program Description

Energy Trust's Washington Existing Buildings program provides gas energy-efficiency solutions for existing commercial buildings. Business customers of NW Natural in Washington can get incentives for qualifying energy-efficient upgrades and retrofits. The program provides incentives for select measures in existing commercial buildings, including office buildings, restaurants and other foodservice buildings, dormitory and assisted living facilities, greenhouses and multifamily structures. The Washington Existing Buildings program consists of two tracks.

1. The **custom track** acquires gas savings through energy-efficient capital projects and operations and maintenance upgrades. Program Management Contractor account managers and engineering firms identify and promote customer opportunities. The custom track also includes opportunities in retro commissioning, which features targeted incentives for specific operations and maintenance improvements such as controls or HVAC adjustments at a measure level.
2. The **standard track** provides incentives for standard measures with predetermined savings for buildings of all sizes and across all commercial market sectors. The program promotes measures through customer outreach and cultivation of trade ally contractors.

#### 2017 Strategic Focus

- Deliver tailored services to the market, including business and property owners, tenants, property managers, trade allies and other contractors, distributors, product representatives and manufacturers.
- Improve delivery to historically underrepresented groups.
- Develop the Trade Ally Network to sell energy-efficiency projects of all types and sizes.
- Expand program offerings with free installation of efficient showerheads and faucet aerators.
- Expand program offerings with midstream incentive approaches, with incentives provided midstream to distributors or retailers and savings passed onto customers.
- Cultivate customer relationships, training and education for long-term engagement.
- Improve customer experience and capture efficiencies in delivery costs.
- Continue to explore serving New Building commercial rate customers through standard measures.

#### 2017 Activities—Ongoing

- Serve commercial rate schedule customers of NW Natural in southwest Washington.
- Install steam traps in laundry facilities.
- Expand installation of showerheads and faucet aerators to assisted living facilities, hospitals and fitness centers.
- Offer retro commissioning at reduced incentive rates.
- Maintain custom incentive levels and most standard measure levels. Support custom studies.
- Launch bonuses early in the year to encourage participation in the first half of the year.
- Drive projects to trade allies, and add value to trade ally program participation.

## **2017-2018 Program Action Plan**

- Promote and manage Building Operator Certification uptake, participation and applications. Provide incentives for Building Operator Certification training to educate customers about building efficiencies through operations, maintenance and management skills.
- Continue outreach activity to southwest Washington commercial customers of NW Natural through account managers and market sector leads.
- Continue national retail and restaurant customers outreach by ICF International national account managers through national conferences and corporate headquarter visits.

### **2017 Activities—New**

- Explore a midstream incentive offering for HVAC equipment and possibly foodservice equipment, with incentives are provided midstream to distributors and savings passed onto customers.
- Customize ICF's incentive management system for national retail and restaurant customers to increase participation.
- Use ICF Strategic Information System to help identify customers likely to participate in offerings, and use targeted marketing to reach those customers.
- Develop a new custom scoping tool to better identify potential energy-efficiency opportunities.
- Develop additional savings calculators for custom projects.
- Promote the custom offering and expedite turnaround for Allied Technical Assistance Contractors (ATACs) and trade allies to submit unfunded studies.
- Promote assisted custom incentives using ICF engineering team to scope out custom measures for customers with limited access to engineering expertise.
- Use sales assistants to support market sector leads and account managers, allowing account managers to spend more time with large customers on long-term plans.
- Increase trade ally outreach by adding an additional Washington trade ally coordinator.
- Investigate measures for new commercial construction for Washington customers.

### **2017 Key Assumptions, Risks and/or Challenges**

- The economic and policy environment will not change significantly compared to 2016.
- Natural gas prices will remain fairly stable.
- The custom scoping tool will be funded.
- Standard savings can represent as much as 80 percent of annual savings for customers in Southwest Washington. The program's ability to meet savings goals can also be influenced by a few large custom projects. Because standard and custom offerings provide savings at different costs, the portion of standard projects can make forecasting incentive budgets difficult, even if savings remain constant.
- Program will see an increased number of applications but reduced savings per project, requiring additional staff to support outreach and processing.
- It will take time to become a trade ally focused program for standard measures. In the meantime, the challenge will be to expand trade ally support while still supporting small- and mid-size customers directly.



## 2017-2018 Program Action Plan

### 2018 Strategic Focus

- Build on strategies that engage customers in cost-effective standard and custom measures through trade ally and ATAC engagement.
- Expand program with free installation of efficient showerheads and faucet aerators.
- Expand program with midstream incentive approaches, with incentives provided midstream to distributors or retailers and savings passed onto customers.
- Drive market adoption of new HVAC and controls technologies.
- Continue to explore serving New Building commercial rate customers through standard or custom measures.

### Targets

Year	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (\$ / KWh)	Savings therms	levelized cost (cents / therm)
2016 Reforecast		\$0.6	\$0.6			114,882	43.1
2017 Budget		\$0.8	\$0.8			156,525	48.3
2018 Projection		\$0.9	\$0.9			156,525	48.8

	2016 Budget	2016 Forecast	2017 Draft Budget	2018 Draft Projection
<b>Incentives</b>	<b>398,050</b>	<b>314,668</b>	<b>414,087</b>	<b>414,087</b>
<b>Delivery Costs</b>				
Program Management	15,350	15,350	16,200	16,200
Program Delivery	135,392	135,392	160,000	160,000
Marketing-PMC	39,982	39,982	60,000	60,000
Performance Comp	10,000	10,000	10,000	10,000
<b>Total Delivery Costs</b>	<b>200,724</b>	<b>200,724</b>	<b>246,200</b>	<b>246,200</b>
<b>ETO expenses</b>				
Staffing	3,346	23,606	25,751	27,254
Marketing	13,000	13,000	3,500	15,500
Other Services	16,000	7,600	11,000	11,000
General	13,722	12,222	13,891	13,998
Allocations	44,203	40,983	93,847	90,278
<b>Sub-Total before Admin Costs</b>	<b>689,045</b>	<b>612,803</b>	<b>808,276</b>	<b>818,317</b>
<b>Administrative Costs</b>	<b>25,584</b>	<b>21,275</b>	<b>34,189</b>	<b>32,173</b>
<b>TOTAL EXPENSE</b>	<b>714,629</b>	<b>634,078</b>	<b>842,465</b>	<b>850,490</b>

## **Residential sector—Southwest Washington**

### **Program Description**

Residential programs in southwest Washington acquire cost-effective gas savings by engaging with builders and homeowners. Energy Trust engages with builders to increase energy efficiency of newly constructed homes through incentives, education, trade and program ally support and quality assurance. For single-family homeowners, Energy Trust provides energy savings through incentives for efficient space heating and controls, water heating, insulation, windows, water conservation and behavioral actions, education, trade ally support, financing with repayment through utility bills, and market interventions.

### **2017 Strategic Focus**

- Deliver program through Program Management Contractor CLEAResult, subcontractors, trade allies and market actors, distributors, retailers and community organizations.
- Continue outreach that builds on existing relationships with trade allies while looking for opportunities to enhance participation through new trade ally enrollment in offerings like financing with repayment through utility bills.
- Partner with Clark Public Utilities and market actors to reach customers, increase savings and streamline verifier and builder experiences.
- Incorporate midstream offerings like gas fireplaces with electronic ignition and gas water heating.
- Expand customer participation through strategies like financing with repayment through utility bills, increased incentives for rental customers and collaboration with community agencies.
- Monitor and incorporate new gas saving technologies and products into the program.
- Continue to grow and develop builder and verifier networks through outreach activities to support increased market share of EPS homes.
- Encourage new construction building practices that exceed code through technical support and monitoring building trends.
- Support regional efforts to incorporate new construction standard protocols into a performance-based program design.

### **2017 Activities—Ongoing**

#### **Existing Homes**

##### **Expand Participation**

- Collaborate with Craft3 to improve processes for financing with repayment through utility bills.
- Collaborate with the Products program to increase customer adoption and installation of self-installed, web-enabled smart thermostat controls.

##### **Refine Core Measures**

- Offer incentives for efficient space heating and controls, water heating, insulation and windows.

##### **Enhance Delivery**

- Improve customer and trade ally experience through instant incentives, reducing paper work and making it easier for homeowners to participate. Instant incentives are provided directly to contractors, so contractors deduct incentive amounts directly from customer invoices.

## **2017-2018 Program Action Plan**

- Support trade ally experience through customized in-person engagements that support ease of incentive application submission.
- Reduce administrative impacts through improved program quality assurance processes, leveraging technology innovations, program partners and available data resources.

### **New Homes and Products**

#### **Technical and design assistance**

- Promote EPS™, a home energy performance score, through engagements, trainings and support of verifier and builder networks. Verifiers are independent market-based companies that provide energy modeling and home inspection services for builders to ensure compliance with Energy Trust requirements.
- Support administration of third-party field quality assurance, including coordination with verifiers to maintain quality assurance and quality control procedures.
- Provide outreach and technical services to help participating builders maximize energy savings.

#### **Comprehensive market delivery**

- Collaborate with Axis software provider company, Pivotal, to identify database improvements
- Leverage permit data to target builder recruitment and engagement with existing trade allies.

#### **Increase Market Penetration**

- Support new construction through EPS incentives and performance modeled savings.
- Collaborate with Bonneville Power Administration Simple Steps, Smart Savings™ to continue to offer discounted showerheads at retail stores. Through its Simple Steps, Smart Savings™ program, BPA reimburses its public utility customers for qualifying products purchased at retail stores.

## **2017 Activities—New**

### **Existing Homes**

#### **Expand participation**

- Bolster participation of diverse customers and trade allies through enhanced offerings and outreach.
- Explore option to extend the Energy Saver Kit ordering process to include a partial pay option. Energy Saver Kits include efficient showerheads and faucet aerators, and are available by request through Energy Trust's website.

#### **Refine core measures**

- Expand midstream program design offerings by leveraging new distributor sales allocation tool and assessing midstream design opportunities for water heating and HVAC measures with incentives provided midstream to distributors or retailers and savings passed onto customers.
- Identify measure design enhancements in response to cost-effectiveness challenges.
- Apply energy usage analysis to drive energy and cost savings and evaluate measures.

#### **Enhance Delivery and Operations**

- Continue to enhance trade ally experiences with new web form features and the Trade Ally Portal. The Trade Ally Portal is a trade ally tool that provides information about all Existing Homes projects an ally has submitted, and helps to facilitate the web form submittal process.
- Expand use of the bulk import tool to improve processing efficiencies. This PMC tool will help expedite submittal of project information to Energy Trust systems by automating data transfer.

### **New Homes and Products**

## **2017-2018 Program Action Plan**

### **Technical and Design Assistance**

- Customize market actor support to further enhance EPS success in southwest Washington.

### **Comprehensive Market Delivery**

- Identify market engagement strategies to support builder retention and recruitment.
- Collaborate with Northwest Energy Efficiency Alliance Efficient Homes Initiative to explore New Home modeling and utility claimed savings standard protocol.

### **Increase Market Penetration**

- Implement new user-defined reference home and pathways in conjunction with Washington State Energy Code update, which is in the process of defining the new baseline efficiency of a code-built home.
- Support real estate market engagement across residential programs.

## **2017 Key Assumptions, Risks and/or Challenges**

### **Existing Homes**

- Midstream engagement relies on market actors' acceptance of data reporting requirements.
- Reduction in measure savings from showerheads will not limit the availability of Energy Saver Kits.
- A wide array of financing options are available in the market that compete with utility on-bill repayment financing offers.

### **New Homes and Products**

- There will be an increase to the Washington Residential State Energy Code, which will lead to increased program participation requirements. Increased requirements could negatively impact program participation due to higher, more expensive standards.
- There will be a continued robust new construction market in Clark County.
- Market adoption and high participation in EPS New Homes will continue.

## **2018 Strategic Focus**

- Align program design and delivery with residential sector assessment findings.
- Drive participation in underserved customer segments.
- Continue to cultivate partnership with Clark Public Utilities and market actors to reach customers.
- Evaluate pilots to determine opportunities for integration of gas saving technologies and products.
- Monitor new technologies and services to support savings growth potential.
- Increase market share of EPS homes and develop builder and verifier networks
- Prepare for 2019 Washington Residential Energy code changes, including monitoring and tracking updates and participation in stakeholder groups.

## 2017-2018 Program Action Plan

### Targets

Year	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (\$ / KWh)	Savings therms	levelized cost (cents / therm)
2016 Reforecast		\$1.2	\$1.2			214,217	37.9
2017 Budget		\$1.1	\$1.1			125,316	58.4
2018 Projection		\$1.2	\$1.2			125,316	63.3

	2016 Budget	2016 Forecast	2017 Draft Budget	2018 Draft Projection
<b>Incentives</b>	<b>330,419</b>	<b>666,478</b>	<b>470,060</b>	<b>470,060</b>
<b>Delivery Costs</b>				
Program Management	10,704	10,704	11,030	11,030
Program Delivery	238,896	238,896	234,384	234,384
Marketing-PMC	18,000	18,000	30,332	30,332
Performance Comp	10,000	10,000	10,000	10,000
<b>Total Delivery Costs</b>	<b>277,600</b>	<b>277,600</b>	<b>285,746</b>	<b>285,746</b>
<b>ETO expenses</b>				
Staffing	58,222	50,035	67,362	71,293
Marketing	15,000	15,000	10,000	10,000
Other Services	76,550	52,450	50,550	145,550
General	16,268	16,268	17,424	17,547
Allocations	92,755	86,427	169,263	162,540
<b>Sub-Total before Admin Costs</b>	<b>866,814</b>	<b>1,164,258</b>	<b>1,070,405</b>	<b>1,162,736</b>
<b>Administrative Costs</b>	<b>32,184</b>	<b>40,420</b>	<b>45,277</b>	<b>45,714</b>
<b>TOTAL EXPENSE</b>	<b>898,998</b>	<b>1,204,678</b>	<b>1,115,682</b>	<b>1,208,450</b>

## 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, and generally focuses on activities with market participants upstream from Energy Trust and utility customers.

### 2017 Strategic Focus

#### **Fill the energy-efficiency market transformation pipeline with new products/services/practices.**

- 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.

#### **Create market conditions that will accelerate and sustain the market adoption of emerging energy-efficiency products, services and practices.**

- Influence market actors to increase availability of energy-efficient products and services.
- Improve/ensure product quality.
- Build market knowledge and capability to support new products, services or 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/first cost issues.
- Influence and support the successful implementation of more stringent building codes and appliance standards.

#### **Accelerate and sustain market adoption of efficient natural gas products/practices/services resulting in increased consumer choice and efficiency of natural gas use in the Pacific Northwest.**

### 2017 Activities—Ongoing

#### **Fill the pipeline with new energy-efficiency products, services and practices.**

- Explore advancement of an initiative to drive new manufactured homes products to meet or exceed the Northwest Energy Efficient Manufactured (NEEM) Home 2.0 performance specification.
- Explore advancement of an initiative to drive enhanced commercial new construction practices and building codes.
- Explore an initiative to drive market adoption of secondary-glazing window attachments for existing commercial buildings.
- Identify and explore additional emerging technology opportunities.

#### **Accelerate and sustain market adoption of energy efficient products, services and practices.**

## **2017-2018 Program Action Plan**

- **Heat pump water heaters:** Increase product availability, supply channels and market adoption of efficient products via advertising and upstream/midstream incentives. Advance the federal standard for small tanks through research, data collection and partner engagement.
- **Ductless heat pumps:** Improve cost-effectiveness through strategies to adopt tiered incentives and reduce installed costs. Increase product availability in retail settings and non-contractor channels.
- **Retail product platform:** Expand relationships and leverage retailers and extra-regional partners. Deploy an automated data administration tool and process to support retail partners and products.
- **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.
- **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 heaters 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.
- **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.
- **Luminaire level lighting controls:** Complete unified product specifications and drive adoption by major manufacturers. Develop case studies and business case for target audiences to drive market awareness and demand.
- **Certified refrigeration energy specialist:** Build market demand and adoption. Develop partnerships, case studies, tools and resources to drive demand and ease adoption.
- **Commercial and industrial 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. Support development and uptake of online Strategic Energy Management and Energy Management Assessment resources.

### **Research and plan for development of efficient natural gas products, practices and services.**

- Complete mid-cycle assessment on progress and status of natural gas pilot
- Work upstream to encourage commercialization of gas heat pump water heaters
- Develop specifications and engage supply chain to prepare rooftop HVAC units for utility programs.
- Continue development of pilot programs for combination space and water heating systems, hearth products and gas dryers.

## **2017 Activities—New**

### **Fill the pipeline with new energy-efficiency products, services and practices.**

- Explore advancement of initiatives in the following areas:
  - Residential—Low-e window attachments
  - Residential—Combined-zonal heating and water heating equipment
  - Residential—Split heat pump water heater with outdoor compressor unit
  - Commercial/Industrial—Extended motor products labeling
  - Commercial/Industrial—Engineered air nozzles for compressed air systems

## 2017-2018 Program Action Plan

### **Accelerate and sustain market adoption of energy-efficient products, services and practices.**

- **Manufactured homes:** Establish a NEEM Home 2.0 performance specification and drive voluntary adoption to influence a new HUD code for manufactured homes. Achieve Regional Technical Forum measure approval and complete manufacturer market test with three or more factories.
- **Commercial code enhancement:** Adjust the energy codes for all non-residential buildings toward sequentially lower energy use during normal code change cycles through creation of state roadmaps and execution of market tests.
- **Commercial window attachments:** Demonstrate market viability and credible performance ratings to accelerate market adoption. Complete market characterization, baseline and product assessment. Launch market test.
- **Heat pump water heaters:** Increase product availability, supply channel and market adoption of efficient products via advertising and upstream/midstream incentives. Increase contactor and retail sales of heat pump water heaters with a focus on emergency replacement units. Advance the small tank federal standard through improved data collection resolution and national heat pump water heater support activities and alignment.
- **Ductless heat pumps:** Improve cost-effectiveness through strategies to reduce installed costs, increase target market size and quantify air quality improvements. Increase product availability in retail settings and direct non-contractor channels. Support code adoption through the development of an improved lab testing protocol.
- **Retail product platform:** Achieve measurable increase in ENERGY STAR® market share and influence spec changes for two product categories. Refine data gathering and analysis for energy savings reporting and evaluation. Grow extra-regional ENERGY STAR Retail Products Portfolio program to 25 percent of U.S. households.
- **Super-efficient heat pump dryers:** Research multifamily opportunities and establish two pilot projects with funders. Influence at least one major big box retailer to carry heat pump dryers on the floor and partner with funders to host at least two in-store events in the region. Complete consumer message testing research and support supply chain and funder product promotions. Support establishment of at least five Pacific Northwest utility programs.
- **Next step homes:** Achieve Regional Technical Forum approval of standard modeling protocol and support establishment of five or more utility programs. Establish data collection, modeling guidelines, marketing and technical assistance for home certification program. Expand technical training offerings. Track measure adoption. Prepare recommendations for changes in codes and standards.
- **Reduced wattage replacement lamps:** Achieve 50 percent market share penetration for low wattage T8 replacement sales through distributor and manufacturer incentives. Target additional products through manufacturer and distributor platform in partnership with the regional up/mid/downstream strategy.
- **Luminaire level lighting controls:** Validate product through pilot research, case studies and extra-regional data. Enable utility programs through incentive design, energy savings estimates, installer training and marketing toolkit development.
- **Certified refrigeration energy specialist (CRES):** Build market demand and adoption through marketing efforts, review courses and support for completion of required certification activities. Drive and support CRES American National Standards Institute accreditation.
- **Commercial and industrial infrastructure programs:** Ensure uptake and success of NXT Level 1 Training and develop/deploy NXT Level 2 Training. Increase and measure influence of lighting



## **2017-2018 Program Action Plan**

resources on utility programs. Leverage commercial real estate firm relationships and resources for advancement of all regional commercial programs. Create a research-informed infrastructure plan for small commercial markets. Support development and uptake of online SEM and Energy Management Assessment resources and SEM knowledge transfer from industrial to commercial.

### **Accelerate and sustain market adoption of efficient natural gas products/practices/services.**

- **Gas fired heat pump water heaters:** Leverage partnerships with water heater manufacturers to prioritize advanced gas water heater product. Scan for new products capable of delivering a coefficient of performance > 1.0. Create strategy/support across North America for advanced water heater specification. Conduct market characterization study to understand current state of water heater market (cost-shared with electric).
- **Combination space and water heating product:** Scan for new products capable of supplying both space and water heat plus a cooling option. Complete prototype testing of Stone Mountain Technologies combination system and evaluate findings.
- **Hearth products:** Complete market characterization research. Complete low capacity product testing. Evaluate pilot light retrofit viability and complete potential field test. Pending research, create regional strategy for hearth products.
- **Gas dryers:** Participate in federal test procedure and specification rulemakings. Continue to strengthen California gas dryer partnership to influence original equipment manufacturer commitment to high efficiency gas dryers. Scan and explore for more efficient products including modulating valve technology.
- **Rooftop HVAC:** Conduct market baseline. Complete field demonstration and evaluate findings. Develop specification and solicit support across North America. Develop road map and explore opportunities for accelerated uptake of advanced rooftop HVAC product.

## **2017 Key Assumptions, Risks and/or Challenges**

### **Key assumptions:**

- Funding will continue at current level.
- Deep collaboration with funding partners will continue.

### **Key risks and challenges:**

- There is potential for less active federal/state bodies in driving change through codes and standards.
- Regulatory or governing body decisions could curtail investments in energy efficiency, including elimination/expiration of tax credits.
- Unpredictable economic and market dynamics with manufacturers, retailers and other supply chain participants could impact activities.
- There could be a Regional Technical Forum backlog for getting measures approved.
- Timely utility program uptake by funders could be impacted by issues with cost-effectiveness.
- Inconsistency in incentive approaches across the region can create market confusion.

## **2018 Strategic Focus**

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

## 2017-2018 Program Action Plan

### Targets

	Annual Expense			Electric		Gas	
	Electric	Gas	Total	Savings aMW	levelized cost (cents / KWh)	Savings therms	levelized cost (cents / therm)
2016 Reforecast	\$7.0	\$0.9	\$7.8	7.2	1.2		
2017 Budget	\$7.3	\$1.2	\$8.5	7.0	1.3		
2018 Projection	\$7.0	\$1.7	\$8.7	6.8	1.3		

	2016 Budget	2016 Forecast	2017 Draft Budget	2018 Draft Projection
<b>Program Delivery</b>	7,913,892	7,487,335	8,070,829	8,318,773
<b>ETO expenses</b>	93,823	89,659	79,220	76,743
<b>Sub-Total before Admin Costs</b>	<b>8,007,715</b>	<b>7,576,994</b>	<b>8,150,049</b>	<b>8,395,516</b>
<b>Administrative Costs</b>	<b>297,320</b>	<b>263,055</b>	<b>344,739</b>	<b>330,077</b>
<b>TOTAL EXPENSE</b>	<b>8,305,035</b>	<b>7,840,049</b>	<b>8,494,788</b>	<b>8,725,593</b>

### NEEA by Program

Commercial	2,736,097	2,470,675	2,852,996	2,862,879
Industrial	454,918	(33,282)	240,181	230,432
Residential	5,019,885	5,321,709	5,293,048	5,474,469
Washington	94,134	80,946	108,564	157,814
<b>TOTAL EXPENSE</b>	<b>8,305,034</b>	<b>7,840,048</b>	<b>8,494,789</b>	<b>8,725,594</b>

### Renewables sector—Solar

#### Program Description

The Solar program works with an approved network of solar trade ally installers to provide incentives for construction of high-quality solar electric systems throughout Oregon. **Standard incentives** for net-metered solar electric systems are available across all sectors and customer types. When funding allows, the program allocates incentives to **custom or innovative 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. The program design is based on offering incentives that are managed in response to market behavior; increasing consumer awareness through education and marketing; creating and enforcing quality standards; aiding the industry to drive down non-hardware business and marketing soft costs; and ensuring a robust, qualified installer base.

#### 2017 Strategic Focus

- Install 1.9 average megawatts of new solar generation in the standard incentive program at residential and business sites throughout the state.
- Provide incentives that are effective at driving demand and are responsive to pricing trends.
- Be transparent and accountable in management of incentive funding.
- Support the solar industry in making business, process and technical improvements that reduce soft costs.
- Prepare for and adapt the program to respond to market, regulatory and policy changes that may affect the solar industry and solar above-market costs.
- Maintain a strong pipeline of solar projects across sectors through education, marketing and collaboration with industry and advocates.
- Support innovative solar projects that provide additional community or utility benefits.

#### 2017 Activities—Ongoing

- Adjust incentives incrementally in response to market behavior—reducing incentives as costs decrease to support a growing number of projects. Assuming a continued reduction in solar prices and stable policies, the program will support more generation with a smaller budget in 2017.
- Continue lead generation services to quickly connect customers with trade allies and reduce customer acquisition soft costs.
- Provide trade allies with continued business development opportunities to improve their customer acquisition, project accounting and internal quality management processes. The goal of these efforts is to support reduction of soft costs and help allies remain competitive in a market with downward pressures on prices.
- Continue statewide marketing to support positive messages about solar.
- Be responsive to data requests related to OPUC dockets, including resource value of solar (UM 1716) and Coal to Clean legislation (SB 1547), legislative activity and other requests and activities.

## **2017-2018 Program Action Plan**

### **2017 Activities—New**

- Provide project development support to customers exploring the feasibility of using solar plus storage systems to provide grid benefits and/or improve community resilience.
- Along with the Clean Energy States Alliance and other state incentive programs, the program has applied for a U.S. Department of Energy grant to widen participation to solar systems that provide benefits for low- to moderate-income customers. A decision is expected in late 2016.
- Support the OPUC's development of a community solar program with expertise and market data.
- Engage with the Renewable Advisory Council and the industry to explore program responses to changes in market and policy conditions that could impact solar above-market costs.

### **2017 Key Assumptions, Risks and/or Challenges**

- There will be continued declines in solar costs and continued uncertainty in the policy environment, particularly for residential solar. Staff will monitor market changes and plan for various scenarios.
- Net metering policy may be subject to change following completion the OPUC's resource value of solar docket (UM 1716). Budget assumes any changes would not be in place in time to impact incentive levels or activity in 2017.
- The scheduled Residential Energy Tax Credit expiration at the end of 2017 is likely to increase near-term demand in the residential market.
- In HB 1547, the OPUC is tasked with developing a program to incentivize the development of community solar projects by July 1, 2017. It is unclear what role, if any, Energy Trust would play in a community solar program. Given this uncertainty, the timing of program development and the time required for individual projects to be planned and completed, the budget is written assuming Energy Trust will not pay incentives for any community solar projects in 2017.

### **2018 Strategic Focus**

- Provide incentives that are effective at driving demand and are responsive to pricing trends.
- Be transparent and accountable in management of incentive funding.
- If above-market costs continue to decline under the given policy and market conditions, prepare to transition incentives out of segments of the market that need less support.
- Support the solar industry in making business, process and technical improvements that reduce soft costs.
- Maintain a strong pipeline of solar projects across sectors through education, marketing and collaboration with industry and advocates.
- Support innovative solar projects that provide additional community or utility benefits.

## 2017-2018 Program Action Plan

### Targets

Year	ACTIVITY BASIS			ACCOUNTING BASIS		
	BUDGET (\$ millions)	GOAL aMW	COST (\$ mils / aMW)	BUDGET (\$ millions)	GOAL aMW	COST (\$ mils / aMW)
2016 Reforecast	\$12.0	1.71	\$7.0	\$14.0	2.41	\$5.8
2017 Budget	\$10.2	1.51	\$6.7	\$13.2	2.75	\$4.8
2018 Projection	\$7.3	1.33	\$5.5	\$10.5	1.75	\$6.0

	2016 Budget	2016 Forecast	2017 Draft Budget	2018 Draft Projection
<b>Incentives</b>	<b>13,043,909</b>	<b>11,631,300</b>	<b>10,450,000</b>	<b>7,980,000</b>
<b>Delivery Costs</b>				
Program Delivery	420,000	440,000	444,500	444,500
Performance Comp	10,000	10,000	10,000	10,000
<b>Total Delivery Costs</b>	<b>430,000</b>	<b>450,000</b>	<b>454,500</b>	<b>454,500</b>
<b>ETO expenses</b>				
Staffing	611,096	557,446	628,931	644,928
Marketing	180,500	147,000	177,000	177,000
Other Services	297,000	267,255	372,499	257,499
General	152,700	177,015	170,800	195,400
Allocations	308,751	294,879	440,365	416,447
<b>Sub-Total before Admin Costs</b>	<b>15,023,956</b>	<b>13,524,895</b>	<b>12,694,095</b>	<b>10,125,774</b>
<b>Administrative Costs</b>	<b>557,827</b>	<b>469,553</b>	<b>536,947</b>	<b>398,104</b>
<b>TOTAL EXPENSE</b>	<b>15,581,783</b>	<b>13,994,449</b>	<b>13,231,041</b>	<b>10,523,878</b>
Plus/minus Incentives committed for future years	(833,909)	(1,990,002)	(3,020,000)	(3,244,500)
<b>TOTAL EXPENSE, Action Plan</b>	<b>14,747,874</b>	<b>12,004,448</b>	<b>10,211,042</b>	<b>7,279,379</b>

### **Renewables sector—Other Renewables**

#### **Program Description**

The program provides support for renewable energy projects that generate electricity using biopower, wind, hydropower and geothermal technologies. The goal of the program is to expand Energy Trust's renewable energy portfolio across a range of technologies and improve market conditions.

The program provides custom installation incentives for projects with generating capacities of up to 20 megawatts. The program also provides incentives for project development assistance, which can include incentives to pay a portion of the costs of feasibility studies, technical assistance or other activities to help projects move from concept to construction. Project installation incentives are calculated on a custom basis during a technical and financial review of a project's application. All incentives are paid following successful project installation or activity completion.

#### **2017 Strategic Focus**

- Maintain support for a broad portfolio of technologies to sustain and grow Oregon's vibrant small- and community-scale renewable energy generation markets.
- Continue to focus project pipeline development and outreach on technologies and project types able to offset onsite load or leverage additional benefits that can bring outside funders and financing.
- Continue and expand innovative delivery models to bring more projects into the pipeline and accelerate the pace of project completions.
- Continue efforts to optimize the performance of operating projects to maximize value for ratepayers.

#### **2017 Activities—Ongoing**

- Continue pipeline development efforts for 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 opportunities based on current market conditions and also reach hard-to-serve markets. Pipeline development efforts have been very successful over the past 18 months, leading to a pipeline of 43 projects—more than four times as many as at the beginning of 2015.
- Support the existing 14 participants in the Irrigation Modernization Initiative, providing technical assistance and offering project development assistance for resource assessments, feasibility studies and other early stage activities. Irrigation Modernization is an effort to develop new, in-conduit hydropower projects through the modernization of irrigation district water delivery infrastructure. The resulting irrigation systems can reduce energy use and operating costs; generate income from renewable energy production; increase agricultural production, quality and diversity; reduce water use; and enhance environmental conditions.
- Hold competitive solicitations for projects seeking construction incentives greater than \$200,000. Applications are expected from five to seven projects, split between biopower and hydropower, with two projects likely to receive commitments of funding in 2017.
- Maintain and continue to build relationships with project developers and stakeholders in biomass, small hydropower and geothermal communities.

## **2017-2018 Program Action Plan**

- Manage Renewable Energy Certificate (REC) delivery from new projects while continuing work with Portland General Electric and Pacific Power to initiate REC delivery for existing, operational projects.
- Be responsive to data requests related to OPUC dockets and activity, legislative activity and other requests.

### **2017 Activities—New**

- Expand participation in the Irrigation Modernization Initiative to meet increasing interest and market uptake, adding seven to 10 irrigation districts and ditch companies.
- Pursue plans for small, rural wastewater treatment plants to reach net-zero energy use through solar and/or anaerobic digestion, leveraging a strong relationship with the Oregon Association of Clean Water Agencies, a membership organization serving wastewater treatment facilities.

### **2017 Key Assumptions, Risks and/or Challenges**

- All federal and state energy tax credit and incentive policies will remain stable, either available as-is or expiring under currently expected timelines. The planned expiration or reduction in some tax credits will raise above market costs for affected technologies.
- Continued declines in avoided-cost prices available for projects that sell their power on the wholesale energy market will raise above market costs.

### **2018 Strategic Focus**

- Maintain support for a broad portfolio of technologies to sustain and grow Oregon's vibrant small and community-scale renewable energy generation markets.
- Continue to focus project pipeline development and outreach on technologies and project types able to offset on-site load or leverage additional benefits.
- Continue and expand the use of innovative delivery models to bring more projects into the pipeline and accelerate the pace of project completions.
- Continue efforts to optimize the performance of operating projects to maximize value for ratepayers.

## 2017-2018 Program Action Plan

### Targets

Year	ACTIVITY BASIS			ACCOUNTING BASIS		
	BUDGET (\$ millions)	GOAL aMW	COST (\$ mils / aMW)	BUDGET (\$ millions)	GOAL aMW	COST (\$ mils / aMW)
2016 Reforecast	\$5.3	0.00	\$0.0	\$6.3	0.01	\$603.8
2017 Budget	\$7.7	0.81	\$9.5	\$6.5	0.00	\$5,419.0
2018 Projection	\$9.4	0.40	\$23.2	\$7.7	0.81	\$9.5

	2016 Budget	2016 Forecast	2017 Draft Budget	2018 Draft Projection
<b>Incentives</b>	<b>4,474,087</b>	<b>5,006,510</b>	<b>5,027,377</b>	<b>6,235,100</b>
<b>ETO expenses</b>				
Staffing	491,680	471,272	547,107	541,980
Marketing	35,000	25,000	18,000	18,000
Other Services	439,500	397,100	382,000	377,000
General	15,400	18,800	17,900	17,900
Allocations	174,391	163,789	222,775	205,989
<b>Sub-Total before Admin Costs</b>	<b>5,630,058</b>	<b>6,082,471</b>	<b>6,215,159</b>	<b>7,395,969</b>
<b>Administrative Costs</b>	<b>209,039</b>	<b>211,169</b>	<b>262,895</b>	<b>290,779</b>
<b>TOTAL EXPENSE</b>	<b>5,839,097</b>	<b>6,293,640</b>	<b>6,478,054</b>	<b>7,686,748</b>
Plus/minus Incentives committed for future years	989,914	(959,570)	1,207,723	1,682,099
<b>TOTAL EXPENSE, Action Plan</b>	<b>6,829,011</b>	<b>5,334,070</b>	<b>7,685,777</b>	<b>9,368,847</b>



### **Customer Service and Trade Ally Management**

Energy Trust's Communications and Customer Service (CCS) group provides staff, services and resources to administer and manage customer experience and the trade ally network. CCS supports customer access to information, services and cash incentives to support a consistent and positive customer experience. This is accomplished by working with programs and operational support groups on standards, training and strategic planning to support customers and a network of informed contractors with high-quality customer service.

The Customer Service and Trade Ally team delivers services through staff based in CCS, a call center contract for call-taking and administrative services, a trade ally insurance verification contract, and coordination across all Energy Trust business functions. Staff also coordinate with customer service and trade ally specialists at program delivery contractors.

### **2017 Strategic Focus**

- Enhance customer service experience through simplification of customer interactions and transactions resulting in increased satisfaction and decreased costs.
- Facilitate the development of a five-year vision for customer experience and the contractor network that allows prioritization of system improvements, in collaboration with programs. Efforts to map the customer experience in 2017 will be customized by program need.
- Implement opportunities to improve or streamline data collection to give greater visibility into trade ally and non-trade ally activity.
- Monitor and support service and program design changes that would impact trade ally or customer service functions, such as the transition of service to Avista and possible changes within the residential sector.

### **2017 Activities—Ongoing**

- In alignment with program strategies, administer the Trade Ally Network to ensure compliance and contractor access to program and technical information; communicate updates through forums, newsletters and other targeted communications.
- Lead customer focus priority, providing strategic direction and guidance to multiple programs and business functions to assure high-quality service. Convene customer service staff from all business functions to ensure continuous process improvements and exceptional service to customers.
- Assist programs with strategic planning, communications and complaint resolution during planned measure or program design changes impacting customers or trade allies.
- Resolve complaints, monitor complaint trends, facilitate resulting process improvements and provide training to support improved service. Continue focus on ensuring accurate tracking and reporting of complaints in Customer Relationship Management (CRM) system.
- Support trade ally online enrollment process to ensure ease of use for contractors, user adoption and achievement of planned operational efficiencies.
- Support the goal of a culturally attentive organization with diverse employees, contractors and customers. Collaborate with programs and other CCS functional areas to effectively serve customers and contractors who have not yet participated, and further recruitment and engagement of minority- and women-owned businesses into the Trade Ally Network.

## **2017-2018 Support Group Action Plan**

- Lead effort to allow better reporting on trade ally and non-trade ally contractor activity through consistent data entry of project information and new data report. Streamline how information is captured to facilitate better information on allies who can effectively help customers participate in programs and contribute to program goals. Inform trade ally rating system criteria and development for programs that elect to implement this strategy.
- Implement customer service and trade ally improvements as part of organization's year-end change processes improvements project, including stakeholder and ally communications, form and website updates.
- 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.
- Maintain general call center customer services and Interactive Voice Response system (IVR). Continue monitoring transition to new IVR system implemented in 2016 for customer experience, expected data and operational efficiencies.
- Monitor data metrics established in 2015 for Existing Homes call center to identify potential areas for improvement.

### **2017 Activities—New**

- In collaboration with programs, facilitate the development of a new customer experience roadmap that identifies customer pathways, expectations and transactions by program, and supports the evolution of the customer experience to meet program savings and generation goals. (This project was planned for 2016, but was moved to 2017 given staffing transitions.)
- In alignment with the customer experience road map and in collaboration with programs, conduct an assessment to identify transitions in market approaches to determine needs for the Trade Ally Network administration and support in future years.
- Maintain main call center services through renewed contract and rebid services in late 2017. Adapt service levels with transition of solar lead tracking into CRM system.
- Contribute to Diversity Initiative's business operations focus area by informing and implementing strategies to increase the diversity of contractors in the network.
- Increase trade ally use of the Existing Homes Trade Ally Portal, and inform discussions on the benefits and applicability of the portal for other programs.
- Support Solar program rollout of trade ally rating system. Apply best practices based on experience with the Existing Homes trade ally rating system to prepare for a successful launch.
- Design trade ally forums to be responsive to the needs of a growing audience of trade allies, vendors and stakeholders with relevant content, training and materials, while meeting program needs. Hold two sets of forums annually in Portland, Bend and Medford. Maintain and possibly expand forums in rural areas to allow for trade ally outreach and training, and to improve contractor participation.
- Build on the success of the new trade ally online enrollment application and process by adding new ally types, such as allies with multiple business locations, real estate allies, owner/builder allies and program/design allies. Develop functionality to support enrollment in sub-programs, including Savings within Reach.
- Serve as product owner for Phone Project Team and collaborate with IT to establish use of new phone system and assist with training for staff. Migrate existing IVR system to new phone system or third-party IVR provider based on capabilities of new phone system.

## **2017-2018 Support Group Action Plan**

- Develop enhanced customer experience training for experienced staff and program delivery contractors.
- Guide strategies for customer and contractor engagement and communications related to program changes, such as changes to existing manufactured home offerings.
- Communicate to customers and trade allies about new Energy Trust service to Avista customers, supporting customer questions for projects in process at year-end and ongoing eligibility requirements, through talk points and warm transfer processes. Train and support Avista call center teams to point customers to Energy Trust services and transfer calls. Monitor transition for customer confusion or complaints. Make adjustments to materials for use with customers, contractors and call center representatives.

### **2017 Key Assumptions, Risks and/or Challenges**

- Customer interest in simplified, online and self-service options will continue, resulting in a need to be aware of best practices, stay current in service options and work closely with IT on long-term planning.
- Avista transition will require careful upfront planning in 2016 but transition efforts should be moderate after the first quarter of 2017.
- Interest in trade ally forums and market engagement will continue, with strong engagement between contractors and programs supporting additional savings and generation.
- Residential transitions could require support and guidance on changes or impacts to customer and contractor service delivery.

### **2018 Strategic Focus**

- Continue coordination with programs as they advance and prioritize efforts to achieve customer experience goals identified in the road map, or adapt their work with market actors.
- Lead process improvement or customer experience initiatives that will have benefit across business operations.

### **Budget**

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Forecast</u>	<u>2017</u> <u>Budget</u>	<u>2018</u> <u>Projection</u>
Staffing	466,570	492,158	521,826	552,022
Marketing	3,500	3,500	1,000	1,000
Other Services	45,000	45,000	37,000	27,000
General	200,800	199,800	218,050	216,700
Allocations	134,958	126,202	153,939	140,292
<b>Total Expense</b>	<b>850,828</b>	<b>866,660</b>	<b>931,815</b>	<b>937,014</b>

### **Planning and Evaluation**

Planning develops forward-looking estimates of program costs 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 plans into program strategies, and manages reporting of savings and cost-effectiveness.

Planning Engineering estimates efficiency measure savings, cost and cost-effectiveness, and for integrating prescriptive measures into programs.

Evaluation assesses effectiveness of program implementation and estimates savings on a retrospective basis.

### **2017 Strategic Focus**

- Be ready to respond to changes in mission or direction from new opportunities, carbon regulations or legislative changes.
- Improve tools for targeting activities and tracking results.
- Produce evaluations and effectively communicate results to program staff, management and board.
- Improve internal efficiencies in estimating, tracking and reporting savings, generation and cost-effectiveness. Coordinate with regional and national organizations to identify and develop emerging new technologies, with the goal of creating new energy-saving measures.

### **2017 Activities—Ongoing**

- Provide efficiency inputs for incorporation into utility Integrated Resource Plans. Synchronize efficiency resource assessment data with trend data from programs, and help program managers understand and use the information for program planning.
- Work with Oregon Public Utility Commission and utilities to update avoided costs and tools for implementation in 2018. Coordinate with programs to update tools that incorporate avoided costs.
- Facilitate coordination between Northwest Energy Efficiency Alliance and Energy Trust. Track and report NEEA results in Energy Trust territory. Aid in NEEA governance.
- Provide analysis and summarize results for Energy Trust reports and stakeholder inquiries. Perform quality control checks on all Energy Trust claims for savings and generation.
- Help guide regional and national technology development efforts and feed the results into the Energy Trust measure development process.
- Develop data and tools to support better targeting to increase savings and generation, increase diversity of participation and reduce costs, with a new focus on addressing peak energy use.
- Review Energy Trust's approach to attributing savings to programs.
- Analyze how efficiency and renewable energy can help defer investments in utility delivery infrastructure, focusing first on studies of NW Natural pipeline deferral and Pacific Power electric transmission and distribution deferral.
- Create complementary relationships between Energy Trust efficiency programs and utility-sponsored demand management and electric vehicle programs. Explore potential for energy-efficiency opportunities related to electric vehicles.

## **2017-2018 Support Group Action Plan**

- Continue to support state efforts to address section 111(d) of the U.S. Environmental Protection Agency Clean Air Act carbon regulations, especially as it pertains to evaluation.
- Manage the pilot development process and report to OPUC on pilots underway and completed. Consider revisions to the process in 2017.
- Beginning with residential sector, identify and help programs prepare for shifts in measure mix and program approaches due to increased market acceptance of efficient technologies, new codes and standards, and new technical opportunities.
- Support staff engagement and diversity initiatives.
- Expand market research capabilities by providing coaching on effective research objectives, methods and execution to CCS and programs. Expand supply chain research.
- Work with IT to improve data quality, access and efficiency.
- Provide support to programs to define and promote the nexus of energy and water efficiency, renewable energy and behavioral opportunities.
- Transition measure maintenance from paper to paperless workflow.
- Continue development of evaluation processes for large and/or complex commercial and industrial projects that do not fall under megaproject guidelines.

### **2017 Activities—New**

- Add Avista to supply curve models and Integrated Resource Planning support.
- Using new utility billing data systems, accelerate impact evaluation of residential measures. Support use of data in program management and marketing.
- For new measure development, Program Management Contractors have enhanced and standardized roles. The role of Planning Engineering is shifting to coordination, cross-program integration and quality assurance.
- Coordinate with the renewable energy sector to support OPUC in developing procedures and rules to implement the 2015 Renewable Portfolio Standard Bill, including provisions that impact renewable and efficiency initiatives at Energy Trust.

### **2017 Key Assumptions, Risks and/or Challenges**

- Energy Trust's revised system for coordinating measure development places new responsibilities on program managers and contractors. It may take a year for the new system to work well.
- The Utility Customer Information data project will be completed by the end of 2016.
- For some markets, it is increasingly difficult to identify whether savings can be attributed to Energy Trust. This reflects the increasing number of federal standards and initiatives, increasing acceptance of some efficiency and renewable energy products in the market, increasing Energy Trust program focus on midstream incentives paid to retailers and distributors and market transformation.
- Markets for many technologies, particularly lighting, are changing rapidly. Energy Trust must adjust its role in these markets.
- Tools for measuring and transmitting data about equipment operation—such as light fixtures, thermostats and space conditioning systems with sensors and Wi-Fi connectivity—are evolving faster than standardized procedures and contracts for measure commissioning, evaluation and performance contracting. Energy Trust must rely on established techniques for validating savings while identifying

## **2017-2018 Support Group Action Plan**

where “bigger data” can do a better job. Where promising, staff will develop valid, standardized and affordable data acquisition and analysis approaches.

### **2018 Strategic Focus**

- By 2018, measure transition due to increased efficiency standards and market transformation will be more prominent. Planning and Evaluation will help Energy Trust prepare for shifting its measure focus, savings goals and organization, particularly in the residential sector.
- Review NEEA's progress on its five-year plan, and begin planning for NEEA's role in the 2020-2024 period.

### **Budget**

	2016 Budget	2016 Forecast	2017 Budget	2018 Projection
Evaluation Services	1,955,500	1,984,750	2,424,999	2,639,999
Planning Services	544,000	419,104	478,300	372,400
Other	7,000	14,000	7,000	7,000
<b>Total Program Specific P&amp;E</b>	<b>2,506,500</b>	<b>2,417,854</b>	<b>2,910,299</b>	<b>3,019,399</b>
<b>Non Program Specific P&amp;E</b>				
Evaluation Services	125,000	195,200	145,000	120,000
Planning Services	208,000	157,510	170,000	195,000
Staffing	1,668,773	1,558,589	1,850,121	1,957,370
Other Services		8,500	150,000	
General	62,520	62,420	60,950	61,450
Allocations	465,319	435,129	557,997	508,529
<b>Total Non Program Specific P&amp;E</b>	<b>2,529,612</b>	<b>2,417,348</b>	<b>2,934,068</b>	<b>2,842,349</b>
<b>Total</b>	<b>5,036,112</b>	<b>4,835,202</b>	<b>5,844,367</b>	<b>5,861,748</b>

### Information Technology

The Information Technology (IT) group builds technical mastery and continuously improves and enhances systems to deliver business value in collaboration with engaged product owners and users. The group builds and utilizes professional and technical skills to provide effective and efficient IT resources required by each energy program and operational support group. IT resources include hardware, infrastructure, information systems, reporting capabilities and technical support.

### 2017 Strategic Focus

- Strengthen existing foundational systems including Project Tracking (PT), Customer Relationship Management (CRM) and web services.
- Build out performance monitoring tools to assess health of computing resources.
- Build skills and experience in moving applications to the cloud computing environment.
- Proactively assess opportunities for improvements to data, reporting and analysis by working closely with business users to understand ongoing work processes.
- Determine what changes are required in reporting infrastructure to accommodate changing data and reporting needs from the business, including new visual presentation tools for data.
- Develop IT strategy for individual sectors.

### 2017 Activities—Ongoing

- **IT staff time allocation.** Maintain general distribution of IT staff time:
  - Operations support, administrative, professional development and outreach: 30 percent
  - Technical debt and upgrades: 30 percent
  - Enhancements and projects: 40 percent
- **Operations support.** Offer technical support and consultation for hardware and applications.
- **Help desk.** Utilize a centralized model for intake, tracking and resolution of user help requests.
- **System and hardware updates.** Deploy software updates and patches to desktop applications, operating systems and preventative and emergency hardware replacement.
- **Backup and recovery.** Create nightly back-ups of email, files and data that can be restored as needed to recover from various potential data-loss scenarios.
- **Bug fixes.** Develop fixes to reported bugs in PT and CRM.
- **Relieve technical debt.** Develop changes to improve underlying architecture of IT systems, removing known issues that impede performance, flexibility or robustness of systems.
- **Enhancements to PT, CRM, Business Intelligence (BI) and Utility Customer Information (UCI).** Develop systems changes to address reported user needs as prioritized by the Business Systems Prioritization Team.
- **Support for Business Systems Prioritization Team.** Consult with members of team in assessment of enhancements, including technical analysis.
- **IT Steering Committee.** Rely on IT Steering Committee to allocate IT resources among large projects and enhancements.
- **Professional development.** Support staff development of mastery within areas of technology that improve Energy Trust systems or IT processes.
- **Use external resources to increase capacity.** For temporary increases in demand, bring in external development resources to supplement staff.

## 2017-2018 Support Group Action Plan

### 2017 Activities—New

- **Migrate select applications and services to the cloud.** Move some applications to the cloud and investigate the potential of moving others.
  - Applications most likely to move to the cloud:
    - Disaster Recovery
    - Microsoft Office 365
    - Microsoft Exchange email server
  - Application to investigate moving to the cloud:
    - SharePoint
    - Microsoft CRM
- **Refactor all web services to a newer architecture.** When building PT, staff created more efficient, faster V2 web services to connect PT and CRM to other applications like web forms and third-party applications. All web services will be updated to V2 in 2017.
- **Migrate import service to V2.** The import service is used by various applications and vendors to send bulk data into Energy Trust systems. All import services will be migrated to use V2 web services.
- **Refactor in-house applications to latest version of Angular (Angular 2.0).** PT, Trade Ally Portal and online trade ally enrollment were built using a JavaScript programming platform called Angular. Staff will upgrade all of these applications to Angular 2.0 in 2017, allowing increased performance of applications
- **Migrate vendors to access Energy Trust data using new web services.** Once staff have completed the build-out of V2 web services, those services will be available to third-party vendors like Pollinate, which builds and hosts web forms. The V2 services will allow vendors to securely access real-time data from Energy Trust systems instead of relying on static data.
- **Outreach and refactoring of BI to better meet user needs.** BI was built up over several years beginning about eight years ago. Staff will reach out to users to understand how they are using data and how staff could refactor BI to better meet user data and reporting needs.
- **Microsoft Dynamics Great Plains upgrade.** Upgrade financial software to the latest version.
- **Support use of leads functionality in CRM.** As part of the upgrade to CRM 2016, staff began investigating leads functionality. In 2017, staff will facilitate use of this functionality.
- **Revise approach to file sharing.** As part of ongoing focus on security, staff will explore how to protect file server documents while allowing for file sharing and collaboration.

### 2017 Key Assumptions, Risks and/or Challenges

- **Current IT staff levels will be sufficient to meet user needs,** and can be augmented with contract resources as needed to meet user needs.
- **No significant changes will be needed to track program activities.** Programs will continue to track CRM and PT activities the same as in 2016.
- **Tech market in Portland will remain competitive.** There is significant demand for skilled IT professionals in the Portland market, which makes staff retention and hiring challenging.
- **Limit maximum number of IT projects.** In the past two years, staff have found it challenging to balance multiple development projects at the same time. Managing more than two or three projects at



## 2017-2018 Support Group Action Plan

once overwhelms the small team's ability to make progress due to frequent context switching. Sequencing development needs will be an important aspect in addressing this challenge.

### 2018 Strategic Focus

- Modify systems and architecture based on performance monitoring results.
- Complete the migration of resources and applications to the cloud computing environment.
- Implement identified changes to reporting infrastructure.
- Extend proactive approach to assessing improvement to PT and CRM by working closely with business users to understand ongoing work processes.

### Budget

	2016 Budget	2016 Forecast	2017 Budget	2018 Projection
Staffing	2,085,774	1,919,684	2,251,918	2,354,542
Other Services	29,000	29,000	35,000	30,000
Supplies and Equipment	86,100	44,100	78,450	78,500
Software	193,600	152,600	117,500	109,800
Depreciation	829,532	782,905	789,626	286,683
General	107,200	83,199	110,199	110,200
Allocations	166,661	165,342	176,857	172,801
Total General	1,383,093	1,228,146	1,272,632	757,984
<b>TOTAL EXPENSE</b>	<b>3,497,867</b>	<b>3,176,830</b>	<b>3,559,550</b>	<b>3,142,526</b>

### **General Communications (CCS)**

Energy Trust's Communications and Customer Service (CCS) group provides staff, services and resources to engage customers, stakeholders and the public through general communications and results reporting, public relations, marketing, outreach, education initiatives, websites and social media. These functions create public awareness of the value of energy efficiency and renewable energy; support customer access to information, services and cash incentives; position Energy Trust as an expert resource; expand the organization's reach to new customers and stakeholders; engage past participants in new ways; and support organizational transparency and accountability.

Work is performed 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 website development and innovation, and online application forms development.

### **2017 Strategic Focus**

- Deliver clear stakeholder and customer communications, and provide increased program and organizational support during periods of change or transition. Stay flexible and responsive to data requests, inquiries and needs related to regulatory and policy proceedings.
- Seek operational efficiencies and customer experience enhancements across all functional areas through examination of core processes, key performance metrics and support service needs.
- Drive innovation online to reduce costs and better serve customers and stakeholders. Implement customer-focused websites and self-service tools, targeted and interactive marketing, and digital initiatives working closely with programs, IT and contracted resources. Guide development and use of best practices and systems for results measurement.
- Coordinate general outreach with programs to increase regional awareness, facilitate connection to offers and services, and expand participation.
- Use a variety of research methods to gain customer insights that will support design of new approaches and future initiatives for engaging diverse customer groups and expanding participation.
- Supplement and target outreach and marketing resources in support of expanding participation, based on market research learnings. Explore and implement new outreach approaches and marketing tactics to increase awareness and engagement among specific customer segments.
- Explore and implement general educational strategies, innovative community engagement strategies and partnerships to expand customer awareness and participation over time, and support acquisition of energy savings and generation in future years.
- Leverage growing media interest in energy topics and areas of innovation to increase customer awareness of the value of energy efficiency and renewable energy and Energy Trust as a resource.
- Use Energy Trust's 15-year anniversary in 2017 to engage customers and stakeholders with communications, outreach and marketing activities to drive awareness and participation.
- Maintain efficient and effective reporting and communications processes to support high-quality public information about Energy Trust investments and results, demonstrate accountability and ensure responsiveness to information requests.

### **2017 Activities—Ongoing**

## **2017-2018 Support Group Action Plan**

- Develop and place advertising to sustain and increase general customer awareness of programs and services. Optimize advertising in media channels to reach customers in all service territories.
- Provide creative and advertising services for programs. Support new program marketing approaches and initiatives through centralized management of creative services agency, media relationships and brand guidelines. Provide marketing production services for programs managed in house.
- Continue support for customer relationship management (CRM) system enhancements that enable effective targeted marketing, transactional email with customers, inclusion of stakeholder information and improve reporting analytics.
- Maintain and enhance the organization's website, social media accounts, email management systems, mobile website and other online properties. Build on 2016 website redesign by monitoring the effectiveness of changes and continuing phase 2 work.
- Support the design and development of customer and ally online self-service portals and web-based tools to increase program operational efficiency and boost customer awareness and satisfaction.
- Lead development of paper and online customer application forms, including oversight and assessment of contracted resources for web form development. Ensure timely updates and maintenance of forms.
- Optimize and deliver e-communications targeting customers, stakeholders and trade allies, including one general and three commercial e-newsletters, Insider newsletter for trade and program allies, Energy Trust Blog and targeted marketing emails.
- Maintain regional outreach in Eastern Oregon and Southern Oregon, serving as a general resource to community, business, local governments and public sector stakeholders. Seek opportunities to leverage local efforts and partnerships to spur participation in Energy Trust programs.
- Sustain marketing, communications and outreach support for renewable sector, including customer events, awards, engagement and promotional strategies for irrigation modernization and wastewater treatment projects, communication of changes related to policy decisions, and media relations.
- Support program efforts to expand participation by leading general customer insights research, guiding marketing strategy and tactics, and implementing communications and outreach activities. Provide marketing leadership on Diversity Initiative team.
- Review and approve requests for sponsorships, event participation and Energy Trust memberships. Track requests and benefits to ensure value.
- Deliver quarterly and annual public reports, preliminary annual report, utility reports and data analysis. Improve reporting tools for recurring data requests; continue focus on data integrity and utilization.
- Deliver organizational communications, including presentations, public meeting notes and budget outreach communications.
- Respond to inquiries from the OPUC, legislators, stakeholders, media, customers and others about energy efficiency, renewable energy and clean energy topics, programs, results and customer benefits. Prepare brief summaries and support spokespersons on topics of recurring interest.
- Engage stakeholders to exchange information about programs and services to gain insight that will help better serve customers.
- Serve as resource to board and executive director. Implement strategies to continue introducing new executive director to stakeholders, customers and public in 2017.

## **2017 Activities—New**

## **2017-2018 Support Group Action Plan**

- Expand support for cities participating in the “Making Energy Work in Rural Communities” workshops and locally-based Resource Assistance for Rural Environments (RARE) interns to continue energy planning and efforts leading to project activity, tapping program resources and evaluating impact of efforts. Seek new collaborations that extend work with communities, local businesses and utilities.
- Deliver communications and outreach support for new or changed program offerings, such as manufactured home replacement, home scoring, community solar and residential sector.
- Expand access to general energy-efficiency and renewable energy information and resources. Develop new content strategy for the website, printed materials, training for call center staff, emails and messaging to support this educational function.
- Conduct a scan of educational initiatives in other states that have succeeded in delivering savings, deepening customer relationships leading to savings over time and increasing participation of diverse customers and customers not previously served.
- Collaborate with the Existing Homes program to develop an exit strategy and transition plan for the LivingWise kits school offering by the end of 2017, and draw on scan of successful education efforts to propose school engagement activities for 2018 and beyond.
- Celebrate Energy Trust’s 15-year anniversary with specific marketing and outreach tactics, reaching customers and stakeholders around the state.
- Evaluate the feasibility and cost benefit of a third-party platform that would allow in-house development and maintenance of online forms.
- Extend market research efforts based on 2016 customer insights study and diverse focus group learnings, and implement tactics that reach new audiences, based on research conducted.
- Lead marketing efforts that develop general awareness of services offered for Avista customers.
- Develop online microsites in alignment with program marketing plans, facilitating action by new visitors targeted through marketing campaigns.
- Enhance online trade ally finder with a more intuitive, user-friendly interface and explore long-term future needs and changes to support customers and align with program strategies.
- Collaborate with IT and programs to explore benefits and feasibility of automated transactional email.
- Assess and improve organization’s PowerPoint template and slide library, explore new asset management tool to facilitate presentation development, and provide presentation training for staff.

## **2017 Key Assumptions, Risks and/or Challenges**

- The 2017 Legislative Session (underway from January to June) will result in data requests and engagement at a level similar to past sessions, providing periods of peak work for communications and outreach staff.
- Policy decisions, including OPUC dockets and legislative actions, will require communication planning and responsiveness to data requests.
- Implementation plans for residential transition activities and potential policy decisions driving solar program changes will likely require CCS resources for communications and project management.

## **2018 Strategic Focus**

- Adapt and refine communications, outreach, marketing and online approaches based on changes in delivery of services to customers and market, opportunities to engage stakeholders, and systems improvements that enable process efficiencies or new functionality.

## **2017-2018 Support Group Action Plan**

### **Budget**

	<u>2016</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>	<u>Projection</u>
Staffing	1,549,352	1,405,435	1,717,405	1,816,877
Marketing	690,500	643,500	800,000	800,000
Other Services	332,500	332,500	633,000	558,000
Planning	70,000	45,000	60,000	60,000
General	80,200	80,200	79,000	79,000
Allocations	431,201	403,225	659,720	609,147
<b>Total Expense</b>	<b><u>3,153,753</u></b>	<b><u>2,909,860</u></b>	<b><u>3,949,125</u></b>	<b><u>3,923,024</u></b>

### **Management and General**

The Management and General group encompasses the executive, board relations, legal, finance, human resource and general office operations functions. It provides key leadership to support Energy Trust strategic goals and operations.

### **2017 Strategic Focus**

- Seek continued improvements in program and administrative efficiencies, identifying metrics to measure productivity gains where practical and worthwhile.
- Enhance organization's cultural competence and ability to serve and expand participation among an increasingly diverse customer base by supporting the Diversity Initiative.
- Continue customer and stakeholder relationship development activities to complete successful executive director transition.
- Develop staff and maintain culture of achievement and high employee engagement.
- Advance data governance and privacy policies to ensure legal compliance and program support.
- Continue to be open to and prepare for emerging policy and funding opportunities.
- Manage risk, corporate compliance, human resources, financial reporting, auditing and facilities.
- Support the board of directors.

### **2017 Activities—Ongoing**

#### **Executive**

- In coordination with the Communications and Customer Service group, support increased executive director travel to customer site visits, stakeholder meetings and local outreach and engagement events. Ten to 12 regional visits will be planned to locations in Eastern Oregon, Central Oregon, Southern Oregon and the Oregon Coast, with additional day trips within the Willamette Valley.
- Support the new executive director in understanding and managing Energy Trust's financial and legal environment and key focus areas.

#### **Finance and HR**

- Continue implementing the career development program. The first module is a manager training curriculum to help managers and employees communicate and achieve long-term career goals.
- The Diversity Initiative will continue taking shape. Employee engagement, building cultural competencies and recruiting from a more diverse applicant pool will roll out in 2017.
- In collaboration with programs and IT, evaluate and implement incentive payment process improvements to increase efficiency, accuracy and participant satisfaction.
- Manage the design and construction of tenant improvements to be completed by August 2017.
- Evaluate Energy Trust readiness to accept federal funds under uniform guidance and federal cost principles, with intent to pursue funding opportunities that extend Energy Trust's core mission. Recommendations following the evaluation will be considered for implementation in 2017.

#### **Legal**

- Support the organization's Diversity Initiative through changes in contracting and other business operations and through encouraging contractors to consider a more diverse participant population.
- Review document and information management and privacy policies to protect information assets and privacy of participants, employees and contractors.

## **2017-2018 Support Group Action Plan**

- Support the organization with contract review, negotiation and drafting to manage organizational legal risk and ensure efficient and effective operations.
- Manage legal risk and monitor relevant policy developments that may impact Energy Trust.
- Support the board of directors in regular meetings and in planning activities, including the annual strategic planning retreat.

### **2017 Activities—New**

- Finance will implement procurement and accounts payable automation system to make invoice approvals, contract accounting and related reporting and document management more efficient, and to provide better visibility into in-process expenditures.
- Finance will expand use of the current human resources information system and payroll system to increase functionality and streamline processing, including for applicant tracking and employee timekeeping.
- Legal will monitor and respond to legislative and policy matters arising out of the 2017 Oregon legislative session.

### **2017 Key Assumptions, Risks and/or Challenges**

- Management of the organization will continue to evolve as a highly efficient and effective enterprise.
- Pressure will continue to maintain low administrative costs, meet and exceed expectations, and adapt to changes as they arise.

### **2018 Strategic Focus**

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

### **Budget**

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Forecast</u>	<u>2017</u> <u>Budget</u>	<u>2018</u> <u>Projection</u>
Staffing	2,398,506	2,326,297	2,697,215	2,698,777
Other Services	370,500	282,510	648,500	375,500
General	215,470	211,983	169,730	157,030
Allocations	629,986	589,150	671,866	612,640
<b>Total Expense</b>	<b><u>3,614,462</u></b>	<b><u>3,409,940</u></b>	<b><u>4,187,311</u></b>	<b><u>3,843,947</u></b>

(tab) Forecasts



2016 Budget Recap Spending and Savings - 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)
<b>Commercial</b>							
Business Energy Solutions – Existing Buildings	49.8	7.0	56.9	16.6	3.2	2,029,984	28.89
Business Energy Solutions – New Buildings	15.9	1.9	17.9	5.8	3.0	597,714	27.06
Mkt Transformation (Alliance)	2.1	0.3	2.5	1.3	3.1		
<b>Total Commercial</b>	<b>67.9</b>	<b>9.3</b>	<b>77.2</b>	<b>23.7</b>	<b>3.2</b>	<b>2,627,698</b>	<b>29.57</b>
<b>Industrial</b>							
Production Efficiency	29.4	2.7	32.0	11.8	3.0	1,154,522	21.86
Mkt Transformation (Alliance)	-0.03	0.0	-0.03	0.1	-0.5		
<b>Total Industrial</b>	<b>29.3</b>	<b>2.7</b>	<b>32.0</b>	<b>12.0</b>	<b>2.9</b>	<b>1,154,522</b>	<b>21.86</b>
<b>Residential</b>							
Home Energy Solutions – Existing Homes	14.6	5.4	20.1	4.3	3.4	964,278	39.03
Home Energy Solutions – New Homes & Products	25.5	7.0	32.5	12.3	2.6	1,414,998	31.74
Mkt Transformation (Alliance)	4.9	0.5	5.3	5.7	1.0		
<b>Total Residential</b>	<b>45.0</b>	<b>12.9</b>	<b>57.9</b>	<b>22.3</b>	<b>2.4</b>	<b>2,379,276</b>	<b>35.77</b>
<b>Washington</b>							
Business Energy Solutions – Existing Buildings		0.6	0.6			114,882	43.06
Home Energy Solutions – Existing Homes		0.5	0.5			70,303	44.05
Home Energy Solutions – New Homes & Products		0.7	0.7			143,914	34.84
Mkt Transformation (Alliance)		0.1	0.1				
<b>Total Washington</b>		<b>1.9</b>	<b>1.9</b>			<b>329,099</b>	<b>41.09</b>
<b>Total Energy Efficiency</b>	<b>\$142.2</b>	<b>\$26.8</b>	<b>\$169.0</b>	<b>57.956</b>	<b>2.8</b>	<b>6,490,595</b>	<b>31.29</b>

**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	5.3		6.3	0.00	#DIV/0!	0.01	603.76
Solar Electric	12.0		14.0	1.71	7.01	2.41	5.80
<b>Total Renewable Resources</b>	<b>\$17.3</b>		<b>\$20.3</b>	<b>1.71</b>	<b>10.12</b>	<b>2.42</b>	<b>8.37</b>

**TOTAL BUDGET - ALL**

**\$189.2**

1 some columns may not add due to rounding

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

	ENERGY EFFICIENCY								
	PGE	PacifiCorp	Total	NWN Industrial	NW Natural	Cascade	Oregon Total	NWN WA	Efficiency Total
<b>REVENUES</b>									
Public Purpose Funding	27,758,643	22,045,164	49,803,807	0	13,413,038	1,893,942	65,110,787	0	65,110,787
Incremental Funding	42,243,683	25,544,600	67,788,283	3,027,054			70,815,337	1,537,679	72,353,016
Contributions									
Revenue from Investments									
<b>TOTAL PROGRAM REVENUE</b>	<b>70,002,326</b>	<b>47,589,764</b>	<b>117,592,090</b>	<b>3,027,054</b>	<b>13,413,038</b>	<b>1,893,942</b>	<b>135,926,124</b>	<b>1,537,679</b>	<b>137,463,803</b>
<b>EXPENSES</b>									
Program Management (Note 3)	3,388,733	2,068,544	5,457,277	192,648	684,792	130,739	6,465,457	119,695	6,585,152
Program Delivery	25,333,160	15,228,517	40,561,677	932,687	4,771,587	586,064	46,852,015	452,518	47,304,533
Incentives	49,920,021	29,309,584	79,229,606	2,573,736	10,374,158	1,277,875	93,455,375	981,146	94,436,521
Program Eval & Planning Svcs.	2,473,044	1,503,774	3,976,818	102,206	416,805	53,686	4,549,515	78,710	4,628,225
Program Marketing/Outreach	2,841,522	1,810,766	4,652,287	47,263	925,135	79,049	5,703,733	85,982	5,789,715
Program Legal Services	-	-	-	-	-	-	-	-	-
Program Quality Assurance	-	-	-	-	-	-	-	-	-
Outsourced Services	616,985	377,864	994,850	18,940	234,358	48,647	1,296,793	42,550	1,339,343
Trade Allies & Cust. Svc. Mgmt.	354,286	249,909	604,196	5,708	154,410	12,146	776,459	29,951	806,410
IT Services	979,738	585,735	1,565,473	29,559	286,515	29,908	1,911,452	30,427	1,941,879
Other Program Expenses - all	253,590	154,994	408,583	13,514	54,080	6,315	482,494	34,313	516,807
<b>TOTAL PROGRAM EXPENSES</b>	<b>86,161,079</b>	<b>51,289,687</b>	<b>137,450,767</b>	<b>3,916,261</b>	<b>17,901,840</b>	<b>2,224,429</b>	<b>161,493,293</b>	<b>1,855,292</b>	<b>163,348,585</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General (Notes 1 & 2)	1,605,874	955,938	2,561,813	72,991	333,655	41,458	3,009,918	34,579	3,044,497
Communications & Customer Svc (Notes 1 & 2)	1,385,436	824,719	2,210,155	62,972	287,854	35,767	2,596,750	29,833	2,626,583
<b>Total Administrative Costs</b>	<b>2,991,310</b>	<b>1,780,657</b>	<b>4,771,968</b>	<b>135,963</b>	<b>621,509</b>	<b>77,225</b>	<b>5,606,668</b>	<b>64,412</b>	<b>5,671,080</b>
<b>TOTAL PROG &amp; ADMIN EXPENSES</b>	<b>89,152,389</b>	<b>53,070,344</b>	<b>142,222,735</b>	<b>4,052,224</b>	<b>18,523,349</b>	<b>2,301,654</b>	<b>167,099,961</b>	<b>1,919,704</b>	<b>169,019,665</b>
<b>TOTAL REVENUE LESS EXPENSES (Note 5)</b>	<b>(19,150,063)</b>	<b>(5,480,580)</b>	<b>(24,630,645)</b>	<b>(1,025,170)</b>	<b>(5,110,311)</b>	<b>(407,712)</b>	<b>(31,173,837)</b>	<b>(382,025)</b>	<b>(31,555,862)</b>
<b>NET ASSETS - RESERVES</b>									
Cumulative Carryover at 12/31/15 (Note 4)	23,006,282	7,481,735	30,488,017	1,032,752	6,430,002	229,935	38,180,706	257,872	38,438,578
Change in net assets this year	(19,150,063)	(5,480,580)	(24,630,645)	(1,025,170)	(5,110,311)	(407,712)	(31,173,837)	(382,025)	(31,555,862)
<b>Ending Net Assets - Reserves</b>	<b>3,856,219</b>	<b>2,001,155</b>	<b>5,857,372</b>	<b>7,582</b>	<b>1,319,691</b>	<b>(177,777)</b>	<b>7,006,869</b>	<b>(124,153)</b>	<b>6,882,716</b>
<b>Ending Reserve by Category</b>									
Program Reserves (Efficiency and Renewables)	3,856,219	2,001,155	5,857,372	7,582	1,319,691	(177,777)	7,006,869	(124,153)	6,882,716
Assets Released for General Purpose									
Emergency Contingency Pool									
<b>TOTAL NET ASSETS CUMULATIVE</b>	<b>3,856,219</b>	<b>2,001,155</b>	<b>5,857,372</b>	<b>7,582</b>	<b>1,319,691</b>	<b>(177,777)</b>	<b>7,006,869</b>	<b>(124,153)</b>	<b>6,882,716</b>

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

Note 2) Admin costs are allocated for mgmt reporting only. GAAP for Not for Profits does not allow allocation of admin costs to program expenses.

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

Note 4) Cumulative carryover at 12/31/2015 reflects audited results.

Note 5) Forecast does not include Avista. Revenue and expense are expected to be \$156,000.

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

	RENEWABLE ENERGY			Other	TOTAL
	PGE	PacifiCorp	Total		All Programs
<b>REVENUES</b>					
Public Purpose Funding	8,142,560	6,334,727	14,477,287	-	79,588,074
Incremental Funding					72,353,016
Contributions					
Revenue from Investments				527,756	527,756
<b>TOTAL PROGRAM REVENUE</b>	<b>8,142,560</b>	<b>6,334,727</b>	<b>14,477,287</b>	<b>527,756</b>	<b>152,468,846</b>
<b>EXPENSES</b>					
Program Management (Note 3)	503,669	535,048	1,038,718	-	7,623,870
Program Delivery	259,500	180,500	440,000	-	47,744,533
Incentives	8,939,310	7,698,500	16,637,810	-	111,074,331
Program Eval & Planning Svcs.	86,681	59,570	146,252	-	4,774,477
Program Marketing/Outreach	108,046	78,954	187,000	-	5,976,715
Program Legal Services	-	-	-	-	-
Program Quality Assurance	-	-	-	-	-
Outsourced Services	143,421	438,134	581,555	-	1,920,898
Trade Allies & Cust. Svc. Mgmt.	35,992	24,257	60,250	-	866,660
IT Services	102,238	108,848	211,086	-	2,152,965
Other Program Expenses - all	166,752	137,944	304,695	-	821,502
<b>TOTAL PROGRAM EXPENSES</b>	<b>10,345,609</b>	<b>9,261,755</b>	<b>19,607,366</b>	<b>-</b>	<b>182,955,951</b>
<b>ADMINISTRATIVE COSTS</b>					
Management & General (Notes 1 & 2)	192,822	172,621	365,443	-	3,409,940
Communications & Customer Svc (Notes 1 & 2)	166,354	148,925	315,279	-	2,941,862
<b>Total Administrative Costs</b>	<b>359,176</b>	<b>321,546</b>	<b>680,722</b>	<b>-</b>	<b>6,351,802</b>
<b>TOTAL PROG &amp; ADMIN EXPENSES</b>	<b>10,704,785</b>	<b>9,583,301</b>	<b>20,288,088</b>		<b>189,307,753</b>
<b>TOTAL REVENUE LESS EXPENSES (Note 5)</b>	<b>(2,562,225)</b>	<b>(3,248,574)</b>	<b>(5,810,801)</b>	<b>527,756</b>	<b>(36,838,907)</b>
<b>NET ASSETS - RESERVES</b>					
Cumulative Carryover at 12/31/15 (Note 4)	10,144,624	10,910,203	21,054,827	8,739,885	68,233,290
Change in net assets this year	(2,562,225)	(3,248,574)	(5,810,801)	527,756	(36,838,907)
<b>Ending Net Assets - Reserves</b>	<b>7,582,399</b>	<b>7,661,629</b>	<b>15,244,026</b>	<b>9,267,641</b>	<b>31,394,383</b>
<b>Ending Reserve by Category</b>					
Program Reserves (Efficiency and Renewables)	7,582,399	7,661,629	15,244,026	9,267,641	31,394,383
Assets Released for General Purpose					
Emergency Contingency Pool					
<b>TOTAL NET ASSETS CUMULATIVE</b>	<b>7,582,399</b>	<b>7,661,629</b>	<b>15,244,026</b>		<b>31,394,383</b>

Note 1) Management & General and Communication costs are allocated based on total expenses.

Note 2) Admin costs are allocated for mgmt repo and other. Allocation of admin costs to program expenses.

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

Note 4) Cumulative carryover at 12/31/2015 reflects audited results.

Note 5) Forecast does not include Avista. Revenue and expense are expected to be \$156,000.

Energy Trust of Oregon  
Statement of Functional Expenses  
2016 Draft Annual Forecast

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communications & Customer Service	Total Admin Expenses	Total
<b>Program Expenses</b>							
Incentives	94,436,521	16,637,810	111,074,331				111,074,331
Program Management & Delivery	54,631,040	450,000	55,081,040				55,081,040
Payroll and Related Expenses	3,387,354	1,028,717	4,416,071	2,326,297	1,405,435	3,731,733	8,147,804
Outsourced Services	5,291,404	836,355	6,127,759	282,510	1,053,000	1,335,510	7,463,269
Planning and Evaluation	2,337,172	78,452	2,415,624	1,724		1,724	2,417,348
Customer Service Management	509,840	49,342	559,182				559,182
Trade Allies Network	296,570	20,908	317,478				317,478
<b>Total Program Expenses</b>	<b>160,889,900</b>	<b>19,101,584</b>	<b>179,991,484</b>	<b>2,610,531</b>	<b>2,458,435</b>	<b>5,068,967</b>	<b>185,060,451</b>
<b>Program Support Costs</b>							
Supplies	11,632	3,782	15,414	12,293	5,766	18,059	33,473
Postage and Shipping Expenses	4,424	1,503	5,927	4,759	1,894	6,653	12,581
Telephone	12,655	1,802	14,456	1,656	1,136	2,792	17,249
Printing and Publications	1,998	979	2,977	5,746	3,055	8,802	11,778
Occupancy Expenses	220,175	74,794	294,969	137,314	94,256	231,570	526,539
Insurance	31,399	10,666	42,066	19,582	13,442	33,024	75,090
Equipment	9,883	152,794	162,677	1,798	1,234	3,032	165,710
Travel	63,250	14,000	77,250	42,450	45,000	87,450	164,700
Meetings, Trainings & Conferences	49,150	11,600	60,750	146,400	16,000	162,400	223,150
Interest Expense and Bank Fees				1,700		1,700	1,700
Depreciation & Amortization	45,065	15,309	60,374	28,105	19,292	47,398	107,772
Dues, Licenses and Fees	66,390	7,200	73,590	9,583	16,000	25,583	99,173
Miscellaneous Expenses	785	267	1,052	490	336	826	1,877
IT Services	1,941,880	211,087	2,152,967	387,533	266,013	653,546	2,806,513
<b>Total Program Support Costs</b>	<b>2,458,687</b>	<b>505,782</b>	<b>2,964,469</b>	<b>799,409</b>	<b>483,425</b>	<b>1,282,834</b>	<b>4,247,303</b>
<b>TOTAL EXPENSES</b>	<b>163,348,587</b>	<b>19,607,367</b>	<b>182,955,953</b>	<b>3,409,941</b>	<b>2,941,861</b>	<b>6,351,801</b>	<b>189,307,754</b>

OPUC Measure vs. 8%

6.1%

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

	<b>PGE</b>	<b>Pacific Power</b>	<b>Subtotal Elec.</b>	<b>NWN Industrial</b>	<b>NW Natural Gas</b>	<b>Cascade</b>	<b>Avista</b>	<b>Subtotal Gas</b>	<b>Oregon Total</b>	<b>NWN WA</b>	<b>ETO Total</b>
<b>Energy Efficiency</b>											
<b>Commercial</b>											
Existing Buildings	31,756,642	18,080,111	49,836,753	1,853,719	4,358,974	815,398	-	7,028,091	56,864,844	634,078	57,498,922
New Buildings	10,781,774	5,161,389	15,943,162	144,388	1,466,490	306,477	-	1,917,355	17,860,517	-	17,860,517
NEEA	1,256,477	873,145	2,129,622	-	306,947	34,105	-	341,052	2,470,674	34,688	2,505,362
<b>Total Commercial</b>	<b>43,794,893</b>	<b>24,114,644</b>	<b>67,909,537</b>	<b>1,998,107</b>	<b>6,132,411</b>	<b>1,155,980</b>	<b>-</b>	<b>9,286,498</b>	<b>77,196,035</b>	<b>668,766</b>	<b>77,864,801</b>
<b>Industrial</b>											
Production Efficiency	18,013,562	11,352,350	29,365,911	2,054,120	443,010	163,214	-	2,660,344	32,026,255	-	32,026,255
NEEA	(19,636)	(13,646)	(33,282)	-	-	-	-	-	(33,282)	-	(33,282)
<b>Total Industrial</b>	<b>17,993,925</b>	<b>11,338,704</b>	<b>29,332,629</b>	<b>2,054,120</b>	<b>443,010</b>	<b>163,214</b>	<b>-</b>	<b>2,660,344</b>	<b>31,992,973</b>	<b>-</b>	<b>31,992,973</b>
<b>Residential</b>											
Existing Homes	7,431,314	7,204,820	14,636,134	-	5,164,061	282,189	-	5,446,250	20,082,384	462,284	20,544,668
New Homes/Products	17,060,786	8,416,746	25,477,532	-	6,374,536	654,790	-	7,029,326	32,506,858	742,395	33,249,253
NEEA	2,871,469	1,995,428	4,866,898	-	409,330	45,481	-	454,811	5,321,709	46,258	5,367,967
<b>Total Residential</b>	<b>27,363,569</b>	<b>17,616,994</b>	<b>44,980,563</b>	<b>-</b>	<b>11,947,928</b>	<b>982,460</b>	<b>-</b>	<b>12,930,388</b>	<b>57,910,951</b>	<b>1,250,937</b>	<b>59,161,888</b>
<b>Energy Efficiency Program Costs</b>	<b>89,152,388</b>	<b>53,070,343</b>	<b>142,222,730</b>	<b>4,052,226</b>	<b>18,523,349</b>	<b>2,301,654</b>	<b>-</b>	<b>24,877,229</b>	<b>167,099,959</b>	<b>1,919,703</b>	<b>169,019,662</b>
<b>Renewables</b>											
Solar Electric (Photovoltaic)	8,657,207	5,337,242	13,994,449	-	-	-	-	-	13,994,449	-	13,994,449
Other Renewable	2,047,579	4,246,061	6,293,640	-	-	-	-	-	6,293,640	-	6,293,640
<b>Renewables Program Costs</b>	<b>10,704,786</b>	<b>9,583,303</b>	<b>20,288,089</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,288,089</b>	<b>-</b>	<b>20,288,089</b>
<b>Cost Grand Total</b>	<b>99,857,174</b>	<b>62,653,645</b>	<b>162,510,819</b>	<b>4,052,226</b>	<b>18,523,349</b>	<b>2,301,654</b>	<b>-</b>	<b>24,877,229</b>	<b>187,388,048</b>	<b>1,919,703</b>	<b>189,307,754</b>
<b>Cost Grand Total</b>	<b>99,857,174</b>	<b>62,653,645</b>	<b>162,510,819</b>	<b>4,052,226</b>	<b>18,523,349</b>	<b>2,301,654</b>	<b>-</b>	<b>24,877,229</b>	<b>187,388,048</b>	<b>1,919,703</b>	<b>189,307,754</b>

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**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	2,316,796	624,993	-	1,332,848	-	858,706	1,332,113	-	119,695	567,445	471,272	7,623,868
Program Delivery:	15,363,969	5,028,082	2,357,890	9,642,718	(62,051)	4,762,542	4,645,600	5,113,265	452,518	440,000	-	47,744,533
Incentives:	33,258,618	9,826,797	-	18,245,622	-	10,125,803	21,998,534	-	981,146	11,631,300	5,006,510	111,074,330
Program Eval & Planning Svcs.:	1,544,721	787,171	29,886	862,928	29,886	722,532	542,505	29,886	78,710	133,320	12,931	4,774,476
Program Marketing/Outreach:	1,532,639	530,078	-	253,000	-	1,819,902	1,568,116	-	85,982	155,000	32,000	5,976,717
Program Legal	-	-	-	-	-	-	-	-	-	-	-	-
Program Quality Assurance:	-	-	-	-	-	-	-	-	-	-	-	-
Outsourced Services:	239,400	192,715	-	246,003	-	255,676	363,000	-	42,550	191,455	390,100	1,920,899
Trade Allies & Cust. Svc. Mgmt.:	110,339	38,056	-	27,922	-	390,612	209,530	-	29,951	55,887	4,362	866,659
IT Services:	447,818	195,203	-	207,641	-	393,469	667,324	-	30,427	114,442	96,644	2,152,968
Other Program Expenses	142,568	38,152	-	133,003	-	79,327	89,443	-	34,313	236,046	68,650	821,502
<b>TOTAL PROGRAM EXPENSES</b>	<b>54,956,868</b>	<b>17,261,247</b>	<b>2,387,776</b>	<b>30,951,685</b>	<b>(32,165)</b>	<b>19,408,569</b>	<b>31,416,165</b>	<b>5,143,151</b>	<b>1,855,292</b>	<b>13,524,895</b>	<b>6,082,469</b>	<b>182,955,952</b>
<b>ADMINISTRATIVE COSTS</b>												
Management & General	1,024,287	321,715	44,504	576,879	(600)	361,738	585,535	95,858	34,579	252,078	113,365	3,409,938
Communications & Customer Svc	883,685	277,554	38,395	497,690	(517)	312,082	505,159	82,700	29,833	217,475	97,804	2,941,860
<b>Total Administrative Costs</b>	<b>1,907,972</b>	<b>599,269</b>	<b>82,899</b>	<b>1,074,569</b>	<b>(1,117)</b>	<b>673,820</b>	<b>1,090,694</b>	<b>178,558</b>	<b>64,412</b>	<b>469,553</b>	<b>211,169</b>	<b>6,351,798</b>
<b>Total Program &amp; Admin Expenses</b>	<b>56,864,840</b>	<b>17,860,516</b>	<b>2,470,675</b>	<b>32,026,254</b>	<b>(33,282)</b>	<b>20,082,389</b>	<b>32,506,859</b>	<b>5,321,709</b>	<b>1,919,704</b>	<b>13,994,448</b>	<b>6,293,638</b>	<b>189,307,750</b>
<b>Energy Savings (kwh)</b>	<b>145,261,290</b>	<b>50,541,724</b>	<b>11,719,950</b>	<b>103,754,668</b>	<b>1,087,576</b>	<b>37,395,760</b>	<b>107,664,081</b>	<b>50,269,702</b>				<b>507,694,751</b>
<b>Energy Savings (therms)</b>	<b>2,029,984</b>	<b>597,714</b>	<b>-</b>	<b>1,154,522</b>	<b>-</b>	<b>964,278</b>	<b>1,414,998</b>	<b>-</b>	<b>329,099</b>			<b>6,490,595</b>
<b>Energy Generation (kwh)</b>										<b>21,142,800</b>	<b>91,315</b>	<b>21,234,115</b>

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**ENERGY EFFICIENCY**

**PGE**

<b>EXPENSES</b>	<b>Existing Buildings</b>	<b>New Buildings</b>	<b>NEEA Commercial</b>	<b>Production Efficiency</b>	<b>NEEA Industrial</b>	<b>Existing Homes</b>	<b>New Homes &amp; Products</b>	<b>NEEA Residential</b>	<b>ETO Total</b>
Program Management	1,308,626	377,329		672,627		303,186	726,965		3,388,733
Program Delivery:	9,085,007	3,039,950	1,196,686	5,128,864	(36,610)	1,787,658	2,374,114	2,757,491	25,333,160
Incentives:	18,057,198	5,936,003		10,620,734		3,760,942	11,545,144		49,920,021
Program Eval & Planning Svcs.:	872,198	466,616	17,633	499,035	17,633	287,300	294,996	17,633	2,473,044
Program Marketing/Outreach:	869,939	320,112		142,280		659,281	849,910		2,841,522
Program Legal									-
Program Quality Assurance:									-
Outsourced Services:	106,949	116,264		138,345		65,032	190,395		616,985
Trade Allies & Cust. Svc. Mgmt.:	61,600	22,959		15,702		144,126	109,899		354,286
IT Services:	250,008	117,765		116,771		145,180	350,014		979,738
Other Program Expenses	79,593	23,017		74,797		29,270	46,913		253,590
<b>TOTAL PROGRAM EXPENSES</b>	<b>30,691,118</b>	<b>10,420,015</b>	<b>1,214,319</b>	<b>17,409,155</b>	<b>(18,977)</b>	<b>7,181,975</b>	<b>16,488,350</b>	<b>2,775,124</b>	<b>86,161,079</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	572,022	194,209	22,633	324,473	(354)	133,858	307,310	51,723	1,605,874
Communications & Customer Svc	493,501	167,550	19,526	279,932	(305)	115,483	265,126	44,623	1,385,436
<b>Total Administrative Costs</b>	<b>1,065,523</b>	<b>361,759</b>	<b>42,159</b>	<b>604,405</b>	<b>(659)</b>	<b>249,341</b>	<b>572,436</b>	<b>96,346</b>	<b>2,991,310</b>
<b>Total Program &amp; Admin Expenses</b>	<b>31,756,641</b>	<b>10,781,774</b>	<b>1,256,478</b>	<b>18,013,560</b>	<b>(19,636)</b>	<b>7,431,316</b>	<b>17,060,786</b>	<b>2,871,470</b>	<b>89,152,389</b>
<b>Energy Savings (kwh)</b>	<b>89,414,474</b>	<b>31,437,125</b>	<b>6,914,771</b>	<b>62,667,615</b>	<b>641,670</b>	<b>19,285,383</b>	<b>69,294,777</b>	<b>29,659,124</b>	<b>309,314,939</b>

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**ENERGY EFFICIENCY**

**Pacific Power**

<b>EXPENSES</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>Production</b>	<b>NEEA</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>ETO Total</b>
	<b>Buildings</b>	<b>Buildings</b>	<b>Commercial</b>	<b>Efficiency</b>	<b>Industrial</b>	<b>Homes</b>	<b>Homes &amp; Products</b>	<b>Residential</b>	
Program Management	737,544	180,154		476,942		298,200	375,704		2,068,544
Program Delivery:	4,526,167	1,445,280	831,595	3,648,736	(25,441)	1,752,763	1,133,194	1,916,223	15,228,517
Incentives:	10,911,235	2,828,423		6,239,550		3,631,854	5,698,522		29,309,584
Program Eval & Planning Svcs.:	496,571	247,626	12,253	298,742	12,253	278,543	145,533	12,253	1,503,774
Program Marketing/Outreach:	501,191	152,684		89,666		629,803	437,422		1,810,766
Program Legal									-
Program Quality Assurance:									-
Outsourced Services:	78,041	55,657		87,187		63,050	93,929		377,864
Trade Allies & Cust. Svc. Mgmt.:	35,071	10,991		9,896		139,733	54,218		249,909
IT Services:	142,338	56,376		73,591		140,755	172,675		585,735
Other Program Expenses	45,315	11,019		47,138		28,378	23,144		154,994
<b>TOTAL PROGRAM EXPENSES</b>	<b>17,473,473</b>	<b>4,988,210</b>	<b>843,848</b>	<b>10,971,448</b>	<b>(13,188)</b>	<b>6,963,079</b>	<b>8,134,341</b>	<b>1,928,476</b>	<b>51,289,687</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	325,671	92,970	15,728	204,486	(246)	129,778	151,608	35,943	955,938
Communications & Customer Svc	280,967	80,208	13,569	176,417	(212)	111,964	130,797	31,009	824,719
<b>Total Administrative Costs</b>	<b>606,638</b>	<b>173,178</b>	<b>29,297</b>	<b>380,903</b>	<b>(458)</b>	<b>241,742</b>	<b>282,405</b>	<b>66,952</b>	<b>1,780,657</b>
<b>Total Program &amp; Admin Expenses</b>	<b>18,080,111</b>	<b>5,161,388</b>	<b>873,145</b>	<b>11,352,351</b>	<b>(13,646)</b>	<b>7,204,821</b>	<b>8,416,746</b>	<b>1,995,428</b>	<b>53,070,344</b>
<b>Energy Savings (kwh)</b>	<b>55,846,815</b>	<b>19,104,599</b>	<b>4,805,180</b>	<b>41,087,053</b>	<b>445,906</b>	<b>18,110,377</b>	<b>38,369,305</b>	<b>20,610,578</b>	<b>198,379,813</b>



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**ENERGY EFFICIENCY**

**NW Natural Industrial**

<b>EXPENSES</b>	<b>Existing Buildings</b>	<b>New Buildings</b>	<b>NEEA Commercial</b>	<b>Production Efficiency</b>	<b>NEEA Industrial</b>	<b>Existing Homes</b>	<b>New Homes &amp; Products</b>	<b>NEEA Residential</b>	<b>ETO Total</b>
Program Management	61,653	5,083		125,912					192,648
Program Delivery:	259,231	40,873		632,583					932,687
Incentives:	1,373,072	80,010		1,120,654					2,573,736
Program Eval & Planning Svcs.:	46,409	5,492		50,305					102,206
Program Marketing/Outreach:	26,694	4,313		16,256					47,263
Program Legal									
Program Quality Assurance:									-
Outsourced Services:	1,568	1,566		15,806					18,940
Trade Allies & Cust. Svc. Mgmt.:	3,605	309		1,794					5,708
IT Services:	14,631	1,586		13,342					29,559
Other Program Expenses	4,658	310		8,546					13,514
<b>TOTAL PROGRAM EXPENSES</b>	<b>1,791,521</b>	<b>139,542</b>	-	<b>1,985,198</b>	-	-	-	-	<b>3,916,261</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	33,390	2,601		37,000					72,991
Communications & Customer Svc	28,807	2,244		31,921					62,972
<b>Total Administrative Costs</b>	<b>62,197</b>	<b>4,845</b>	-	<b>68,921</b>	-	-	-	-	<b>135,963</b>
<b>Total Program &amp; Admin Expenses</b>	<b>1,853,718</b>	<b>144,387</b>	-	<b>2,054,119</b>	-	-	-	-	<b>4,052,224</b>
<b>Energy Savings (therms)</b>	<b>875,260</b>	<b>12,150</b>	-	<b>956,914</b>	-	-	-	-	<b>1,844,324</b>

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**ENERGY EFFICIENCY**

**NW Natural Gas**

<b>EXPENSES</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>Production</b>	<b>NEEA</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>ETO Total</b>
	<b>Buildings</b>	<b>Buildings</b>	<b>Commercial</b>	<b>Efficiency</b>	<b>Industrial</b>	<b>Homes</b>	<b>Homes &amp; Products</b>	<b>Residential</b>	
Program Management	177,925	51,636		38,451		208,578	208,202		684,792
Program Delivery:	1,269,052	415,211	296,648	196,156		1,167,057	1,031,867	395,596	4,771,587
Incentives:	2,469,359	812,544		170,668		2,609,981	4,311,606		10,374,158
Program Eval & Planning Svcs.:	109,129	55,780		10,849		148,570	92,477		416,805
Program Marketing/Outreach:	114,817	43,813		3,506		507,769	255,230		925,135
Program Legal									
Program Quality Assurance:									-
Outsourced Services:	18,600	15,904		3,409		125,098	71,347		234,358
Trade Allies & Cust. Svc. Mgmt.:	8,477	3,141		387		101,222	41,183		154,410
IT Services:	34,405	16,109		2,877		101,962	131,162		286,515
Other Program Expenses	10,953	3,148		1,843		20,556	17,580		54,080
<b>TOTAL PROGRAM EXPENSES</b>	<b>4,212,717</b>	<b>1,417,286</b>	<b>296,648</b>	<b>428,146</b>	<b>-</b>	<b>4,990,793</b>	<b>6,160,654</b>	<b>395,596</b>	<b>17,901,840</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	78,517	26,415	5,529	7,980		93,019	114,822	7,373	333,655
Communications & Customer Svc	67,739	22,789	4,770	6,884		80,250	99,061	6,361	287,854
<b>Total Administrative Costs</b>	<b>146,256</b>	<b>49,204</b>	<b>10,299</b>	<b>14,864</b>	<b>-</b>	<b>173,269</b>	<b>213,883</b>	<b>13,734</b>	<b>621,509</b>
<b>Total Program &amp; Admin Expenses</b>	<b>4,358,973</b>	<b>1,466,490</b>	<b>306,947</b>	<b>443,010</b>	<b>-</b>	<b>5,164,062</b>	<b>6,374,537</b>	<b>409,330</b>	<b>18,523,349</b>
<b>Energy Savings (therms)</b>	<b>948,444</b>	<b>498,608</b>	<b>-</b>	<b>160,456</b>	<b>-</b>	<b>899,987</b>	<b>1,283,921</b>	<b>-</b>	<b>3,791,416</b>

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**ENERGY EFFICIENCY**

**Cascade Natural Gas**

<b>EXPENSES</b>	<b>Existing Buildings</b>	<b>New Buildings</b>	<b>NEEA Commercial</b>	<b>Production Efficiency</b>	<b>NEEA Industrial</b>	<b>Existing Homes</b>	<b>New Homes &amp; Products</b>	<b>NEEA Residential</b>	<b>ETO Total</b>
Program Management	31,048	10,791		18,916		48,742	21,242		130,739
Program Delivery:	224,512	86,768	32,961	36,379		55,064	106,425	43,955	586,064
Incentives:	447,754	169,817		94,016		123,026	443,262		1,277,875
Program Eval & Planning Svcs.:	20,414	11,657		3,997		8,119	9,499		53,686
Program Marketing/Outreach:	19,998	9,156		1,292		23,049	25,554		79,049
Program Legal									
Program Quality Assurance:									-
Outsourced Services:	34,242	3,324		1,256		2,496	7,329		48,647
Trade Allies & Cust. Svc. Mgmt.:	1,586	656		143		5,531	4,230		12,146
IT Services:	6,436	3,367		1,060		5,572	13,473		29,908
Other Program Expenses	2,049	658		679		1,123	1,806		6,315
<b>TOTAL PROGRAM EXPENSES</b>	<b>788,039</b>	<b>296,194</b>	<b>32,961</b>	<b>157,738</b>	<b>-</b>	<b>272,722</b>	<b>632,820</b>	<b>43,955</b>	<b>2,224,429</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	14,687	5,520	614	2,940		5,083	11,795	819	41,458
Communications & Customer Svc	12,671	4,763	530	2,536		4,385	10,175	707	35,767
<b>Total Administrative Costs</b>	<b>27,358</b>	<b>10,283</b>	<b>1,144</b>	<b>5,476</b>	<b>-</b>	<b>9,468</b>	<b>21,970</b>	<b>1,526</b>	<b>77,225</b>
<b>Total Program &amp; Admin Expenses</b>	<b>815,397</b>	<b>306,477</b>	<b>34,105</b>	<b>163,214</b>	<b>-</b>	<b>282,190</b>	<b>654,790</b>	<b>45,481</b>	<b>2,301,654</b>
<b>Energy Savings (therms)</b>	<b>206,280</b>	<b>86,956</b>	<b>-</b>	<b>37,153</b>	<b>-</b>	<b>64,291</b>	<b>131,076</b>	<b>-</b>	<b>525,756</b>

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**ENERGY EFFICIENCY**

**NW Natural Washington**

<b>EXPENSES</b>	<b>Existing Buildings</b>	<b>NEEA Commercial</b>	<b>Existing Homes</b>	<b>New Homes &amp; Products</b>	<b>NEEA Residential</b>	<b>ETO Total</b>
Program Management	48,956		36,194	34,545		119,695
Program Delivery:	135,392	33,524	109,336	129,560	44,706	452,518
Incentives:	314,668		198,352	468,126		981,146
Program Eval & Planning Svcs.:	27,291		29,115	22,304		78,710
Program Marketing/Outreach:	52,982		20,000	13,000		85,982
Program Legal						
Program Quality Assurance						
Outsourced Services:	1,000		6,000	35,550		42,550
Trade Allies & Cust. Svc. Mgmt.:	10,144		13,537	6,270		29,951
IT Services:	9,951		20,094	382		30,427
Other Program Expenses	12,419		14,145	7,749		34,313
<b>TOTAL PROGRAM EXPENSES</b>	<b>612,803</b>	<b>33,524</b>	<b>446,773</b>	<b>717,486</b>	<b>44,706</b>	<b>1,855,292</b>
<b>ADMINISTRATIVE COSTS</b>						
Management & General	11,421	625	8,327	13,373	833	34,579
Communications & Customer Svc	9,854	539	7,184	11,537	719	29,833
<b>Total Administrative Costs</b>	<b>21,275</b>	<b>1,164</b>	<b>15,511</b>	<b>24,910</b>	<b>1,552</b>	<b>64,412</b>
<b>Total Program &amp; Admin Expenses</b>	<b>634,078</b>	<b>34,688</b>	<b>462,284</b>	<b>742,396</b>	<b>46,258</b>	<b>1,919,704</b>
<b>Energy Savings (therms)</b>	<b>114,882</b>	<b>-</b>	<b>70,303</b>	<b>143,914</b>		<b>329,099</b>

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

**RENEWABLE PROGRAMS**

**PGE Renewables**

<b>EXPENSES</b>	<b>Standard Solar</b>	<b>Custom Projects</b>	<b>ETO Total</b>
Program Management	350,345	153,324	503,669
Program Delivery:	259,500		259,500
Incentives:	7,208,700	1,730,610	8,939,310
Program Eval & Planning Svcs.:	82,474	4,207	86,681
Program Marketing/Outreach:	95,886	12,160	108,046
Program Legal	-	-	-
Program Quality Assurance:			-
Outsourced Services:	118,437	24,984	143,421
Trade Allies & Cust. Svc. Mgmt.:	34,573	1,419	35,992
IT Services:	70,796	31,442	102,238
Other Program Expenses	146,022	20,730	166,752
<b>TOTAL PROGRAM EXPENSES</b>	<b>8,366,733</b>	<b>1,978,876</b>	<b>10,345,609</b>
<b>ADMINISTRATIVE COSTS</b>			
Management & General	155,940	36,882	192,822
Communications & Customer Svc	134,534	31,820	166,354
<b>Total Administrative Costs</b>	<b>290,474</b>	<b>68,702</b>	<b>359,176</b>
<b>Total Program &amp; Admin Expenses</b>	<b>8,657,207</b>	<b>2,047,578</b>	<b>10,704,785</b>
<b>Energy Generation (kwh)</b>	<b>12,628,800</b>	<b>-</b>	<b>12,628,800</b>

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

**RENEWABLE PROGRAMS**

**Pacific Power Renewables**

<b>EXPENSES</b>	<b>Standard Solar</b>	<b>Custom Projects</b>	<b>ETO Total</b>
Program Management	217,100	317,948	535,048
Program Delivery:	180,500		180,500
Incentives:	4,422,600	3,275,900	7,698,500
Program Eval & Planning Svcs.:	50,846	8,724	59,570
Program Marketing/Outreach:	59,114	19,840	78,954
Program Legal	-	-	-
Program Quality Assurance:			-
Outsourced Services:	73,018	365,116	438,134
Trade Allies & Cust. Svc. Mgmt.:	21,314	2,943	24,257
IT Services:	43,646	65,202	108,848
Other Program Expenses	90,024	47,920	137,944
<b>TOTAL PROGRAM EXPENSES</b>	<b>5,158,162</b>	<b>4,103,593</b>	<b>9,261,755</b>
<b>ADMINISTRATIVE COSTS</b>			
Management & General	96,138	76,483	172,621
Communications & Customer Svc	82,941	65,984	148,925
<b>Total Administrative Costs</b>	<b>179,079</b>	<b>142,467</b>	<b>321,546</b>
<b>Total Program &amp; Admin Expenses</b>	<b>5,337,241</b>	<b>4,246,060</b>	<b>9,583,301</b>
<b>Energy Generation (kwh)</b>	<b>8,514,000</b>	<b>91,315</b>	<b>8,605,315</b>

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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)
<b>Commercial</b>							
Business Energy Solutions – Existing Buildings	53.8	11.3	65.1	15.13	3.8	2,590,334	41.10
Business Energy Solutions – New Buildings	20.6	3.2	23.8	8.00	2.5	1,001,564	25.81
Mkt Transformation (Alliance)	2.4	0.4	2.9	1.88	2.5		
<b>Total Commercial</b>	<b>76.8</b>	<b>14.9</b>	<b>91.7</b>	<b>25.01</b>	<b>3.3</b>	<b>3,591,898</b>	<b>37.27</b>
<b>Industrial</b>							
Production Efficiency	34.3	3.0	37.3	16.97	2.5	1,104,744	23.95
Mkt Transformation (Alliance)	0.2	0.0	0.2	0.05	7.8		
<b>Total Industrial</b>	<b>34.6</b>	<b>3.0</b>	<b>37.5</b>	<b>17.02</b>	<b>2.5</b>	<b>1,104,744</b>	<b>23.95</b>
<b>Residential</b>							
Home Energy Solutions – Existing Homes	13.1	6.8	19.9	3.70	3.7	1,126,926	48.03
Home Energy Solutions – New Homes & Products	26.1	5.0	31.1	10.81	2.8	1,958,967	16.42
Mkt Transformation (Alliance)	4.3	1.1	5.5	4.89	1.0		
<b>Total Residential</b>	<b>43.5</b>	<b>12.9</b>	<b>56.4</b>	<b>19.41</b>	<b>2.5</b>	<b>3,085,893</b>	<b>28.70</b>
<b>Washington</b>							
Business Energy Solutions – Existing Buildings		0.9	0.9			156,525	48.77
Home Energy Solutions – Existing Homes		0.6	0.6			67,554	63.37
Home Energy Solutions – New Homes & Products		0.6	0.6			57,761	63.50
		0.2	0.2				
<b>Total Washington</b>		<b>2.2</b>	<b>2.2</b>			<b>281,841</b>	<b>59.58</b>
<b>Total Energy Efficiency</b>	<b>\$154.9</b>	<b>\$32.9</b>	<b>\$187.8</b>	<b>61.43</b>	<b>2.8</b>	<b>8,064,375</b>	<b>32.28</b>

**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	7.7		6.5	0.81	9.51	0.00	5,419.00
Solar Electric	10.2		13.2	1.51	6.74	2.75	4.82
<b>Total Renewable Resources</b>	<b>\$17.9</b>		<b>\$19.7</b>	<b>2.32</b>	<b>7.71</b>	<b>2.75</b>	<b>7.17</b>

**TOTAL BUDGET - ALL**

**\$207.6**

<sup>1</sup> some columns may not add due to rounding



**ENERGY TRUST OF OREGON**  
**Income Statement by Service Territory**  
**2018 Draft Annual Projection**

	ENERGY EFFICIENCY								
	PGE	PacifiCorp	Total	NWN Industrial	NW Natural	Cascade	Avista	Oregon Total	NWN WA
<b>REVENUES</b>									
Public Purpose Funding	28,800,000	21,348,117	50,148,117	0	19,072,900	2,730,021	1,052,909	73,003,947	0
Incremental Funding	69,333,950	35,510,776	104,844,726	7,963,668				112,808,394	2,216,756
Contributions									
Revenue from Investments									
<b>TOTAL PROGRAM REVENUE</b>	<b>98,133,950</b>	<b>56,858,893</b>	<b>154,992,843</b>	<b>7,963,668</b>	<b>19,072,900</b>	<b>2,730,021</b>	<b>1,052,909</b>	<b>185,812,341</b>	<b>2,216,756</b>
<b>EXPENSES</b>									
Program Management (Note 3)	3,610,999	2,125,115	5,736,114	260,243	747,461	91,601	43,562	6,878,983	145,777
Program Delivery	27,045,604	16,380,519	43,426,122	972,711	5,602,183	789,476	246,670	51,037,164	546,228
Incentives	55,917,967	31,596,981	87,514,950	6,067,124	10,114,891	1,529,842	601,665	105,828,471	884,147
Program Eval & Planning Svcs.	2,833,071	1,633,367	4,466,437	171,788	446,074	58,601	27,071	5,169,972	282,014
Program Marketing/Outreach	2,752,914	1,648,575	4,401,489	54,013	783,204	77,329	49,565	5,365,599	115,832
Program Legal Services	0	0	0	0	0	0	0	0	0
Program Quality Assurance	47,110	24,127	71,238	0	11,667	1,406	689	85,000	0
Outsourced Services	676,778	378,795	1,055,571	38,764	149,936	15,652	9,327	1,269,250	36,550
Trade Allies & Cust. Svc. Mgmt.	352,114	241,386	593,501	18,890	163,051	10,793	10,665	796,899	40,133
IT Services	858,622	507,331	1,365,953	57,412	220,411	24,511	13,687	1,681,973	41,428
Other Program Expenses - all	258,926	154,295	413,221	21,468	53,000	6,186	3,209	497,085	40,790
<b>TOTAL PROGRAM EXPENSES</b>	<b>94,354,105</b>	<b>54,690,491</b>	<b>149,044,596</b>	<b>7,662,413</b>	<b>18,291,878</b>	<b>2,605,397</b>	<b>1,006,110</b>	<b>178,610,396</b>	<b>2,132,899</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General (Notes 1 & 2)	1,829,328	1,060,335	2,889,665	148,558	354,642	50,513	19,507	3,462,885	41,352
Communications & Customer Svc (Notes 1 & 2)	1,880,290	1,089,873	2,970,161	152,696	364,519	51,920	20,049	3,559,347	42,504
<b>Total Administrative Costs</b>	<b>3,709,618</b>	<b>2,150,208</b>	<b>5,859,826</b>	<b>301,254</b>	<b>719,161</b>	<b>102,433</b>	<b>39,556</b>	<b>7,022,232</b>	<b>83,856</b>
<b>TOTAL PROG &amp; ADMIN EXPENSES</b>	<b>98,063,723</b>	<b>56,840,699</b>	<b>154,904,422</b>	<b>7,963,667</b>	<b>19,011,039</b>	<b>2,707,830</b>	<b>1,045,666</b>	<b>185,632,628</b>	<b>2,216,755</b>
<b>TOTAL REVENUE LESS EXPENSES</b>	<b>70,227</b>	<b>18,194</b>	<b>88,421</b>		<b>61,861</b>	<b>22,191</b>	<b>7,243</b>	<b>179,713</b>	
<b>NET ASSETS - RESERVES</b>									
Cumulative Carryover at 12/31/17 Budget (Note 4)	1,891,043	1,687,024	3,578,062	200,000	888,691	248,592	97,329	5,012,675	100,000
Change in net assets this year	70,227	18,194	88,421	0	61,861	22,191	7,243	179,713	0
<b>Ending Net Assets - Reserves</b>	<b>1,961,270</b>	<b>1,705,218</b>	<b>3,666,483</b>	<b>200,000</b>	<b>950,552</b>	<b>270,783</b>	<b>104,572</b>	<b>5,192,388</b>	<b>100,000</b>
<b>Ending Reserve by Category</b>									
Program Reserves (Efficiency and Renewables)	1,961,270	1,705,218	3,666,483	200,000	950,552	270,783	104,572	5,192,388	100,000
Assets Released for General Purpose Emergency Contingency Pool									
<b>TOTAL NET ASSETS CUMULATIVE</b>	<b>1,961,270</b>	<b>1,705,218</b>	<b>3,666,483</b>	<b>200,000</b>	<b>950,552</b>	<b>270,783</b>	<b>104,572</b>	<b>5,192,388</b>	<b>100,000</b>

Note 1) Management & General and Communications & Outreach Expenses (Admin) have been allocated based on total expenses.

Note 2) Admin costs are allocated for mgmt reporting only. GAAP for Not for Profits does not allow allocation of admin costs to program expenses.

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

Note 4) Cumulative carryover is from the 2017 Draft Budget.

**ENERGY TRUST OF OREGON**  
**Income Statement by Service Territory**  
**2018 Draft Annual Projection**

	RENEWABLE ENERGY				TOTAL	
	Efficiency Total	PGE	PacifiCorp	Total	Other	All Programs
<b>REVENUES</b>						
Public Purpose Funding	73,003,947	8,455,027	6,176,482	14,631,508	0	87,635,455
Incremental Funding	115,025,150					115,025,150
Contributions						
Revenue from Investments					120,000	120,000
<b>TOTAL PROGRAM REVENUE</b>	<b>188,029,097</b>	<b>8,455,027</b>	<b>6,176,482</b>	<b>14,631,508</b>	<b>120,000</b>	<b>202,780,605</b>
<b>EXPENSES</b>						
Program Management (Note 3)	7,024,760	677,848	519,060	1,196,908		8,221,668
Program Delivery	51,583,392	264,120	180,380	444,500		52,027,892
Incentives	106,712,618	8,047,550	6,167,550	14,215,100		120,927,718
Program Eval & Planning Svcs.	5,451,986	110,976	92,511	203,487		5,655,473
Program Marketing/Outreach	5,481,431	106,750	104,250	211,000		5,692,431
Program Legal Services	0	5,703	4,297	10,000		10,000
Program Quality Assurance	85,000	0	0	0		85,000
Outsourced Services	1,305,800	284,451	274,048	558,499		1,864,299
Trade Allies & Cust. Svc. Mgmt.	837,032	52,615	47,366	99,981		937,013
IT Services	1,723,401	140,471	108,832	249,303		1,972,704
Other Program Expenses - all	537,875	178,998	153,967	332,965		870,840
<b>TOTAL PROGRAM EXPENSES</b>	<b>180,743,295</b>	<b>9,869,482</b>	<b>7,652,261</b>	<b>17,521,743</b>	<b>0</b>	<b>198,265,038</b>
<b>ADMINISTRATIVE COSTS</b>						
Management & General (Notes 1 & 2)	3,504,237	191,349	148,361	339,710		3,843,947
Communications & Customer Svc (Notes 1 & 2)	3,601,851	196,679	152,494	349,173		3,951,024
<b>Total Administrative Costs</b>	<b>7,106,088</b>	<b>388,028</b>	<b>300,855</b>	<b>688,883</b>		<b>7,794,971</b>
<b>TOTAL PROG &amp; ADMIN EXPENSES</b>	<b>187,849,383</b>	<b>10,257,510</b>	<b>7,953,116</b>	<b>18,210,626</b>		<b>206,060,009</b>
<b>TOTAL REVENUE LESS EXPENSES</b>	<b>179,714</b>	<b>(1,802,483)</b>	<b>(1,776,634)</b>	<b>(3,579,118)</b>	<b>120,000</b>	<b>(3,279,404)</b>
<b>NET ASSETS - RESERVES</b>						
Cumulative Carryover at 12/31/17 Budget (Note 4)	5,112,674	5,984,262	4,182,183	10,166,439	9,477,641	24,756,754
Change in net assets this year	179,714	(1,802,483)	(1,776,634)	(3,579,118)	120,000	(3,279,404)
<b>Ending Net Assets - Reserves</b>	<b>5,292,388</b>	<b>4,181,779</b>	<b>2,405,549</b>	<b>6,587,321</b>	<b>9,597,641</b>	<b>21,477,350</b>
<b>Ending Reserve by Category</b>						
Program Reserves (Efficiency and Renewables)	5,292,388	4,181,779	2,405,549	6,587,321	9,597,641	21,477,350
Assets Released for General Purpose						
Emergency Contingency Pool						
<b>TOTAL NET ASSETS CUMULATIVE</b>	<b>5,292,388</b>	<b>4,181,779</b>	<b>2,405,549</b>	<b>6,587,321</b>	<b>9,597,641</b>	<b>21,477,350</b>

Note 1) Management & General and Communications & Outreach Expenses (Admin) have been allocated based on total expenses.

Note 2) Admin costs are allocated for mgmt rep allocation of admin costs to program e

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

Note 4) Cumulative carryover is from the 2017 Draft Budget.

**Energy Trust of Oregon**  
**Statement of Functional Expenses**  
**2018 Draft Annual Projection**

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communications & Outreach	Total Admin Expenses	Total
<b>Program Expenses</b>							
Incentives	106,712,618	14,215,100	120,927,719				120,927,719
Program Management & Delivery	58,676,033	454,500	59,130,533				59,130,533
Payroll and Related Expenses	3,870,650	1,186,908	5,057,558	2,698,777	1,816,877	4,515,654	9,573,212
Outsourced Services	5,836,099	829,499	6,665,598	375,500	1,446,000	1,821,500	8,487,098
Planning and Evaluation	2,549,587	153,487	2,703,074	5,685	133,590	139,275	2,842,349
Customer Service Management	459,007	89,368	548,375				548,375
Trade Allies Network	378,025	20,613	398,638				398,638
<b>Total Program Expenses</b>	<b>178,482,019</b>	<b>16,949,475</b>	<b>195,431,494</b>	<b>3,079,962</b>	<b>3,396,468</b>	<b>6,476,429</b>	<b>201,907,924</b>
<b>Program Support Costs</b>							
Supplies	12,607	4,049	16,656	12,660	6,218	18,878	35,534
Postage and Shipping Expenses	4,299	1,499	5,799	4,967	1,933	6,899	12,698
Telephone	3,153	2,000	5,152	1,809	1,417	3,226	8,378
Printing and Publications		300	300	4,500	4,000	8,500	8,800
Occupancy Expenses	269,444	93,981	363,426	154,600	121,131	275,731	639,157
Insurance	31,526	10,996	42,523	18,089	14,173	32,262	74,784
Equipment	3,439	176,800	180,239	1,973	1,546	3,519	183,758
Travel	70,750	8,600	79,350	51,950	45,000	96,950	176,300
Meetings, Trainings & Conferences	43,500	11,200	54,700	73,150	12,500	85,650	140,350
Interest Expense and Bank Fees				4,000		4,000	4,000
Depreciation & Amortization	18,822	6,565	25,387	10,800	8,462	19,261	44,648
Dues, Licenses and Fees	79,546	6,700	86,246	14,930	16,500	31,430	117,676
Miscellaneous Expenses	788	275	1,063	452	354	807	1,870
IT Services	1,723,401	249,303	1,972,704	410,105	321,323	731,429	2,704,133
<b>Total Program Support Costs</b>	<b>2,261,276</b>	<b>572,268</b>	<b>2,833,544</b>	<b>763,985</b>	<b>554,558</b>	<b>1,318,543</b>	<b>4,152,087</b>
<b>TOTAL EXPENSES</b>	<b>180,743,295</b>	<b>17,521,743</b>	<b>198,265,038</b>	<b>3,843,947</b>	<b>3,951,025</b>	<b>7,794,972</b>	<b>206,060,010</b>

**OPUC Measure vs. 8%** **5.24%**

Energy Trust of Oregon  
Summary by Service Territory and Program  
2018 Draft Annual Projection

	PGE	Pacific Power	Subtotal Elec.	NWN Industrial	NWNNatural Gas	Cascade	Avista	Subtotal Gas	Oregon Total	NWN WA	ETO Total
<b>Energy Efficiency</b>											
<b>Commercial</b>											
Existing Buildings	34,454,603	19,354,232	53,808,834	5,654,448	4,152,316	1,268,843	190,918	11,266,525	65,075,359	850,490	65,925,849
New Buildings	13,734,387	6,838,084	20,572,471	154,557	2,456,167	436,108	163,676	3,210,508	23,782,979		23,782,979
NEEA	1,441,926	1,002,016	2,443,942		377,042	41,894		418,936	2,862,878	42,610	2,905,488
<b>Total Commercial</b>	<b>49,630,916</b>	<b>27,194,332</b>	<b>76,825,248</b>	<b>5,809,005</b>	<b>6,985,525</b>	<b>1,746,845</b>	<b>354,594</b>	<b>14,895,968</b>	<b>91,721,216</b>	<b>893,100</b>	<b>92,614,316</b>
<b>Industrial</b>											
Production Efficiency	21,497,991	12,840,866	34,338,857	2,154,662	651,342	120,406	25,812	2,952,221	37,291,078		37,291,078
NEEA	135,955	94,477	230,432						230,432		230,432
<b>Total Industrial</b>	<b>21,633,946</b>	<b>12,935,343</b>	<b>34,569,289</b>	<b>2,154,662</b>	<b>651,342</b>	<b>120,406</b>	<b>25,812</b>	<b>2,952,221</b>	<b>37,521,510</b>	<b>-</b>	<b>37,521,510</b>
<b>Residential</b>											
Existing Homes	7,002,710	6,104,310	13,107,020	-	6,121,804	217,229	415,160	6,754,193	19,861,213	620,979	20,482,192
New Homes/Products	17,234,493	8,826,579	26,061,072	-	4,232,959	510,083	250,102	4,993,143	31,054,215	587,474	31,641,689
NEEA	2,561,657	1,780,134	4,341,791		1,019,411	113,268		1,132,679	5,474,470	115,204	5,589,674
<b>Total Residential</b>	<b>26,798,860</b>	<b>16,711,024</b>	<b>43,509,884</b>	<b>0</b>	<b>11,374,174</b>	<b>840,579</b>	<b>665,262</b>	<b>12,880,014</b>	<b>56,389,898</b>	<b>1,323,657</b>	<b>57,713,555</b>
<b>Energy Efficiency Program Costs</b>	<b>98,063,722</b>	<b>56,840,698</b>	<b>154,904,420</b>	<b>7,963,666</b>	<b>19,011,040</b>	<b>2,707,830</b>	<b>1,045,668</b>	<b>30,728,204</b>	<b>185,632,624</b>	<b>2,216,757</b>	<b>187,849,381</b>
<b>Renewables</b>											
Solar Electric (Photovoltaic)	5,527,042	4,996,836	10,523,878						10,523,878		10,523,878
Other Renewable	4,730,468	2,956,280	7,686,748						7,686,748		7,686,748
<b>Renewables Program Costs</b>	<b>10,257,510</b>	<b>7,953,116</b>	<b>18,210,626</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,210,626</b>	<b>-</b>	<b>18,210,626</b>
<b>Cost Grand Total</b>	<b>108,321,232</b>	<b>64,793,814</b>	<b>173,115,046</b>	<b>7,963,666</b>	<b>19,011,040</b>	<b>2,707,830</b>	<b>1,045,668</b>	<b>30,728,204</b>	<b>203,843,250</b>	<b>2,216,757</b>	<b>206,060,010</b>
<b>Cost Grand Total</b>	<b>108,321,232</b>	<b>64,793,814</b>	<b>173,115,046</b>	<b>7,963,666</b>	<b>19,011,040</b>	<b>2,707,830</b>	<b>1,045,668</b>	<b>30,728,204</b>	<b>203,843,250</b>	<b>2,216,757</b>	<b>206,060,010</b>

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**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	2,097,719	679,435	-	1,569,767	-	921,988	1,610,072	-	145,777	654,928	541,980	8,221,666
Program Delivery:	17,218,703	5,333,274	2,728,998	10,457,287	196,134	4,873,371	4,987,599	5,241,797	546,228	444,500	-	52,027,891
Incentives:	39,084,362	15,073,954	-	21,658,365	-	10,119,871	19,891,918	-	884,147	7,980,000	6,235,100	120,927,717
Program Eval & Planning Svcs.:	1,523,307	818,219	25,581	1,184,650	25,581	668,779	898,274	25,581	282,014	145,167	58,320	5,655,473
Program Marketing/Outreach:	1,591,372	541,170	-	305,501	-	1,405,784	1,521,773	-	115,832	183,000	28,000	5,692,432
Program Legal	-	-	-	-	-	-	-	-	-	5,000	5,000	10,000
Program Quality Assurance:	-	-	-	-	-	-	84,999	-	-	-	-	84,999
Outsourced Services:	298,251	128,000	-	258,000	-	250,000	335,001	-	36,550	206,499	352,000	1,864,301
Trade Allies & Cust. Svc. Mgmt.:	180,396	46,604	-	48,777	-	429,732	91,390	-	40,133	98,808	1,173	937,013
IT Services:	478,166	234,981	-	243,625	-	356,284	368,918	-	41,428	143,563	105,740	1,972,705
Other Program Expenses	141,370	27,665	-	154,438	-	84,078	89,533	-	40,790	264,310	68,655	870,839
<b>TOTAL PROGRAM EXPENSES</b>	<b>62,613,646</b>	<b>22,883,302</b>	<b>2,754,579</b>	<b>35,880,410</b>	<b>221,715</b>	<b>19,109,887</b>	<b>29,879,477</b>	<b>5,267,378</b>	<b>2,132,899</b>	<b>10,125,775</b>	<b>7,395,968</b>	<b>198,265,036</b>
<b>ADMINISTRATIVE COSTS</b>												
Management & General	1,213,948	443,659	53,406	695,646	4,298	370,501	579,301	102,124	41,352	196,317	143,393	3,843,945
Communications & Customer Svc	1,247,765	456,017	54,893	715,026	4,419	380,821	595,437	104,969	42,504	201,786	147,387	3,951,024
<b>Total Administrative Costs</b>	<b>2,461,713</b>	<b>899,676</b>	<b>108,299</b>	<b>1,410,672</b>	<b>8,717</b>	<b>751,322</b>	<b>1,174,738</b>	<b>207,093</b>	<b>83,856</b>	<b>398,103</b>	<b>290,780</b>	<b>7,794,969</b>
<b>Total Program &amp; Admin Expenses</b>	<b>65,075,359</b>	<b>23,782,978</b>	<b>2,862,878</b>	<b>37,291,082</b>	<b>230,432</b>	<b>19,861,209</b>	<b>31,054,215</b>	<b>5,474,471</b>	<b>2,216,755</b>	<b>10,523,878</b>	<b>7,686,748</b>	<b>206,060,005</b>
<b>Energy Savings (kwh)</b>	<b>132,517,262</b>	<b>70,053,032</b>	<b>16,481,491</b>	<b>148,616,013</b>	<b>449,931</b>	<b>32,409,935</b>	<b>94,733,214</b>	<b>42,871,023</b>				<b>538,131,901</b>
<b>Energy Savings (therms)</b>	<b>2,590,334</b>	<b>1,001,564</b>	<b>-</b>	<b>1,104,744</b>	<b>-</b>	<b>1,126,926</b>	<b>1,958,967</b>	<b>-</b>	<b>281,840</b>			<b>8,064,375</b>
<b>Energy Generation (kwh)</b>										<b>15,373,600</b>	<b>7,080,000</b>	<b>22,453,600</b>

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**ENERGY EFFICIENCY**

**PGE**

<b>EXPENSES</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>Production</b>	<b>NEEA</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>ETO Total</b>
	<b>Buildings</b>	<b>Buildings</b>	<b>Commercial</b>	<b>Efficiency</b>	<b>Industrial</b>	<b>Homes</b>	<b>Homes &amp; Products</b>	<b>Residential</b>	
Program Management	1,174,723	393,406		824,395		315,596	902,879		3,610,999
Program Delivery:	9,843,385	3,093,982	1,372,287	5,734,238	115,719	1,694,253	2,742,080	2,449,660	27,045,604
Incentives:	19,773,192	8,681,380		12,850,203		3,583,089	11,030,103		55,917,967
Program Eval & Planning Svcs.:	845,042	479,847	15,093	693,525	15,093	255,805	513,573	15,093	2,833,071
Program Marketing/Outreach:	917,650	313,859		176,100		495,354	849,951		2,752,914
Program Legal									-
Program Quality Assurance:							47,110		47,110
Outsourced Services:	174,214	73,876		148,719		87,874	192,095		676,778
Trade Allies & Cust. Svc. Mgmt.:	95,399	26,897		28,116		151,050	50,652		352,114
IT Services:	252,867	135,620		140,433		125,233	204,469		858,622
Other Program Expenses	74,760	15,967		89,023		29,553	49,623		258,926
<b>TOTAL PROGRAM EXPENSES</b>	<b>33,151,232</b>	<b>13,214,834</b>	<b>1,387,380</b>	<b>20,684,752</b>	<b>130,812</b>	<b>6,737,807</b>	<b>16,582,535</b>	<b>2,464,753</b>	<b>94,354,105</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	642,733	256,208	26,898	401,034	2,536	130,632	321,501	47,786	1,829,328
Communications & Customer Svc	660,638	263,345	27,648	412,206	2,607	134,271	330,457	49,118	1,880,290
<b>Total Administrative Costs</b>	<b>1,303,371</b>	<b>519,553</b>	<b>54,546</b>	<b>813,240</b>	<b>5,143</b>	<b>264,903</b>	<b>651,958</b>	<b>96,904</b>	<b>3,709,618</b>
<b>Total Program &amp; Admin Expenses</b>	<b>34,454,603</b>	<b>13,734,387</b>	<b>1,441,926</b>	<b>21,497,992</b>	<b>135,955</b>	<b>7,002,710</b>	<b>17,234,493</b>	<b>2,561,657</b>	<b>98,063,723</b>
<b>Energy Savings (kwh)</b>	<b>86,303,554</b>	<b>47,736,109</b>	<b>9,724,080</b>	<b>98,687,411</b>	<b>265,459</b>	<b>18,035,555</b>	<b>59,752,981</b>	<b>25,293,903</b>	<b>345,799,052</b>

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**ENERGY EFFICIENCY**

**Pacific Power**

<b>EXPENSES</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>Production</b>	<b>NEEA</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>ETO Total</b>
	<b>Buildings</b>	<b>Buildings</b>	<b>Commercial</b>	<b>Efficiency</b>	<b>Industrial</b>	<b>Homes</b>	<b>Homes &amp; Products</b>	<b>Residential</b>	
Program Management	629,771	195,869		533,612		263,476	502,387		2,125,115
Program Delivery:	5,480,552	1,540,433	953,623	3,852,236	80,415	1,451,210	1,319,744	1,702,306	16,380,519
Incentives:	11,227,719	4,322,290		7,219,100		3,159,037	5,668,835		31,596,981
Program Eval & Planning Svcs.:	474,686	238,906	10,488	402,300	10,488	222,987	263,024	10,488	1,633,367
Program Marketing/Outreach:	493,532	156,265		105,185		433,482	460,111		1,648,575
Program Legal									-
Program Quality Assurance:							24,127		24,127
Outsourced Services:	78,201	36,781		88,831		76,601	98,381		378,795
Trade Allies & Cust. Svc. Mgmt.:	53,588	13,392		16,794		131,671	25,941		241,386
IT Services:	142,043	67,523		83,881		109,166	104,718		507,331
Other Program Expenses	41,995	7,950		53,174		25,762	25,414		154,295
<b>TOTAL PROGRAM EXPENSES</b>	<b>18,622,087</b>	<b>6,579,409</b>	<b>964,111</b>	<b>12,355,113</b>	<b>90,903</b>	<b>5,873,392</b>	<b>8,492,682</b>	<b>1,712,794</b>	<b>54,690,491</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	361,044	127,561	18,692	239,540	1,762	113,873	164,655	33,208	1,060,335
Communications & Customer Svc	371,101	131,114	19,213	246,213	1,812	117,045	169,242	34,133	1,089,873
<b>Total Administrative Costs</b>	<b>732,145</b>	<b>258,675</b>	<b>37,905</b>	<b>485,753</b>	<b>3,574</b>	<b>230,918</b>	<b>333,897</b>	<b>67,341</b>	<b>2,150,208</b>
<b>Total Program &amp; Admin Expenses</b>	<b>19,354,232</b>	<b>6,838,084</b>	<b>1,002,016</b>	<b>12,840,866</b>	<b>94,477</b>	<b>6,104,310</b>	<b>8,826,579</b>	<b>1,780,135</b>	<b>56,840,699</b>
<b>Energy Savings (kwh)</b>	<b>46,213,708</b>	<b>22,316,922</b>	<b>6,757,411</b>	<b>49,928,602</b>	<b>184,472</b>	<b>14,374,380</b>	<b>34,980,233</b>	<b>17,577,120</b>	<b>192,332,849</b>

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**ENERGY EFFICIENCY**

**NW Natural Industrial**

<b>EXPENSES</b>	<b>Existing Buildings</b>	<b>New Buildings</b>	<b>NEEA Commercial</b>	<b>Production Efficiency</b>	<b>NEEA Industrial</b>	<b>Existing Homes</b>	<b>New Homes &amp; Products</b>	<b>NEEA Residential</b>	<b>ETO Total</b>
Program Management	108,442	2,253		149,548					260,243
Program Delivery:	292,999	7,500		672,212					972,711
Incentives:	4,808,603	130,404		1,128,117					6,067,124
Program Eval & Planning Svcs.:	102,172	4,788		64,828					171,788
Program Marketing/Outreach:	35,427	913		17,673					54,013
Program Legal									
Program Quality Assurance:									-
Outsourced Services:	23,004	835		14,925					38,764
Trade Allies & Cust. Svc. Mgmt.:	15,764	304		2,822					18,890
IT Services:	41,785	1,533		14,094					57,412
Other Program Expenses	12,354	180		8,934					21,468
<b>TOTAL PROGRAM EXPENSES</b>	<b>5,440,550</b>	<b>148,710</b>	-	<b>2,073,153</b>	-	-	-	-	<b>7,662,413</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	105,481	2,883		40,194					148,558
Communications & Customer Svc	108,419	2,963		41,314					152,696
<b>Total Administrative Costs</b>	<b>213,900</b>	<b>5,846</b>	-	<b>81,508</b>	-	-	-	-	<b>301,254</b>
<b>Total Program &amp; Admin Expenses</b>	<b>5,654,450</b>	<b>154,556</b>	-	<b>2,154,661</b>	-	-	-	-	<b>7,963,667</b>
<b>Energy Savings (therms)</b>	<b>1,449,647</b>	<b>69,147</b>	-	<b>761,581</b>	-	-	-	-	<b>2,280,375</b>



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**ENERGY EFFICIENCY**

**NW Natural Gas**

<b>EXPENSES</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>Production</b>	<b>NEEA</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>ETO Total</b>
	<b>Buildings</b>	<b>Buildings</b>	<b>Commercial</b>	<b>Efficiency</b>	<b>Industrial</b>	<b>Homes</b>	<b>Homes &amp; Products</b>	<b>Residential</b>	
Program Management	140,342	70,654		48,806		313,487	174,172		747,461
Program Delivery:	1,191,669	555,668	362,779	155,508		1,572,038	783,673	980,848	5,602,183
Incentives:	2,410,204	1,559,144		385,123		3,053,287	2,707,133		10,114,891
Program Eval & Planning Svcs.:	75,030	76,096		19,597		172,199	103,152		446,074
Program Marketing/Outreach:	109,769	56,368		5,343		431,906	179,818		783,204
Program Legal									
Program Quality Assurance:							11,667		11,667
Outsourced Services:	16,893	13,268		4,512		77,517	37,746		149,936
Trade Allies & Cust. Svc. Mgmt.:	11,576	4,831		853		133,247	12,544		163,051
IT Services:	30,684	24,357		4,260		110,473	50,637		220,411
Other Program Expenses	9,072	2,868		2,701		26,070	12,289		53,000
<b>TOTAL PROGRAM EXPENSES</b>	<b>3,995,239</b>	<b>2,363,254</b>	<b>362,779</b>	<b>626,703</b>	<b>-</b>	<b>5,890,224</b>	<b>4,072,831</b>	<b>980,848</b>	<b>18,291,878</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	77,459	45,819	7,034	12,150		114,199	78,964	19,017	354,642
Communications & Customer Svc	79,617	47,095	7,229	12,489		117,380	81,163	19,546	364,519
<b>Total Administrative Costs</b>	<b>157,076</b>	<b>92,914</b>	<b>14,263</b>	<b>24,639</b>	<b>-</b>	<b>231,579</b>	<b>160,127</b>	<b>38,563</b>	<b>719,161</b>
<b>Total Program &amp; Admin Expenses</b>	<b>4,152,315</b>	<b>2,456,168</b>	<b>377,042</b>	<b>651,342</b>	<b>-</b>	<b>6,121,803</b>	<b>4,232,958</b>	<b>1,019,411</b>	<b>19,011,039</b>
<b>Energy Savings (therms)</b>	<b>870,938</b>	<b>768,859</b>	<b>-</b>	<b>291,146</b>	<b>-</b>	<b>981,519</b>	<b>1,618,147</b>	<b>-</b>	<b>4,530,608</b>

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**ENERGY EFFICIENCY**

**Cascade Natural Gas**

<b>EXPENSES</b>	<b>Existing Buildings</b>	<b>New Buildings</b>	<b>NEEA Commercial</b>	<b>Production Efficiency</b>	<b>NEEA Industrial</b>	<b>Existing Homes</b>	<b>New Homes &amp; Products</b>	<b>NEEA Residential</b>	<b>ETO Total</b>
Program Management	37,804	12,545		10,967		10,262	20,023		91,601
Program Delivery:	354,975	98,662	40,309	36,190		53,880	96,477	108,983	789,476
Incentives:	754,478	276,836		61,805		110,984	325,739		1,529,842
Program Eval & Planning Svcs.:	22,927	13,511		3,623		6,110	12,430		58,601
Program Marketing/Outreach:	29,812	10,009		988		15,450	21,070		77,329
Program Legal									
Program Quality Assurance:							1,406		1,406
Outsourced Services:	5,162	2,356		834		2,751	4,549		15,652
Trade Allies & Cust. Svc. Mgmt.:	3,537	858		158		4,728	1,512		10,793
IT Services:	9,376	4,325		788		3,920	6,102		24,511
Other Program Expenses	2,772	509		499		925	1,481		6,186
<b>TOTAL PROGRAM EXPENSES</b>	<b>1,220,843</b>	<b>419,611</b>	<b>40,309</b>	<b>115,852</b>	<b>-</b>	<b>209,010</b>	<b>490,789</b>	<b>108,983</b>	<b>2,605,397</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	23,670	8,135	782	2,246		4,052	9,515	2,113	50,513
Communications & Customer Svc	24,329	8,362	803	2,309		4,165	9,780	2,172	51,920
<b>Total Administrative Costs</b>	<b>47,999</b>	<b>16,497</b>	<b>1,585</b>	<b>4,555</b>	<b>-</b>	<b>8,217</b>	<b>19,295</b>	<b>4,285</b>	<b>102,433</b>
<b>Total Program &amp; Admin Expenses</b>	<b>1,268,842</b>	<b>436,108</b>	<b>41,894</b>	<b>120,407</b>	<b>-</b>	<b>217,227</b>	<b>510,084</b>	<b>113,268</b>	<b>2,707,830</b>
<b>Energy Savings (therms)</b>	<b>235,249</b>	<b>109,452</b>	<b>-</b>	<b>41,974</b>	<b>-</b>	<b>48,825</b>	<b>163,760</b>	<b>-</b>	<b>599,260</b>

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**ENERGY EFFICIENCY**

**Avista**

<b>EXPENSES</b>	<b>Existing Buildings</b>	<b>New Buildings</b>	<b>NEEA Commercial</b>	<b>Production Efficiency</b>	<b>NEEA Industrial</b>	<b>Existing Homes</b>	<b>New Homes &amp; Products</b>	<b>NEEA Residential</b>	<b>ETO Total</b>
Program Management	6,637	4,708		2,439		19,167	10,611		43,562
Program Delivery:	55,123	37,029		6,903		101,990	45,625		246,670
Incentives:	110,166	103,900		14,017		213,474	160,108		601,665
Program Eval & Planning Svcs.:	3,450	5,071		777		11,678	6,095		27,071
Program Marketing/Outreach:	5,182	3,756		212		29,592	10,823		49,565
Program Legal									
Program Quality Assurance:							689		689
Outsourced Services:	777	884		179		5,257	2,230		9,327
Trade Allies & Cust. Svc. Mgmt.:	532	322		34		9,036	741		10,665
IT Services:	1,411	1,623		169		7,492	2,992		13,687
Other Program Expenses	417	191		107		1,768	726		3,209
<b>TOTAL PROGRAM EXPENSES</b>	<b>183,695</b>	<b>157,484</b>	<b>-</b>	<b>24,837</b>	<b>-</b>	<b>399,454</b>	<b>240,640</b>	<b>-</b>	<b>1,006,110</b>
<b>ADMINISTRATIVE COSTS</b>									
Management & General	3,561	3,053		482		7,745	4,666		19,507
Communications & Customer Svc	3,661	3,138		495		7,960	4,795		20,049
<b>Total Administrative Costs</b>	<b>7,222</b>	<b>6,191</b>	<b>-</b>	<b>977</b>	<b>-</b>	<b>15,705</b>	<b>9,461</b>	<b>-</b>	<b>39,556</b>
<b>Total Program &amp; Admin Expenses</b>	<b>190,917</b>	<b>163,675</b>	<b>-</b>	<b>25,814</b>	<b>-</b>	<b>415,159</b>	<b>250,101</b>	<b>-</b>	<b>1,045,666</b>
<b>Energy Savings (therms)</b>	<b>34,500</b>	<b>54,106</b>	<b>-</b>	<b>10,043</b>	<b>-</b>	<b>96,583</b>	<b>177,060</b>	<b>-</b>	<b>372,291</b>

**Energy Trust of Oregon, Inc**  
**Detail by Service Territory and Program**  
**2018 Draft Annual Projection**

**ENERGY EFFICIENCY**

**NW Natural Washington**

<b>EXPENSES</b>	<b>Existing</b>	<b>NEEA</b>	<b>Existing</b>	<b>New</b>	<b>NEEA</b>	<b>ETO Total</b>
	<b>Buildings</b>	<b>Commercial</b>	<b>Homes</b>	<b>Homes &amp; Products</b>	<b>Residential</b>	
Program Management	53,454		47,427	44,896		145,777
Program Delivery:	160,000	40,998	96,511	137,873	110,846	546,228
Incentives:	414,087		211,367	258,693		884,147
Program Eval & Planning Svcs.:	61,162		167,532	53,320		282,014
Program Marketing/Outreach:	75,500		30,681	9,651		115,832
Program Legal						
Program Quality Assurance						
Outsourced Services:	1,000			35,550		36,550
Trade Allies & Cust. Svc. Mgmt.:	20,061		14,183	5,889		40,133
IT Services:	16,470		18,287	6,671		41,428
Other Program Expenses	16,583		11,500	12,707		40,790
<b>TOTAL PROGRAM EXPENSES</b>	<b>818,317</b>	<b>40,998</b>	<b>597,488</b>	<b>565,250</b>	<b>110,846</b>	<b>2,132,899</b>
<b>ADMINISTRATIVE COSTS</b>						
Management & General	15,865	795	11,584	10,959	2,149	41,352
Communications & Customer Svc	16,307	817	11,907	11,264	2,209	42,504
<b>Total Administrative Costs</b>	<b>32,172</b>	<b>1,612</b>	<b>23,491</b>	<b>22,223</b>	<b>4,358</b>	<b>83,856</b>
<b>Total Program &amp; Admin Expenses</b>	<b>850,489</b>	<b>42,610</b>	<b>620,979</b>	<b>587,473</b>	<b>115,204</b>	<b>2,216,755</b>
<b>Energy Savings (therms)</b>	<b>156,525</b>	<b>-</b>	<b>67,554</b>	<b>57,761</b>		<b>281,840</b>

**Energy Trust of Oregon, Inc  
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**RENEWABLE PROGRAMS**

**PGE Renewables**

<b>EXPENSES</b>	<b>Standard Solar</b>	<b>Custom Projects</b>	<b>ETO Total</b>
Program Management	344,310	333,538	677,848
Program Delivery:	264,120		264,120
Incentives:	4,160,000	3,887,550	8,047,550
Program Eval & Planning Svcs.:	76,240	34,736	110,976
Program Marketing/Outreach:	96,110	10,640	106,750
Program Legal	2,626	3,077	5,703
Program Quality Assurance:			-
Outsourced Services:	108,451	176,000	284,451
Trade Allies & Cust. Svc. Mgmt.:	51,893	722	52,615
IT Services:	75,398	65,073	140,471
Other Program Expenses	138,813	40,185	178,998
<b>TOTAL PROGRAM EXPENSES</b>	<b>5,317,961</b>	<b>4,551,521</b>	<b>9,869,482</b>
<b>ADMINISTRATIVE COSTS</b>			
Management & General	103,104	88,245	191,349
Communications & Customer Svc	105,976	90,703	196,679
<b>Total Administrative Costs</b>	<b>209,080</b>	<b>178,948</b>	<b>388,028</b>
<b>Total Program &amp; Admin Expenses</b>	<b>5,527,041</b>	<b>4,730,469</b>	<b>10,257,510</b>
<b>Energy Generation (kwh)</b>	<b>7,689,000</b>	<b>5,310,000</b>	<b>12,999,000</b>

**Energy Trust of Oregon, Inc  
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**RENEWABLE PROGRAMS**

**Pacific Power Renewables**

<b>EXPENSES</b>	<b>Standard Solar</b>	<b>Custom Projects</b>	<b>ETO Total</b>
Program Management	310,618	208,442	519,060
Program Delivery:	180,380		180,380
Incentives:	3,820,000	2,347,550	6,167,550
Program Eval & Planning Svcs.:	68,927	23,584	92,511
Program Marketing/Outreach:	86,890	17,360	104,250
Program Legal	2,374	1,923	4,297
Program Quality Assurance:			-
Outsourced Services:	98,048	176,000	274,048
Trade Allies & Cust. Svc. Mgmt.:	46,915	451	47,366
IT Services:	68,165	40,667	108,832
Other Program Expenses	125,497	28,470	153,967
<b>TOTAL PROGRAM EXPENSES</b>	<b>4,807,814</b>	<b>2,844,447</b>	<b>7,652,261</b>
<b>ADMINISTRATIVE COSTS</b>			
Management & General	93,213	55,148	148,361
Communications & Customer Svc	95,810	56,684	152,494
<b>Total Administrative Costs</b>	<b>189,023</b>	<b>111,832</b>	<b>300,855</b>
<b>Total Program &amp; Admin Expenses</b>	<b>4,996,837</b>	<b>2,956,279</b>	<b>7,953,116</b>
<b>Energy Generation (kwh)</b>	<b>7,684,600</b>	<b>1,770,000</b>	<b>9,454,600</b>

(tab) Financial Glossary

# Financial Glossary

(for internal use) - updated November 2, 2016

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## 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 unmodified or modified regarding specific items. Energy Trust strives for and has achieved in all its years an unmodified opinion.
- An unmodified 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 unmodified opinion regarding Energy Trust's financial statements.
- 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.

**Project Tracking Projects Forecasting**

Module developed in Project Tracking system (PT) 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 PT. 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 Strategic Energy Management programs, where some level of tracking of particular sites and participants is part of the program design.
- Lighting, hot water, and energy control devices through retailer buy down, on line fulfillment, and direct installation.

**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 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