Energy Trust of Oregon

2022 Annual Budget and 2022-2023 Action Plan

APPROVED

Presented to the Board of Directors
December 17, 2021

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Energy Trust of Oregon

2022 Annual Budget and 2022-2023 Action Plan

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MEMO

Date: December 9, 2021
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: 2022 Budget and 2022-2023 Action Plan

I am pleased to present to you Energy Trust of Oregon's 2022 Budget and 2022-2023 Action Plan, which will be the focus of our December 17 board meeting.

In the materials that follow, a budget overview summarizes the budget and action plan. Copies of all written comments submitted regarding the draft budget are provided, along with a summary of Energy Trust's responses. Individual action plans are provided for general management, efficiency and renewable energy programs, program support groups and diversity, equity and inclusion. These budget materials show how 2022 expenditures and activities will help Energy Trust achieve 2022 organizational goals and make progress to our 2020-2024 Strategic Plan.

We included supporting memos to provide additional details on budget components such as staffing, administrative costs, levelized costs and the assumptions that shaped action plans and budgets across the organization.

Unless otherwise noted, the budget reflects all revenues and expenditures (including Oregon public purpose charge funds and funds related to NW Natural Washington, Community Solar Program, PGE Smart Battery Pilot and a NW Natural targeted load management pilot) and comparisons are to the Approved Amended 2021 Budget and 2021-2022 Action Plan. Some materials, such as calculations of OPUC performance measures, reference a subset of the budget and are clearly marked.

These documents guide Energy Trust in delivering low-cost energy efficiency, diversifying Oregon's energy resource mix with small-scale renewable energy generation and ensuring all utility customers and communities have opportunities to participate and benefit from our programs—including customers of color, customers with low incomes and rural customers. Our investments will reduce participant utility bills, avoid greenhouse gas emissions, deliver utility system benefits to all customers, support our economy and help reduce energy burdens.

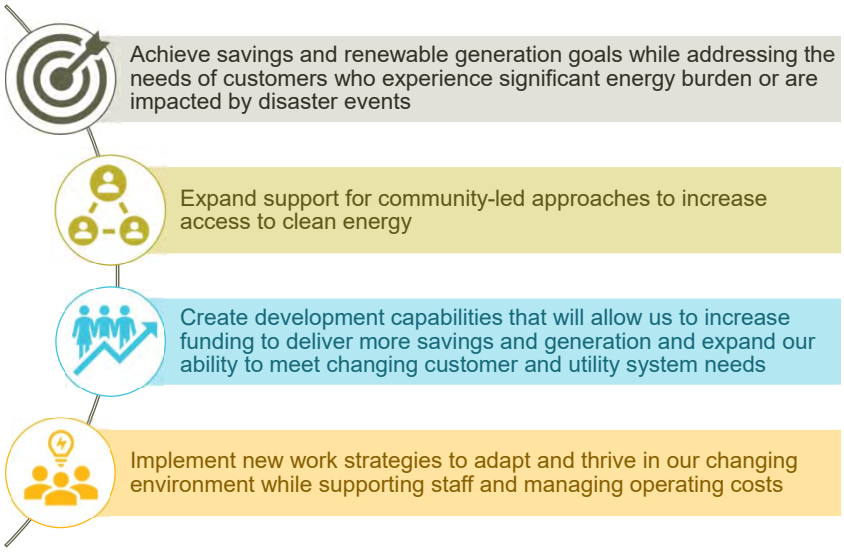
After board consideration on December 17, the budget and action plan will be submitted to the OPUC by year-end and posted online at www.energytrust.org/budget.

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

Thank you,

Michael T. Colgrove, Executive Director

2022 Organizational Goals



2022 Organizational Goals

Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events

We will meet the 2022 targets of 50.6 aMW of electric savings, with 65.2 MW of reduced demand during periods of summer peak and 77.0 MW of reduced demand during periods of winter peak, 7.6 million therms of natural gas savings and 4.1 aMW of renewable generation, with a focus on:

- Creating program offers to better serve customers with high energy burden and help small businesses reduce energy costs
- Implementing programs and initiatives to help utilities manage loads during high demand periods
- Supporting communities recovering from disaster events with clean energy and resilience offers in coordination with utilities

2022 Organizational Goals

Goal 2: Expand support for community-led approaches to increase access to clean energy

We will expand community-led approaches to increase participation in energy efficiency and renewable energy programs and support community objectives, with a focus on:

- Identifying partnerships with communities or community-based organizations that represent and serve communities of color, customers with low incomes and rural communities
- Working with communities and community-based organizations to help shape our residential and business offers to meet their needs within our regulatory guidelines
- Leveraging additional funding sources and insights from communities to better serve all customer types
- Tracking and supporting community energy policy and planning efforts to identify opportunities for collaboration
- Applying Energy Trust's community engagement guidelines to evaluate opportunities for one or more community-led initiatives that could help us accomplish savings and generation goals

2022 Organizational Goals

Goal 3: Create development capabilities that will allow us to increase funding to deliver more savings and generation and expand our ability to meet changing customer and utility system needs

Unlike most nonprofits, Energy Trust does not have an established development function. This limits our ability to deliver clean, affordable energy to customers. We will establish this function, with a focus on:

- Building formalized systems, processes and structures to pursue new funding opportunities
- Developing relationships with organizations where there is mutual opportunity to pursue complementary activities or access other sources of funds
- Enhancing grid value with the utilities
- Informing policy discussions that leverage our development efforts
- Pursuing opportunities that improve the cost-effectiveness of our savings and increase adoption of renewable generation

2022 Organizational Goals

Goal 4: Implement new work strategies to adapt and thrive in our changing environment while supporting staff and managing operating costs

We will need to evolve our workspace, the way we work and our organizational culture, with a focus on:

- Striving for a more inclusive, flexible, accessible and supportive work culture that celebrates diversity
- Continuing to develop our organizational awareness of social justice issues and how they relate to our work
- Creating a culture and environment that enables us to retain and compete for talent
- Adapting to changing business conditions by regularly prioritizing and scaling work
- Utilizing business planning and other tools to manage administrative costs

Approved 2022 Budget Summary

- **Investing $219.5 million** of utility customer funds
- **Saving 50.6 aMW and 7.6 MMTh**
- Delivering highly cost-effective energy
  - 3.4 cents/kWh levelized
  - 48.0 cents/therm levelized (Oregon)
  - 72.2 cents/therm levelized (Washington)
- **Generating 4.1 aMW**
- **Distributing $121.5 million in incentives**; 55% of total expenditures
- Administrative costs at 7.7% of revenue

aMW: average megawatts (of electricity)
MMTh: million annual therms (of natural gas)

Photo: EUVALCREE staff performing a home energy evaluation

1

1

Customer Benefits from 2022 Investments

- **Cleaner air** by avoiding 4 million metric tons of carbon dioxide
- **More access** for diverse and rural communities
- **Lower energy bills and energy burden** for participants—$802 million in future bill savings for participants
- **Opportunities for 1,900 local businesses** and investments in workforce development
- Local investments that **keep dollars in our communities**

Photo: Willow Lake wastewater recovery facility

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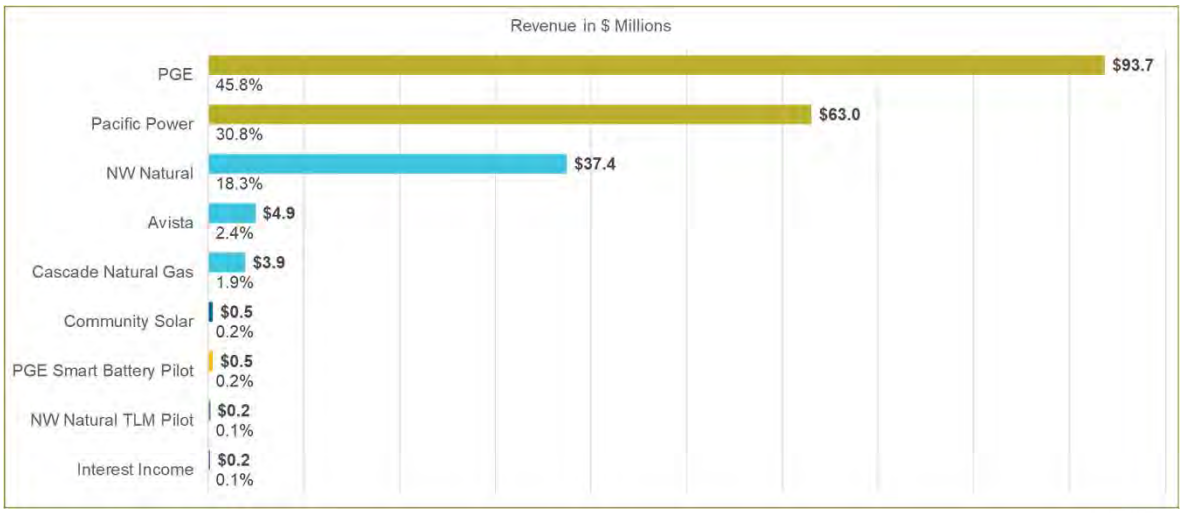
2022 Approved Budget Revenue

$204.3 million, up 8.4% from 2021 budget



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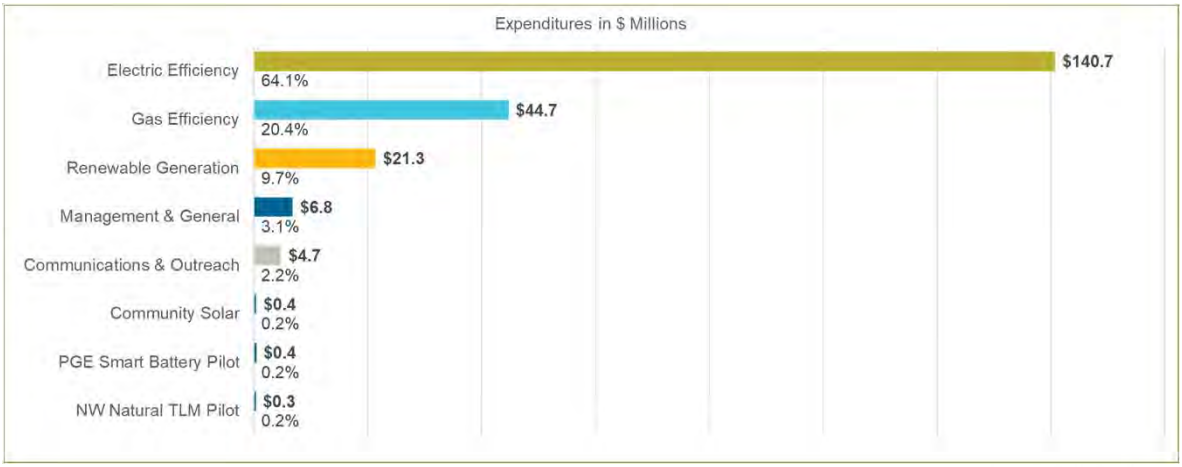
2022 Approved Budget Expenditures

$219.5 million, up 3.8% from 2021 budget



The budget uses net assets/reserves to cover planned expenses in excess of anticipated revenue

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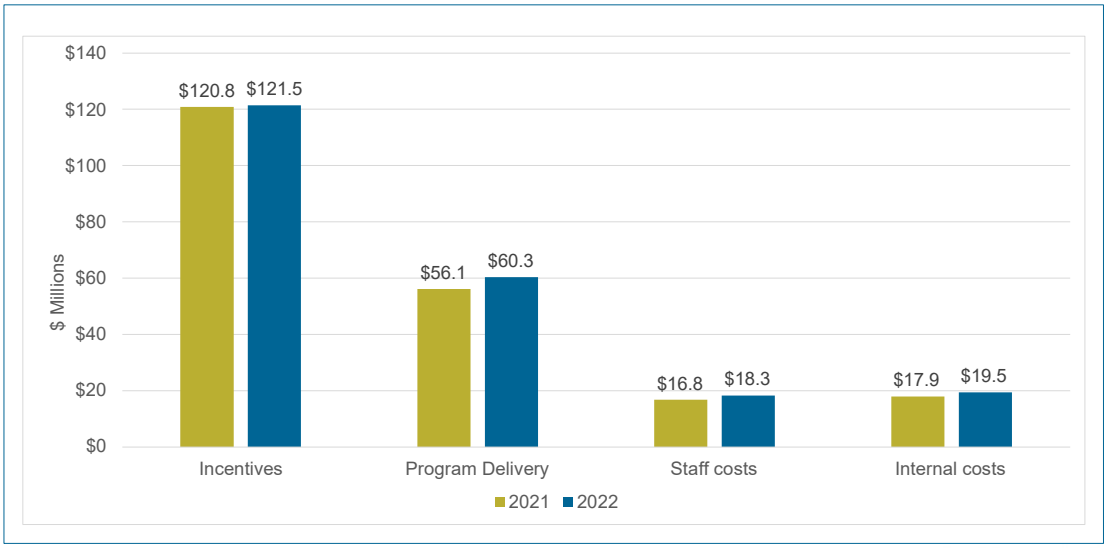
2022 Budget Expenses by Category



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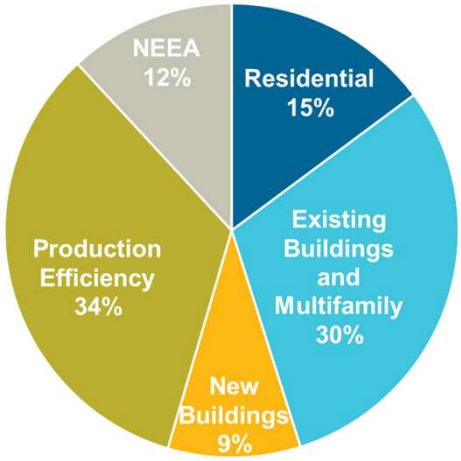
2022 Electric Savings by Program

- 50.6 aMW of electric savings, up 6.6% from 2021 budget
- Equivalent to 220,000 metric tons of carbon avoided
- $148.6 million in total costs, including customer incentives, services and delivery
- Strong demand for home upgrades
- New construction of data centers
- Pent up demand from business customers



aMW: average megawatts
Comparisons are approved 2022 budget to 2021 budget

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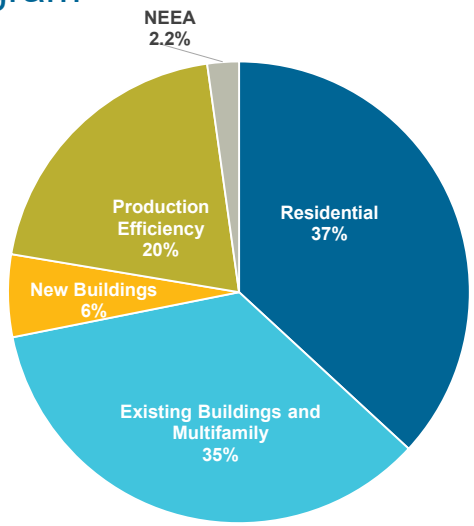
2022 Natural Gas Savings by Program

- 7.6 MMTh natural gas savings, up 16.6% from 2021 budget
- Equivalent to 40,000 metric tons of carbon avoided
- $47.2 million in total costs, including customer incentives, services and delivery
- Strong demand for home upgrades
- Rebuilding in wildfire-affected areas
- Pent up demand from business customers



MMTh: million annual therms
Comparisons are approved 2022 budget to 2021 budget

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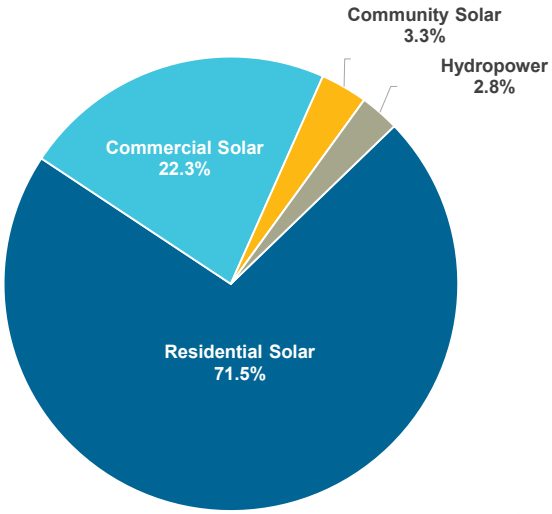
2022 Renewable Generation

- 4.1 aMW generation, up 15.6% from 2021 budget
- Equivalent to 18,000 metric tons of carbon avoided
- $22.5 million in total costs, including incentives, services, delivery
- HB 3141 creates new opportunities to serve low- and moderate-income customers and invest in distribution system-connected technologies
- Shift focus from generation to broader benefits: equity, resilience, grid flexibility



Comparisons are approved 2022 budget to 2021 budget

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

How is your budget and action plan developed?
Energy Trust's budget and action plans are developed collaboratively with utility partners Portland General Electric (PGE), Pacific Power, NW Natural, Cascade Natural Gas and Avista, along with input from our three advisory councils—the Conservation Advisory Council, Diversity Advisory Council and Renewable Advisory Council—stakeholders and the public.

Starting in April, we reference our five-year strategic plan to develop draft organizational goals and an annual business plan for the following year. The goals and business plan guide staff in developing a comprehensive draft budget and two-year action plan by the end of September. Our action plan lists strategies, key activities and contextual information to deliver cost-effective energy efficiency and renewable generation, achieve the organizational goals and make progress to the strategic plan's focus areas. In October and November, we post the draft budget online and present it publicly to our board of directors, advisory councils, stakeholders, the OPUC and the public. Revisions are made in November and in December the final proposed budget is presented for board approval.

How can I find information about the budget and participate in the process?
Visit our website at www.energytrust.org/budget to find the budget and action plan materials and presentation dates. On October 18, recordings of presentations from the budget workshop were posted on this page. Budget presentations and materials delivered at board and advisory council meetings are available at www.energytrust.org/about/public-meetings.

Public notices and materials for board and advisory council meetings are posted on our website in advance of each meeting and every meeting invites public comment. The OPUC hearing is also open to the public.

Public comments were due to Energy Trust on Wednesday, October 20 by email to info@energytrust.org and by mail to Energy Trust of Oregon, 421 SW Oak St., Suite 300, Portland, Oregon 97204.

Who reviews and approves the budget and action plan?
We ask for review and feedback from our board of directors, advisory councils, Oregon Public Utility Commission, utilities, community organizations, other stakeholders and the public.
All feedback is considered as staff develops and then refines the draft budget. A summary of comments received through the public comment period, along with staff responses to them and copies of submitted comments, are provided in the final proposed budget and action plan materials. The board approves the final proposed budget in December, and the final budget is posted online and submitted to the OPUC by year-end.

What do you consider 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 inform our five-year strategic plan and guide our annual budget and two-year action plan.

Annual activities are guided by the organization's annual business plan, annual organizational goals, third-party program evaluations, market research, our experience delivering programs, feedback from installation contractors, customers and community groups, and input from our partner utilities, three advisory councils, the OPUC and the board of directors.

What benefits will the budget provide?
Our budget and action plan are designed to help utility customers and communities in Oregon and Southwest Washington save energy and benefit from renewable power. We seek to expand our offers and approaches to reach communities of color, low- and moderate-income customers and rural communities who may not have benefitted in the past. Through the actions of customers, Energy Trust is able to deliver low-cost energy efficiency that utilities rely on to meet their customers' energy needs, add clean, renewable power to the electric grid; reduce customer utility bills; help keep energy costs lower than they otherwise would be for all utility customers; avoid carbon emissions; and strengthen local economies.

How are programs and services funded?
The vast majority of our funding comes from customers of PGE, Pacific Power, NW Natural, Cascade Natural Gas and Avista in Oregon, and NW Natural customers in Washington. We hold small contracts with Energy Solutions for the state's Community Solar Program and PGE for the utility's smart battery pilot.

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 higher than projected due to unexpected weather changes. Renewable energy project development often occurs over multiple years and requires an upfront funding commitment. Some carryover funds are dedicated for those project commitments.

What accountability measures are in place to ensure funds are spent wisely?
All expenditures must comply with legal requirements and meet minimum annual performance measures established by the OPUC. 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 exceed related costs and are of net financial benefit to the customer. The board of directors' oversight includes reviews of major contract decisions, monthly financial statements, program evaluations and progress to strategic plan focus areas.

How do you report on expenditures and progress to goals and performance measures?
We provide public quarterly and annual reports to the board and OPUC and provide information for a public purpose charge report submitted to the Oregon Legislature every two years by the OPUC and Oregon Department of Energy.

MEMO

Date: December 9, 2021
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Planning Assumptions for the 2022 Budget

Each year Energy Trust planning and program staff identify assumptions, including factors influencing the Oregon economy and market conditions influencing customers and programs. Program staff draw on these assumptions as they build up program-specific action plans and budgets. The context section of each program action plan reflects critical economic and market factors influencing that program.

This memo summarizes major factors expected to influence 2022 outcomes for both the State of Oregon and Energy Trust. These areas include changes in employment, population and migration trends, sector-specific impacts, utility avoided cost updates, efficiency measure baseline changes and changes to programmatic realization rates. These factors are influencing the overall direction and content of Energy Trust's 2022 Budget and 2022-2023 Action Plan.

In short, the persistence of the COVID-19 pandemic and new market uncertainty related to impacts of the delta variant may be offset by a seemingly improving economy and by a robust Energy Trust program pipeline. These conditions are both fluid and unprecedented in Energy Trust's history. Some conflicting indicators are hard to interpret, making future conditions, and resulting outcomes, difficult to predict.

Executive Summary

The ongoing COVID-19 pandemic and its impact on economic activity in Oregon and Energy Trust programs remains uncertain. The COVID-19 pandemic led to a recession that hit Oregon in 2020. There has been a gradual but steady restoration of the state's health, economy and social activities since the beginning of 2021, but significant uncertainty continues due to the ongoing spread of the delta variant and the impact of public health restrictions on spending and supply chains.

As Energy Trust programs began action planning in summer, Oregon was experiencing increasing vaccination rates and the Oregon Health Authority was reporting a reduction in weekly COVID-19 cases across people from all backgrounds in Oregon, with as much as 75% reduction in cases for white Oregonians and nearly a 100% reduction in cases for other groups of people between May and July 2021[1]. Various interventions from the government to control the virus and support continuous economic recovery were in place.

[1] Oregon Health Authority, July 19, 2021. COVID-19 Weekly Report, Page 8/39
https://www.oregon.gov/oha/covid19/Documents/DataReports/Weekly-Data-COVID-19-Report.pdf

However, COVID-19 cases in Oregon increased dramatically in late summer and have since tapered off again[2]. These ebbs and flows in case numbers illustrate the uncertainty associated with the virulence of COVID-19 and how it impacts the Oregon economy. Regardless of this uncertainty, the Oregon Office of Economic Analysis report issued in September 2021 projects optimism about the state of the Oregon economy,

> "The economic outlook remains bright. Strong household incomes, boosted considerably by federal aid during the pandemic, are the underlying driver. Consumers have no shortage of firepower if they want to and feel safe enough to spend. The key to the outlook remains translating this firepower into actual consumer spending, particularly in the hard-hit service industries. Firms today are trying to staff up as quickly as possible to meet this increasing demand. The actual number of jobs created this year will be the largest on record in Oregon. The state's labor market is now expected to regain all of its lost jobs by next summer, or one quarter sooner than in the previous forecast.
>
> While these dynamics remain intact, the risks are weighted toward the downside. Growth in a supply constrained economy is challenging. Firms are struggling with supply chains and a tight labor market. Wages are rising quickly to attract and retain workers. Prices are increasing as demand continues to outstrip supply. On top of this, the current delta wave of the pandemic complicates the immediate term outlook. What matters most economically are shutdowns. A modest pullback in consumer spending in a few categories will not lead to mass layoffs. If anything, any slowing in spending today will likely turn into stronger gains in coming quarters.
>
> This cycle is different. The current recovery will be faster, more complete, and more inclusive than recent experiences coming out of the tech and housing bubbles. As some of the pandemic-specific challenges fade, the underlying economy is on solid footing due to the strength of corporate and household balance sheets[3]."

Further, as of May 2021, the overall forecast for the U.S. real GDP in the year 2021 is about 7%, representing the largest increase for the country in almost four decades[4].

1. State of Oregon Economic Impacts

Employment

With the relative optimism associated with economic recovery, a boom in employment is anticipated in 2022 and 2023, surpassing pre-pandemic levels. By 2023, Oregon's unemployment rate is expected to return to 4%, down from the high of 14% recorded in April 2020. Personal income levels are expected to be restored to slightly higher levels than before the pandemic. According to the Oregon Office of Economic Analysis, reduced unemployment also presents potential challenges on the labor market: According to Oregon Office of Economic Analysis in May:

[2] Oregon Health Authority, Oregon's Epidemic Curve: COVID-19 cases: https://public.tableau.com/app/profile/oregon.health.authority.covid.19/viz/OregonHealthAuthorityCOVID-19DataDashboard/COVID-19EPICases

[3] [3] Oregon Economic and Revenue Forecast, September 2021, Page 5/65, https://www.oregon.gov/das/OEA/Documents/forecast0921.pdf

[4] Oregon Economic and Revenue Forecast, May 2021, Page 5/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf

> "While the temporary pandemic-related constraints will ease in the months ahead, the labor market is expected to remain tight for the foreseeable future in large part due to demographics and the large number of Baby Boomers retiring. Labor will remain a challenge for firms. But a tight labor market also works wonders for employees with strong wage gains and more plentiful job opportunities."[5]

The prospective economic recovery is expected to be faster than with recent recessions, underpinned by direct federal aid including $12 billion in recovery rebates, $12 billion in total unemployment insurance benefits as well as $10 billion in paycheck protection loans and grants[6]. In Oregon, the projected rebound in income and employment will positively impact consumer spending growth, helping businesses and expanding job opportunities. As of September, the Oregon Office of Economic Analysis projects a full recovery of jobs lost by the third quarter of 2022.

However, for employers, attracting and maintaining workers remains a challenge across most Oregon industries. Contractors in the trades are experiencing severe challenges in hiring skilled labor (many people are either electing to pause working or seeking other job opportunities) and retaining qualified employees. Given these labor shortages, smaller companies may not have the capacity to keep pace with customer demand.

Population

Although Oregon's Economic and Revenue Forecast shows a projected annual population growth rate of 0.74% between the years 2020 and 2029[7], the growth rate is expected to remain well below the pre-pandemic average. Further, the pandemic has led to slow population growth as a result of recorded deaths and a drop in birth rates. The result, according to the Oregon Office of Economic Analysis, is that "migration will be solely responsible for Oregon's population growth."[8] In the next decade, the population of Oregon is expected to increase by 800,000.

Inflation

As the economy gradually recovers from the pandemic, the inflation rate is rising across all sectors including transportation and hospitality[9]. If the rate of inflation persists, the federal government could intervene by raising interest rates, which would slow down some of the recent economic recovery gains seen in the past several months. According to the Oregon Office of Economic Analysis, the first interest rate increase is expected in late 2022 or early 2023.

2. Other Influencing Market Factors

Environmental Factors

Oregon is experiencing hotter and dryer summers, which have resulted in extreme heat events and forest fires impacting Energy Trust customers. This creates challenges and opportunities for Energy Trust to respond to emerging needs within our mission and purview. Energy Trust will continue to

[5] Oregon Economic and Revenue Forecast, May 2021, Page 7/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf
[6] Oregon Economic and Revenue Forecast, May 2021, Page 8/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf
[7] Oregon Economic and Revenue Forecast, May 2021, Page 37/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf
[8] Oregon Economic and Revenue Forecast, May 2021, Page 37/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf
[9] Oregon Economic and Revenue Forecast, September 2021, Page 11/65, https://www.oregon.gov/das/OEA/Documents/forecast0921.pdf

provide incentives for cost-effective cooling measures and will forge partnerships with other organizations that support populations impacted by these events. Furthermore, Energy Trust will work with communities and entities that are seeking to build renewable energy and energy efficiency solutions into their planning to help them become more resilient in the face of these threats.

Manufacturing Supply Chains

Global supply chains have been heavily impacted by the pandemic, reducing the availability of some products and driving up prices. Manufacturing is being held up by scarcity of component parts and labor shortages. Shipping and transportation are delayed by bottlenecks and congestion at shipping ports resulting from a shortage of containers, trucks and commercial flights. Labor shortages are impacting the shipping and transportation industries. Prices for shipping are higher for air and sea cargo.

Supply chain issues may have some impact on the availability of products promoted by Energy Trust programs. Examples include:

- **HVAC equipment** has experienced manufacturing supply chain issues and increased equipment costs. Circuit boards are in short supply, with distributors and contractors seeing 5% to 15% cost increases quarterly since summer of 2020 with increases expected. Manufacturing is having trouble keeping up with demand nationally, and distributors indicate that high costs could continue for as long as 18 months. Some distributors will be out of stock of HVAC equipment until January 2022. Flex duct material and heat pump coils are also difficult to find in parts of the state.

- **Insulation** suppliers indicate that fiberglass and foam product shortages could continue through the end of 2022.

- Some HVAC distributors are out of **central air conditioning units** and indicate they may also run out of common sizes of coils and compressors. Demand increased considerably for air conditioning following the June heatwave. Many distributors are backordered or have converted their central air conditioning sales to heat pump sales. Limited supplies of central air conditioners could drive up sales of heat pumps, including for customers with gas furnace systems.

Funding Options for Efficiency Customers

The $1.2-trillion Federal Infrastructure Investment and Jobs Act that was recently signed into law dedicates billions of dollars for energy efficiency funding to stimulate the national economy and reduce greenhouse gas emissions. Internal analysis at Energy Trust identifies the following components as having some influence on Energy Trust activities:

- There is **$250 million for residential and commercial audits and upgrades**, which is $5 million per state on average for a five-year period, or $1 million per year for five years.

- There is **$500 million for schools** across the country, which is $10 million per state on average, or about $2 million per state per year for five years. Schools have received the

most financial support for efficiency and renewable energy investments since the 1970s and has limited remaining potential for savings.

- There is **$3.5 billion for low income weatherization**. This amounts to $70 million per state on average, or $14 million per state per year for five years. This is enough money to make some progress on addressing this important market. This funding can be coupled with other sources of funding and Energy Trust incentives to reach more low-income ratepayers.

- There is **$27 billion for grid investments** across the country, which would be significant if used to improve and leverage utility investments. Some of the funds will be used to ensure there is transmission for renewables and accommodate intermittent power sources.

- There is **$47 billion to mitigate impacts from fires, floods and droughts**. There may be opportunities to help Oregon communities become more resilient through a combination of opportunities such as solar plus storage coupled with efforts to maximize efficiency.

- There is **$3.4 billion for wildfire management and community rebuilding**. There may be an opportunity to leverage housing upgrades for wildfires for efficiency upgrades too.

- There is $**618 million for watershed protection and restoration**. It isn't clear whether there may be intersections between this funding and Energy Trust's offers that support modernization of irrigation systems and installation of small hydropower.

In addition, financing options for efficiency projects continue to evolve and become more widely available. However, availability of financial products has not historically led to widespread demand to help facilitate significantly more projects. According to Energy Trust's contractor CLEAResult:

> "…Residential and commercial segments will benefit from new financing options and increasing choice amongst existing and new market entrants. In the residential segment, we are seeing new financing models emerge that focus on the consumer's lifestyle and comfort preferences, rather than on traditional energy savings as the value driver. These emerging offers are positioned 'as-a-service' similar to other on-demand products that today's consumer is accustomed to purchasing. In the commercial segments, we are seeing similar trends towards 'as-a-service' financing options where third parties invest project capital and energy users pay for upgrades over time. This model effectively shifts energy efficiency upgrades from a capital expense to an operating expense, where most customers are accustomed to paying for utility expenses. Bundling is growing in popularity as well for both segments where efficiency and distributed energy resources such as solar are financed together offering the energy user more attractive economics than is possible with independent projects."

3. Factors influencing Energy Trust

Below are factors influencing Energy Trust action planning and budgeting for 2022 and 2023. This list does not include program-specific factors. Please see the context section in each program action plan for more information at the program level.

Robust Program Pipelines

The bonuses that Energy Trust offered in 2020 to stimulate project activity at the onset of the pandemic achieved their intended impact. This success resulted in Energy Trust achieving 95% of its electric efficiency goal and 110% of its gas efficiency goal in 2020. Energy Trust also achieved 127% of its 2020 renewable generation goal. The bonuses also resulted in a robust pipeline of commercial and industrial projects leading into 2021, with the total incentives for these potential projects exceeding the 2021 budget. Energy Trust worked closely with utilities and the Oregon Public Utility Commission to increase electric and gas budgets to serve projects in the pipeline. Reductions in incentive offerings and project caps were put in place to ensure that programs managed closely to the increased 2021 budgets.

The most recent forecast for 2021 that was factored into the final proposed budget indicates that Energy Trust expects to achieve 99% of its 2021 electric efficiency goal, 121% of its gas efficiency goal (combined for Oregon and Washington) and 173% of its renewable generation goal.[10] The robust commercial and industrial program pipelines continue into 2022 and are contributing to increased savings compared to what was anticipated for 2022 at this time last year. In addition, at the gas utilities' request, efficiency programs have developed solutions to further accelerate gas efficiency savings uptake.

Diversity, Equity and Inclusion

Energy Trust is continuing to prioritize its DEI initiative which strives to ensure all customers can directly benefit from our services, including people with low and moderate incomes, communities of color and rural communities. Programs and operations have been working toward 10 goals in the 2021 DEI Operations Plan, including customer participation increases, Trade Ally Network diversification and staff diversification goals. Energy Trust is developing a new diversity, equity and inclusion plan for 2022 based on feedback from communities and stakeholders in 2021 and the anticipated focus of the plan is community engagement. Nevertheless, programs and operations will continue to advance initiatives designed to accomplish goals in the 2021 DEI Operations Plan.

Carbon Reduction

Throughout 2021, Oregon Department of Environmental Quality has been working on rulemaking for a Climate Protection Program to reduce greenhouse gas emission and address the effects of climate change. This program will limit emissions from some of the most significant sources in Oregon, including large stationary sources, transportation fuels, and other liquid and gaseous fuel, such as natural gas[11]. This emerging policy framework has resulted in gas utilities asking Energy Trust to pursue additional natural gas savings through energy efficiency programs. Consistent with this

[10] Internal Energy Trust 2021 reporting.

[11] Oregon DEQ Action on Climate Change: https://www.oregon.gov/deq/ghgp/Pages/capandreduce.aspx

request, Energy Trust worked with the gas utilities to increase gas savings goals in the final proposed budget.

Peak Load Management

Interest in peak load management continues to grow as utilities anticipate more load constraints on their entire systems and also at a local level. Energy Trust will continue to engage with Pacific Power, NW Natural, PGE and other stakeholders to design and deliver demand reduction activities that are linked to energy-efficiency and renewable generation objectives. We will also monitor as utilities track how COVID-19 and other evolving market conditions influence the timing and magnitude of peaks. This will influence which efficiency measures are of highest value. These shifts are related to difficult-to-predict impacts of COVID-19 on business and work patterns.

Northwest Energy Efficiency Alliance

Energy Trust will continue to fund Northwest Energy Efficiency Alliance in Oregon and will continue to collaborate with other funding partners in pursuit of electric and gas market transformation.

Portland Clean Energy Community Benefits Fund

Energy Trust put together an internal team to facilitate coordination and support project development with nonprofit organizations applying for grant funds as the City of Portland implements the Portland Clean Energy Community Benefits Fund (PCEF). Energy Trust is aware that some nonprofits will pursue projects that also tap Energy Trust incentives and is monitoring the funding opportunities scheduled for release by PCEF to estimate potential demand for incentives and associated energy savings and generation. The first PCEF grants and projects are just starting to be implemented in the latter half of 2021. The volume of projects coming through PCEF thus far is relatively low, however grant rounds and funding will increase in 2022. PCEF will help drive projects in homes and businesses in communities of color and for customers with lower income; these are customer segments that Energy Trust is seeking to serve and benefit as well. Energy Trust currently works with several community-based organizations on delivery of residential heating and cooling measures and we believe these nonprofits are well positioned for PCEF funding that would expand their work and, therefore, demand for Energy Trust incentives. However, at this time we are not able to accurately forecast the volume of measures and incentives because grant applications and future round funding decisions are still forthcoming.

4. Planning Assumptions Influencing Energy Trust Efficiency Programs

Avoided Costs

Avoided costs for Oregon energy-efficiency measures were updated in 2021 for 2022 measure and program planning.

Oregon Avoided Costs:

Based on the measure mix for 2019 and part of 2020, Oregon saw an average increase in electric avoided costs of 1.4% and an average increase in gas avoided costs of 11%. On average, electric and gas savings in Oregon will have more value per kilowatt hour and therm,

respectively, which will help offset increasing savings baselines for some gas measures and will help keep these gas measures cost-effective.

Washington Avoided Costs:

For Washington, gas avoided cost values will remain the same in 2022 as the values that were used to review measures for cost-effectiveness in 2021. This means that measures that have increasing baselines will be relatively less cost-effective than they had been previously.

Prescriptive Measure Baselines

The following information will be used by Energy Trust's Planning team to describe measure changes that would most impact program forecasting and performance in 2022 from a measure development standpoint (e.g. changing baselines, codes, etc.) for measures with high impacts on savings goals.

Key Changes to baselines, codes and standards for measures for 2022:

1. Changes to Oregon appliance standards from HB 2062 are changing baselines for a number of measures, notably, commercial food service equipment (fryers, steam cookers, dishwashers) and showerheads. Our fryer measures, which are popular commercial gas measures, will sunset mid 2022 as a result.

2. Increased LED market share continues to decrease per unit savings in the Commercial and Industrial Lighting program.

3. New Buildings will roll out updated Market Solutions, Lighting and Custom track offers for buildings permitted under the 2021 commercial building code. The new lighting code is based on an LED baseline, which will decrease project savings.

4. New residential building codes in Oregon and Washington have increased the baselines for our new homes EPS offerings.

5. Changes are expected to our irrigation savings based on baseline data collected by Bonneville Power Administration and the Regional Technical Forum.

Energy-Efficiency Program Savings Realization Rates

Realization rates are the percentage of savings estimated to have occurred based on post-installation evaluation review. Realization rates from prior years are used to adjust future savings forecasts. The updates below are compared to prior year program-level results. Note that in 2020 we started reporting realization rates at the track level and will compare year-over-year results in next year's memo to these track levels.

Electric realization rates:

- Increased on average for Existing Buildings program
    - Increased for standard track
    - Increased for custom track

    - Decreased for commercial Strategic Energy Management (SEM)
- Stayed the same for existing multifamily
- Stayed the same for the New Buildings program
- Increased on average for Production Efficiency program
    - Increased for custom track
    - Increased for streamlined track
    - Decreased for Industrial SEM
- Vary by measure for Residential program

Gas realization rates:

- Decreased on average for Existing Buildings program
    - Increased for standard track
    - Decreased for custom track
    - Decreased for Commercial SEM
- Stayed the same for existing multifamily
- Stayed the same for the New Buildings program
- Decreased on average for Production Efficiency program
    - Decreased for custom track
    - Decreased for streamlined track
    - Increased for industrial SEM
- Vary by measure for Residential program

Line Loss Assumptions

Transmission and distribution system power losses, or line losses, represent the electric energy lost or wasted as a result of transmitting and distributing energy from a generating source to the location where it is consumed. Line losses for 2022 remain the same as 2021. Residential sites (including multifamily housing sites) will have assumed line losses of 8%, commercial sites will have assumed line losses of 7% and industrial sites will have assumed line losses of 5%.

Summary

The COVID-19 pandemic continues to perpetuate unprecedented economic uncertainty. The resulting recession is unique due to the lack of pre-existing large-scale economic issues or market imbalances. Because this recession was primarily triggered by health-related conditions, economists are forecasting this recession to be shorter in duration than previous events. However, the delta variant has introduced new uncertainty.

Even though there have been large macroeconomic impacts on Oregon's economy, Energy Trust made immediate adjustments in 2020 by launching bonus incentives to encourage program participation and support the market. The bonuses contributed to a robust 2021 pipeline of projects and very high pipelines across sectors. The impacts of this demand on Energy Trust programs will persist into 2022 planning, and programs will need to balance competing goals of managing to revenue constraints with continuing to address underserved markets targeted by diversity, equity and inclusion initiatives in order to acquire all cost-effective energy efficiency.

MEMO

Date: December 9, 2021
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Measure Cost-Effectiveness Exceptions Status as of September 15, 2021

In response to the Oregon Public Utility Commission's request to provide the status of Energy Trust requests for cost-effectiveness exceptions, this memo summarizes energy efficiency measures that have received exception approval from the OPUC.

Background

Commission Order No. 94-590 in Docket UM 551 specifies that the Total Resource Cost (TRC) test and Utility Cost Test (UCT) 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 at least one of the following conditions is met:

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 demand-side management programs 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 Measures with Exceptions That Will Be Offered in 2022

The OPUC has granted exceptions for 16 measures that will be offered in 2022 in Existing Buildings (including multifamily), New Buildings and Residential programs. Four more exception requests are pending.

Exceptions that will be active in 2022 are summarized in Table 1.

Table 1 List of Measure Exceptions That Will Be Active in 2022

Program	Measure	Order Number	Date Granted	Expiration Date
Residential	Manufactured home replacement	21-312	9/21/2021	3/31/2025
Residential	No cost DHP pilot	pending	pending	pending
Residential	DHP with supplement fuels	pending	pending	pending
Existing Buildings (multifamily)	DHP zonal heat HZ1	pending	pending	pending
Residential	DHP zonal heat HZ1	pending	pending	pending
Existing Buildings (multifamily)	Ductless heat pumps in heating zone 1	20-105	3/31/2020	3/31/2022
Existing Buildings (multifamily)	Ductless heat pumps with supplemental fuels	20-105	3/31/2020	3/31/2022
Residential	Ductless heat pumps with supplemental fuels	20-105	3/31/2020	3/31/2022
Residential	Floor insulation (electric)	NA – minor	9/26/2019	12/31/2022
Existing Buildings (multifamily)	Floor insulation (electric)	NA – minor	9/26/2019	12/31/2022
Residential	Floor insulation with incentive cap (gas)	NA – minor	9/26/2019	12/31/2022
Existing Buildings (multifamily)	Floor insulation with incentive cap (gas)	NA – minor	9/26/2019	12/31/2022
Residential	Wall insulation with incentive cap (gas)	NA – minor	9/26/2019	12/31/2022
Existing Buildings (multifamily)	Wall insulation with incentive cap (gas)	NA – minor	9/26/2019	12/31/2022
Existing Buildings (multifamily)	Flat roof insulation (hp)	NA – minor	9/26/2019	12/31/2022
Existing Buildings (multifamily)	Flat roof insulation (gas)	NA – minor	9/26/2019	12/31/2022
Residential	Gas heated new manufactured homes	NA – minor	7/16/2020	12/31/2023
New Buildings	Custom and Market Solutions tracks	21-258	9/8/2021	3/31/2024
Residential	Clothes washers (gas-only territory)	NA – minor	9/02/2015	N/A
Multiple	Pilots under $500,000	15-029	1/29/2015	N/A

Portion of Energy Trust Savings From Measures With Exceptions in 2020 and 2021

The following table represents the portion of total Energy Trust savings from measures with exceptions for 2020 and 2021 (year-to-date through September 15, 2021).

Table 2 Savings and Incentives From Measures With Exceptions in 2020 and 2021 Through September 15, 2021

Program Year	Electric savings (kwh)	% of total electric savings	Gas savings (therms)	% of total gas savings	Incentives ($)	% of total incentives
2020	3,675,207	0.47%	35,659	0.93%	$1,993,665	2.65%
2021 year to date	2,278,132	1.16%	23,746	0.54%	$1,502,871	3.30%

In 2020, with Order 20-018 the New Buildings program was granted a TRC exception for custom and new Market Solutions projects permitted under the 2019 commercial building code. A similar exception was granted in 2021 through 2023. Due to the long lead time of New Buildings projects, only two projects have been completed under this exception to date. Projects completed with these measure exceptions are expected to make up a larger portion of savings and incentives in future years.

Exception History

There are 127 measure exceptions on record granted by the OPUC since 2012 when counted per measure and per program. Past memos reported this value differently.

Of the 127 measure exceptions, 55 are considered minor. A minor exception is one where the total dollars and savings associated with the measure are less than 5% of total annual program activity and TRC is greater than 0.8. Minor exceptions do not require commission approval and are approved by OPUC staff.

Measure exceptions were approved by the OPUC according to the criteria outlined in the Background section above. Table 3 identifies how many exceptions were granted based on each criterion. Some measures meet multiple criteria.

Table 3 Number of All-Time Exceptions Granted Based on Measure Exception Criteria

Exception Criteria	Number of Instances
A	43
B	28
C	54
D	50
E	8
F	8
G	7

MEMO

Date: December 9, 2021
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Energy Efficiency Levelized Cost Trends and Managing Future Costs

Levelized cost is defined by Energy Trust as a measure of the average net present cost of the savings from an energy efficiency resource over the lifetime of the respective resource. Energy Trust portfolio-wide levelized costs vary over time due to changes in the mix of efficiency measures and relative expenditures and due to revisions to energy savings and measure lives.

Levelized cost is an incomplete indicator of the value of energy saved because it does not reflect the difference in value energy has during different time periods, such as a peak hour or week. It only shows the cost of savings over the lifetime of the measure. It also doesn't factor in other benefits. However, it is a useful shorthand indicator of cost trends. Levelized cost trends have typically been of interest to stakeholders as Energy Trust's savings portfolio evolves and new strategies and approaches are under development.

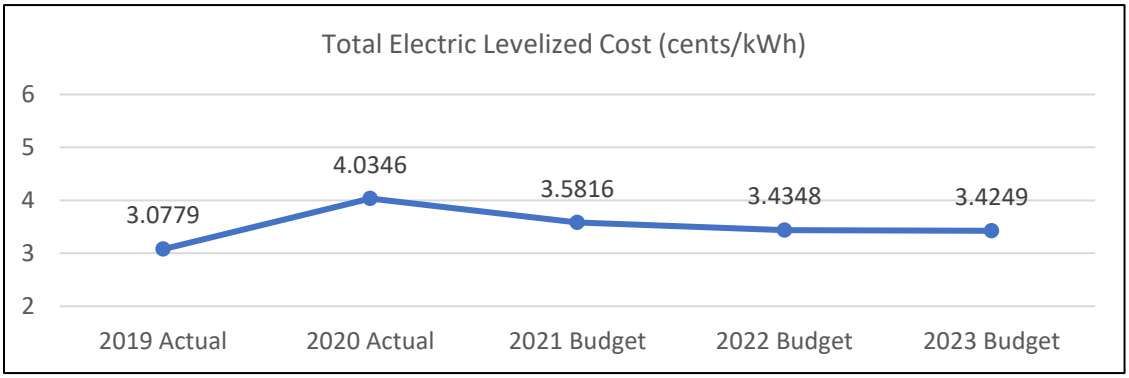
This memo provides detail on levelized costs and identifies actions to manage levelized costs over time.

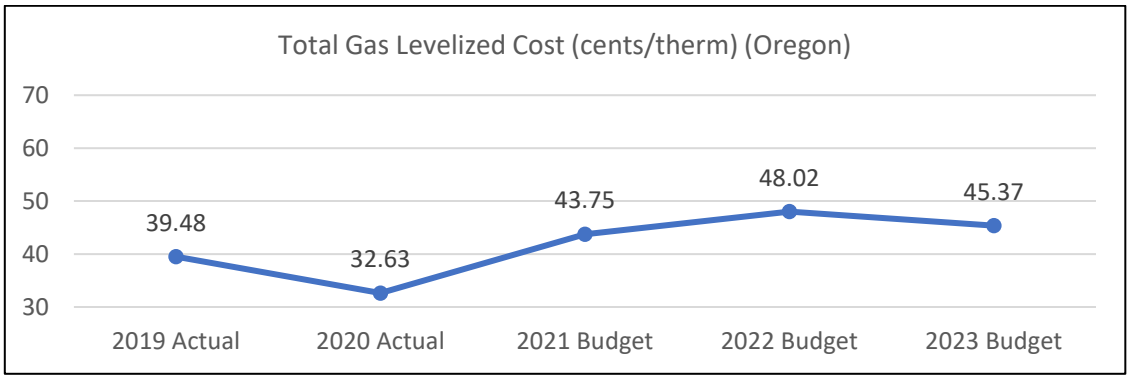
Levelized Costs in 2022 Budget and 2022-2023 Action Plan

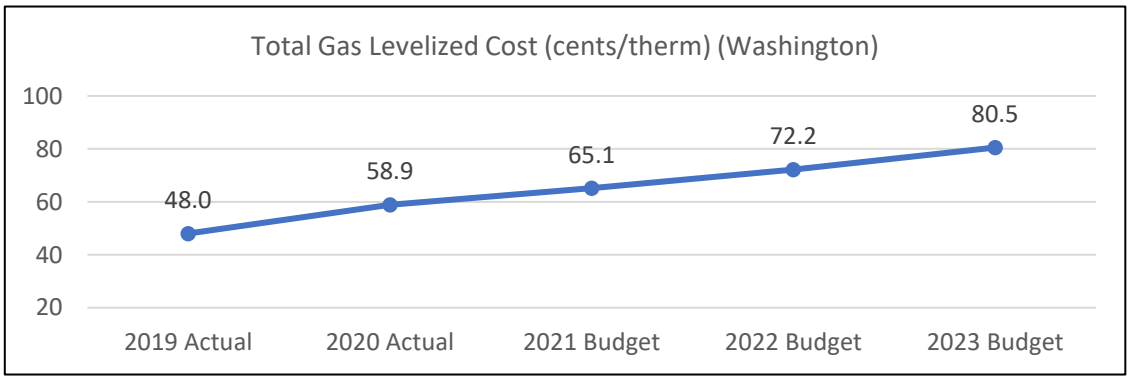
The 2022 budget delivers electric savings at a cost of 3.4 cents per kilowatt hour (kWh) and 48.0 cents per therm (Oregon only) levelized. This is a small 4% decrease (0.15 cents/kWh) over 2021 budgeted electric levelized costs and a 10% increase (4.3 cents/therm) over 2021 budgeted gas levelized costs. Both electric and gas portfolios remain cost-effective.

Levelized cost for NW Natural Washington programs in 2022 is 72.2 cents per therm, an 11% increase over 2021 gas levelized costs. Nevertheless, the savings Energy Trust acquires for southwest Washington natural gas customers remains cost-effective.

The 2023 budget projection shows Oregon electric levelized costs remaining the same as 2022. Gas levelized costs are projected to decrease slightly to 45.4 cents per therm (Oregon only) in 2023. Projected levelized cost for NW Natural customers in southwest Washington in 2023 is 80.5 cents, an 11% increase from 2022.







Levelized Cost Drivers

In Oregon, the relatively small changes in budgeted levelized costs from 2021 to 2022 and 2023 are driven by many factors—there is no dominant driver for the changes. New, more efficient equipment and building standards reduced some program savings, but a portion of those savings will be claimed as market transformation through Northwest Energy Efficiency Alliance. There are several planned changes in the volumes of different measures across programs and some new efficiency measures have entered the portfolio. Evaluation studies employed in savings forecasting increased savings for some measures and programs, and decreased savings for others. NEEA savings are increasing year by year as it progresses in its five-year business plan.

For programs serving NW Natural customers in southwest Washington, levelized costs are up in contrast to Oregon. Energy Trust's portfolio in Washington only serves residential and commercial customers, so levelized costs are not moderated by the relatively lower-cost savings from industrial customers as they are in Oregon. In 2022, savings are reduced due to a large commercial project completing more savings in 2021 than 2022 and the impact of new home and building efficiency codes. There is also a significant investment in Strategic Energy Management in 2022 which will result in savings in 2023. However, in 2023 overall savings are down from 2022 in large part because all new homes in 2023 are subject to the new building code, and costs are relatively flat.

Strategies to Manage Levelized Costs

Managing levelized costs over time requires that we continuously work to find new sources of savings, adjust program design and delivery methods, and ensure efficient and effective operations.

1) **Finding new sources of savings**—by conducting and evaluating pilots, participating in the Northwest Power and Conservation Council's Regional Technical Forum and investing in emerging technology through NEEA—helps us manage levelized costs in the long-term. While these investments may add cost per unit of savings in the short-term, some of these future measures will contribute to a portfolio of reasonably priced, cost-effective savings over time.

2) **Adjusting program design and delivery methods** enables Energy Trust to find more efficient methods of reaching and serving customers and unlocks new pathways to acquiring savings from customers, either from customers we have not yet served or those who can invest again for the next increment of savings. Energy Trust periodically solicits proposals for major program delivery contracts to tap the market for new approaches to serve customers and ensure delivery efficiencies for ratepayers. In 2022, Energy Trust will release requests for proposals for two major programs—the Residential program and the Production Efficiency program. Additionally, Energy Trust is currently exploring how partnerships with community-based organizations and other community entities, such as cities and counties, can help engage new customers we have historically underserved. While these partnerships require an investment of time and resources, we believe they will unlock savings that, over time, will contribute to a portfolio of reasonably priced, cost-effective savings.

3) **Ensuring efficient and effective operations** enables us to continue processing high volumes of transactions, maintain strong customer service and ensure transparency and accountability through public reporting. Every year we identify system and process enhancements that reduce manual data entry, save time for customers and staff, and streamline administrative processing.

   In 2022, we will continue to apply DocuSign to more customer and internal forms and continue multi-year efforts to invest in a more efficient budget system. The Information Technology and Operations Support action plans identify additional activities to improve staff productivity and systems efficiency.

   We will also continue to invest in the adoption of improved organizational processes for business planning, budgeting, decision-making and innovation, all driven by the organizational review project completed in 2018. These changes help us make decisions, explore new ideas and develop new program approaches more efficiently. They also ensure we apply limited staff resources to highest priority work.

MEMO

Date: December 9, 2021
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Long-Range Forecast for Other Renewables and Solar Projects

Energy Trust's renewable energy programs provide incentives to generation projects primarily utilizing solar, hydropower and biopower technologies. Because projects take time to construct, the program has contractual incentive obligations that stretch over multiple years. This memo provides visibility into existing contractual obligations.

Other Renewables

The Other Renewables program provides incentives to projects utilizing non-solar renewable generation technologies, primarily focusing on in-conduit hydropower and biopower. These projects often have long construction timelines, requiring Energy Trust to commit and set aside funding several years before projects are completed and begin generating electricity. Incentive payments are usually partially paid upon a project successfully reaching commercial operation, with the rest of a committed incentive paid over the first several years. This results in incentive funds being held in reserve over a period that may last as long as five years from incentive commitment to final incentive payment.

Figures in the following tables reflect forecast data available through November 23, 2021. Tables may not total due to rounding.

In Portland General Electric service territory, Energy Trust has existing commitments for two generation projects that have reached commercial operation.

Installation Incentive Funding Commitments: Portland General Electric Territory

Project	Generation	Expected payments	Scheduled payment dates
City of Salem—Willow Lake Wastewater Treatment Facility (biopower) *Achieved commercial operation June 2020*	0.9 aMW	$949,500 for three additional payments based on reaching generation milestones	April, July, October 2022
Water Environment Services—Tri-City Wastewater Treatment Facility (biopower)	0.5 aMW	$800,000 in one payment based on reaching generation milestone	September 2022

Achieved commercial operation July 2021			
TOTAL		**$1,749,500**	

In Pacific Power service territory, Energy Trust has existing commitments of incentives for one generation project. This project is under construction and expected to reach commercial operation in Q4 2021.

Installation Incentive Funding Commitments: Pacific Power Territory

Project	Generation	Expected payments	Scheduled payment dates
Three Sisters Irrigation District—McKenzie (hydropower)	0.1 aMW	$465,000 upon completion Four payments of $100,000 based on reaching milestones	July 2022 July 2023 July 2024 July 2025 July 2026
TOTAL	**0.1 aMW**	**$865,000**	

In addition to contractual commitments of installation incentives, Energy Trust has existing commitments of **project development assistance incentives.** Project development assistance incentives are used for technical studies, feasibility studies and other kinds of pre-development work that helps projects mature to the point where they are ready to apply for an installation incentive.

Project Development Assistance Incentive Commitments for Hydropower and Biopower Projects in PGE and Pacific Power territories

	Q4 2021	2022	2023	2024
Portland General Electric	5 projects $51,566	5 projects $466,408 REC registration costs paid to PGE for 4 projects: $3,540	REC registration costs paid to PGE for 4 projects: $3,540	REC registration costs paid to PGE for 4 projects: $3,540
Pacific Power	15 projects $257,642	8 projects $253,413	n/a	n/a
TOTAL	**20 projects $309,208**	**17 projects $723,361**	**4 projects $3,540**	**4 projects $3,540**

Solar

The Solar program has existing approved projects in various stages of design and construction. Following is a summary of these incentive obligations for both utilities including expected aggregated generation (aMW) and incentive dollars. This table shows commitments as of October 1, 2021 for projects expected to be paid after December 31, 2021. It does not include

project commitments expected to be made in the last quarter of 2021. The generation and the incentive dollars in the table have not been reduced from the total existing applications to reflect expected project cancellations. Historically, about 10% of residential applications and about 20% of commercial applications result in canceled incentive reservations.

Aggregated Incentive Commitments for Solar Projects

	2022
Portland General Electric	$2,156,884 0.86 aMW
Pacific Power	$903,109 0.50 aMW
TOTAL	**$3,059,993** **1.35 aMW**

MEMO

Date: December 9, 2021
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Community Solar Incentive Commitments

Energy Trust currently provides two types of support for community solar projects using public purpose charge funds: development assistance and installation incentives for community solar projects.

Supporting community solar projects helps Energy Trust reach people who do not have access to rooftop solar including renters, low-income families or people whose homes have too much shading for a rooftop solar installation. Following is a summary of these two programs and existing commitments.

Community Solar Development Assistance
In 2019, Energy Trust began to offer community solar development assistance incentives to support public and nonprofit organizations developing community solar projects for participation in the Oregon Community Solar Program as well as private companies developing small community solar projects. The objective of community solar development assistance funds is to increase the feasibility and success of community-driven projects and provide public and nonprofit organizations with additional support so that they have an equitable opportunity to participate in the community solar market. The Renewable Advisory Council advised that these are the types of projects most in need of early-stage assistance.

A project may receive up to $20,000 for expenses and activities such as staff time needed for pre-development work, permitting, market analysis, site-leasing, grant writing, feasibility studies, pre-design and design work, and other early-stage project development activities that help projects overcome market barriers. This is a critical role that Energy Trust has played for all renewable technologies in the territories it serves.

At this time, Energy Trust has made Solar Development Assistance incentive commitments to eight projects. Following is an aggregated summary. All of these projects are expected to complete their development activities by the end of 2022.

Utility	Project Count	Current committed Energy Trust incentives	Capacity (AC)
Pacific Power	*7 projects	$70,606	6,118 kW
Portland General Electric	*1 project	$800	360 kW

*In addition to the projects listed in the table, Energy Trust has received three applications for funding from projects that have yet to make a specific funding request. Two of these projects are in PGE territory and one is in Pacific Power territory.

Installation incentives
In 2021, Energy Trust's Solar program established a competitive solicitation for providing installation incentives for community solar projects under 360 kW in capacity that serve customers historically underrepresented in public processes and solar programs. The objective of the competitive solicitation was to fund as many qualified projects as possible from the budget available for this offering. Projects that met requirements for serving a significant number of underserved customers were ranked, with preference for the smallest incentive requests. Projects that were selected received a preliminary incentive reservation. Projects have six months to finalize their application, trade ally partnership and design in order to secure a two-year incentive reservation. Once projects complete construction and installation incentives are paid, generation from these projects will be included in Energy Trust's quarterly and annual reports.

In September of 2021, Energy Trust announced that five projects have received incentive awards totaling $533,000.

Utility	Project Count	Committed Energy Trust incentives	Capacity (AC)
Pacific Power	4 projects	$480,000	1,013 kW
Portland General Electric	1 project	$53,000	40 kW

MEMO

Date: December 9, 2021
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Staffing for 2022 Budget and 2022-2023 Action Plan

Energy Trust's staffing budget balances the cost of the staffing resources needed to accomplish 2022 goals and compliance with Oregon Public Utility Commission performance measures.

This memo provides background and information about staffing planning and considerations in 2022, including staffing cost drivers and compliance with the OPUC minimum performance measure for applicable staffing costs.

1. 2022 Staffing Planning

Energy Trust employees are the basis of the organization's strategic and operations management and accountability. Energy Trust's staffing planning is guided by its 2020-2024 Strategic Plan. The plan envisions a future for Energy Trust that furthers its core mission of energy efficiency and renewable energy resource acquisition through continued innovation and expanded program participation to reach all eligible customers, particularly those that Energy Trust has historically underserved. The plan envisions deeper relationships with customers, communities, utilities, OPUC and policymakers to strengthen Energy Trust's capacity to quickly and effectively provide solutions and respond to opportunities in the evolving clean energy future.

Energy Trust's staffing planning for 2022 takes steps toward establishing an organizational structure and the resources to accomplish work envisioned in strategic plan focus areas. Even with this future focus, Energy Trust is committed to compliance with the OPUC's minimum performance measure for year-over-year staffing cost increases, which caps increases for portions of the budget overseen by the OPUC[1] at 9%.

In planning for the 2022 budget, Energy Trust management undertook an extensive business and staffing planning exercise that began by setting four 2022 organizational goals:

- Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events
- Expand support for community-led approaches to increase access to clean energy
- Create development capabilities that will allow us to increase funding to deliver more savings and generation and expand our ability to meet changing customer and utility system needs
- Implement new work strategies to adapt and thrive in our changing environment and support staff while managing operating costs

Energy Trust's proposed 2022 staffing budget is based on identifying priority work to support its 2022 goals and its strategic plan focus areas and matching staffing capacity to that prioritized

[1] The OPUC oversees the largest portion of Energy Trust expenditures under a grant agreement. That includes all expenditures for programs funded by Oregon customers of PGE, Pacific Power, NW Natural, Cascade Natural Gas and Avista. Energy Trust's expenditures for NW Natural Washington, Oregon Community Solar Program, PGE Smart Battery Pilot and a NW Natural targeted load management pilot are not overseen by the OPUC.

work. This plan provides program, support and administrative functions for all programs and services Energy Trust delivers in Oregon and Southwest Washington, including the Oregon Community Solar Program subcontract with Energy Solutions and utility-specific contracts for services delivered outside of standard programs.

To minimize staffing cost growth, Energy Trust has taken every opportunity to examine needs across the organization using the business plan as the primary reference. Through this process, lower priority work is eliminated to make room for work that is tied to annual and strategic plan goals. We identify staffing gaps, and managers plan for re-alignment of staff resources as needed. Energy Trust has and will continue to change staffing positions and shift roles and responsibilities consistent with organizational needs and priorities. This process occurs during staffing planning and when any vacant position arises during the year.

The 2022 budget includes expanding the career development process at Energy Trust, which will start with a thorough workforce planning exercise. The workforce planning exercise will evaluate the current workforce's skills and capabilities against the organization's future talent needs. Identified gaps in skills or capabilities will inform the career development process, helping ensure the organization is adequately resourced to execute the current and future business strategy.

The 2022 staffing budget includes three new staff positions, proposed primarily to advance and support Energy Trust's efforts in achieving its diversity, equity and inclusion goals and 2022 organizational goals. More information is provided in the new staff section below.

Energy Trust executive staff applied the organization's Diversity, Equity and Inclusion Lens to the staffing plan and views diversity, equity and inclusion as a key driver and outcome in both existing staffing shifts and new positions for 2022. More information can be provided upon request.

2. Total Staffing Costs and Cost Drivers for the 2022 Budget

In the 2022 budget, total staffing costs across all major funding sources represent 8.3% of total costs. The increase in total staffing costs across all major funding sources from 2021 to 2022 is 8.9%. Factors contributing to this increase in staffing costs include rising health insurance costs, staff compensation and the addition of staffing resources described below.

The three major funding sources are: Oregon ratepayers under the OPUC grant agreement, Washington programs funded by NW Natural under oversight by the Washington Utilities and Transportation Commission and the Oregon Community Solar Program subcontract through Energy Solutions. The following table provides a breakout of staffing costs by major funding source. Staff costs in administrative and other shared services have been allocated across funding sources.

	2019 Actual	2020 Actual	2021 Budget	2022 Budget	2023 Budget
OPUC Programs	13,465,688	14,788,938	16,130,842	17,456,639	18,697,368
Washington	304,271	342,134	391,283	386,615	414,565
Development	6,252	7,722	0		
LMI	27,179	6,939	0		
Community Solar	139,601	220,149	235,154	285,167	303,764
PGE Storage		12,293	50,932	61,970	59,451
NWN Geo TLM Phase 3			0	117,507	
All	**13,942,991**	**15,378,174**	**16,808,212**	**18,307,899**	**19,475,148**

Healthcare Costs

Healthcare benefits continue to be the largest cost driver in Energy Trust's benefit package. Employee healthcare premiums will increase 8% in 2022 compared to the 20% increase projected at this time last year in the 2021-2022 budget. Energy Trust took steps in 2020 and 2021 to mitigate cost increases, such as providing different plan options for staff. Energy Trust projects a 12% increase in healthcare premiums for 2023 based on discussions with our insurer.

Staff Compensation

Energy Trust reserves a pool of funds in our annual budget to make compensation adjustments for performance, promotions, range placement, equity, and to align with the market as needed. Energy Trust does not adjust compensation for cost-of-living increases. The 2022 staffing budget includes a 5.2% pool for staff compensation adjustments. This will allow for possible promotions, merit, and modest compensation increases needed to compete with a competitive labor market and to accommodate other pay adjustments, if needed, to ensure pay equity compliance.

In November 2021, after the draft budget was published, Energy Trust completed a market compensation study which was delayed from 2020 due to the pandemic. The market compensation study process analyzes the market data for Energy Trust's existing positions against current pay practices to ensure salaries are competitive within the industry and for the organization's geographical location. Energy Trust learned that that, on average, the market value of some of our positions has increased faster than salary ranges have increased at Energy Trust, validating staff concerns communicated through the last staff engagement survey and potentially impacting the organization's ability to attract and retain talent.

This budget will allow the organization to target some compensation increases where they are most needed as part of a multi-year effort to better align with the market.

Staffing Shifts

Development Manager

Through the end of 2021, an internal Energy Trust project team is exploring the resource needs to effectively pursue new funding opportunities (development). This team is expected to submit its recommendations in December 2021 to potentially implement in 2022. The recommendations may include a new lead development position to oversee and direct development work. Last year, in the 2021 Budget and 2021-2022 Action Plan *Staffing Memo*, Energy Trust identified a vacancy in the Planning team that was being considered for repurposing as a Cross-Functional Sector Lead, pending the results and recommendations of an internal team currently exploring the need to address cross-functional opportunities in the Energy Programs group. Should those pending recommendations not include use of that vacancy, it may be used to fill a lead development position. Executive leadership will make a final decision on this potential staffing shift in early 2022 after it has an opportunity to consider the final recommendations on these efforts.

Communications & Customer Service Restructure

In 2021 the Communications & Customer Service (CCS) group assessed organizational needs and determined that a new structure and changes to existing staff positions would better align the group to support 2020-2024 Strategic Plan focus areas. The outcome of the restructure was a shift of one FTE away from other functions to cover expanding work in outreach, community services and policy services. Other positions and group structures were changed to backfill the shift. These changes increased resources

dedicated to building new community-based relationships for serving diverse customers, supporting community-led energy and disaster response initiatives, and responding to information requests from policy makers in an active energy policy landscape.

New Staff

RAY Conservation Diversity Fellow

The 2022 staffing budget includes one additional Roger Arliner Young (RAY) Conservation Diversity Fellow[2]. Fellowship positions, which are two-year, full-time commitments, support Energy Trust's efforts to diversify its staff, bring new perspectives based on diverse life experiences to Energy Trust's energy efficiency program design and delivery, and build a pipeline for future energy efficiency industry leaders. In 2021, the RAY program provided meaningful expertise, training and support to both the RAY fellow and Energy Trust leadership to create and sustain a more inclusive environment. Continuing to host RAY fellows in 2022 will add significant value to Energy Trust's internal and external facing diversity, equity and inclusion efforts. With each of these fellowships lasting two years, Energy Trust will continue to consider adding RAY Fellowship positions within the organization in years to come.

DEI Specialist

The 2022 staffing budget includes budget for a DEI Specialist to increase Energy Trust's focused efforts to integrate diversity, equity and inclusion principles into its services and operations. This newly created position will provide guidance and strategic focus to Energy Trust's current diversity, equity and inclusion initiatives such as the Diversity, Equity and inclusion Operations Plan, the coordination of monthly inward-facing diversity, equity and inclusion committee meetings, and the externally facing Diversity Advisory Council (DAC) meetings. The new DEI Specialist will support continued implementation of plans to maximize utilization of minority, women, emerging small businesses and service-disabled veterans (MWESB/SDVs) for contracting opportunities with Energy Trust. This new position will also assist with coordinating inter-agency events with our utility partners, the OPUC and other municipalities throughout the region, and planned work to refine the DEI lens and how it applies to existing systems and future processes. Overall, expanding the diversity, equity and inclusion support within the organization will help Energy Trust expand its efforts to sustain an inclusive work environment and serve communities it has historically underserved.

General Ledger Accountant

The General Ledger Accountant performs accounting, analysis of revenue and costs and quality assurance for tax reporting. Energy Trust's focus on new funding sources with unique accounting requirements—such as diversity, equity and inclusion and working with communities—is increasing work in the accounting group. Currently, the General Ledger Accountant role is filled by an agency contractor. Converting this role from

[2] Inspired by efforts to increase racial diversity in conservation, the Roger Arliner Young (RAY) Conservation Diversity Fellowship Program aims to increase and facilitate conservation-related career pathways for emerging leaders of color. The RAY Fellowship Program is a paid fellowship designed to equip recent college graduates with the tools, experiences, support and community they need to become leaders in the conservation sector—one that, in our visions of the future, fully represents, includes and is led by the diverse communities, perspectives and experiences of the United States.

agency contractor to regular full-time employee is a net savings in cost and will provide the finance function with consistent staffing support needed to meet operational goals.

Staffing Costs Detail by Year

The following table provides employee cost drivers in the preceding three years for the total company and details of costs specific to the OPUC grant and the OPUC staffing cost performance measure.

	2019 Actual	Prior Year 1 Actual	Current Year Budget	Budget Year Budget	Budget Year 2 Budget
Total Company Employee Cost	13,942,991	15,378,174	16,808,212	18,307,899	19,475,148
Drivers:					
Employee count (FTE)	108.5	112	115.5	118.25	118.25
Interns (FTE)	7.5	4	3	4	4
RAY fellows (FTE)			2	3	3
Compensation adjustment pool	5%	5%	3%	5.2%	5%
Market Study Adjustment effective July 2021			3%		
Benefits rate increase	11%	5%	20%	8%	12%
Oregon PUC Grant Funded Employee Cost and Performance Measure					
Employee Cost	13,465,688	14,788,938	16,130,842	17,456,639	18,697,368
Employee Count (FTE)	107.5	107.5	112.0	114.5	114.5
Year over Year $ change	560,839	1,323,249	1,341,905	1,325,797	1,240,729
Year over Year % change	4.3%	9.8%	9.1%	8.2%	7.1%
Maximum % increase allowed by Performance Measure	10%	9%	9%	9%	9%
Maximum increase allowed by Performance Measure	1,290,485	1,211,912	1,331,004	1,451,776	1,571,098

** The 2021 budget versus 2020 actual increase in Oregon PUC staff cost of 9.1% was due to 2020 actuals spending below plan, with certain positions vacant part of the year.*

3. Compliance with OPUC Staffing Cost Performance Measure

Staffing costs in Energy Trust's proposed 2022 Budget and 2022-2023 Action Plan comply with the OPUC performance measure for year-over-year staffing costs increase. The 2022 staffing costs under the OPUC grant increased 8.2% over 2021 costs under the OPUC grant.

MEMO

Date: December 9, 2021
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Administrative and Program Support Costs for 2022 Budget and 2022-2023 Action Plan

This memo provides information about the nature and purpose of administrative and program support costs to support stakeholder review of the budget. The first section describes administrative costs as they are measured in nonprofits typically and the benchmarks that are customarily applied to nonprofits. The second section describes administrative and program support costs as they are measured by the Oregon Public Utility Commission and the performance measure the OPUC established to set limits on administrative and program support costs.

SECTION 1: Administrative Costs Defined Generally and Comparable to Other Nonprofits

All organizations, no matter the size or purpose, have administrative costs. Administrative costs are necessary to lead the organization, support the board of directors, execute strategic direction, engage with stakeholders, manage risk, comply with laws and regulations, manage funds responsibly and manage employees, among other things.

Nonprofit entities are required to categorize costs by function, as program, management and general or fundraising. These functional costs are reported in a nonprofit's financial statements and Form 990 tax return. According to generally accepted accounting standards, shared costs such as building rent and technology can be allocated among programs and administration.

What is considered reasonable administrative costs varies by industry, organization size, complexity and development stage. While there is no one right answer, there are benchmarks published by nonprofit watchdog organizations. An example is Charity Navigator's 15% cap, which, if met, qualifies an organization for its highest rating. Charity Navigator uses the management and general and fundraising totals on an organization's 990 tax return to calculate the administrative cost.

Activities Included in Administrative Costs:

Management and General: Providing finance, legal, human resources, office administration and board of directors' administration to ensure general management and operations of the organization. This year, Energy Trust expanded the organizational development cost center to incorporate innovation and program development.

General Communications and Outreach: Ensuring the organization's accountability, accessibility and responsiveness through general communications, quarterly and annual reporting to the board and OPUC, public and stakeholder relations, website management and content, and general outreach and marketing functions.

Energy Trust's 2022 Budget and 2022-2023 Action Plan includes administrative costs of $11.6 million, or 5% of total expenditure, comparing favorably to the 15% benchmark established by Charity Navigator for similarly sized organizations.

SECTION 2: Administrative and Program Support Costs Subject to the OPUC Performance Measure

The OPUC oversees Energy Trust expenditures for serving Oregon customers of PGE, Pacific Power, NW Natural, Cascade Natural Gas and Avista with energy-efficiency and renewable energy programs.

The OPUC performance measure includes administrative costs and program support costs, which is more stringent than benchmarks for other nonprofits. The performance measure limits this total to less than 8% of utility revenue. The performance measure also caps administrative and program support cost increases to no more than 10% from year to year. NW Natural Washington, Oregon Community Solar, PGE Smart Battery Pilot and NW Natural targeted load management pilot funds are not included in the calculation under the OPUC performance measure.

Under this definition, administrative costs include management and general costs and communications and outreach costs. Program support costs include the program share of office space and equipment, IT services and general expenditures by programs such as travel, conferences and materials.

Detail of Administrative and Program Support Costs Subject to the OPUC performance Measure in 2022 Budget

	Oregon PUC Grant Funded Expenditure		
	Total	Program Costs	Administrative and Program Support
Incentives	119,375,486	119,375,486	-
Program Delivery Contractors	59,490,564	59,490,564	-
Employee Salaries & Fringe Benefits	17,456,639	8,340,461	9,116,179
Agency Contractor Services	2,652,034	1,556,936	1,095,098
Planning and Evaluation Services	4,057,798	4,020,548	37,250
Advertising and Marketing Services	3,700,640	2,347,000	1,353,640
Other Professional Services	5,801,048	4,915,964	885,084
Travel, Meetings, Trainings & Conferences	330,013		330,013
Dues, Licenses and Fees	227,150		227,150
Software and Hardware	826,503		826,503
Depreciation & Amortization	235,884		235,884
Office Rent and Equipment	1,052,933		1,052,933
Materials Postage and Telephone	126,191		126,191
Miscellaneous Expenses	11,197		11,197
Expenditures	215,344,082	200,046,959	15,297,123

Historical View of Administrative and Program Support Costs Subject to the OPUC Performance Measure[1]

	2019 Actual	2020 Actual	2021 Budget	2022 Budget	2023 Projection
Annual Revenue	183,141,017	175,576,793	184,343,709	199,755,933	214,355,933
Performance Measure	8%	8%	8%	8%	8%
Maximum cost allowed per measure 8%	14,651,281	14,046,143	14,747,497	15,980,475	17,148,475
Administrative and program support costs	11,422,288	12,166,182	14,084,001	15,297,123	15,989,531
As percent of revenue	6.2%	6.9%	7.6%	7.7%	7.5%
increase from prior year	613,335	743,893	1,917,819	1,213,122	692,408
increase percentage	5.7%	6.5%	15.8%	8.6%	4.5%

The administrative and program support costs in the 2022 budget are $15,297,123, or 7.7% of total revenue, and 8.6% higher than 2021 budget.

Costs are compliant with the OPUC performance measures capping applicable administrative and program support costs at no more than 8% of total revenue, and 10% over the prior year.

Administrative and Program Support Cost Management

In 2022, Energy Trust is investing in activities to accomplish annual goals and continue making progress toward the 2020-2024 Strategic Plan. Some of these activities fall under administrative and program support cost centers. Increased investments in some areas were offset by cost efficiencies and reductions in others, such as reduced travel and business expenses due to assumptions about continued COVID restrictions. Nevertheless, administrative and program support costs subject to the OPUC performance measure will increase by $1.2 million over the 2021 budget.

Specific efforts tied to meeting Energy Trust's diversity, equity and inclusion (DEI) goals and OPUC performance metrics for DEI are driving part of the increase. New expenditures in 2022 associated with DEI goals include:

- Implementing and supporting a supplier diversity tracking system to support Energy Trust's supplier diversity program to contract with more diverse suppliers and to satisfy the OPUC supplier diversity performance measure; the tracking system will enable Energy Trust to track and report on contract expenditures with service providers and vendors that are women-, minority- and/or service-disabled veteran-owned businesses
- Hiring a DEI Specialist to support the organization's progress towards DEI goals and efforts under the direction of the DEI Lead
- Increasing advertising expenditures targeted to build awareness of Energy Trust and its programs within communities of color and among rural customers, where awareness is significantly lower than other customer segments and has been highlighted as a barrier to participation in our customer insights research

Other activities increasing administrative costs in 2022 include:

[1] The 2021 budget versus 2020 actual increase of 15.8% was due to 2020 actuals spending below plan, with certain projects deferred or costs managed differently.

- Investing in professional services to support the board of directors' evaluation and implementation of board governance and committee structure change recommendations.
- Investing in professional services to begin foundational work to strategically pursue, prioritize and effectively manage a portfolio of grants and other new funding opportunities
- Investing in IT infrastructure that helps the organization continue adapting to working from home because of ongoing COVID-19 and workforce retention considerations
- Implementing improvements in information systems that enable Energy Trust programs and operations to more quickly adapt offers and utilize data for business decisions
- Incurring modestly rising costs for salaries, benefits, and services

MEMO

Date: December 9, 2021
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Net Assets for the 2022 Budget and 2022-2023 Action Plan

This memo provides information about the net assets of the organization to provide context and rationale on the 2022 net asset levels.

In 2022 and 2023, Energy Trust has budgeted for the possibility that it may be necessary to borrow from operational contingency reserves to offset spending and revenue shortfall in efficiency programs. If that is the case, funds will eventually be returned to operational contingency reserves. This potential need to borrow from contingency reserves is driven by events in 2020 and 2021, listed below.

Background

Energy Trust maintains four categories of net assets for specific purposes:

- Efficiency program reserves by utility are held to offset additional spending or year-to-year rate fluctuations
- Renewable program reserves by utility are held to ensure funds are available to meet outstanding commitments that will be paid in the future
- Other funding source reserves
- Contingency reserves
    - Operational contingency reserves are available to further mitigate fluctuations
    - Emergency contingency reserves are available for emergency use

Table 1: Multi-year View of End-of-year Net Asset Balances, Expenditure Coverage Ratio

	2019 Actual	2020 Actual	2021 Forecast	2022 Budget	2023 Budget
OPUC Efficiency	34,268,936	6,635,222	21,010,999	13,832,352	5,698,113
OPUC Renewables	19,094,978	24,675,490	18,049,793	10,793,126	7,723,418
Washington and Other Programs	526,296	1,349,182	523,754	700,808	854,260
Development	19,219	3,919	396,089	397,998	400,857
Loans for Low Income and Manufactured Ho	1,800,000	2,300,000	2,300,000	2,300,000	2,300,000
Operational Contingency	3,352,208	3,493,269	4,978,344	4,028,579	3,095,585
Emergency Contingency	5,000,000	5,000,000	3,000,000	3,000,000	3,000,000
Total Company	64,061,637	53,759,336	50,258,980	35,053,244	23,072,613
Expenditures	186,038,915	189,509,225	198,845,491	219,537,575	230,315,002
Monthly Expenditures	15,503,243	15,792,435	16,570,458	18,294,798	19,192,917
# of months coverage ratio	4.1	3.4	3.0	1.5	1.1
reserve percent	34.4%	28.4%	25.3%	12.2%	8.9%

Events Impacting Net Assets in 2022 and 2023

- In 2020, an additional $500,000 was loaned to Craft3 for manufactured home loans.
- In 2020, net assets fell by $10 million, as Energy Trust purposefully used program reserves instead of requesting rate increases to meet expenditure needs.
- In 2021, bonus programs put in place during 2020 caused a large upsurge in incentive demand, leading to the need to amend the 2021 budget and work with utilities regarding revenue needs and timing of future tariff changes. The contingency reserves and line of credit helped mitigate the impacts on rate payers.
- In 2021, a loss analysis consultant examined the emergency reserves, revenue flows and insurance provisions, ultimately recommending the emergency reserves could be reduced to $3 million. At its October meeting, the board of directors approved moving $2 million from emergency to operational contingency reserves.
- In 2021, Energy Trust entered into a $7 million line of credit agreement with its bank, as a last resort for funding a potential unexpected increase in demand without immediately impacting customer rates. The line of credit will be maintained as needed.
- For 2022 and 2023, Energy Trust agreed to access contingency funds for Pacific Power to avoid short term changes in rates from year to year. This was estimated in the draft budget to be $4.4 million in 2022. With other changes in the final proposed budget, use of contingency reserves was reduced to $1 million in 2022 and another $1 million in 2023, to be returned in 2024.

Table 2: Transfers from contingency reserves to cover program needs, and planned return of funds by year

	2021	2022	2023	2024
Transfer to PacificPower Program Reserve		(1,000,000)	(2,000,000)	
Return from PacificPower Program Reserve			1,000,000	2,000,000
Balance of Short Term Transfers from Contingency at Year End		(1,000,000)	(1,000,000)	-
Operational Contingency After Transfers	4,978,344	4,028,579	3,095,585	5,095,585

2022 Draft Budget Public Comments and Staff Responses

Overview of Public Comment Process and Purpose

Staff invited public feedback on the draft budget and action plan to prepare a final proposed budget for the board of directors' consideration and adoption. The formal public comment period was October 3 to October 20, 2021, with opportunities for informal feedback made available prior to and after these three weeks. In addition, staff conducted expanded stakeholder outreach to obtain additional perspective and context on the priorities and needs of customers and communities.

Written comments and informal feedback were shared with Executive Team members and budget managers across the organization. Members of the board also attended public advisory council meetings where early guidance and draft program action plans were discussed.

Public feedback can result in revisions to budget and action plan details or can influence how staff implements budgeted activities the following year. Comments also provide an opportunity for staff to better understand the priorities of organizations and individuals, and how the budget and action plan supports those priorities.

The board of directors receives all submitted written comments with staff's responses to reference during its consideration and vote to adopt the final proposed budget.

How Comments Were Collected

Staff promoted the public comment period on Energy Trust's website, on social media accounts and blogs, through email and at a virtual workshop. Communications directed people to www.energytrust.org/budget for all budget materials and encouraged written comments.

Staff received written comments from seven organizations: the Oregon Public Utility Commission (OPUC), three of five partner utilities, one nonprofit organization, a municipality and a member of the public. Copies of written comments follow in ***Appendix 1***.

In addition to requesting written comments, staff welcomed informal feedback:

- At September meetings of the Conservation Advisory Council, Diversity Advisory Council and Renewable Energy Advisory Council
- At September and October board Finance Committee meetings
- During multiple individual meetings with each utility and OPUC staff from August through November
- At a virtual workshop on October 13 with 50 participants, including the board and members of the three advisory councils

Written Comments and Staff Responses

Staff appreciates all the written comments and informal feedback stakeholders and members of the public provided on the Draft 2022 Budget and 2022-2023 Action Plan. We observe the vast majority of comments are supportive of our plans and intentions. No significant changes were made to the final proposed budget and action plan based on the written comments beyond

slight adjustments to provide more detail in the action plan and adjusting the formatting of the financial statements. We recognize the time commitment involved with attending budget meetings and reviewing our budget materials, and we thank interested parties for submitting their written comments.

Excerpted Comments by Avista	Staff Responses
The Company supports the 2022 budget and action plan and thanks you for your work this year.	We appreciate the time and effort of Avista staff in reviewing the draft budget materials, especially the ongoing collaboration and coordination with Lisa McGarity and Ryan Finsilver.
Our partnership is paramount to achieving Avista's natural gas clean energy goals by 2045 while ensuring energy affordability for our customers. It is important for the Energy Trust to continue working towards reducing program and administrative costs while innovating to provide world class energy efficiency programs to precipitate energy savings and allow options for customers.	We value our partnership with Avista and agree that cost-effective natural gas energy efficiency investments can reduce customer costs and help utilities meet their greenhouse gas reduction goals. As an organization, we continuously look for efficiencies to keep manageable our administrative and program delivery costs. This includes administrative processing and cost efficiencies through program management and program delivery contract management. We are also seeking innovative ways to make utility customer funding go further by seeking opportunities to leverage other, non-utility customer funding. For example, in 2021 we continued our pilot with Community Action Organization in Washington County that pairs Energy Trust funds with funds from Oregon Housing and Community Services to help customers benefit from more or larger weatherization and HVAC projects. We will explore in 2022 expanding this co-funding with other low-income community action agencies.
Excerpted Comments by City of Gresham	**Staff Responses**
The City of Gresham would like to encourage ET [Energy Trust] to work closely with the Oregon Clean Fuels Program which encourages the increased use of renewable electricity and renewable natural gas for vehicles. As the Gresham WWTP [Wastewater Treatment Plant] looks at ways to expand biogas production and potentially renewable electricity production that would net-export to the grid, the City would like to encourage ET	We greatly appreciate the City of Gresham's trailblazing investments in renewable energy solutions and energy efficiency at the city's water resource recovery facility, as well as our ongoing partnership. Public purpose funding for renewable energy generation continues to be limited to those generation projects that benefit Pacific Power and Portland General Electric utility customers. We recognize the emerging energy benefits that may result from increased biogas production at waste reclamation facilities using anaerobic digestion, like renewable natural gas, electric vehicle charging and energy resilience.

to provide technical support and grant opportunities that may include partnering with ODOE and the Clean Fuels program. Setting aside some funding in the ET "Other Renewables Program" specifically to evaluate and potentially provide those types of grant opportunities would be encouraged.	Ratepayer funds are proposed in the 2022-23 budget for project development assistance in support of biogas projects. In addition, we are collaborating with investor-owned utilities, the Oregon Department of Energy, and the Oregon Department of Environmental Quality as the Oregon Clean Fuels Program moves from rulemaking into implementation.
Excerpted Comments by Marissa Houlberg	**Staff Responses**
I would like to see the window replacement offering expanded to an offering that includes just replacing the glass. Our home was built in 1976 and over the last few years have experienced seals breaking. We do put off replacing the windows with broken seals for quite some time and only replace when they have become intolerable.	Thank you for your comment and the actions you are taking to reduce your home energy usage. Our cash incentives are designed to help offset the cost of purchasing higher efficiency technologies than the typical or standard technology. This is the case with windows, too, where the incentive is to help offset the increased cost of purchasing windows with higher energy performance levels. Energy Trust does not currently offer an incentive for glass-only window improvements due to the low value of the energy savings. Our current residential window measure is based on the U-value of high-performance windows (which relies on the combination of glass, framing and installation) beyond what is typically installed. We will be re-evaluating our window offers in 2022 and exploring how we may be able to support other window related energy-saving improvements that may align more closely with the approach you cite.
Excerpted Comments by OPUC	**Staff Responses**
In order to better target energy efficiency investments: • Report net peak load budget impacts starting with the 2024 budget. • Prepare processes to identify those measures that maximize greenhouse gas reduction impacts for electric and gas utilities based on the time of day and year.	We understand the benefits energy efficiency can deliver during high peak load events, including grid resilience and greenhouse gas reduction. We are piloting several efforts with utilities to better understand how to deploy and measure the impacts of energy efficiency during peak energy consumption periods at a local level. Significant work has been completed in the past three years on developing and implementing targeted load management pilots and other targeted partnerships with utilities. We will continue these targeted efforts in 2022 as they are in support of our 2020-2024 strategic plan and 2022 organization goals. We welcome the opportunity to work with the OPUC and our partner utilities on identifying where investments can be targeted in the future to lower peak demand and reduce

	greenhouse gas emissions. We will also begin to assess our systems for planning, modelling, measure analysis, program tracking and reporting to identify enhancements that can support the ability to better identify and target peak opportunities and help inform carbon emission mitigation strategies for utility integrated resource plans. We acknowledge the OPUC wants to ensure we have the systems and resources in place to plan, target and report on investments in the near future that deliver benefits during peak load events. With current staffing constraints, staff will perform a needs assessment and system enhancement requirements exercise for budget consideration of a 2023 implementation timeframe.
In preparation for the environmental justice metrics discussion: Work with utilities to identify environmental justice communities in their service territories.	We are eager to participate in the OPUC's public process to set equity metrics on the investments we make on behalf of utility customers. This is a welcome and necessary requirement. We agree it is important to reach out to environmental justice communities to better understand their needs and priorities, and work with them to learn how energy efficiency and renewable energy can become better solutions for their community members. Only by doing so can we deliver on our vision of clean, affordable energy for all. As you know in recent years we have been investing time and resources to develop relationships with organizations serving communities of color, rural customers and customers with low incomes. We plan to continue and build on this work in 2022. Our Diversity, Equity and Inclusion operations plan for 2022 and beyond will be centered on continuous community engagement and feedback. We will share our learnings with our utility partners, and we will seek ways to coordinate efforts so we are more effective together and can reduce the demand on environmental justice communities.
In preparation for the environmental justice metrics discussion: Estimate the prevalence and impacts of alternative fuels within the service territory.	We will work to determine the prevalence of oil, propane, wood, pellets and other alternative fuels in customer homes to support conversations on replacing inefficient and potentially unhealthy heating sources with higher-efficiency technologies. Possible sources of information include the Northwest Energy Efficiency Alliance's 2016-2017 Residential Building Stock Assessment (RBSA) and Census data. A preliminary

	review of 2016-2017 RBSA data shows that oil/kerosene, pellets, propane or wood make up 8.5% of primary heating fuels in Oregon's single-family homes and 12.4% of primary heating fuels in manufactured homes. In the region, the vast majority of multifamily homes are heated with electricity (88%) and gas (11%) with the remainder heated by wood (1%). In addition, Energy Trust will continue to collect site-specific data on home heating fuels through home energy assessments/walkthroughs and via other program participation vehicles (e.g. data that has been collected in conjunction with ductless heat pump offers since 2020). Once we have a better understanding of the number of homes in Energy Trust territory that use alternative fuels, we will work with OPUC staff to discuss the need for additional analyses to better estimate cost and other impacts on the occupants of these homes.
In preparation for the environmental justice metrics discussion: Research opportunities to provide low-cost cooling measures.	The deadly heat wave in July 2021 underscored the growing importance of cooling options in Oregon homes and apartments. In 2021 we funded cooling workshops to provide homeowners and renters with no-cost cooling tips via Community Energy Project, and started planning for outreach and support to cooling/heating shelters in preparation of future extreme weather events. We began a small pilot in 2021 to explore wall-mounted heat pumps as a potential measure in existing single-family and multifamily homes that can be installed using existing 110-volt outlets and without requiring an electrician. It's possible a broader range of installers could support the effort, including weatherization companies, multifamily facility managers or homeowners. In late 2021 we began research on the efficiency and cost-effectiveness of cooling measures in central, zonal and portable applications. We will continue this research, including collaboration with NEEA and national organizations like American Council for an Energy-Efficient Economy and Consortium for Energy Efficiency, in preparation for the HB 3141 equity metrics public process led by the OPUC. We will continue these existing research and outreach efforts while looking for additional opportunities to support customers during extreme weather events.

Excerpted Comments by Pacific Power	Staff Responses
Pacific Power continues to value the resource acquisitions and customer benefits delivered by Energy Trust of Oregon on behalf of our customers.	We appreciate the time and effort of Pacific Power staff in reviewing the draft budget materials, especially the ongoing collaboration and coordination with Kari Greer, Erik Anderson and Cory Scott.
As communities emerge from the continued economic impacts of 2021, Energy Trust and Pacific Power must improve mutual engagement on community initiatives.	We appreciate our current collaborations with Pacific Power on community initiatives. We agree that by improving our coordination and mutual engagement we will better understand community needs and engage on initiatives that will deliver the greatest benefit for those communities.
Regarding organizational goals 2 and 3 on "community-led approaches," "new funding opportunities," "relationships with organizations where there is mutual benefit," and "grid value": ETO [Energy Trust of Oregon] coordination with Pacific Power well in advance of commitments is increasingly important to ensure actual value will be delivered to the local grid.	We recognize the growing importance for delivering value to local communities and for utilities to maintain grid integrity. In 2022, we will be developing with Pacific Power a more formalized coordination process that will enable greater visibility into Energy Trust activities and commitments that affect Pacific Power and its customers.
Pacific Power has been working closely with Portland General Electric (PGE) and the Oregon Public Utility Commission (OPUC) on implementing elements of House Bill 3141. We fully expect adjusted collection mechanisms to be in place by the end of 2021 to facilitate a smooth transition into a new utility funding stream for energy efficiency effective January 1, 2022.	Thank you for your focus and attentiveness on updating tariff filings to comply with HB 3141 legislation requirements.
Regarding HB 3141 requirements for Pacific Power and Energy Trust to jointly develop utility-specific budgets, action plans and agreements: Although ETO and Pacific Power are not implementing this language for 2022 activities and budgets, the informal engagement thus far and the remainder of 2022 planning and budgeting provide a great opportunity to strengthen the foundation of collaboration between respective organizations that will be built on for 2023 budgets and plans.	We appreciate our current collaborations with Pacific Power at multiple levels within the organization to plan for and deliver customer programs. We recognize and value the deliberation Pacific Power staff have invested in our existing budget development process, and we look forward to implementing the outcomes of a more formalized planning and budgeting approach that will result from an OPUC-led process in the first half of 2022.

Excerpted Comments by Portland General Electric	Staff Responses
Regarding HB 3141 requirements for PGE and Energy Trust to jointly develop utility-specific budgets, action plans and agreements: Although ETO [Energy Trust of Oregon] and PGE are not implementing this language for 2022 activities and budgets, the informal engagement thus far and the remainder of 2022 planning and budgeting provide a great opportunity to strengthen the foundation of collaboration between PGE and ETO, which will be furthered for 2023 budgets and plans.	We appreciate our current collaborations with PGE at multiple levels within the organization to plan for and deliver customer programs. We recognize and value the deliberation PGE staff have invested in our existing budget development process, and we look forward to implementing the outcomes of a more formalized planning and budgeting approach that will result from an OPUC-led process in the first half of 2022.
To ensure continued coordination PGE is aligning its leadership and support staff around the need to improve collaboration with ETO as a key partner in the delivery of PGE's long-term imperatives to decarbonize, electrify, and perform.	Thank you for your commitment to working with us to serve PGE customers.
We support ETO's work on low and no cost ductless heat pumps and would prefer ETO focus efforts to expand heat pump offerings at the expense of incenting further air conditioning build out.	While heat pumps provide both heating and cooling to customers, there are situations where customers will choose to add air conditioning to their existing heating system. We believe we should provide cost-effective efficiency options for this customer choice. This is particularly important given the increased frequency of extreme hot weather and its impact on customer health.
PGE is working closely with Pacific Power and the Oregon Public Utility Commission (OPUC) to implement elements of HB 3141 and fully expects adjusted collection mechanisms to be in place by the end of 2021 to facilitate a smooth transition into a new utility funding stream for energy efficiency effective January 1, 2022.	Thank you for your focus and attentiveness on updating tariff filings to comply with HB 3141 legislation requirements.
Excerpted Comments by Small Business Utility Advocates	**Staff Responses**
Overall the 2022 Energy Trust Budget reflects the Energy Trust's significant administrative sophistication and also its technical sophistication of financing energy improvements and generation among multiple players. This 2022 Draft Budget including	Thank you for your review of the budget materials on behalf of small commercial utility customers and for the ongoing participation in our public meetings and program activities by Diane Henkels and others.

Action Plan does address appropriate shifts to address equity and recent legislation.	
Comments regarding document formatting, labeling and other context and accessibility changes included: • The Overview pages could include brief summary of the shifts and legislative changes that lie behind the Draft Budget • Regarding financial statements: - pages could be paginated - could include a table of contents - better labeling • Repeat in action plans the name of that section's action plan, like under "Key Activities"	Thank you for your comments on the accessibility of our budget and action plan materials. Improving document accessibility and clarity on the information presented is important to us. We adjusted the action plan headings to provide clarity about which group the key activities belong to and we added page numbers and a table of contents to the financial statements based on these suggestions. We will continue to examine our materials for improvements in future budget cycles.
Revenue from utilities shows an increase [over] time. It could be clarified whether and how these trends of predicted economic growth take into account the language present elsewhere in the 2022 Draft Budget re difficult to predict impacts of COVID-19.	Annual utility revenues are determined and informed through a combination of energy efficiency resource potential identified in utility integrated resource plans submitted to the OPUC, market intelligence and economic trends, prior year expenditures, project pipelines, current year strategic priorities and other factors. While the impacts of COVID-19 are difficult to precisely predict, we anticipate increases in 2022 revenues and expenditures are needed to meet forecasted customer demand and to achieve higher-cost savings in rural communities and small business settings, as well as for low-income customers and communities of color.
Regarding the Planning Assumptions memo: It is difficult to understand what is the impact on small business of the “new financing options and increasing choice among existing and new market entrants.”	Consistent with the qualification in the memo, financing does not seem to significantly influence small commercial customers to take action. However, small business customers can access the Existing Buildings Small Business Energy Advisor for help in identifying incentives. They routinely talk with small commercial customers about financing options such as the Portland Clean Energy Community Benefits Fund (PCEF) and Commercial Property Assessed Clean Energy (CPACE) as applicable.
Concern that small commercial customers will be left out of planning.	Thank you for sharing this concern. The Existing Buildings program is launching a specific offer for small businesses, with an emphasis on businesses led by people of color and rural businesses. This offer will include increased incentives and use a closed Trade Ally Network to focus specifically on this market.

Regarding more efficient foodservice equipment appliance standards coming into effect in 2022: SBUA suggests including estimated metrics on the anticipated energy improvements from appliances.	Going forward, we plan to look at additional savings opportunities and measures with efficiency levels that go beyond the new Oregon appliance standards resulting from HB 2062.
Regarding Table 1 in the Measure Cost-Effectiveness Exceptions memo: SBUA would like to see here examples that busy business people could envision of some measure exceptions referenced, and especially of Measure Exception A where the measure produces significant non-quantifiable, non-energy benefits. Alternatively, provide a link to such examples.	In 2022, cost-effectiveness exceptions in the retrofit commercial setting are for equipment installed in multifamily buildings. Examples of non-quantifiable non-energy benefits (Criteria A under UM 551) are improved comfort and reduced noise achieved through wall insulation in multifamily buildings, as well as single-family homes. We can't quantify the benefits of comfort or quiet, but we know they have real impact on residents' quality of life. An example of a measure included for consistency with other demand-side management programs in the region (Criteria C) is our support of gas-heated new manufactured homes. Manufactured homes are sold at dealerships that are not necessarily in close proximity to where the home will be sited. Often, at the time of purchase neither the sales team nor the purchaser knows which utilities will serve the site or which heating fuel will be selected. By aligning our offer with other utilities throughout the region and offering the measure regardless of furnace fuel we ensure seamless customer service and encourage the manufactured home industry to produce efficient products.
SBUA suggests including a link to a quality biography in any reference to the "RAY" [Fellow] in any document Energy Trust produces mentioning Young or "RAY" for a long while.	The Ray Arliner Young (RAY) Conservation Diversity Fellowship is named for Dr. Roger Arliner Young, an American scientist and the first Black woman to receive a doctorate degree in zoology. More information about Dr. Arliner is available at www.rayfellowship.org/about. Recruitment for the proposed RAY fellowship position, and all proposed positions, will not commence until after the board takes action on the final proposed budget in December.
Regarding the organization goals: Consider substituting small business "energy costs" for "energy demands" as businesses would see "costs" as their bills and that relates to ratemaking.	Thank you for taking an interest in the wording of Energy Trust's annual goals. We kept the term "energy costs" in the 2022 goals because we know that it resonates with customers, particularly business customers. Managing and lowering energy costs are primary drivers for making investments. As such, energy cost savings are a key message for communicating impact in customer-facing success stories.

SBUA may be able to facilitate the contact and information with small commercial utility customers and also those who are not utility customers per se.	Thank you. We value SBUA's interest in our programs and for providing a small commercial customer perspective. We look forward to continuing to work with you in 2022 to better understand the needs and challenges facing small commercial customers.
Regarding working with small commercial customers: SBUA looks forward to appropriate collaboration and if there are metrics anticipated with the anticipated energy savings, SBUA would appreciate seeing those in the 2022 Energy Trust Budget document if those figures are not already present.	In the 2021 Diversity, Equity and Inclusion operations plan, we established a 2021 goal to serve 1,082 small and medium businesses and 54 customers in very rural areas. A goal which we expect to exceed. In developing the DEI operations plan for 2022, we will be focusing on community engagement in order to better understand and continue to focus on the needs of our underserved customers, including small commercial customers that are community organizations, rural or led by people of color. We will also seek through community engagement help in identifying gaps in our current data and metrics and what more meaningful metrics could be to serve these customers. While metrics can be useful indicators of progress, we are shifting our approach to be less driven by metrics based on our currently available data and information, and to be more driven by community need.

APPENDIX 1: Copies of Written Comments

The list below includes the organizations and individuals that submitted written comments for consideration by the board of directors and staff. Copies of their letters or emails follow in alphabetical order.

1. Avista (utility)
2. City of Gresham (municipality)
3. Melissa Houlberg (individual)
4. Oregon Public Utility Commission, OPUC (state agency)
5. Pacific Power (utility)
6. Portland General Electric, PGE (utility)
7. Small Business Utility Advocates, SBUA (nonprofit organization)

Avista Corp.
1411 East Mission P.O. Box 3727
Spokane. Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

October 20, 2021

Michael Colgrove
Executive Director
Energy Trust of Oregon
4321 SW Oak St, Ste. 300
Portland, OR 97204

RE: Avista Utilities Comments – Energy Trust of Oregon 2022 Budget and Action Plan

Dear Michael:

Avista Corporation, dba Avista Utilities (Avista or the Company), offers the following remarks in the buildup of the 2022 budget and action plan for its energy efficiency programs administered through the Energy Trust of Oregon.

This year was again an unprecedented year for Oregonians. From rebuilding in fire affected areas, to economic recovery, Avista appreciates how Energy Trust has rolled up its sleeves to work with all customers with a focus towards diverse and rural communities in our service territory.

Our partnership is paramount to achieving Avista's natural gas clean energy goals by 2045 while ensuring energy affordability for our customers. It is important for the Energy Trust to continue working towards reducing program and administrative costs while innovating to provide world class energy efficiency programs to precipitate energy savings and allow options for customers. The Company supports the 2022 budget and actions plan and thanks you for your work this year.

If you have any questions regarding these comments, please contact me at (541) 858-4719, or by email at lisa.mcgarity@avistacorp.com.

Sincerely,

Lisa McGarity
Energy Efficiency Program Manager

From: Alan Johnston
Received: Tue Oct 19 2021 14:28:49 GMT-0700 (Pacific Daylight Time)
To: Information - Energy Trust
Cc: andrew.degner@greshamoregon.gov; Shannon Martin; tam.driscoll@greshamoregon.gov
Subject: Budget Comment

[EXTERNAL]
Energy Trust of Oregon's Draft 2022 Budget and 2022-2023 Action Plan Comments:

The City of Gresham would like to encourage ET to work closely with the Oregon Clean Fuels Program which encourages the increased use of renewable electricity and renewable natural gas for vehicles. These potential fuel sources are prevalent and possible at many wastewater treatment plants (WWTP) and renewable biogas producing facilities across the state. The Gresham WWTP has a history of working closely with ET on its very successful WWTP biogas cogeneration system and would encourage ET to expand grant opportunities in partnership with the Clean Fuels Program. By working closely with the state and ET on study's and design and construction grants related to project development with the Clean Fuels Program, ET could encourage the development of these kinds of projects that lower the carbon footprint of vehicle operation across the state. As the Gresham WWTP looks at ways to expand biogas production and potentially renewable electricity production that would net-export to the grid, the City would like to encourage ET to provide technical support and grant opportunities that may include partnering with ODOE and the Clean Fuels program. Setting aside some funding in the ET "Other Renewables Program" specifically to evaluate and potentially provide those types of grant opportunities would be encouraged.

Thanks

Alan Johnston, PE | Senior Engineer | WWTP Program
City of Gresham | 1333 NW Eastman Parkway | Gresham, OR 97030
503.618.3454 work | 503.803.0470 cell | alan.johnston@greshamoregon.gov

From: Marissa Houlberg
Received: Fri Oct 15 2021 12:03:40 GMT-0700 (Pacific Daylight Time)
To: Information - Energy Trust
Subject: Budget feedback - window glass replacement included

[EXTERNAL]

I skimmed a bit of the budget and I am not certain where my comment fits in. We appreciate all the efforts to reduce our energy consumption and have found several Energy Trust programs beneficial to guiding us along the right path. I would like to see the window replacement offering expanded to an offering that includes just replacing the glass.

Our home was built in 1976 and over the last few years have experienced seals breaking. We have found it is far less expensive to replace just the glass and have been pleased with the work done by a Tigard business. We have no interest in replacing all of our windows and are happy to replace only the ones with considerable condensation between the glass.

We do put off replacing the windows with broken seals for quite some time and only replace when they have become intolerable.

Thank you for opening your process to the general public and reading my thoughts,
Marissa
Sent from my iPad

Oregon
Kate Brown, Governor

Public Utility Commission
201 High St SE Suite 100
Salem, OR 97301-3398
Mailing Address: PO Box 1088
Salem, OR 97308-1088
503-373-7394

December 7, 2021

Michael Colgrove, Executive Director
Energy Trust of Oregon
421 SW Oak, Suite 300
Portland, OR 97204

Dear Michael:

We appreciate the opportunity to comment on the Energy Trust of Oregon's 2022-2023 Budget and Action Plan. We adopt the recommendations of the OPUC Staff summarized in more detail in the memo and discussed at the Commission's November 16, 2021 Special Public Meeting.

We encourage and support Energy Trust and Staff to continue to communicate openly and regularly regarding operations, community outreach and challenges, and opportunities associated with achieving targets.

We applaud the Energy Trust for its results so far in 2021, despite ongoing disruptions stemming from the COVID-19 pandemic. Those results deliver significant least cost resources for utility customers that contribute to controlling overall bills. We look forward to those results continuing into 2022, and to working with Energy Trust and stakeholders to achieve the targets set in this upcoming year's budget, and to face together the many exciting issues ahead.

OREGON PUBLIC UTILITY COMMISSION

Megan W. Decker	**Letha Tawney**	**Mark R. Thompson**
Chair	Commissioner	Commissioner

ITEM NO. 2

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
SPECIAL PUBLIC MEETING DATE: November 16, 2021

REGULAR X CONSENT ____ EFFECTIVE DATE NA

DATE: November 10, 2021

TO: Public Utility Commission

FROM: Anna Kim

THROUGH: Bryan Conway, JP Batmale, Sarah Hall

SUBJECT: ENERGY TRUST OF OREGON:
Presentation of 2022 Draft Budget and 2022-23 Action Plan.

STAFF RECOMMENDATION:

Adopt Staff's comments and recommendations on Energy Trust of Oregon's (Energy Trust) Draft 2022 Budget and 2022-2023 Action Plan.

DISCUSSION:

Issue

Whether the Commission should adopt Staff's comments and recommendations on Energy Trust's Draft 2022 Budget and 2022-2023 Action Plan.

Applicable Law

In 1999, Oregon Revised Statute (ORS) 757.612 was first adopted and established the public-purpose charge (PPC). The PPC provided funding for new cost-effective local energy conservation, new market transformation, energy efficiency for the state's K-12 public schools, the above-market costs of new renewable energy resources, and new low-income weatherization. Along with authorizing the Commission to direct the manner in which PPC funds are collected and spent, the statute also gave the Commission the authority to direct PPC funds to a nongovernmental entity as described in ORS 757.612(3)(d). This non-profit would implement the part of the PPC that is set aside for cost effective energy conservation, market transformation initiatives, and programs that addressed the above-market costs of new renewable energy resources.

Under 2021's House Bill (HB) 3141, the relevant sections of which become operative January 1, 2022, the legislature authorizes expenditures under the portion of the public purpose charge administered by the nongovernmental entity to include the above-market costs of new renewable energy resources and customer investments in distribution system-connected technologies that support reliability, resilience, and the integration of renewable energy resources with the distribution systems of electric companies. HB 3141 further amends ORS 757.054 to authorize the collection of charges from retail electric customers to fund the planning and pursuit of cost-effective energy efficiency measures and to allocate a portion of those funds to a nongovernmental entity. See Or Laws 2021 Ch. 547 Sec. 1, 3, 25. Amendments to the public purpose charge under HB 3141 specifically do not affect actions taken before the operative date of January 1, 2022, by a nongovernmental entity related to funds collected through public purpose charges and to the nongovernmental entity prior January 1, 2022.

Energy Trust is a nonprofit, nongovernmental entity with which the Commission has contracted for investment of the public purpose charge and the pursuit of cost-effective energy efficiency measures.

In December 2005, Energy Trust and the Commission executed the current grant agreement that guides Energy Trust operations. The contract details parties' obligations and describes methods for accountability and oversight, such as submitting an annual budget report to the Commission for review. Specifically, section 3.a.ii of the grant agreement stipulates that Energy Trust will:

> …develop an annual calendar budget on or before November 15 of each year and a final budget, approved by Energy Trust's board of directors, on or before December 31 of each year. The budget will include projected revenues to be received under this Agreement, other revenues to be received, and describe proposed expenditures in such a manner as may be requested by the PUC. The budget will also contain information that may permit the reader to evaluate the Energy Trust's total administrative costs and whether such costs may be considered reasonable, and provide a comparison of actual revenues and expenditures received through the first three full quarters and an estimation of projected expenditure for the remaining fourth quarter of the current year, as compared to the current year's budget.

Annually, the Commission reviews and comments on Energy Trust's budget and action plan to ensure that it presents a sound plan to achieve authorized objectives and keeps certain overhead costs below agreed upon thresholds.

Analysis

Energy Trust proposes a budget with $213 million in expenditures for 2022. The vast majority of these funds (98 percent) are for activities overseen under the Oregon Public Utility Commission (OPUC) grant agreement and past orders to support energy efficiency and small-scale renewables.[1] The remaining two percent of planned expenditures support separate contracts for the OPUC's Community Solar Program, Northwest Natural in Washington, additional funds for Northwest Natural's GeoTEE pilot, PGE's Smart Battery Pilot, PGE's storage pilot, and Energy Trust's development funds.

The numbers presented in this memo refer to the OPUC portion of Energy Trust's budget minus Community Solar unless otherwise noted. These numbers come from Energy Trust's Draft 2022 Budget for 2022 through 2023 and are compared to Energy Trust's Amended 2021 Budget.

Budget Background

Energy Trust's Draft Budget and Action Plan is made available to stakeholders and the public in a series of meetings and through the Energy Trust website. The complete Draft Budget and Action Plan was posted online at www.energytrust.org on October 6, 2021. Energy Trust presented an overview of the 2022 Budget and Draft 2022-2023 Action Plan at a public workshop on October 13, 2021.

Energy Trust discussed the Draft Budget and Action Plan with OPUC Staff at an informal workshop on September 17. Energy Trust met with electric and gas utilities for the first round of budget discussions on August 24. The second round of budget discussions with the OPUC and utilities took place the week of September 20. A final round of meetings will be held in early November to finalize revenue requirements. Additional meetings with utilities have been scheduled as needed throughout the process.

The Commission's Special Public Meeting scheduled for November 16, 2021, is the opportunity for the public and the Commission to consider and comment on Staff's assessment of the Draft Budget and Action Plan. The Energy Trust Board will receive a Final Proposed 2022 Budget and 2022-2023 Action Plan in early December and will consider it for adoption at the December 17, 2021 Board meeting.

[1] The OPUC Grant directs the administration of utility funding for energy efficiency and small-scale renewables.

Status of 2021 Budget Action Items

As part of the review of each Energy Trust annual budget, the Commission makes suggested recommendations for Energy Trust to adopt over the course of the next year. The 2021 Budget contained specific action items to be conducted during 2021. Energy Trust has completed four out of six action items, to date. Two items are in process. The table below captures the Commission-approved recommendations from last year's budget, and Energy Trust's progress toward completion.

OPUC Recommendations for 2021	Status
1. Continue to focus on identifying and developing residential measures, particularly those with greater peak impacts.	**Completed and ongoing**
2. Continue to develop peak modeling capability. Meet with Staff quarterly to review progress.	In progress and ongoing
3. In future budgets, include measure exception costs in the measure exception memo.	**Completed and ongoing**
4. Implement a supplier diversity tracking system. Report quarterly on progress.	In progress
5. Develop a longer-term strategy to align staffing with outreach goals. Complete before next proposal to increase staffing.	**Completed**
6. Ensure administrative costs in the 2022 budget do not exceed 8 percent of revenues.	**Completed**

Energy Trust has invested in activities related to studying peak loads for Action Item No. 2, but due to turnover in the planning group, these activities could not be fully completed. Staff continues to work with Energy Trust to expand Energy Trust's understanding and modeling of peak loads and reflect this knowledge by providing more sophisticated analysis and goals in the draft 2024 budget**.**

Energy Trust is behind schedule on Action Item No. 4 for implementing a supplier diversity tracking system. Energy Trust determined that this project required more time than anticipated because of underestimating the timeline for properly scoping the project. Energy Trust expects to complete the project in 2022.

Energy Trust completed Action Item No. 5 by presenting to Staff a longer-term strategy on staffing and outreach goals. Energy Trust completed this analysis in anticipation of requesting additional positions in this budget.

2021 Budget Amendment

In 2020, Energy Trust increased incentives in an effort to counter the effects of the COVID-19 pandemic on energy efficiency acquisition. In early 2021, Energy Trust discovered that it had underestimated the demand for certain increased incentives,

particularly in the commercial and industrial sectors. Energy Trust was slow to identify the extent of this demand because of communications disruptions from the COVID-19 pandemic, exacerbated by a delayed change in contractors.

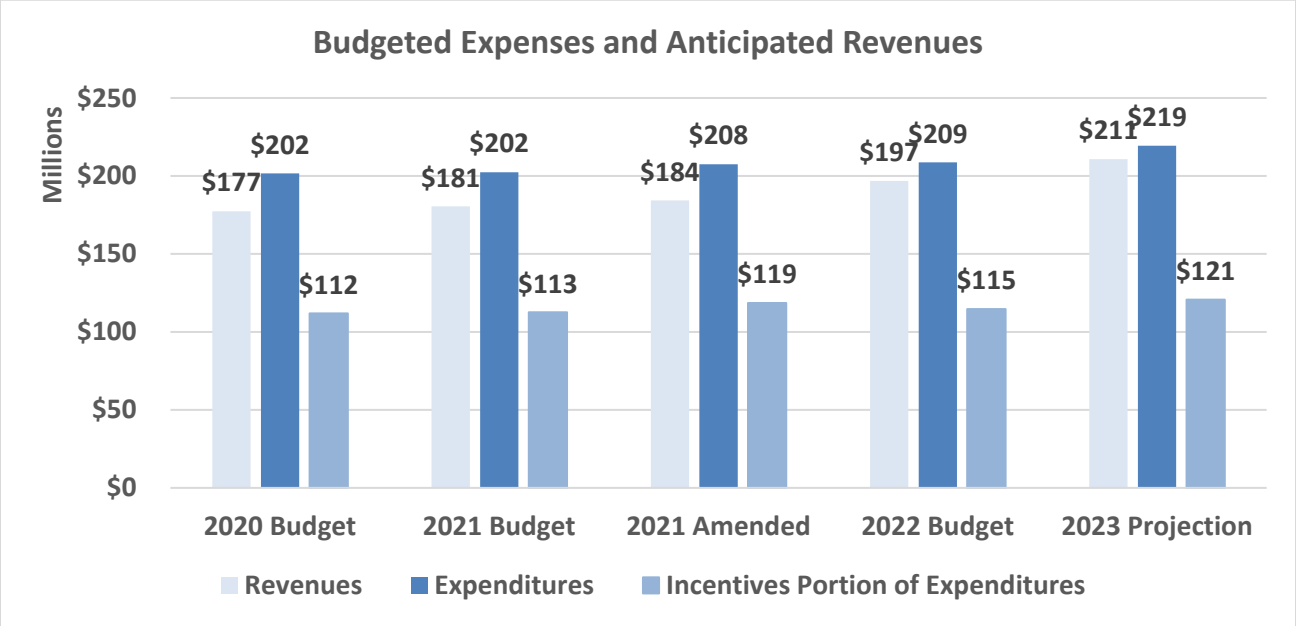
In response, Energy Trust worked with the utilities to take corrective action to reduce incentives, pause future incentive commitments for some programs, and develop multi-year options to resolve the shortfall. The Energy Trust Board approved an amended budget on May 19, 2021, that led to collecting an additional $3.8 million from utility customers combined with spending from existing reserves to deliver additional cost-effective energy efficiency.

For the 2022 budget, Energy Trust continues to implement a more aggressive budget management plan, including active management of popular commercial measures, monthly budget forecasting, and more frequent reporting from contractors. Energy Trust discussed raising additional revenues in 2022 with the individual utilities, and 2022 revenues in this draft budget reflect the tariff adjustments negotiated with the utilities.

2022 Budget Overview

Energy Trust proposes $208.7 million in expenditures in 2022 for OPUC grant activities, out of a total $213 million budget for the entire organization. The OPUC grant portion is an increase of 3.1 percent from the original 2021 budget and an increase of 0.6 percent of the amended 2021 budget. Over half of these expenditures are expected to be paid out as incentives. Energy Trust proposes to collect $196.8 million in revenues, an increase of 6.8 percent from 2021. This increase in 2022 revenues is to help pay for increased spending that occurred in 2021 while acquiring available savings, and pay for acquiring more energy savings in 2022 than previously forecasted.

Budget Revenues vs. Expenses[2]



	2020 Budget	2021 Budget	2021 Amended	2022 Budget	2023 Projection
Revenues	$177,369,785	$180,547,579	$184,343,709	$196,802,744	$210,826,043
Expenditures	$201,623,746	$202,397,951	$207,508,304	$208,732,917	$219,440,344
Incentives Portion of Expenditures	$111,909,140	$112,563,205	$118,559,097	$114,684,799	$120,711,957

Both the 2021 amended budget and 2022 budget reflect the responses to the budget overrun from early 2021. After drawing down existing reserves, Energy Trust requested additional funds in 2021 and 2022 to compensate for the increased demand in energy efficiency incentives even after rolling back incentive increases and restricting some offers. Revenues in this budget increase in 2022, while incentives decline to replenish some of the reserves spent on additional incentives in 2021. The table below shows revenue changes by utility.

[2] Note: This chart does not show carryover reserves, which are used to smooth out operations from year to year and reduce rate impacts.

Revenue from OPUC Grant Funds by Utility

	2021 Budget	2021 Amended	2022 Budget	% Change from 2021 Amended
PGE	$87,636,646	$90,675,546	$94,652,540	4.39%
PacifiCorp	$60,448,675	$61,205,905	$62,815,351	2.63%
NW Natural	$26,708,386	$26,708,386	$31,324,086	17.28%
Cascade	$3,310,580	$3,310,580	$3,567,475	7.76%
Avista	$2,443,292	$2,443,292	$4,443,292	81.86%

The gas utilities have seen overall significant budget increases. With the 2022 budget, the gas utility budgets are increasing an average of 8.8 percent a year over five years. These come with growing interest in peak savings and carbon reductions. Overall, the natural gas utilities have smaller budgets with smaller reserves, and see larger fluctuations than the electric utilities. Based on the timing of the information and with smaller reserves, the gas utilities were impacted more in relative terms by the budget overruns in 2021, resulting in no adjustment in mid-year but a higher change in 2022. The gas utilities were overall supportive of increasing spending to acquire more energy efficiency, particularly for carbon reductions in the near-term.

Starting in 2022, under Section 9(1)(e) of HB 3141, the legislature requires that the nongovernmental entity, Energy Trust, develop utility-specific budgets and action plans jointly with the funding public utilities. The action plans must reflect stakeholder feedback gathered through a public process managed by the nongovernmental entity and the relevant public utility, as overseen by the Commission. Energy Trust will be required to file with the Commission the entity's budget, action plan, and quarterly and annual reports for public review. Staff will begin considering how these requirements may be supported at the Commission level in the first half of 2022.

Predicted Outcomes

Energy Trust's budget forecasts gas and electric savings, electric renewable generation, and greenhouse gas reductions associated with these activities. Staff also discusses below the outcomes related to Energy Trust's work in diversity, equity, and inclusion.

Energy Efficiency Savings

In 2022, Energy Trust predicts acquiring 50.1 aMW of savings (5.7 percent more than 2021) and 6.52 million therms (6.6 percent more).

Energy Savings

	2021 Budget	2021 Amended	2022 Budget	2023 Projection
Electric savings (aMW)	44.96	47.43	50.13	52.91
Gas savings (MMth)	6.11	6.12	6.52	6.92

Looking at the sector level, compared with 2021, Energy Trust predicts an increase in residential electric savings with a slight decrease in commercial for 2022. These predictions are driven by Energy Trust's predictions on ongoing COVID-19 impacts on the market, including ongoing interest in energy efficiency investment with a delayed large industrial project.

Sector-Level Electric Savings

	2021 Budget	2021 Amended	2022 Budget
Residential aMW	7.6	7.6	10.5
Commercial aMW	21.2	22.3	21.8
Industrial aMW	16.1	17.5	17.8

On the gas side, compared to 2021, Energy Trust predicts a modest increase across all three sectors. These budgets are also driven by predictions of market impacts of COVID-19 with ongoing interest in energy efficiency investment.

Sector-Level Gas Savings

	2021 Budget	2021 Amended	2022 Budget
Residential MMth	2.32	2.32	2.55
Commercial MMth	2.44	2.44	2.50
Industrial MMth	1.36	1.36	1.48

Renewables Generation Acquisition

Currently, the renewables program is divided into two programs: Solar and Other Renewables. Energy Trust anticipates ongoing strong demand for small-scale solar while anticipating a very small hydroelectric project to come online in 2022.

Generation Supported by Energy Trust

	2021 Budget	2021 Amended	2022 Budget
Solar (aMW)	2.9	2.9	4.00
Other Renewables (aMW)	0.6	0.6	0.01

Consistent with HB 3141, Energy Trust will begin developing incentives for distribution system-connected technologies in 2022. Staff is working with Energy Trust as it considers the appropriate definition of new terms in the bill and may lead to a different allocation within the renewables budget once this guidance is finalized later this year. HB 3141 also requires that Energy Trust spend 25 percent of renewables funds on activities, resources, and technologies that serve low and moderate income customers starting next year. Energy Trust already expects to be close to the 25 percent target in 2021, and expects to be able to spend 25 percent in 2022.

Peak Savings

Staff believes that is crucial for Energy Trust to be able to target peak savings, and more importantly, adjust based on changes to the net system peaks due to renewables. As more renewables come online, the value of energy efficiency to the grid will shift over time. Energy efficiency has always contributed to the reduction of system peaks, and overall load reductions enable more flexibility in the system as a whole. Now, the time of day at which energy efficiency is most valued will evolve. Energy Trust must have the flexibility and planning capability to adjust with these changes. Staff proposes that Energy Trust go beyond reporting on peak load impacts and begin targeting them, starting with the 2024 budget. Staff will work with Energy Trust in 2022 on how this information should be reported.

Diversity, Equity, and Inclusion (DEI) Activities

Energy Trust established an internal initiative for diversity, equity, and inclusion, which aims to increase participation among those who are currently underrepresented among participants. Energy Trust is making a deliberate effort to incorporate DEI principles across the organization and through its activities. Energy Trust has been working with Staff and stakeholders to develop DEI metrics to both stimulate and capture progress on DEI activities. As a result, DEI activities are distributed across the budget in various places. Some highlights:

DEI Specialist: Energy Trust proposes adding an additional full-time employee (FTE) for a DEI specialist to assist on related projects.

DEI Operations Plan: Energy Trust is implementing a new DEI Operations plan for 2022 and beyond. Leading up to this, Energy Trust is continuing to strengthen

relationships with stakeholders to establish ongoing engagement around the DEI plans.

Manufactured Homes Replacement Program: Energy Trust was granted an exception from cost effectiveness requirements to support replacement of manufactured homes with energy efficient models. Energy Trust is currently transitioning from a pilot to a program to be launched at the beginning of 2022.

Ductless heat pump pilot: Energy Trust requested an exception from cost effectiveness requirements for a pilot to test delivery mechanisms for ductless heat pump installations for energy burdened customers.

Through HB 2475, OPUC can potentially address energy burdens through bill reduction measures or programs.[3] Some of Energy Trust's activities have the potential to be adapted or expanded to reduce energy burdens through HB 2475 if the Commission authorizes programs through that mechanism. The ductless heat pump pilot is an example of such an opportunity that could potentially be offered through HB 2475. While the Commission evaluates these options, reducing energy burdens through energy efficiency is a key consideration for DEI. Staff encourages Energy Trust to continue to identify opportunities where energy efficiency can best mitigate energy burdens. Staff is particularly interested in offers that are targeted to customers who are at risk of being in arrears by leveraging utility data.

HB 3141 requires the Commission to establish performance metrics for Energy Trust related to environmental justice communities.[4] In 2022, Staff will lead a docket for the development of environmental justice metrics that the Commission must define for the first four year period by the end of 2022. Staff appreciates Energy Trust's ongoing efforts to improve tracking capabilities in recent years.

In preparation for these discussions, Staff recommends that Energy Trust study the prevalence and impact of alternative heating fuels such as wood, propane, and heating oil in its service territory. Staff also recommends that Energy Trust collect information on how to provide low-cost cooling by revisiting a 2017 report on air conditioning with any new information available through NEEA and other sources. These are two of the areas that stakeholders identified as ways to reduce energy burdens during the UM 2114 workshop on energy efficiency. Staff will request that the utilities involved in this docket be prepared to provide information that may help identify environmental justice communities at highest risk of disproportionate impacts, and anonymized energy usage data to help better assess opportunities and appropriate metrics.

[3] OR Laws 2021, Ch. 90, Section 7.
[4] OR Laws 2021, Ch. 547, Section 11.

Greenhouse Gases
Energy Trust anticipates that the 2022 action plan will result in 4.5 million tons of carbon dioxide reductions, which is a 12.5 percent increase from 2021. Energy Trust anticipates greater carbon savings because the mix of energy-saving measures for 2022 last longer than the mix in 2021, leading to larger lifetime savings. These shifts to longer-lasting measures were more evident in industrial and existing buildings programs.

In addition to these projections, Energy Trust's energy efficiency and renewables work will be crucial in implementing the State's decarbonization goals. This includes the Commission's work plan to implement the Governor's Executive Order 20-04, and greenhouse gas reduction targets found in HB 2021. Staff sees this manifesting in many ways in the Energy Trust budget. Notably, for future budgets, by increasing the expected compliance cost for carbon reduction, the relative value of energy efficiency will increase.

Further, to the extent that Staff has asked Energy Trust to identify and target net peak measures so that EE benefits the system in the future, Energy Trust in 2022 should identify and begin pursuing opportunities for the greatest greenhouse gas reductions that are also cost-effective on an energy basis considering that the electric and gas utilities are subject to their respective goals in HB 2021 and EO 20-04. This will require the utilities to share more granular levels of historic and forecasted emission data (e.g., hourly) so that energy efficiency can be compensated accordingly when energy reduction patterns best align with a utility's greenhouse gas reduction needs.

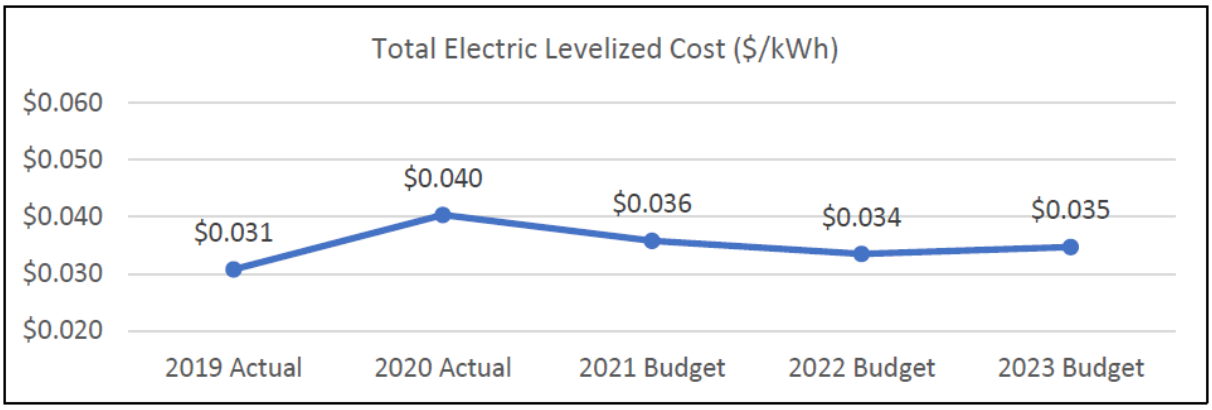
Delivery Costs
Overall, expenditures on electric savings acquisition will remain the same and natural gas expenditures will increase by 11 percent.

Expenditures by Fuel

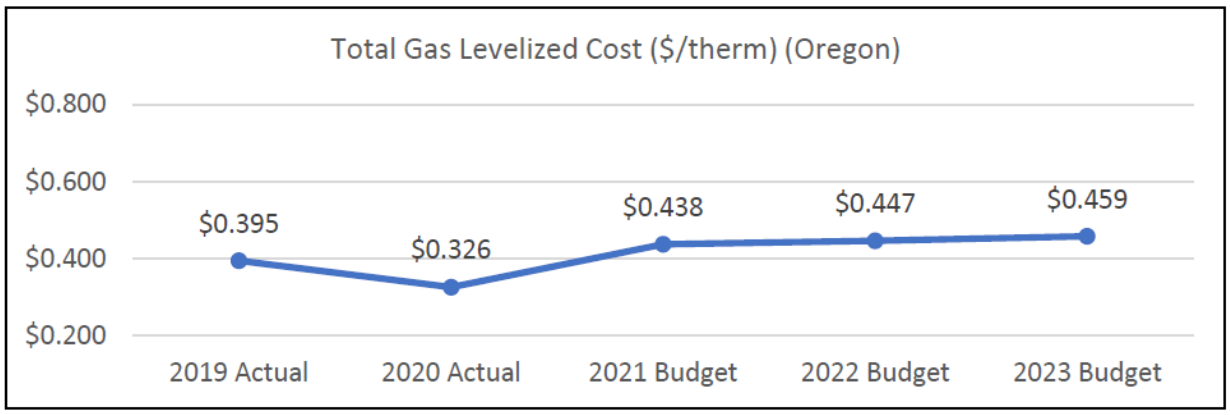
	2021 Budget	2021 Amended	2022 Budget
Electric costs	$144,608,762	$149,991,886	$149,256,428
Gas costs	$34,536,446	$34,346,587	$38,060,040

What is more indicative of costs is the average cost per therm and kWh. Levelized costs are the average dollars per unit saved amortized over the lifetime of the measures. The estimated levelized cost for electric savings is expected to decrease five percent, and gas is expected to increase by two percent.

Electric Levelized Costs[5]



Gas Levelized Costs[6]



In recent years, Energy Trust has predicted notably increasing levelized costs for gas. Energy Trust cautions that these costs are not a trend, and many factors led to these forecasts, with no dominant factor.

While levelized costs are an important indicator of performance, Staff anticipates net peak reductions, greenhouse gas reductions, and other forms of targeted energy efficiency to alleviate energy burden or localized distribution needs will become as important in future budgets.

[5] *Energy Trust's Draft 2022 Annual Budget and 2022-2023 Action Plan p. 27.*
[6] *Energy Trust's Draft 2022 Annual Budget and 2022-2023 Action Plan p. 28.*

Administrative Costs
Administrative costs fall under the following categories:

- Employee Salaries & Fringe Benefits if not directly related to program delivery,
- Agency Contractor Services if not billed to program delivery,
- Planning and Evaluation Services if not billed to program delivery,
- Advertising and Marketing Services if not billed to program delivery,
- Other Professional Services if not billed to program delivery,
- Travel, Meetings, Trainings, & Conferences,
- Dues, Licenses, and Fees,
- Software and Hardware,
- Depreciation & Amortization,
- Office Rent and Equipment,
- Materials Postage and Telephone, and
- Miscellaneous Expenses.

Administrative costs are projected to increase by $1,307,960 – or 9.3 percent – in 2022. Overall, the total administrative costs for 2022 are slightly below the performance metric limit, which is a maximum 8 percent of revenues.

Administrative Costs

	2021 Budget	2021 Amended	2022 Budget	2023 Projection
Administrative Costs	$14,296,224	$14,084,001	$15,391,961	$16,264,685
Revenues	$180,547,579	$184,343,709	$196,802,744	$210,826,043
Percent of Revenues	7.92%	7.64%	7.82%	7.71%

Last year, Energy Trust initially proposed a slightly larger administrative budget at just below the 8 percent limit, but was able to reduce the budget by $71,000 for the final budget. In response to the cost overruns earlier in 2021, Energy Trust reduced administrative costs an additional $212,000 as part of the effort to compensate for the increased energy efficiency acquisition.

Energy Trust cites increased spending on DEI-related activities, including targeted advertising, the delayed supplier diversity tracking system that was originally expected to launch in 2021, professional services to support Board initiatives, IT investments, and staffing costs (discussed in next section).

While this proposed administrative budget is within the required range, Staff is concerned at the overall increase from what was originally expected in 2021, and at how close it is to the maximum within the performance metric. Staff notes that revenues

are increasing in 2022 and 2023 partially to replenish reserves that were used to pay for increased expenditures in 2021. Staff understands that some of these projects in 2022 are one-offs that will not be repeated in 2023. Staff will keep this context and longer history in mind when reviewing the 2023 budget.

Staffing Costs
The proposed budget includes a 6.4 percent increase in staffing costs from 2021. This increase is a combination of a forecasted eight percent increase in healthcare costs, and proposed additions to Energy Trust staff. This budget assumes a 6.3 percent overall increase in compensation, which is inclusive of merit increases and promotions, and includes 1.3 percent in market-based adjustments. There is not a separate adder for inflation or cost of living.

Staffing Costs

	2020 Budget	2021 Amended	2022 Budget	2023 Projection
Staffing Budget	$15,053,097	$16,130,842	$17,170,337	$18,229,408
Annual Change $		$1,077,745	$1,039,495	$1,059,071
Annual Change %		7.2%	6.4%	6.2%

In this budget, Energy Trust proposes to hire:

- One full-time energy program fellow with two-year terms in partnership with an organization dedicated to increasing diversity in the energy industry. Last year, Energy Trust requested two of these fellowships. Energy Trust requests a third fellowship that will have a one-year overlap that will replace one of the existing two fellowships once they expire.
- One DEI specialist who will support the implementation of DEI initiatives.
- One general ledger accountant in the finance department. Energy Trust has been using a contractor accountant to fulfill this function and expects this work to be ongoing.

Overall, Staff is supportive of these additional positions. Staff believes the DEI specialist position is consistent with Energy Trust's increased DEI focus through HB 3141. Staff believes converting the accountant position will reduce overall costs, manage future risk, and serve as a good investment in the long term. The temporary fellowship will help the initiative be more successful by allowing overlap for incoming fellows.

Since the posting of the draft budget, Energy Trust has informed Staff that there is new market survey information available about staffing costs that indicates Energy Trust is

not keeping up with the market. Energy Trust will provide more information with an increased staffing budget in the final budget proposal to its Board.

Conclusion

In 2021, Energy Trust experienced challenges, both new and ongoing, driven by the COVID-19 pandemic. In 2022, Energy Trust will still be correcting for the unanticipated demand for energy efficiency investments that materialized near the end of 2020. In addition to the ongoing changes in the market, Energy Trust will play a key role in meeting many large policy goals by supporting the transition to cleaner energy, reducing energy burdens, and providing services to a wider range of customers. Staff concludes that there is a need today to flexibly target peak value and analyze existing information to target DEI.

Based on the review of this budget, Staff makes the following recommendations.

In order to better target energy efficiency investments:

1. Report net peak load budget impacts starting with the 2024 budget.
2. Prepare processes to identify those measures that maximize greenhouse gas reduction impacts for electric and gas utilities based on the time of day and year.

In preparation for the environmental justice metrics discussion:

1. Work with utilities to identify environmental justice communities in their service territories.
2. Estimate the prevalence and impacts of alternative fuels within the service territory.
3. Research opportunities to provide low-cost cooling measures.

PROPOSED COMMISSION MOTION:

Adopt Staff's comments and recommendations on the Draft 2022 Budget and Draft 2022-2023 Action Plan for Energy Trust of Oregon.

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah, Suite 2000
Portland, Oregon 97232

October 20, 2021

Michael Colgrove
Executive Director
Energy Trust of Oregon
421 SW Oak Street, Suite 300
Portland, OR 97204

RE: Comments on Energy Trust 2022 Annual Budget and 2022-2023 Action Plan

Dear Mike,

For the past 20 years, our customers have contributed to Energy Trust of Oregon (ETO) and in turn have received valuable assistance in lowering their energy use and investing in renewable energy. The resulting energy savings and renewable generation are important resources within the larger portfolio that contribute toward our ability to deliver safe, reliable, clean, affordable and equitable service to our customers. We appreciate the work Energy Trust has invested in developing and presenting your draft 2022 budget and 2022-2023 action plan to Pacific Power, other funding utilities, and interested stakeholders around the state. We would like to offer the following comments and have identified the following opportunities for the upcoming year:

- Looking forward, 2022 and 2023 will continue to be years of significant rebuilding for our communities. COVID, wildfires, and the resulting infrastructure and economic impacts have been felt by all our customers, most significantly by low-income families throughout rural Oregon. As communities emerge from the continued economic impacts of 2021, Energy Trust and Pacific Power must improve mutual engagement on community initiatives.

- Regarding Energy Trust's Action Plan Goal 3 to "pursue new funding opportunities" to "[develop] relationships with organizations where there is mutual opportunity to pursue complementary activities or access other sources of funds" and to "[enhance] grid value with the utilities," ETO coordination with Pacific Power well in advance of commitments is increasingly important to ensure actual value will be delivered to the local grid. The same holds true for Goal 2 to "[e]xpand support for community-led approaches to increase access to clean energy."

- Pacific Power has been working closely with Portland General Electric (PGE) and the Oregon Public Utility Commission (OPUC) on implementing elements of House Bill 3141. We fully expect adjusted collection mechanisms to be in place by the end of 2021 to facilitate a smooth transition into a new utility funding stream for energy efficiency effective January 1, 2022.

- Going forward, HB3141 envisions Pacific Power and ETO jointly developing utility-specific budgets, action plans and agreements, reflective of stakeholder feedback gathered through a public process managed by ETO and the utility. Although ETO and Pacific Power are not implementing this language for 2022 activities and budgets, the informal engagement thus far and the remainder of 2022 planning and budgeting provide a great opportunity to strengthen the foundation of collaboration between respective organizations that will be built on for 2023 budgets and plans.

Pacific Power continues to value the resource acquisitions and customer benefits delivered by Energy Trust of Oregon on behalf of our customers. In conclusion, we are looking forward to continuing good work in 2022.

Sincerely,

Cory Scott
Managing Director, Customer Solutions

Portland General Electric
121 SW Salmon Street • Portland, OR 97204
portlandgeneral.com

Energy Trust of Oregon
421 SW Oak, Suite 300
Portland, OR 97204

October 20, 2021

Re: PGE Comments on 2022 Budget and 2022-2023 Action Plan

PGE appreciates the invitation to provide formal comments on the Energy Trust of Oregon (ETO) Draft 2022 Budget and 2022-2023 Action Plan.

PGE is grateful for the multiple opportunities to collaborate with ETO on its 2022 planning. Going forward, House Bill (HB) 3141 envisions PGE and ETO jointly developing utility-specific budgets, action plans and agreements, reflective of stakeholder feedback gathered through a public process managed by ETO and PGE. Although ETO and PGE are not implementing this language for 2022 activities and budgets, the informal engagement thus far and the remainder of 2022 planning and budgeting provide a great opportunity to strengthen the foundation of collaboration between PGE and ETO, which will be furthered for 2023 budgets and plans. To ensure continued coordination PGE is aligning its leadership and support staff around the need to improve collaboration with ETO as a key partner in the delivery of PGE's long-term imperatives to decarbonize, electrify, and perform.

PGE has just one comment. Heat pumps offer year-round value to the customer (heating and cooling) and the electric system. This is especially true for our environmental justice communities who are disproportionally impacted by climate change and disaster events. For this reason, we support ETO's work on low and no cost ductless heat pumps and would prefer ETO focus efforts to expand heat pump offerings at the expense of incenting further air conditioning build out.

Additionally, PGE is working closely with Pacific Power and the Oregon Public Utility Commission (OPUC) to implement elements of HB 3141 and fully expects adjusted collection mechanisms to be in place by the end of 2021 to facilitate a smooth transition into a new utility funding stream for energy efficiency effective January 1, 2022.

Thank you,

Jake H Wise
Portland General Electric

To: Energy Trust of Oregon via e-mail only to info@energytrust.org
Re: Comments by Small Business Utility Advocates (SBUA) re 2022 Draft Budget
Date: 10/20/21

Overall the 2022 Energy Trust Budget reflects the Energy Trust's significant administrative sophistication and also its technical sophistication of financing energy improvements and generation among multiple players. This 2022 Draft Budget including Action Plan does address appropriate shifts to address equity and recent legislation. SBUA agrees w/the Action plan categories and appreciates the more explicit inclusion of small business in the Action Plan. It is important that small businesses, which are responsible for most of Oregon's workforce and also a sizable amount of the State's economy, are considered. Small business might review this Budget with an eye for how Energy Trust accounts and plans for the moneys paid monthly as part of their energy bills to fund the Energy Trust and its work. This includes comments from perspective of small business generally and including small commercial ratepayers.

Budget Overview[1]:
The Overview pages could include brief summary of the shifts and legislative changes that lie behind the Draft Budget, perhaps brief explanation of HB 3141 (2021) for example, and also key legislation that lies at the heart of Energy Trust funding structure like SB 1149 (1999) and SB 838 (2007), and include other legislation referenced in the Budget (e.g. HB 1444 and HB 1257), not to mention HB 2475 (2021) etc. as legislative framework impacting energy.

Financial Statements[2]:
These pages reflect the Energy Trusts sophistication in financing and producing corresponding documents. Realizing that the financial statements are not likely supposed to be narrative at all, still explanatory narrative could be in a cover page or, as mentioned above, in the Overview.

1. Financial Statement pages could be paginated for easier reference and see above comment re explanatory narrative. Perhaps Include a table of contents or an explanation at the top or bottom of the the different financial statement regarding what the page represents.

2. Financial statement could be more understandable to the average experienced business person with better labelling of the information. For example, the financial statement page 6(?) includes column "OPUC Efficiency" at almost $100,500,000, and larger sums under that. Also and related, it is unclear to which statutorily authorized funds the figures refers. What exactly "OPUC" does related to the Energy Trust budget should be explained at the outset, especially where OPUC oversees the Energy Trust.

3. Re Revenue section, more explanation would serve the Energy Trust's goal of being more accessible and its plan to increase outreach. The revenue information should include more specificity in the revenues, perhaps in a footnote that describes the different categories and identifies their sources, E.g. "Utilities provide revenue by collecting 3% of (most) ratepayer bills to fund the Energy Trust work per SB 1149." Contracts includes contracts between Energy Trust and xxx, yyy (include entity examples, perhaps largest organizations does Energy Trust contract), with same method applied to Grants and Investments, and include reference where the interested business person could look for more information re revenue.

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[1] https://www.energytrust.org/wp-content/uploads/2021/10/Budget-Overview_2022-Budget.pdf

[2] https://www.energytrust.org/wp-content/uploads/2021/10/Financial-Statements_2022-Budget.pdf

4. Re revenue from Utilities: Shows an increase each time—Revenue from Utilities 178,129,076 187,344,583 192,917,693 194,306,051 200,153,618 214,176,917
COMMENT: It could be clarified whether and how these trends of predicted economic growth take into account the language present elsewhere in the 2022 Draft Budget re difficult- to-predict impacts of COVID-19. “In short, the persistence of the COVID-19 pandemic and new market uncertainty brought about by the delta variant may be offset by a seemingly improving economy and by a robust Energy Trust program pipeline. These conditions are both fluid and unprecedented in Energy Trust’s history. Some conflicting indicators are hard to interpret, making future conditions, and resulting outcomes, difficult to predict.”[3]

Supporting Memos[4]:

At certain points in the 2022 Draft Budget it is unclear who is the intended reader. SBUA assumes it is the public to which Energy Trust directs its comment period, and therefore includes small business owners and managers.

Re Planning Assumptions, according to Energy Trust’s contractor CLEAResult:
“...Residential and commercial segments will benefit from new financing options and increasing choice amongst existing and new market entrants. In the residential segment, we are seeing new financing models emerge that focus on the consumer’s lifestyle and comfort preferences, rather than on traditional energy savings as the value driver. These emerging offers are positioned ‘as-a-service' similar to other on-demand products that today’s consumer is accustomed to purchasing. In the commercial segments, we are seeing similar trends towards ‘as-a-service' financing options where third parties invest project capital and energy users pay for upgrades over time. This model effectively shifts energy efficiency upgrades from a capital expense to an operating expense, where most customers are accustomed to paying for utility expenses. Bundling is growing in popularity as well for both segments where efficiency and distributed energy resources such as solar are financed together offering the energy user more attractive economics than is possible with independent projects.”

COMMENT: It is difficult to understand what is the impact on small business of the “new financing options and increasing choice among existing and new market entrants.” This language is hard to understand for a small business.

COMMENT: SBUA is concerned that small commercial customers will be left out of this planning and if that is not the case then it would be helpful to articulate that more in the Budget documents. “In 2021, large customer spending caps in place under SB 838 (2007) were repealed when HB 3141.”

COMMENT: SBUA understands that (in part?) due to changes to Oregon appliance standards from HB 2062 (p 7) are changing baselines for a number of measures, notably, commercial food service equipment (fryers, steam cookers, dishwashers), and that fryer measures, which are popular commercial gas measures, will sunset mid 2022 as a result. SBUA suggests including estimated metrics on the anticipated energy improvements from appliances.

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[3] The Supporting Memo p3 notes Given these labor shortages, smaller companies may not have the capacity to keep pace with customer demand. See also Id p9 re uncertainty.

[4] https://www.energytrust.org/wp-content/uploads/2021/10/Supporting-Memos_2022-Budget.pdf

Total Resource Cost:
The OPUC has directed Energy Trust to apply the Total Resource Cost Test benefit/cost ratio and Utility Cost Test benefit/cost ratio to ensure that Energy Trust is responsibly investing ratepayer funds (p 10). The Draft Budget Memo says together, the tests assess the value of the energy-efficiency investment compared to a utility supplying the same amount of energy and determine whether energy efficiency is the best energy buy for a utility and for all utility customers, and there are exceptions to this in the OPUC Order 94-590.
COMMENT: Table 1 List of Measure Exceptions That Will Be Active in 2022. SBUA would like to see here examples that busy business people could envision of some measure exceptions referenced, and especially of Measure Exception A where the measure produces significant non-quantifiable, non-energy benefits. Alternatively, provide a link to such examples.

Energy Efficiency Levelized Cost Trends and Managing Future Costs:
Additionally, Energy Trust is currently exploring how partnerships with community-based organizations and other community entities, such as cities and counties, can help engage new customers we have historically underserved. While these partnerships require an investment of time and resources, we believe they will unlock savings that, over time, will contribute to a portfolio of reasonably priced, cost-effective savings.

Roger Arliner Young "RAY": Great idea to include a RAY Fellow. The footnote of the RAY should absolutely include explanation of who "RAY" is/was and perhaps, respectfully, why chosen for energy conservation where Young's background seemed to focus on biology.[5]
COMMENT: SBUA suggests including a link to a quality biography in any reference to the "RAY" in any document Energy Trust produces mentioning Young or "RAY" for a long while.

Action Plans[6]:
COMMENT: SBUA agrees generally with the four action plan categories though suggests considering substituting small business "energy costs"(p1) for "energy demands" as businesses would see "costs" as their bills and that relates to ratemaking.

COMMENT: This document is well-presented generally and SBUA appreciates the more specific inclusion of how Energy Trust plans to work with small business! It would be helpful if each "Key Activities" section included the section to which it refers, e.g. "Key Activities of General Management", "Key Activities of DEI", etc.

COMMENT: Reminder that SBUA works with small commercial customers which is a group of utility customers underserved by the Energy Trust, and may be able to facilitate the contact and information w/small commercial utility customers and also those who are not utility customers per se. Note SBUA's involvement with local governments regarding COVID-19 and with small businesses re creation of PacifiCorp dba Pacific Power Marketing Education & Outreach Plan for small commercial aka Schedule 23 general service customers. SBUA looks forward to appropriate collaboration and if there are metrics anticipated with the anticipated energy savings, SBUA would appreciate seeing those in the 2022 Energy Trust Budget document if those figures are not already present.

This concludes SBUA comments, thank you for your consideration.

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[5] https://www.bbc.com/future/article/20200930-arliner-young-the-black-biologist-failed-by-science

[6] https://www.energytrust.org/wp-content/uploads/2021/10/Action-plans_2022-Budget.pdf

Diane Henkels, Attorney, SBUA in Oregon diane@utilityadvocates.org

Energy Trust of Oregon
Income Statement - Budget, Forecast and Projection
2022 Budget and 2022-2023 Action Plan

	Board Approved Budget 2021	2021 Reforecast	2022 Budget	2023 Budget
Revenue from Utilities	187,344,583	194,111,938	202,906,807	217,306,807
Contract Revenue	1,045,484	1,064,605	1,216,686	819,564
Grant Revenue		8,831	-	-
Investment Income	96,000	159,761	208,000	208,000
Revenue	188,486,067	195,345,135	204,331,493	218,334,371
Incentives	120,805,454	112,110,844	121,453,704	128,534,399
Program Delivery Contractors	56,097,373	55,756,877	60,323,540	62,547,024
Employee Salaries & Fringe Benefits	16,808,212	16,204,719	18,307,899	19,475,148
Agency Contractor Services	2,169,863	2,000,278	2,693,463	2,939,021
Planning and Evaluation Services	3,482,785	2,714,688	4,091,096	3,854,514
Advertising and Marketing Services	3,253,100	2,843,647	3,742,000	4,023,000
Other Professional Services	5,891,758	4,331,364	5,962,651	6,029,886
Travel, Meetings, Trainings & Conferences	260,630	142,779	346,170	484,425
Dues, Licenses and Fees	334,420	326,943	277,897	298,514
Software and Hardware	817,203	896,203	850,350	718,785
Depreciation & Amortization	275,295	331,287	246,408	200,000
Office Rent and Equipment	1,247,500	1,079,396	1,100,146	1,080,146
Materials Postage and Telephone	148,750	95,400	130,750	119,140
Miscellaneous Expenses	5,500	11,066	11,500	11,000
Expenditures	211,597,841	198,845,491	219,537,575	230,315,002
Net Income	**(23,111,774)**	**(3,500,356)**	**(14,206,081)**	**(8,980,631)**

See accompanying budget memos for further detail

Energy Trust of Oregon
2022 Budget Changes from Draft to Final Proposed

SAVINGS & GENERATION

	Draft	Budget	Change	Percent Change
PGE	28.78	29.03	0.25	0.9%
Pacific Power	21.35	21.54	0.19	0.9%
Total Electric Savings (aMW)	50.13	50.57	0.44	0.9%
NW Natural	5.32	5.85	0.54	10.1%
Cascade Natural Gas	0.63	0.75	0.12	19.7%
Avista	0.58	0.66	0.08	14.1%
NWN Washington	0.28	0.32	0.03	12.3%
Total Gas Savings (MM Therms)	6.81	7.58	0.78	11.4%
PGE Generation	2.53	2.29	(0.24)	-9.4%
Pacific Power Generation	1.47	1.80	0.34	22.9%
Total Generation (aMW)	4.00	4.10	0.10	2.5%

FINANCIALS

REVENUE	**201,523,402**	**204,331,493**	**2,808,091**	**1.39%**
Expenditures by Function				
Electric Efficiency	141,062,600	140,735,802	(326,798)	-0.23%
Gas Efficiency	35,970,633	41,919,764	5,949,131	16.54%
Renewable Energy	20,240,737	21,336,530	1,095,793	5.41%
Washington	2,953,783	2,822,593	(131,190)	-4.44%
Community Solar	359,285	364,617	5,331	1.48%
PGE Storage	439,847	440,699	853	0.19%
NWN Geo TLM	268,369	344,520	76,151	28.38%
Management & General	6,975,195	6,825,331	(149,864)	-2.15%
Communications and Outreach	4,717,334	4,747,718	30,384	0.64%
TOTAL	212,987,783	219,537,575	6,549,791	3.08%
Expenditures by Nature				
Efficiency Incentives	100,427,759	104,318,446	3,890,686	3.87%
Renewable Incentives	14,257,040	15,057,040	800,000	5.61%
Washington Incentives	1,761,614	1,613,999	(147,615)	-8.38%
Program Delivery Contractors	57,504,370	60,323,540	2,819,170	4.90%
Employee Salaries & Fringe Benefits	17,935,949	18,307,899	371,949	2.07%
All Other Expenses	21,101,051	19,916,652	(1,184,400)	-5.61%
TOTAL	212,987,783	219,537,575	6,549,791	3.08%
Expenditures by Funding Source				
Electric	149,256,428	148,567,630	(688,798)	-0.46%
Gas	38,060,040	44,252,563	6,192,523	16.27%
Renewables	21,416,450	22,523,889	1,107,440	5.17%
Washington	3,125,358	2,979,668	(145,689)	-4.66%
Community Solar	380,155	384,907	4,752	1.25%
PGE Storage	465,396	465,224	(172)	-0.04%
NWN Geo TLM	283,958	363,693	79,735	28.08%
TOTAL	212,987,783	219,537,575	6,549,791	3.08%
Expenditures by Sector				
Commercial Sector	81,189,974	84,323,124	3,133,151	3.86%
Industry and Agriculture Sector	43,275,629	43,269,355	(6,275)	-0.01%
Residential Sector	54,634,730	56,193,730	1,559,000	2.85%
Renewables	21,416,450	22,523,889	1,107,440	5.17%
Washington	3,125,358	2,979,668	(145,689)	-4.66%
NEEA Combined	8,216,134	9,033,984	817,850	9.95%
Contracted Programs	1,129,509	1,213,824	84,315	7.46%
TOTAL	212,987,783	219,537,575	6,549,791	3.08%

See accompanying budget memos for further detail

Recap Spending and Energy Savings and Generation
Approved Budget for 2022

Program	Budget ($M)			Electric		Gas	
	Electric	Gas	Total	Electric Savings / Generation Goal (aMW)	Levelized Cost per kWh	Annual Therms	Levelized Cost per Therm
Existing Buildings with MF	$ 48.6	$ 16.3	$ 64.9	15.3	$ 0.038	2,469,687	$ 0.585
New Buildings	$ 17.4	$ 2.0	$ 19.4	4.8	$ 0.037	437,460	$ 0.401
NEEA Commercial	$ 2.7	$ 1.3	$ 4.0	1.4	$ 0.038	167,873	$ 0.582
Commercial Sector	$ 68.8	$ 19.5	$ 88.3	21.5	$ 0.037	3,075,020	$ 0.558
Industry and Agriculture	$ 38.9	$ 4.4	$ 43.3	17.0	$ 0.026	1,528,067	$ 0.272
NEEA - Industrial	$ 0.0	$ -	$ 0.0	0.8	$ 0.001	-	
Industry and Agriculture Sector	$ 38.9	$ 4.4	$ 43.3	17.8	$ 0.025	1,528,067	$ 0.272
Residential	$ 36.2	$ 20.0	$ 56.2	7.5	$ 0.058	2,662,335	$ 0.503
NEEA Residential	$ 4.6	$ 0.4	$ 5.0	3.8	$ 0.014	-	
Residential Sector	$ 40.9	$ 20.3	$ 61.2	11.3	$ 0.043	2,662,335	$ 0.513
Oregon Efficiency Programs	**$ 148.6**	**$ 44.3**	**$ 192.8**	**50.6**	**$ 0.034**	**7,265,422**	**$ 0.480**
Solar	$ 16.1		$ 16.1	4.0	$ 0.036		
Other Renewables	$ 6.4		$ 6.4	0.1	$ 0.492		
Renewables Programs	**$ 22.5**		**$ 22.5**	**4.1**	**$ 0.049**		
Commercial Washington		$ 1.4	$ 1.4			185,649	$ 0.631
NEEA Commercial Washington		$ -	$ -			-	
Residential Washington		$ 1.6	$ 1.6			133,073	$ 0.835
NEEA Residential Washington		$ -	$ -			-	
Washington Programs		**$ 3.0**	**$ 3.0**			**318,722**	**$ 0.722**
Community Solar			$ 0.4				
PGE Storage			$ 0.5				
LMI			$ -				
Total Programs			**$ 219.5**				

See accompanying budget memos for further detail

Energy Trust of Oregon
Budget Income Statement by Funding Source
2022 Approved Budget

	Oregon OPUC Efficiency Funders							Oregon OPUC Renewables			Other Funding Sources						TOTAL
	PGE	PAC	NWN IND	NWN	CNG	AVI	Total Oregon OPUC Efficiency	PGE	PAC	Total Renewables	Washington	Community Solar	PGE storage	NWN TLM GEO	Fund Development	Investments / Contingency	
Beginning Net Assets	14,704,056	2,377,105	1,255,950	344,596	2,161,611	167,680	21,010,999	13,008,382	5,041,412	18,049,793	52,897	130,030	(977)	341,804	396,062	10,278,336	50,259,325
Revenue	84,833,700	56,640,480	6,031,586	28,242,500	3,867,475	4,943,292	184,559,033	8,818,840	6,378,060	15,196,900	3,150,874	500,000	501,954	214,732		208,000	204,331,493
detail: Incentives	48,525,639	32,217,477	4,535,445	14,023,658	2,564,701	2,451,525	104,318,446	9,994,040	5,063,000	15,057,040	1,613,999		300,000	164,220			121,453,704
detail: Program Delivery	26,890,673	18,122,431	1,474,540	8,838,253	1,884,388	1,474,428	58,684,713	516,870	288,982	805,852	732,146		29,500	71,330			60,323,540
Total Expenditures	89,065,646	59,501,984	7,073,683	27,292,627	5,235,731	4,650,521	192,820,193	14,985,373	7,538,517	22,523,889	2,979,668	384,907	465,224	363,693			219,537,575
Net Operating Income	(4,231,946)	(2,861,504)	(1,042,097)	949,873	(1,368,256)	292,771	(8,261,160)	(6,166,533)	(1,160,457)	(7,326,989)	171,206	115,093	36,730	(148,961)	-	208,000	(15,206,081)
Interest Distribution	61,532	4,626	3,592	4,006	7,222	1,535	82,513	48,515	21,807	70,322	677	917	85	1,307	1,936	(157,757)	-
Transfers		1,000,000					1,000,000								-	(1,000,000)	
Ending Net Assets	10,533,642	520,227	217,446	1,298,474	800,577	461,986	13,832,352	6,890,364	3,902,762	10,793,126	224,780	246,040	35,838	194,150	397,998	9,328,579	35,053,244
Electric kWh savings	254,289,777	188,684,182					442,973,959										442,973,959
Gas therms savings			1,610,624	4,242,655	752,829	659,313	7,265,422				318,722						7,584,144
Electric kWh generation								20,090,700	15,811,100	35,901,800							35,901,800

See accompanying budget memos for further detail

108.92

Energy Trust of Oregon
Administrative Cost Organization Wide vs. Subject to OPUC Performance Measure

		2022 Approved Budget OPUC Programs	Total Company	2021 Approved Budget OPUC Programs	Total Company
1	Incentives	119,375,486	121,453,704	118,559,097	120,805,454
2	Program Delivery Contractors	59,490,564	60,323,540	55,315,811	56,097,373
3	Employee Salaries & Fringe Benefits	8,340,461	8,937,186	7,823,967	8,306,352
4	Services	12,840,448	13,033,783	11,725,428	11,892,107
5	Total Program Direct Costs	200,046,959	203,748,212	193,424,303	197,101,285
6	Program Support (under GAAP, program / under OPUC, support)	3,945,136	4,216,312	4,122,027	4,338,254
7	Communications and General Outreach	4,657,030	4,747,718	4,098,944	4,179,726
8	Management & General	6,694,957	6,825,331	5,863,029	5,978,577
9	Total Administrative	11,351,987	11,573,049	9,961,974	10,158,303
10	Total Administrative and Program Support	15,297,123	15,789,361	14,084,001	14,496,556
11	Total Expenditures	215,344,082	219,537,575	207,508,304	211,597,841
12	Total Revenue	199,755,933	204,331,493	184,343,709	188,486,067

For Organization wide "GAAP" reporting, comparison to other non-profits				
Programs (rows 5 + 6)		207,964,524		201,439,538
Administration (row 9)		11,573,049		10,158,303
Administrative percent of total Expenditure		5.27%		4.80%
For Oregon Performance Measure, comparison to measure and other 1149-funded programs				
Programs (row 5)	200,046,959		193,424,303	
Administrative and Program Support (rows 6+9)	15,297,123		14,084,001	
Administrative and Program Support percent of Revenue	7.66%		7.64%	
Administrative and Program Support Year over Year Increase	8.61%		1.83%	

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Budget for 2022

All Funding Sources

Expenditures Detail	OPUC Efficiency	OPUC Renewables	Washington Programs	Community Solar	PGE Storage	NWN Geo TLM Phase 3	Programs
Incentives	104,318,446	15,057,040	1,613,999		300,000	164,220	121,453,704
Program Delivery Contractors	58,684,713	805,852	732,146		29,500	71,330	60,323,540
Employee Salaries & Fringe Benefits	14,621,571	2,835,068	386,615	285,167	61,970	117,507	18,307,899
Agency Contractor Services	2,224,667	427,368	23,411	12,462	3,375	2,181	2,693,463
Planning and Evaluation Services	3,949,676	108,122	33,088	67	80	63	4,091,096
Advertising and Marketing Services	3,153,056	547,584	18,730	2,420	17,924	2,286	3,742,000
Other Professional Services	3,792,239	2,008,809	69,836	47,225	43,008	1,534	5,962,651
Travel, Meetings, Trainings & Conferences	279,990	50,023	11,459	3,903	463	332	346,170
Dues, Licenses and Fees	196,513	30,638	50,303	157	161	125	277,897
Software and Hardware	406,434	420,069	10,401	8,765	3,611	1,071	850,350
Depreciation & Amortization	197,199	38,685	4,983	4,160	866	514	246,408
Office Rent and Equipment	877,288	175,645	22,205	18,859	3,866	2,283	1,100,146
Materials Postage and Telephone	108,585	17,607	2,315	1,649	370	226	130,750
Miscellaneous Expenses	9,817	1,380	179	74	29	21	11,500
Expenditures	192,820,193	22,523,889	2,979,668	384,907	465,224	363,693	219,537,575
Expenditure break down by function:							
Program Costs	182,655,566	21,336,530	2,822,593	364,617	440,699		207,964,525
Communications and Outreach	4,169,928	487,101	64,438	8,324	10,061	7,865	4,747,718
Management & General	5,994,699	700,258	92,637	11,967	14,464	11,307	6,825,331
Total Administrative	10,164,627	1,187,360	157,075	20,291	24,525	19,172	11,573,049
Expenditures	192,820,193	22,523,889	2,979,668	384,907	465,224	363,693	219,537,575

Energy Savings and Generation Detail

Efficiency electric kWh savings	442,973,959						442,973,959
Efficiency gas therms savings	7,265,422		318,722				7,584,144
Renewables electric kWh generation		35,901,800					35,901,800

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Budget for 2022

All OPUC Programs

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	**OPUC Efficiency**	Solar	Other Renewables	**OPUC Renewables**
Incentives	10,651,503	35,070,842		26,154,588		32,441,513		104,318,446	10,868,000	4,189,040	15,057,040
Program Delivery Contractors	6,028,459	19,712,088	3,737,784	10,619,290	7,746	13,878,548	4,700,799	58,684,713	805,852		805,852
Employee Salaries & Fringe Benefits	1,466,378	4,763,889	159,130	3,604,645	18,205	4,407,387	201,937	14,621,571	1,852,457	982,611	2,835,068
Agency Contractor Services	154,192	796,194	14,350	616,213	922	624,658	18,137	2,224,667	324,816	102,552	427,368
Planning and Evaluation Services	411,214	1,812,842	8,546	405,241	5,899	1,294,591	11,343	3,949,676	87,612	20,509	108,122
Advertising and Marketing Services	249,973	984,077	25,043	640,989	231	1,221,230	31,513	3,153,056	445,429	102,155	547,584
Other Professional Services	241,201	1,062,649	17,349	721,236	1,494	1,726,345	21,966	3,792,239	1,153,110	855,699	2,008,809
Travel, Meetings, Trainings & Conferences	30,704	92,774	3,195	61,973	202	87,106	4,038	279,990	35,173	14,850	50,023
Dues, Licenses and Fees	19,846	93,372	2,511	32,665	889	43,982	3,248	196,513	18,272	12,366	30,638
Software and Hardware	38,905	134,902	3,757	104,757	35	119,349	4,728	406,434	392,024	28,045	420,069
Depreciation & Amortization	18,838	65,285	1,944	50,470	84	58,123	2,454	197,199	25,279	13,406	38,685
Office Rent and Equipment	83,121	288,500	9,097	223,202	1,023	260,803	11,542	877,288	115,658	59,988	175,645
Materials Postage and Telephone	8,793	38,328	1,058	31,799	54	27,218	1,335	108,585	11,239	6,368	17,607
Miscellaneous Expenses	971	3,283	174	2,287	5	2,878	219	9,817	956	424	1,380
Expenditures	19,404,098	64,919,027	3,983,937	43,269,355	36,788	56,193,730	5,013,259	192,820,193	16,135,877	6,388,012	22,523,889
Expenditure break down by function:											
Program Costs	18,381,199	61,496,783	3,773,921	40,988,386	34,849	53,231,445	4,748,982	182,655,566	15,285,265	6,051,265	21,336,530
Communications and Outreach	419,633	1,403,938	86,157	935,743	796	1,215,245	108,417	4,169,928	348,954	138,147	487,101
Management & General	603,265	2,018,305	123,859	1,345,226	1,144	1,747,040	155,860	5,994,699	501,658	198,601	700,258
Total Administrative	1,022,898	3,422,244	210,016	2,280,969	1,939	2,962,285	264,277	10,164,627	850,612	336,748	1,187,360
Expenditures	19,404,098	64,919,027	3,983,937	43,269,355	36,788	56,193,730	5,013,259	192,820,193	16,135,877	6,388,012	22,523,889

Energy Savings and Generation Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	**OPUC Efficiency Division**	Solar	Other Renewables	**OPUC Renewables Division**
Efficiency electric kWh savings	41,814,792	134,104,625	12,225,871	148,774,309	7,027,700	65,672,815	33,353,847	442,973,959			
Efficiency gas therms savings	437,460	2,469,687	167,873	1,528,067	-	2,662,335	-	7,265,422			
Renewables electric kWh generation									34,894,800	1,007,000	35,901,800

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Budget for 2022

PGE

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	**OPUC Efficiency**	Solar	Other Renewables	**OPUC Renewables**
Incentives	6,270,784	16,517,309		14,386,244		11,351,303		48,525,639	7,384,000	2,610,040	9,994,040
Program Delivery Contractors	3,559,963	9,472,422	1,457,295	5,297,859	4,415	4,625,157	2,473,562	26,890,673	516,870		516,870
Employee Salaries & Fringe Benefits	864,493	2,261,424	62,042	1,929,805	10,377	1,518,559	106,259	6,752,959	1,261,074	615,400	1,876,475
Agency Contractor Services	90,906	377,856	5,595	329,875	526	215,093	9,544	1,029,394	221,121	65,913	287,034
Planning and Evaluation Services	239,092	898,495	3,332	216,075	3,362	473,331	5,969	1,839,656	69,220	12,845	82,065
Advertising and Marketing Services	147,365	467,110	9,764	343,165	132	426,396	16,582	1,410,514	311,210	61,837	373,047
Other Professional Services	142,218	504,287	6,764	396,118	851	593,983	11,559	1,655,780	813,621	549,590	1,363,211
Travel, Meetings, Trainings & Conferences	18,101	44,043	1,246	33,180	115	30,018	2,125	128,827	23,944	9,501	33,446
Dues, Licenses and Fees	11,702	44,310	979	17,488	507	15,154	1,709	91,848	12,439	7,877	20,316
Software and Hardware	22,936	64,037	1,465	56,083	20	41,123	2,488	188,151	266,873	17,564	284,438
Depreciation & Amortization	11,106	30,991	758	27,020	48	20,027	1,291	91,241	17,209	8,396	25,605
Office Rent and Equipment	49,003	136,947	3,547	119,493	583	89,854	6,073	405,500	78,735	37,570	116,305
Materials Postage and Telephone	5,183	18,193	412	17,023	31	9,381	703	50,927	7,651	3,956	11,607
Miscellaneous Expenses	572	1,559	68	1,224	3	993	115	4,535	651	265	916
Expenditures	11,433,422	30,838,985	1,553,265	23,170,654	20,969	19,410,371	2,637,979	89,065,646	10,984,618	4,000,755	14,985,373
Expenditure break down by function:											
Program Costs	10,830,703	29,213,290	1,471,384	21,949,200	19,864	18,387,142	2,498,916	84,370,499	10,405,558	3,789,853	14,195,410
Communications and Outreach	247,259	666,924	33,591	501,088	453	419,769	57,049	1,926,133	237,553	86,520	324,074
Management & General	355,460	958,771	48,290	720,366	652	603,460	82,014	2,769,014	341,507	124,382	465,889
Total Administrative	602,719	1,625,695	81,881	1,221,454	1,105	1,023,229	139,063	4,695,147	579,060	210,902	789,963
Expenditures	11,433,422	30,838,985	1,553,265	23,170,654	20,969	19,410,371	2,637,979	89,065,646	10,984,618	4,000,755	14,985,373

Energy Savings and Generation Detail

Efficiency electric kWh savings	25,837,472	80,810,913	6,968,746	93,524,840	4,005,789	24,130,324	19,011,692	254,289,777			
Efficiency gas therms savings	-	-	-	-	-	-	-	-			
Renewables electric kWh generation									20,090,700	-	20,090,700

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Budget for 2022

Pacific Power

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	**OPUC Efficiency**	Solar	Other Renewables	**OPUC Renewables**
Incentives	3,304,442	9,881,761		9,351,763		9,679,511		32,217,477	3,484,000	1,579,000	5,063,000
Program Delivery Contractors	1,875,557	5,088,990	1,099,363	3,998,702	3,331	4,190,468	1,866,020	18,122,431	288,982		288,982
Employee Salaries & Fringe Benefits	454,592	1,302,638	46,803	1,308,863	7,828	1,316,911	80,161	4,517,797	591,383	367,211	958,594
Agency Contractor Services	47,803	217,655	4,221	223,733	396	186,531	7,200	687,538	103,695	36,639	140,334
Planning and Evaluation Services	115,209	517,556	2,514	146,550	2,537	401,806	4,503	1,190,674	18,392	7,665	26,057
Advertising and Marketing Services	77,492	269,067	7,366	232,747	99	363,431	12,509	962,711	134,219	40,318	174,537
Other Professional Services	74,785	290,483	5,103	268,662	642	515,108	8,720	1,163,502	339,489	306,109	645,598
Travel, Meetings, Trainings & Conferences	9,518	25,370	940	22,504	87	26,032	1,603	86,053	11,229	5,349	16,577
Dues, Licenses and Fees	6,153	25,524	739	11,861	382	13,141	1,289	59,089	5,833	4,489	10,322
Software and Hardware	12,061	36,887	1,105	38,038	15	35,662	1,877	125,644	125,151	10,481	135,631
Depreciation & Amortization	5,840	17,852	572	18,326	36	17,368	974	60,967	8,070	5,010	13,080
Office Rent and Equipment	25,768	78,885	2,676	81,045	440	77,922	4,582	271,317	36,923	22,418	59,341
Materials Postage and Telephone	2,726	10,480	311	11,546	23	8,136	530	33,751	3,588	2,412	6,000
Miscellaneous Expenses	301	898	51	830	2	861	87	3,031	305	158	464
Expenditures	6,012,246	17,764,046	1,171,762	15,715,169	15,819	16,832,888	1,990,054	59,501,984	5,151,259	2,387,258	7,538,517
Expenditure break down by function:											
Program Costs	5,695,307	16,827,604	1,109,991	14,886,735	14,985	15,945,533	1,885,147	56,365,303	4,879,707	2,261,412	7,141,119
Communications and Outreach	130,021	384,165	25,341	339,856	342	364,028	43,037	1,286,789	111,401	51,627	163,028
Management & General	186,918	552,277	36,430	488,578	492	523,327	61,870	1,849,892	160,150	74,219	234,369
Total Administrative	316,939	936,442	61,770	828,434	834	887,355	104,907	3,136,681	271,552	125,846	397,397
Expenditures	6,012,246	17,764,046	1,171,762	15,715,169	15,819	16,832,888	1,990,054	59,501,984	5,151,259	2,387,258	7,538,517

Energy Savings and Generation Detail

Efficiency electric kWh savings	15,977,321	53,293,712	5,257,125	55,249,469	3,021,910	41,542,491	14,342,155	188,684,182			
Efficiency gas therms savings	-	-	-	-	-	-	-	-			
Renewables electric kWh generation									14,804,100	1,007,000	15,811,100

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Budget for 2022

NW Natural - Industrial

Expenditures Detail	New Buildings	Existing Buildings with MF	Industry and Agriculture	**OPUC Efficiency**
Incentives	64,658	2,998,717	1,472,070	4,535,445
Program Delivery Contractors	25,200	516,227	933,113	1,474,540
Employee Salaries & Fringe Benefits	7,921	305,090	235,402	548,413
Agency Contractor Services	833	51,029	40,268	92,130
Planning and Evaluation Services	2,966	100,705	27,411	131,083
Advertising and Marketing Services	1,351	63,036	41,858	106,244
Other Professional Services	1,301	68,116	36,313	105,731
Travel, Meetings, Trainings & Conferences	166	5,940	4,046	10,152
Dues, Licenses and Fees	107	5,985	2,133	8,225
Software and Hardware	210	8,640	6,842	15,692
Depreciation & Amortization	102	4,181	3,296	7,579
Office Rent and Equipment	449	18,478	14,578	33,505
Materials Postage and Telephone	48	2,455	2,077	4,580
Miscellaneous Expenses	5	210	149	364
Expenditures	105,317	4,148,809	2,819,557	7,073,683
Expenditure break down by function:				
Program Costs	99,765	3,930,102	2,670,923	6,700,790
Communications and Outreach	2,278	89,722	60,976	152,975
Management & General	3,274	128,985	87,659	219,918
Total Administrative	5,552	218,707	148,635	372,893
Expenditures	105,317	4,148,809	2,819,557	7,073,683

Energy Savings and Generation Detail

Efficiency gas therms savings	9,470	638,750	962,404	1,610,624

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Budget for 2022

NW Natural

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	**OPUC Efficiency**
Incentives	830,869	3,608,719		459,669	9,124,401		14,023,658
Program Delivery Contractors	466,298	2,948,045	860,072	233,825	4,066,982	263,030	8,838,253
Employee Salaries & Fringe Benefits	114,498	569,179	36,616	67,874	1,262,231	11,299	2,061,698
Agency Contractor Services	12,036	95,201	3,302	11,611	179,094	1,015	302,259
Planning and Evaluation Services	44,631	188,626	1,966	7,904	371,589	635	615,350
Advertising and Marketing Services	19,524	117,600	5,762	12,069	348,383	1,763	505,101
Other Professional Services	18,810	127,078	3,992	10,470	495,647	1,229	657,227
Travel, Meetings, Trainings & Conferences	2,398	11,082	735	1,166	24,938	226	40,545
Dues, Licenses and Fees	1,548	11,166	578	615	12,597	182	26,685
Software and Hardware	3,038	16,119	865	1,973	34,178	265	56,437
Depreciation & Amortization	1,471	7,800	447	950	16,644	137	27,451
Office Rent and Equipment	6,491	34,473	2,093	4,203	74,700	646	122,605
Materials Postage and Telephone	687	4,580	243	599	7,790	75	13,974
Miscellaneous Expenses	76	392	40	43	821	12	1,385
Expenditures	1,522,376	7,740,060	916,712	812,971	16,019,995	280,514	27,292,627
Expenditure break down by function:							
Program Costs	1,442,123	7,332,038	868,387	770,115	15,175,492	265,726	25,853,881
Communications and Outreach	32,923	167,386	19,825	17,581	346,448	6,066	590,230
Management & General	47,330	240,635	28,500	25,275	498,055	8,721	848,516
Total Administrative	80,253	408,022	48,325	42,856	844,503	14,787	1,438,747
Expenditures	1,522,376	7,740,060	916,712	812,971	16,019,995	280,514	27,292,627

Energy Savings and Generation Detail

Efficiency gas therms savings	349,976	1,257,317	122,242	338,860	2,174,261	-	4,242,655

See accompanying budget memos for further detail

Energy Trust of Oregon
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Cascade Natural Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	**OPUC Efficiency**
Incentives	133,175	1,260,455		271,072	899,999		2,564,701
Program Delivery Contractors	74,740	1,029,695	219,077	118,555	375,322	66,999	1,884,388
Employee Salaries & Fringe Benefits	18,327	198,781	9,327	38,134	120,329	2,878	387,776
Agency Contractor Services	1,927	33,248	841	6,523	17,073	258	59,871
Planning and Evaluation Services	6,864	65,614	501	4,441	18,598	162	96,179
Advertising and Marketing Services	3,125	41,071	1,468	6,781	32,258	449	85,152
Other Professional Services	3,011	44,381	1,017	5,883	47,250	313	101,854
Travel, Meetings, Trainings & Conferences	384	3,870	187	655	2,377	58	7,532
Dues, Licenses and Fees	248	3,900	147	346	1,201	46	5,887
Software and Hardware	486	5,629	220	1,108	3,258	67	10,770
Depreciation & Amortization	236	2,724	114	534	1,587	35	5,229
Office Rent and Equipment	1,039	12,039	533	2,362	7,121	165	23,259
Materials Postage and Telephone	110	1,600	62	336	743	19	2,870
Miscellaneous Expenses	12	137	10	24	78	3	265
Expenditures	243,684	2,703,143	233,505	456,754	1,527,194	71,452	5,235,731
Expenditure break down by function:							
Program Costs	230,838	2,560,645	221,195	432,676	1,446,688	67,686	4,959,727
Communications and Outreach	5,270	58,458	5,050	9,878	33,027	1,545	113,228
Management & General	7,576	84,040	7,260	14,200	47,480	2,221	162,777
Total Administrative	12,846	142,498	12,309	24,078	80,507	3,767	276,005
Expenditures	243,684	2,703,143	233,505	456,754	1,527,194	71,452	5,235,731

Energy Savings and Generation Detail

Efficiency gas therms savings	55,454	338,938	31,137	124,259	203,041	-	752,829

See accompanying budget memos for further detail

Energy Trust of Oregon
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Avista Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	**OPUC Efficiency**
Incentives	47,575	803,881		213,770	1,386,299		2,451,525
Program Delivery Contractors	26,700	656,709	101,978	37,235	620,619	31,187	1,474,428
Employee Salaries & Fringe Benefits	6,547	126,776	4,342	24,567	189,357	1,340	352,928
Agency Contractor Services	688	21,205	391	4,202	26,867	120	53,474
Planning and Evaluation Services	2,452	41,847	233	2,861	29,267	75	76,734
Advertising and Marketing Services	1,116	26,194	683	4,368	50,763	209	83,334
Other Professional Services	1,076	28,305	473	3,790	74,356	146	108,145
Travel, Meetings, Trainings & Conferences	137	2,468	87	422	3,741	27	6,883
Dues, Licenses and Fees	89	2,487	69	223	1,890	22	4,778
Software and Hardware	174	3,590	103	714	5,127	31	9,739
Depreciation & Amortization	84	1,737	53	344	2,497	16	4,732
Office Rent and Equipment	371	7,678	248	1,521	11,206	77	21,102
Materials Postage and Telephone	39	1,020	29	217	1,169	9	2,483
Miscellaneous Expenses	4	87	5	16	123	1	237
Expenditures	87,053	1,723,985	108,693	294,249	2,403,281	33,260	4,650,521
Expenditure break down by function:							
Program Costs	82,464	1,633,104	102,964	278,738	2,276,591	31,507	4,405,366
Communications and Outreach	1,883	37,283	2,351	6,363	51,973	719	100,572
Management & General	2,706	53,598	3,379	9,148	74,717	1,034	144,583
Total Administrative	4,589	90,881	5,730	15,512	126,690	1,753	245,155
Expenditures	87,053	1,723,985	108,693	294,249	2,403,281	33,260	4,650,521

Energy Savings and Generation Detail

Efficiency gas therms savings	22,561	234,682	14,494	102,544	285,033	-	659,313

See accompanying budget memos for further detail

Energy Trust of Oregon
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NW Natural Washington

Expenditures Detail	Commercial Washington	Residential Washington	Washington
Incentives	735,391	878,608	1,613,999
Program Delivery Contractors	385,059	347,086	732,146
Employee Salaries & Fringe Benefits	171,520	215,094	386,615
Agency Contractor Services	10,377	13,034	23,411
Planning and Evaluation Services	13,872	19,216	33,088
Advertising and Marketing Services	8,737	9,993	18,730
Other Professional Services	25,616	44,219	69,836
Travel, Meetings, Trainings & Conferences	4,637	6,822	11,459
Dues, Licenses and Fees	16,940	33,364	50,303
Software and Hardware	4,625	5,776	10,401
Depreciation & Amortization	2,217	2,766	4,983
Office Rent and Equipment	9,874	12,330	22,205
Materials Postage and Telephone	1,042	1,273	2,315
Miscellaneous Expenses	82	97	179
Expenditures	1,389,990	1,589,678	2,979,668
Expenditure break down by function:			
Program Costs			2,822,593
Communications and Outreach	30,060	34,378	64,438
Management & General	43,214	49,422	92,637
Total Administrative	73,274	83,801	157,075
Expenditures	1,389,990	1,589,678	2,979,668

Energy Savings and Generation Detail

Efficiency gas therms savings	185,649	133,073	318,722

See accompanying budget memos for further detail

Capital Expenditure Budget

Approved Budget for 2022

Description	Useful Lives / Depreciation Policy	2022	2023
Information Systems			
Servers and Storage	3 years	64,000	68,000
Software Development	3 years	250,000	-
Leasehold Improvements			
none			
TOTAL CAPITAL PURCHASES		314,000	68,000

See accompanying budget memos for further detail

Executive Summary

Energy Trust's 2022-2023 Action Plan highlights strategies and activities for all programs, program support groups and general management. In each action plan, we highlight the program's or function's strategic focus in relation to 2022 organizational goals.

1 Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events

We will meet the 2022 targets of 50.6 aMW of electric savings, with 65.2 MW of reduced demand during periods of summer peak and 77.0 MW of reduced demand during periods of winter peak, 7.6 million therms of natural gas savings and 4.1 aMW of renewable generation, with a focus on:

- Creating program offers to better serve customers with high energy burden and help small businesses reduce energy costs
- Implementing programs and initiatives to help utilities manage loads during high demand periods
- Supporting communities recovering from disaster events with clean energy and resilience offers in coordination with utilities

2 Expand support for community-led approaches to increase access to clean energy

We will expand community-led approaches to increase participation in energy efficiency and renewable energy programs and support community objectives, with a focus on:

- Identifying partnerships with communities or community-based organizations that represent and serve communities of color, customers with low incomes and rural communities
- Working with communities and community-based organizations to help shape our residential and business offers to meet their needs within our regulatory guidelines
- Leveraging additional funding sources and insights from communities to better serve all customer types
- Tracking and supporting community energy policy and planning efforts to identify opportunities for collaboration
- Applying Energy Trust's community engagement guidelines to evaluate opportunities for one or more community-led initiatives that could help us accomplish savings and generation goals

3 Create development capabilities that will allow us to increase funding to deliver more savings and generation and expand our ability to meet changing customer and utility system needs

Unlike most nonprofits, Energy Trust does not have an established development function. This limits our ability to deliver clean, affordable energy to customers. We will establish this function, with a focus on:

- Building formalized systems, processes and structures to pursue new funding opportunities
- Developing relationships with organizations where there is mutual opportunity to pursue complementary activities or access other sources of funds
- Enhancing grid value with the utilities
- Informing policy discussions that leverage our development efforts
- Pursuing opportunities that improve the cost-effectiveness of our savings and increase adoption of renewable generation

4 Implement new work strategies to adapt and thrive in our changing environment while supporting staff and managing operating costs

We will evolve our workspace, the way we work and our organizational culture, with a focus on:

- Striving for a more inclusive, flexible, accessible and supportive work culture that celebrates diversity
- Continuing to develop our organizational awareness of social justice issues and how they relate to our work
- Creating a culture and environment that enables us to retain and compete for talent
- Adapting to changing business conditions by regularly prioritizing and scaling work
- Utilizing business planning and other tools to manage administrative costs

Action Plan Table of Contents

General Management

Key Contact: Michael Colgrove, Executive Director

Programs

Key Contact: Tracy Scott, Director of Energy Programs

Program Support Groups

General Management

The general management group represents the executive, legal, financial, human resources, project management and facility operations functions at Energy Trust, along with board relations and organizational development. It provides leadership to support Energy Trust's strategic goals and operations.

Context

Next year is expected to be dynamic with multiple challenges and opportunities on many fronts. The ongoing pandemic, recovery from recent disaster events, continued focus on underserved customers and the passage of House Bill 3141 will all require innovation and flexibility from the general management group. This action plan anticipates significant structural and process needs to ensure functional excellence in support of the organization's 2022 annual goals.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Support the development and competitive bid processes for program management and delivery contracts for the Production Efficiency and Residential energy efficiency programs
  - Execute Energy Trust's Supplier Diversity Initiative by supporting staff in engaging diverse suppliers and implementing a supplier diversity tracking system
  - Apply an equity lens to contract language and program form language to improve accessibility in language and concept to Energy Trust participants
- **Goal 3: Create development capabilities that will allow us to increase funding to deliver more savings and generation and expand our ability to meet changing customer and utility system needs**
  - Implement the recommendations from the 2021 Development and Innovation Project Team related to creating a formal structure within Energy Trust to support development activities
- **Goal 4: Implement new work strategies to adapt and thrive in our changing environment and support staff while managing operating costs**
  - Develop Energy Trust policies and operating procedures to implement the statutory and regulatory changes resulting from the passage of HB 3141
  - Ensure the board is fully equipped to lead the organization in a changing environment by implementing changes to approaches and practices for board meeting and committee structures and focus areas
  - Manage and research competitive purchasing from local diverse and green vendors for office supplies, furniture, office enhancements, food and customer service and reduce costs on all purchasing

2022 Key Activities of General Management

- Begin foundational work to strategically pursue, prioritize and effectively manage a portfolio of grants and other new funding opportunities.
- Implement, evaluate and refine systemic improvements to our multi-year planning and budgeting processes to achieve efficiencies, flexibility, enhanced forecasting capability and improved stakeholder engagement.
- Support the board of directors in evaluating and recommending specific actions regarding the Synergy Consulting Board performance evaluation and report recommendations specific to diversity, equity and inclusion.
- Provide project management support for 17 projects across the organization, including projects focused on realizing the workplace of the future, implementing HB 3141 changes across the organization and several critical system upgrades or implementations.
- Engage the OPUC and utilities on any impacts to Energy Trust's grant agreement and funding agreements related to the passage of HB 3141. Support the OPUC proceedings to define, interpret and implement the various directives related to HB 3141.
- Implement key strategies and action items as an outcome of the diversity, equity and inclusion retention survey to support Energy Trust in becoming a more inclusive and innovative environment by retaining diverse talent. Action items include implementing improvements to the promotion processes and improving and expanding the career development program.
- Establish a career framework to promote operational efficiency, employee equity and support employee growth and development.
- Continue operational support for staff working at the office or remotely as a result of the ongoing pandemic while establishing the processes and protocols needed to support staff as they transition to a future workplace as identified by management in 2021.
- Provide support to the board of directors that enables it to perform its fiduciary responsibilities. This includes supporting the implementation of various changes to the board's structure and processes and responding to requests for information from the board and its committees.
- Convene various agencies and stakeholders including the OPUC, utilities, Oregon Housing and Community Services and Community Action Partnership of Oregon to discuss Energy Trust's role in supporting low-income customers with its energy-efficiency and renewable energy programs.
- Improve financial systems and processes to create capacity for the organization and to operationalize new funding, programs and initiatives described throughout the action plans.
- Support office space planning and facilities needs for an evolving workspace. This work will include monitoring office space use to inform initial thinking on future space needs for the end of the current office space lease term.

2023 Expected Changes

- A new, multi-year planning process will be further refined and expanded to support the development of Energy Trust's annual budgets, building on lessons learned from iterative process development in 2022.
- A post-pandemic future workplace structure will be evaluated based on new workplace policies developed and implemented to support flexible workplace strategies in 2022.
- A career framework will allow staff greater clarity on advancement and development opportunities based on predetermined skills, behaviors and competencies defining what success looks like for individual roles. Identifying and clarifying how to advance at Energy Trust will support the retention of key talent throughout the organization.

Budgeted Expenditures

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$5.7	$6.5	$6.6

**Expenditure detail is provided under budget details tab in the budget binder. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Diversity, Equity and Inclusion (DEI)

The customer engagements Energy Trust has undertaken over the past year, including four community summits, have strengthened the organization's commitment to ensuring all customers benefit equitably from Energy Trust's services and investments. This action plan provides a summary of activities to support organization-wide efforts to promote diversity, equity and inclusion including a more definitive plan for engaging with rural communities and minority- and women-owned businesses, emerging small businesses and those owned by service-disabled veterans (MWESB/SDV). The information and budget figures provided below are not a comprehensive accounting of all diversity, equity and inclusion activities or investments. Program and support group activities implemented throughout the organization are integrated into program and support group action plans and are not called out separately in this budget. This action plan builds on past successes including the completion of the supplier diversity initiative, the implementation of a supplier diversity tracking system and initial efforts to create an inter-organizational supplier diversity agreement among our five utility partners and other interested parties.

Context

As a result of numerous customer engagements in 2021, a variety of needs emerged that will shape this work in 2022. A new supplier diversity initiative and tracking system will support Energy Trust's goals to increase contract spending with diverse firms. Workforce development was a common theme heard throughout the four community summits and this action plan reflects increased workforce efforts in the clean energy industry. An introduction to a Black-owned solar installer supported by Pat Daniels with Constructing Hope is spurring a renewed effort to support more diverse solar installers. Energy Trust's DEI lead will work with outreach managers on outreach efforts to communities of color, rural communities and tribal communities to help grow diverse contractors within these communities. Efforts to support staff intercultural awareness and work with the human resources team to recruit, hire and retain more diverse staff members will also be part of this work in 2022.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Support energy efficiency and renewable energy program design to expand participation, informed by the Diversity Advisory Council (DAC), DEI lead and community outreach
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Work closely with the DAC and individual DAC members to understand and support community needs
  - Implement engagement strategies in the 2022 DEI Operations Plan to build on relationships in communities specifically targeting communities of color, rural and tribal communities
- **Goal 4: Implement new work strategies to adapt and thrive in our changing environment and support staff while managing operating costs**
  - Build a supplier diversity program to track and monitor Energy Trust spending with minority-, women- and veteran-owned companies
  - Create ongoing learning opportunities for deeper understanding by staff and board members on diversity, equity and inclusion through a series of monthly cultural learning events around history, systemic racism, microaggression and organizational inclusion

2022 Key Activities of Diversity, Equity and Inclusion

- Continue to connect the DAC with Energy Trust's internal DEI Committee and board to work collaboratively on the top issues identified by the DAC during its 2020 retreat.
- Advance the use of Energy Trust's DEI Lens across Energy Trust including, but not limited to, for contracting decisions with MWESB/SDV firms and community-based organizations, general decision making and project planning.
- Support the OPUC on the development of the equity metrics for energy efficiency and renewable energy ratepayer funding that comes to Energy Trust, the non-government entity referenced in HB 3141.
- Engage the DEI Committee and various community-based organizations in Energy Trust's efforts to implement continuous improvements on its engagement with MWESB/SDV firms, including preparing MWESB/SDV primes to bid successfully on future Energy Trust contracts.
- Execute the engagement strategy identified in the 2022 DEI Operations Plan to build relationships in communities, specifically targeting communities of color, rural and tribal communities.
- Collaborate with human resources staff, the DEI Committee, Energy Trust's utility partners and other industry organizations to build an onboarding plan for employees of color. This will include organizational and individual cultural responsiveness training to ensure Energy Trust has a supportive culture where people of different backgrounds feel welcomed.
- Engage the DEI Committee to help new Program Management and Delivery Contractors—along with any community-based organizations that would be contracted to assist—in achieving their MWESB/SDV subcontracting goals.
- Develop the monthly event series, *First Thursday is Diversity Day,* into an educational tool for interactive activities for Energy Trust staff, board members, the OPUC and utility partners to glean diversity, equity and inclusion learning opportunities.

2023 Expected Changes

- Based on more intentional engagement efforts resulting from the execution of the 2022 DEI Operations Plan, Energy Trust will be engaging more intently with MWESB/SDV business owners, tribal communities, communities of color and rural communities. Energy Trust will act as a more effective partner with these communities.
- The addition of a new staff member to support DEI in 2022 will increase capacity to support internal projects, more effectively engage the DAC and better enable interactions with underserved communities and customers.
- As a result of workforce development efforts, Energy Trust will engage public school districts across the state to generate interest in this industry by exploring opportunities for recruitment into community colleges with energy-efficiency curriculums.

Budgeted Expenditures

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)* DEI action plan activities only	$0.3	$0.4	$0.5
Estimated Expenditures (millions) – Organization-wide activities, delivery and incentives associated with DEI goals**	$29.5	$46.4	Not currently estimated

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

***This is a conservative estimate of total expenditures in programs, support groups and general management associated with organization-wide efforts to expand participation of underserved customers and minority- and women-owned contractors and accomplish other DEI Operations Plan Goals. The estimate is provided here for reference only. The activities and expenditures are embedded in program, support group and general management action plans and associated budgets.*

Communications and Customer Service

The communications and customer service group engages customers, stakeholders and communities through marketing, communications, outreach, online resources, and other services to communities, policymakers, customers and trade allies.

- The marketing and communications budget provides resources to support customer access to information and incentives; creates and strengthens awareness of Energy Trust and the value of clean energy; expands the organization's reach to new customers and stakeholders; and ensures transparency and accountability.
- The outreach and policy budget provides resources to serve customers and communities of color across the state, with staff based in Southern and Eastern Oregon and the Portland region. These expenditures and activities support the organization in reaching all utility customers, especially communities of color and customers living in rural areas. Additionally, staff serve as a resource for municipal and state policymakers and implementers, providing objective information and technical analysis to aid discussions.
- The community services budget provides resources to work with community-based organizations and cities to expand customer participation in energy efficiency and renewable energy programs. Resources and grants will focus on increasing engagement with communities of color, rural communities and low-income customers.
- The customer service and trade ally budget provides staff and resources to support a consistent and positive customer experience through customer service channels and ensures contractor access to offers, training and customer leads with a focus on greater engagement with minority and women contractors.

Context

COVID-19 and natural disasters will continue to impact customers, with disproportionate impacts on customers who are racially and ethnically diverse, live in rural communities and have low to moderate incomes. Rebuilding from the 2020 Labor Day fires will continue with potential to work with new partners and funders. There will be opportunities to benefit customers by working with trusted local partners to collaborate, learn and develop new approaches. Utilities and customer groups will be focused on implementing HB 2021 and other clean energy legislation passed in the 2021 legislative session, as well as continued implementation of the governor's greenhouse gas reduction executive order. Staff will be responsive to informational inquiries. We anticipate high engagement with environmental justice and community-centered groups through policy and utility processes. HB 3141 will result in new equity metrics and changes to reporting.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Invest in advertising and other marketing channels to increase awareness and participation among diverse customers and those who have been underserved by our programs
  - Lead market research, focus groups and community engagement that helps us learn from our customers
  - Engage directly with customers through events and provide leads to programs
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Manage a small grant offer for nonprofit organizations, providing funding to advance their ideas, projects or deepen knowledge of energy efficiency and renewable energy
  - Collaborate with PCEF applicants and awardees to support their approaches to serving customers
  - Convene people and organizations representing the communities we seek to serve to guide the development and design of community offers and services
  - Support community-led energy or other planning processes, applying lessons from past efforts
- **Goal 4: Implement new work strategies to adapt and thrive in our changing environment and support staff while managing operating costs**
  - Improve the efficiency of coordinated marketing activities with new tools and strategies
  - Enhance the organization's skills in community engagement through training and other resources

2022 Key Activities of Communications and Customer Service

- Learn from and engage customers and stakeholders through outreach activities, including identifying and aligning with community priorities, developing skills in community engagement, support implementation of 2022 Diversity, Equity and Inclusion Plan and work with communities impacted by natural disasters.
- Work with community-based organizations and municipalities with mutually beneficial missions and purposes, including the City of Portland's Portland Clean Energy Community Benefits Fund. Support community-led energy, sustainability or climate plan development.
- Modify and expand nonprofit grant offer based on results from grants issued in 2021. Support interns in rural communities through Resource Assistance for Rural Environments program.
- Provide information to support policymakers and implementers, including during legislative session and as utilities, OPUC and other groups implement laws and programs like the modernized public purpose charge, 100% clean electricity standard, rate and program designs to reduce energy burdens and the Climate Protection Program. Participate in OPUC rulemaking and workshops related to clean energy, greenhouse gas reduction and customer-facing programs. Provide information and resources to local governments advancing clean energy plans.
- Produce organizational communications and public relations content that informs stakeholders and the public about the value of clean energy and how Energy Trust can help meet customer and community needs.
- Demonstrate transparency and accountability through quarterly and annual public reports and data analysis. Support information sharing with the OPUC on reporting capabilities as equity metrics are developed pursuant to HB 3141. Communicate progress toward diversity, equity and inclusion objectives to stakeholders and the public.
- Maintain and enhance the website's audience user experience with a focus on commercial customers, enable effective targeting and action on campaign landing pages, facilitate content coordination across social media accounts and bulk email platform, and use best practices such as a coordinated content strategy to ensure positive digital customer experiences and support outreach and service to diverse populations.
- Execute a brand marketing campaign targeted to reach communities of color and rural residents, using an increased advertising spend paired with activities in public relations, social media, outreach and event sponsorship. Use current research to optimize the brand campaign results and conduct new research that reveals customer needs to expand participation, including surveys, online research panels and focus groups.
- Manage general customer service calls and related administrative functions through contracted call center. Monitor service levels of program call centers to ensure alignment with quality control standards and manage customer complaint resolution and customer service process improvements.
- Manage Trade Ally Network administration including enrollment, business development fund processing, contractor online tools and reporting. Diversify the network through partnerships with trade groups.
- Support an improved customer experience through continued use of DocuSign forms, development of translated materials and creative services for program and organizational initiatives.

2023 Expected Changes

- Help implement program offers developed specifically for communities, including scaling up nonprofit grants.
- Expand outreach and engagement in support of diversity, equity and inclusion and program goals and other efforts.

Budgeted Expenditures

Total Expenditures (millions)*	2021 Budget	2022 Budget	2023 Projection
Communications and Outreach	$4.2	$4.7	$5.0
Community Services	$0.5	$0.5	$0.7
Customer Service/Trade Ally	$0.8	$0.9	$0.9

**Expenditure detail is provided under budget details tab in the budget binder. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Existing Buildings Program

In 2022, the Existing Buildings program–which includes existing commercial buildings and existing multifamily properties but excludes lighting–will offer incentives, tools, training and technical assistance to customers who complete energy-efficiency projects and implement behavioral and operational improvements. Existing Buildings serves customers through three primary delivery tracks: standard provides incentives for equipment that is installed by a contractor or sold through a vendor; custom provides incentives for system upgrades (heating/cool/ventilation, for example) that are based on technical studies to estimate energy savings; and energy performance management provides incentives for whole-building energy savings gained through making improvements to building operations and maintenance practices.

Context

COVID-19, extreme weather and wildfires continue to shift customer priorities. Buildings are addressing occupant health concerns by making permanent operational changes to how they manage filtration, outside air levels, hours of operation and air exchanges per hour, which creates both barriers and opportunities for energy-efficiency projects. Projects in multifamily properties continue to be slowed as contractors have limited access to multifamily tenant spaces with residents working from home and customers have financial concerns due to the eviction moratorium. Supply chain delays for raw materials and products are hindering customers' ability to plan for and complete upgrades, and labor shortages are affecting trade allies and customers alike. However, federal funding for COVID-19 relief and infrastructure may free up funds in the public and private sectors to push significant investment in energy-efficiency projects.

As market and industry efficiency standards continue to increase, the program will need to innovate to identify new sources of cost-effective savings.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by natural disasters**
  - Launch new offers to better serve customers who have not historically benefited from energy efficiency; this work will include a program-wide equity assessment to ensure current practices are equitable and remove systemic barriers for the program
  - Implement Existing Buildings engagement plan and integrate lessons and new ideas into program design and processes
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Expand and empower Community Based Liaisons to support the program's effort to build equity into current and future offerings. This network provides insight and feedback into the early phases of development of offers, strategies and messaging to help reach customers of color, customers for whom English is not their first language, customers living in rural communities and customers with low incomes

2022 Key Activities of Existing Buildings Program

- Launch new offers focused on engaging with customers who have not historically benefited from energy efficiency including: a small business offer that includes increased incentives for heating, cooling and ventilation equipment and food service equipment; Strategic Energy Management (SEM) for affordable multifamily; and a statewide all-virtual SEM cohort that allows businesses located anywhere in Energy Trust territory to participate.
- Continue to collaborate with PGE on delivering smart thermostats to small businesses.
- Deepen relationships with community-based organizations to identify ways to co-fund opportunities to support multifamily and small business customers with outreach and multifamily tenant education workshops.
- Implement an incentive reservation system for standard equipment that provides clear and equitable access for trade allies impacted by 2021 changes to incentives and program requirements.
- Identify new gas savings opportunities through market research and investigate how customers could get higher incentives and greater savings with packages of upgrades.
- Promote workforce development and energy savings opportunities by offering incentives for internships, apprenticeships and scholarships.
- Utilize a new innovation approach to develop offers, services and strategies to increase access, expand the program's reach and enhance impacts among customers the program has not historically served. This approach will seek to involve communities to generate solutions and leverage frameworks, tools and an equity lens to ensure new opportunity areas aligned with diversity, equity and inclusion goals.
- Implement the Contractor Development Pathway to expand participation of minority- and women-owned contractors in Energy Trust's Trade Ally Network; services include one-on-one mentoring, technical training and support to learn about program requirements to successfully implement their first energy-efficiency project.
- Expand Community Partner Funding to provide enhanced incentives to small multifamily and small commercial customers delivered through partnerships with community-based organizations.
- Relaunch Pay for Performance in early 2022, depending on the occupancy of commercial buildings and ability to generate effective energy models.
- Coordinate and communicate with utilities around community engagement, program offers and implementation, identifying opportunities to expand or contract activity to meet savings and budget targets.

2023 Expected Changes

- Many incentives for gas equipment, including food service equipment, will no longer be cost-effective, reducing a source of savings.
- Continue to develop differential baselines, packaged measure bundles and community partner funded/co-funded efforts; investigate new equipment that could be supported with incentives.
- Deliver energy performance management offers including Strategic Energy Management using the Performance Tracking Tool Platform that will be available in 2022.

Budgeted Expenditures and Savings

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$64.7	$64.9	$72.7
Gas Savings (therms)	2,072,244	2,469,687	3,071,645
Electric Savings (aMW)	16.68	15.31	17.15

** Expenditures above and in the budget details tab include lighting costs. See the Commercial and Industrial Lighting Offers action plan for a breakout of lighting costs only. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

New Buildings Program

The New Buildings program supports design and construction of high-performance commercial buildings and major renovations of all sizes and building types. Staff engage early in the design process with building owners, developers and design professionals to influence decisions that maximize efficiency through standard incentives, Market Solutions incentive packages and custom, whole-building incentives. Market Solutions incentives help businesses make quick decisions with pre-packaged options to achieve deeper energy savings over individual standard incentives. Whole-building incentives support the use of energy modeling to consider integrated design and systems to achieve efficiencies significantly above code.

Context

Pandemic recovery has waned due to the Delta variant. Barriers persist due to labor shortages, supply chain slowdowns and increased health and safety considerations, all of which are driving record-high construction costs. New project enrollments are down compared to pre-pandemic levels, but total project volume (which includes projects enrolled prior to COVID-19) remains active. Additionally, several projects impacted by the 2020 wildfires have enrolled and are currently in design. The program is providing additional incentives and revising program delivery and support for these projects.

The Oregon Public Utility Commission continues to evaluate the impact of the whole building code and how the program can satisfy cost effectiveness requirements. Pending an OPUC extension of the exception for whole building projects, the program will focus on program offers, strategies and initiatives that align with the OPUC's code requirements.

The market is adjusting to two code updates in less than two years. Next year, there will be a mid-cycle amendment that would put solar ready requirements in place for commercial buildings by October 2022 to meet Executive Order 17-20.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by natural disasters**
  - Invest in high-touch customer service during post-pandemic recovery by leveraging regional outreach team relationships to maximize project enrollments
  - Support projects impacted by 2020 wildfires with more robust incentives and alternative program design that captures savings beyond a historical baseline
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Continue investment in building relationships and understanding of communities served by community-based organizations
  - Work closely with Energy Trust staff to enhance broader community efforts and support implementation of Community Engagement Guidelines

2022 Key Activities of New Buildings Program

- Support projects impacted by 2020 fires with more robust incentives and historical baselines; influence these projects to pursue whole building energy efficiency and renewable energy applications.
- Invest in education-based approach to cost-effectiveness for custom offerings (Whole Building and Market Solutions) in alignment with code and within anticipated approval of extension of OPUC exception.
- Align solar ready offers with anticipated code amendment to the 2021 Oregon Energy Efficiency Specialty Code "Oregon Code" that may put solar ready requirements in place for commercial buildings by October 2022 to meet Executive Order 17-20. Educate market actors on new code requirements.
- Maintain virtual and in-person training and education to support customers adjusting to code change, cost-effectiveness challenges and new technology adoption. Continue to grow a diverse pool of innovative and educated trade allies on high-performance building design and construction practices.
- Support customer use of higher efficiency target-setting to holistically address total building energy use and meet more stringent energy code requirements, aligning with the state's commercial code that focuses on whole-building energy consumption and better enables market transformation.
- Develop cost-effective system-level water heating savings strategies for low-income and affordable housing developments across the portfolio and/or projects impacted by natural disasters.
- Coordinate with NEEA on complex emerging technologies including very high efficiency dedicated outdoor air systems and emerging gas technologies.
- Continue to establish the New Buildings program as a regional and national leader in Net Zero through the administration of grants that support net zero focused research and internships for engineering and design students and trade professionals.
- Coordinate and communicate with utilities around community engagement, program offers and implementation, identifying opportunities to expand or contract activity to meet savings and budget targets.

2023 Expected Changes

- Expect a strong 2023 pipeline comprised of past enrollments delayed due to COVID-19 and a steady stream of new enrollments as the market continues to recover from COVID-19 economic impacts with affordable housing, industrial and institutional projects leading the market.
- Market forecasts indicate new development opportunities will begin to contract, which could impact future year savings. The recent influx of large data centers is expected to wane in PGE territory due to market saturation but is expected to remain a consistent source of savings in Pacific Power from a single large data center estimated to complete in 2023.
- Oregon energy code update to ASHRAE 90.1-2022 is anticipated to be effective October 2023, which will be the third update within three years as the Oregon Building Codes Division works to get on track with efficiency timelines outlined in executive orders. The market will adapt to solar ready requirements that will take effect in October 2022.
- New Buildings will develop an offer ready for a 2024 rollout for Custom, Market Solutions and Path to Net Zero that supports and aligns with Oregon code and achieves the OPUC's requirements for cost-effectiveness.

Budgeted Expenditures and Savings

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$17.3	$19.4	$19.8
Gas Savings (therms)	363,531	437,460	367,701
Electric Savings (aMW)	4.43	4.77	4.90

**Expenditure detail is provided under budget details tab in the budget binder. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Commercial and Industrial Lighting Offers

Energy Trust delivers commercial and industrial lighting offers to commercial and industrial businesses through a single Program Delivery Contractor. In 2022, business lighting will have three delivery offers:

- Trade ally-delivered lighting upgrades: Incentives for prescriptive and custom measures that are not included in the midstream offer. These projects generate the largest part of program savings.
- Midstream: Incentives for energy-efficient lighting products that are provided at point of purchase through a participating lighting distributor.
- Direct install: Lighting upgrades for small and medium businesses and multifamily properties provided at no cost to the customer.

Context

Business lighting will continue to support customers and trade allies in a dynamic market with labor shortages, supply chain slowdowns and pandemic-related economic impacts. The program will continue to have a downstream offer (trade ally-delivered lighting upgrades) but will begin to shift some lighting products to midstream and will expand the scope of the direct install offer for small businesses. The program will update incentive caps and program requirements to serve the market while also maintaining stringent budget management controls. The program will focus on increasing activities to serve a diverse range of customers through midstream and direct install offers.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Re-engage vendors, trade allies and customers with more in-person outreach to deepen relationships that have been mostly virtual during the pandemic
  - Continue virtual program delivery if needed to maintain project activity
  - Maintain savings through the downstream lighting offer and increase access and ease of working with Energy Trust through the midstream and direct install offers
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Collaborate with community-based organizations to partner with communities and businesses who may benefit from the direct install offer
  - Coordinate with industrial and commercial sectors to adopt lessons from their community outreach efforts and align outreach focus

2022 Key Activities of Commercial and Industrial Lighting Offers

- Update incentive caps and program requirements for trade ally-delivered projects; expand midstream and no-cost direct install offers.
- Reintroduce street lighting and indoor agriculture environment lighting incentives.
- Focus outreach efforts to serve businesses that are women- and minority-owned, small and rural; recruit minority-, women-, and service-disabled veteran-owned and emerging small business contractors to complete projects and join the Trade Ally Network.
- Increase direct install services in Central and Eastern Oregon and build in-field language translation services.
- Strengthen relationships with trade allies impacted by 2021 program changes, incentive caps and requirements. Launch an online tool for trade allies to streamline project submissions and provide access project information.
- Collaborate with commercial and industrial sectors and electric utilities on community outreach efforts. Focus on building trust and designing offers based on community needs and feedback.
- Explore a lighting offer that would support advanced lighting + lighting controls design for major retrofits.
- Coordinate and communicate with utilities around community engagement, program offers and implementation, identifying opportunities to expand or contract activity to meet savings and budget targets.

2023 Expected Changes

- Allocate more program budget to increase availability of the direct install offer.
- Explore integrated building controls for lighting and HVAC as a pathway to higher savings.
- Act on lessons from 2022 community outreach efforts to develop and refine diversity, equity and inclusion outreach and goals.
- Continue to monitor lighting products that can be supported with incentives from the program.

Budgeted Expenditures and Savings

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$21.3	$21.9	$25.1
Electric Savings (aMW)	13.64	12.97	13.89

**Expenditure detail is provided under budget details tab in the budget binder, included in Existing Buildings and Industry and Agriculture programs. This detail includes lighting incentives for 2021, and lighting incentives and delivery for 2022 and 2023. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Southwest Washington Commercial Program

Energy Trust provides incentives and technical support to business customers in Southwest Washington on qualifying NW Natural commercial firm or interruptible rate schedules. Offers include incentives for energy-efficient equipment purchased through trade allies or vendors, incentives for operations and maintenance improvements and no-cost technical studies to estimate energy savings and incentives for retrocommissioning. Projects include upgrades and retrofits at existing commercial buildings, energy-efficient equipment for new construction, energy-efficient equipment and retrofits at existing and new multifamily properties with two or more units, and upgrades for natural gas-heated production greenhouses.

Context

The robust building market and ongoing construction labor shortages continue to divert some commercial customers' attention away from energy-efficiency projects. Trade tariffs and supply chain slowdowns are increasing product costs and have led to projects being rebid and delayed. At the same time, there is strong retrofit and new construction activity due to the passage of local school bond measures. The program works with design and construction teams to generate customized energy models for these projects to ensure no savings opportunities are left behind.

Recent Washington legislation will impact Energy Trust's ability to offer certain measures including commercial fryers, dishwashers, steam cookers and showerheads beginning in 2022. HB 1444 creates energy performance standards and incentives for large commercial buildings over 50,000 square feet; HB 1257 sets energy and water efficiency standards for 16 common consumer products.

Due to COVID-19, building operators are addressing occupant health concerns by making permanent operational changes with filtration, outside air levels, hours of operation and air exchanges/hour. These changes will impact how Energy Trust can achieve and claim energy savings.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by natural disasters**
  - Expand offers for customers with low incomes
  - Launch a small business offer, deliver the Contractor Development Pathway and expand Strategic Energy Management to include an affordable multifamily cohort
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Continue to support, expand and empower Community Based Liaisons to develop more equitable program offers
  - Expand Community Partner Funding to provide enhanced incentives to multifamily and small commercial customers delivered through partnerships with community-based organizations

2022 Key Activities of Southwest Washington Commercial Program

- Coordinate with Clark Public Utilities to launch a Strategic Energy Management offer, a new offer in the Washington portfolio.
- Conduct a program equity assessment and develop action plan to implement changes.
- Expand collaboration with Clark Public Utilities on co-funded facility studies.
- Identify new gas savings opportunities through market research, measure development and implementing bundled measures.
- Work with Vancouver Housing Authority and other local agencies to reduce the energy burden of customers in low-income housing.
- Help schools, universities and other customers build capacity for energy efficiency by increasing scholarships for operators to receive Building Operator Certification.
- Expand regional involvement and cross-program collaboration in rural areas; support Clark County's Green Business program activities; increase event sponsorships, training and outreach with local chambers and business organizations; and increase collaboration with the Washington Green Schools program.
- Coordinate with NW Natural to implement new marketing guidelines for NW Natural Washington delivery territory.
- Work with NW Natural and the Washington Utilities and Transportation Commission to review the new Washington Conservation Potential Assessment; work to implement a two-year plan for 2022 and 2023.
- Work with the Vancouver Innovation Center project to ensure all savings opportunities are realized for existing custom, existing standard and new buildings projects.
- Washington's passage of HB 1444 "Concerning Appliance Efficiency Standards" and HB 1257 "Concerning Energy Efficiency" established efficiency standards for equipment such as food service and showerheads and went into effect in 2021; as a result, some incentives will be discontinued in 2022 and 2023.
- Implement a new savings goal and budget process as defined through Washington Utilities and Transportation Commission rulemaking, which will integrate a Conservation Potential Assessment that has been developed by a third party. The new Conservation Potential Assessment will influence savings goals for 2022 and 2023.

Budgeted Expenditures and Savings

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$1.5	$1.4	$1.3
Gas Savings (therms)	238,107	185,649	165,798

**Expenditure detail is provided under budget details tab in the budget binder. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Production Efficiency Program

Production Efficiency provides energy-efficiency solutions for all sizes and types of eligible industrial, agricultural, municipal water and wastewater customers. The program provides services and incentives through three primary delivery tracks: standard track provides incentives for equipment delivered through trade allies and vendors; custom track is delivered through Program Delivery Contractors for projects that require technical studies to estimate energy savings; and energy performance management track for Strategic Energy Management engagements and other offers that help customers build their internal capacity to save energy. Production Efficiency is designed and managed by Energy Trust staff and delivered to customers through Program Delivery Contractors and other market actors.

Context

The Production Efficiency program is planning for continued dynamic market conditions in 2022. The COVID-19 recovery and related market factors are driving energy-efficiency projects in some areas and in other cases are constraining project activity. The Production Efficiency program is currently seeing high interest from high technology customers, food storage and production facilities, and nurseries. Wood product manufacturers have been very busy due to high demand and labor shortages that limit their capacity for energy-efficiency projects; however, this may be normalizing. The airline industry and its supply chain are still expected to have lower interest in energy-efficiency projects due to constrained capital budgets. We are also seeing supply chain disruptions and semiconductor device shortages slowing projects, especially those involving variable frequency drives and air compressors. Drought and heat wave conditions across the state have increased interest in irrigation measures but will also reduce agricultural producers' ability to pursue upgrades due to limited funds.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Re-engage vendors, trade allies and customers with in-person outreach to deepen relationships that have been mostly virtual during the pandemic
  - Continue virtual delivery if needed to maintain project activity
  - Promote low-cost operations and maintenance and Strategic Energy Management offers for customers with limited capital budgets
  - Increase marketing and outreach, technical services and other support to small-to-medium sized, rural and minority- and women-owned industrial and agricultural businesses
  - Continue outreach activities with industry groups
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Develop new relationships with industrial customers and organizations that represent customer perspectives and collaborate with them to develop better ways to serve minority- and women-owned businesses

2022 Key Activities of Production Efficiency Program

- Restore marketing and outreach activities to previous levels. Continue outreach activities with Oregon Manufacturing Extension Partnership and Southern Oregon Regional Economic Development, Inc., to build connections with smaller manufacturers.
- For projects delivered by trade allies and vendors, increase incentive limits for electric and gas incentives to encourage new project activity. Recruit minority-, women- and service-disabled veteran-owned contractors to complete projects.
- Focus on outreach efforts that increase participation for small-to-medium sized businesses and businesses in rural areas.
- Help small manufacturers and agricultural businesses by developing a streamlined incentive for smaller variable frequency drives for industrial pumping, fans and irrigation. The team will also explore development of a direct installation steam trap offer to serve smaller customers.
- Maintain the reduced $250,000 cash incentive cap for custom projects to manage incentive budgets and introduce a $75,000 incentive cap for Strategic Energy Management incentives for new engagements.
- Recruit customers for Strategic Energy Management with an emphasis on engaging high-tech customers who have historically had low participation in this offer.
- Maintain the new operations and maintenance optimization offer and consider expansion. Operations and maintenance optimization can help customers maximize energy savings by providing more flexibility in how projects are implemented.
- Develop relationships with customers, business associations and community groups that could help co-create future efforts to reach customers we have historically underserved, including minority- and women-owned businesses.
- Conduct a competitive solicitation for delivery of custom, Strategic Energy Management and standard tracks. The new contract or contracts will begin in 2023.
- Coordinate and communicate with utilities around community engagement, program offers and implementation, identifying opportunities to expand or contract activity to meet savings and budget targets.

2023 Expected Changes

- Savings in the custom, Strategic Energy Management and standard tracks are not expected to change significantly.
- Incentive levels across all tracks will be higher in 2023 due to higher incentives for offers that support diversity, equity and inclusion.
- The program will have new strategies and delivery contract structure in 2023 as a result of the competitive solicitation process in 2022.

Budgeted Expenditures and Savings

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$43.9	$43.3	$46.5
Gas Savings (therms)	1,362,290	1,528,067	1,498,398
Electric Savings (aMW)	16.82	16.98	17.73

** Expenditures above and in the budget details tab include lighting costs. See the Commercial and Industrial Lighting Offers action plan for a breakout of lighting costs only. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Residential Program

The Residential program provides electric and gas energy-efficiency solutions for customers of single-family, manufactured and newly constructed homes. The program is delivered by Program Management Contractor CLEAResult and two Program Delivery Contractors supporting retail promotions and EPS™ new construction offers. Incentives are available for smart thermostats, energy-efficient HVAC and water heating equipment, lighting, appliances, weatherization upgrades and whole-home improvements in new construction.

Context

In 2021 the sector adjusted to new market demands and operating conditions related to COVID-19, resulting in new opportunities and challenges impacting our 2022 action plan. While the sector anticipates continued strong consumer demand in 2022, the market is facing challenges. Labor shortages and supply chain slowdowns are driving costs higher and slowing down timelines for new construction and retrofits.

The sector assumes continued strong demand for market rate offers as residential customers who have the means make home improvements to improve comfort and efficiency as they spend more time in their homes during the pandemic. The sector also expects continued demand for offers to support residential customers who have suffered job or income loss during the pandemic. The residential new construction market is growing and will likely continue to do so through 2023, creating demand for high-efficiency new homes with additional demand from rebuilding in areas impacted by wildfires. This continued demand across all markets will require close attention on managing to available budget.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Expand Community Partner Funding with community-based organizations and tribes to support customers that have historically been underserved through coordination across housing types, targeting of qualifying customers and identifying additional sources of funding
  - Deliver market rate offers that support customer interest in upgrading their homes including education about do-it-yourself upgrades, program promotions and trade ally delivered offers
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Expand the opportunity for community-based organizations to develop program design approaches, conduct outreach and deliver savings to communities of color, customers with low incomes and rural customers

2022 Key Activities

- Maintain LED offers in current retail outlets for specialty lighting and in markets with lower sales rates.
- Expand promotions and marketing for appliances (clothes washers and dryers), water heating offers and grow lights in stores.
- Continue fixed price and targeted offers to acquire savings from manufactured homes, zonal systems, rentals and Savings Within Reach.
- Expand co-funding of weatherization budgets to more community action agencies across the state to increase the installation of insulation, windows and heating systems for both gas and electric savings.
- Contract with community-based organizations to deliver offers and incentives to customers with low- and moderate-incomes, rural customers and communities of color.
- Expand offers for new and existing manufactured homes, including transitioning manufactured home replacement from a pilot to a standard offer and offering energy assessments and duct sealing.
- Drive promotions to deliver increased volumes of ceiling insulation and gas furnaces to targeted customer groups.
- Continue to drive do-it-yourself installations of heat pump water heaters and gas tank water heaters; develop a network of preferred installers across the state.
- Expand promotion of central air conditioning and extended-capacity heat pumps to build on growing market acceptance.
- Support Targeted Load Management and utility-led demand response and regionally focused activities.
- Introduce new incentives and pathways through EPS new construction to reflect the state's approval of 2021 Oregon Residential Specialty Code.
- Increase incentives for EPS homes targeted at moderate-income homebuyers.
- Support communities impacted by wildfires with technical expertise and incentives to rebuild above current code; participate in community planning efforts.
- Evaluate new incentive opportunities including cooling applications, advanced windows, do-it-yourself wall mounted heat pumps and paper-based home energy reports.
- Implement a pilot to deliver no-cost ductless heat pumps to energy burdened customers.
- Conduct a competitive solicitation for program management and delivery. The new contracts will begin in 2023.
- Coordinate and communicate with utilities around community engagement, program offers and implementation, identifying opportunities to expand or contract activity to meet savings and budget targets.

2023 Expected Changes

- Implement program offers reflecting measures updated in 2022, including heat pump water heaters, smart thermostats, windows and insulation.
- The program will develop new delivery strategies in 2023 as a result of the competitive selection process in 2022.

Budgeted Expenditures and Savings

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$49.5	$56.2	$61.3
Gas Savings (therms)	2,317,348	2,662,335	2,681,228
Electric Savings (aMW)	5.54	7.50	8.59

**Expenditure detail is provided under budget details tab in the budget binder. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Southwest Washington Residential Program

Energy Trust helps single-family and small multifamily homeowners served by NW Natural in Southwest Washington save energy through cash incentives for efficient space heating and controls, water heating, insulation, windows, water conservation, behavioral actions and education, trade ally support, financing with repayment through utility bills and market interventions. The program influences new residential construction by engaging with builders to increase energy efficiency of new homes through incentives, education, trade and program ally support and quality assurance.

Context

As the result of recent changes requested by the Washington Utility and Transportation Commission, 2022 is the first year of a two-year goal; therefore, implementation and delivery tactics in 2022 will also impact the 2023 program year. To effectively manage budgets and forecasts, the program will aim to stabilize incentive distribution by supporting existing channels year-round that are struggling with product availability and pricing, rather than driving bonus incentive participation at exclusive points in the year. The single-family rental and small multifamily markets in Southwest Washington remain key focus areas. The program will reintroduce Energy Saver Kits for key customer segments while continuing to drive participation in other low-cost opportunities such as smart thermostats.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Expand efforts in lagging markets, increase opportunities in emerging markets and test new offers to grow future savings
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Expand Community Partner Funding participation for community-based organizations that could deliver energy efficiency improvements in single-family and multifamily homes

2022 Key Activities of Southwest Washington Residential Program

- Increase installation of smart thermostats through instant coupon promotions, downstream incentives and direct shipping.
- Promote low-cost smart thermostats to low- and moderate-income residents.
- Work with residential weatherization market actors to promote incentives for insulation in single-family homes, small multifamily and rental markets.
- Identify and engage with single-family housing rental property owners to install weatherization, water heaters and HVAC upgrades.
- Promote and support do-it-yourself participation through technical support, promotions and marketing.
- Develop targeted marketing and communications strategies to drive leads to contractors.
- Find new distribution channels to reach non-participants by reintroducing Energy Saver Kits.
- Continue to enroll manufactured home retailer participants for participation in the new manufactured home offer and increase new home enrollments in Southwest Washington.
- Expand collaborations with community-based organizations to deliver capital measures to new customer segments through the Community Partner Funding pathway that provides higher incentives to reach customers who have been historically underserved and who own detached single-family homes.
- Coordinate with NW Natural to research opportunities for the implementation of a behavioral program for single-family homeowners.
- Implement new offers for residential homebuilders that allow for incremental and single-measure incentives. One offer will leverage the 2018 Washington energy code point structure; other stand-alone single measures will be offered for smart thermostats and efficient gas fireplaces.

2023 Expected Changes

- The program will have new delivery strategies in 2023 as a result of a competitive solicitation for program management and delivery in 2022.
- Savings, incentives and project volume are forecasted to remain stable for the majority of home retrofit, midstream and multifamily measures.
- Residential new construction savings acquisition may need to shift focus to upstream and distributor strategies to acquire small incremental savings on products sold to the entire Southwest Washington new homes market.

Budgeted Expenditures and Savings

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$1.8	$1.6	$1.6
Gas Savings (therms)	148,573	133,073	122,650

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Northwest Energy Efficiency Alliance

Energy Trust has been working with the Northwest Energy Efficiency Alliance (NEEA) since 2002 to increase the availability and adoption of energy-efficient electric products, equipment and practices. In 2015, natural gas equipment was added. By pooling resources at a regional level to work with manufacturers, distributors and retailers, NEEA accelerates the development, testing and distribution of new energy-saving equipment and approaches. NEEA identifies and refines new high-efficiency products, services and practices and helps bring them to market. Once products are ready and available, Energy Trust creates and implements programs to support broad market adoption in Oregon.

Context

NEEA is an entity funded by Northwest utilities and efficiency program providers such as Energy Trust to pool resources and share risks in efforts to transform the market for energy efficiency to the benefit of consumers. Energy Trust is NEEA's second largest funder based on the size of its service territory. Energy Trust coordinates its program efforts with NEEA through participation on NEEA's board and advisory and work groups, specific program area partnerships and savings reporting. NEEA's portfolio is organized in seven cross-sector, dual-fuel product groups designed to leverage shared relationships and market channels and deliver efficiencies for both the alliance and supply chain partners. NEEA also supports regional efficiency research projects including building stock assessments and end use load research. In 2022, NEEA expects to meet or exceed its electric and natural gas energy savings targets.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Identify and accelerate new opportunities through scanning for new measure offers, research and market partner engagement
  - Work with mid-stream market actors to retain our ability to deliver affordable, clean energy at volume
  - Determine the viability of newly identified emerging technologies using technical analysis to quantify their savings potential and assessing market barriers to adoption of these technologies
  - Influence market actors to increase availability of energy-efficient products and services
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Engage funders and other qualified advisors to identify, develop and sustain a portfolio of efficiency-enabling initiatives and activities consistent with NEEA's purpose
  - Support dialogue and coordinate activities among stakeholders interested in accelerating efficiency through market transformation in the Northwest

2022-2023 Key Activities of Northwest Energy Efficiency Alliance

- Advance efficient window attachments by engaging in national partnerships, identifying efficient products, encouraging product certification, raising awareness and working with funders to achieve residential and commercial building installations. Promote the viability of thin triple-pane windows and work to remove market barriers by directly engaging window industry partners.
- Deliver project-specific strategies for NEEA's Retail Products Portfolio initiative, including targeted incentive structures, support for highest energy-saving products and coordinating to establish ENERGY STAR® specifications or federal standard updates. Increase robustness of data, including online sales data, to enhance consumer insights. Continue participation in NEEA's ongoing regional smart thermostat study that could produce data enabling Energy Trust to analyze potential eligibility for additional smart thermostat products in 2022.
- Increase awareness, stocking and sales of efficient motor-driven products, focusing on pumps, fans and compressed air systems. Engage with national industry partners to support product differentiation and certification to drive adoption of more efficient motor-driven products. Continue engagement with distributors to test and refine market interventions for efficient pumps, fans and circulators.
- Continue to encourage market adoption of residential variable speed capacity heat pumps, high-performance HVAC and efficient rooftop units. Increase distributor participation in HVAC sales data collection to build a representative model of both commercial and residential markets. Identify opportunities to influence codes and standards and labeling programs across high-efficiency HVAC products.
- Train trade allies, lighting designers and specifiers to promote and install luminaire level lighting and other advanced lighting control technologies. Research lighting controls market to better understand opportunities. Identify opportunities to influence codes and standards for luminaire level lighting controls and broader networked lighting controls where possible.
- Leverage national partnerships to increase alignment, awareness and adoption of heat pump water heaters to support future federal standards through identification of opportunities for heat pump water heater impact on carbon goals, promotion of efficient specifications and addressing challenging installation situations. Support the launch of gas heat pump water heater product through product demonstration and regional collaboration.
- Support and validate technologies and building strategies that may fit in future commercial and residential code cycles. Provide proposals to national code development bodies. Continue to support a new voluntary above-code specification for manufactured homes (formerly known as NEEM 2.0, now called NEEM+), providing manufacturers/retailers with technical support, tools and resources to drive consumer demand.
- Provide and enhance common resources for regional research and data, including the Residential, Multifamily and Commercial Building Stock Assessments and the End Use Load Research project, which provide updated building characteristics, baseline conditions and load and savings shapes to funders. Support efforts to safely resume and begin meter installations as COVID-19 impacts allow.

2022 Expected Changes

- NEEA staff estimate that the regional portfolio will deliver 115-220 average megawatts of co-created electric energy savings in Cycle 6, an increase since the 2021 Operations Plan due to additional savings from the previously funded Strategic Energy Management program. Natural Gas savings in Cycle 6 are estimated between 6-18 million therms. The low end of the forecast range dropped since the 2021 Operations Plan due to uncertainty of decarbonization policies and impacts on natural gas potential in future residential codes.

Budgeted Expenditures and Savings

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$9.0	$9.0	$8.0
Gas Savings (therms)	2,749	167,873	505,194
Electric Savings (aMW)	4.0	6.0	7.3

**Expenditure detail is provided under budget details tab in the budget binder. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Solar Program

The Solar program aims to create a vigorous and sustainable market for solar in Oregon to reduce energy burden for customers, support community resilience and create a flexible grid resource. The program offers incentives to reduce the cost of developing and installing solar; income-qualified incentives for low-and-moderate income customers; consumer education, customer support and marketing; quality standards for systems; initiatives to drive down non-hardware soft costs of solar; and a large network of vetted solar trade ally contractors.

Context

House Bill 3141, the public-purpose modernization bill passed by the Oregon Legislature in 2021, creates new commitments and opportunities for Energy Trust's renewable energy programs. The bill requires at least 25% of renewable funds to serve low- and moderate-income customers and expands the scope of renewables investments to include advanced technologies, such as smart battery systems, that support reliability, resilience and the integration of renewable resources.

The Oregon solar industry performed well in 2021 despite the economic and supply-chain challenges of the pandemic. Energy Trust experienced a record-high number of residential applications and resulting solar generation. In 2022, the market will benefit from new state funding from the Oregon Department of Energy and a continuation of federal tax credits that cover up to 26% of project costs.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Expand offers that serve customers with lower incomes; invest more in equity-focused offers with a goal of providing one-third of solar incentives to customers with low or moderate incomes in 2022
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Partner with local organizations to develop solar programs tailored to communities of color and low- and moderate-income customers including those in rural areas
  - Work with community workforce organizations and increase investments in building a diverse solar workforce, with support for women and people of color entering the solar trade or starting new trade ally companies
- **Goal 3: Create development capabilities that will allow us to increase funding to deliver more savings and generation and expand our ability to meet changing customer and utility system needs**
  - Pursue federal funds to develop a planning and feasibility pathway for communities pursuing Federal Emergency Management Agency grants to build resilient renewable energy project microgrids at critical facilities and community resilience hubs

2022 Key Activities of Solar Program

- With guidance from the Oregon Public Utility Commission, begin implementation of the equity, resilience and grid flexibility requirements contained in House Bill 3141.
- Launch a new solar incentive framework that prioritizes and shifts increasing amounts of funding to projects with equity, community and grid benefits.
- Improve the value of program participation for trade allies with increased investment in solar leads, business development funds and training opportunities.
- Expand service to low- and moderate-income customers through the Solar Within Reach offer and partnerships with community organizations.
- Provide funding for small-scale community solar projects that are community-led and serve customers with low incomes.
- Focus the commercial Equitable Solar Initiative incentives on tribes and multifamily affordable housing to increase participation by these customer segments.
- Partner with community-based organizations to build a network of trusted solar ambassadors within communities of color to address access and awareness barriers. Explore incentive options and solar readiness solutions to support customers referred through this network.
- Partner with pre-apprenticeship programs serving communities of color and women to incorporate solar concepts into their training programs, support their case managers in understanding solar jobs, and build a cohort of solar trade allies committed to workforce diversity.
- Support communities in exploring and prioritizing options for using renewable energy micro-grids to provide resilience and grid services.
- Launch an incentive offer for solar + storage, expanding on the Energy Smart Homes and Net Zero offers developed in 2020.
- Begin a research project with the New Buildings program to explore incorporating solar + storage and the modelling of demand response capable equipment into the program's successful early design assistance process in support of a potential Grid Interactive Efficient Buildings offer.
- Continue to deliver incentives, quality management and customer outreach and support for PGE's Smart Battery pilot. Work with PGE to develop a smart inverter pilot that will allow the utility to test the value of integrating inverter control into its distributed energy resource management systems.
- Explore options for hiring an external implementer to handle administrative services, trade ally communications and application and payment processing in 2023.
- Coordinate and communicate with utilities around community engagement, program offers and implementation.

2023 Expected Changes

- By 2023, the program expects residential solar incentives will be available only for projects that improve equity outcomes, support community energy resilience and/or provide flexibility to the grid.

Budgeted Expenditures and Generation

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$13.9	$16.1	$14.2
Generation (aMW)	2.9	4.0	3.0

**Expenditure detail is provided under budget details tab in the budget binder. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Other Renewables Program

The Other Renewables program supports a portfolio of renewable energy projects up to 20 megawatts that generate electricity using biopower, hydropower, geothermal and community-scale, municipally owned wind technologies. The program supports customers with custom project development assistance and installation incentives. Development assistance incentives are used for non-capital costs that determine a project's technical and financial viability, moving it from concept to commercial operation. Qualified projects may access project development assistance incentives multiple times, up to the limits of funding caps, enabling applicants to move through consecutive development activities. Installation incentives are based on the detailed technical and financial review of a project. All incentives are paid following successful commercial operation or activity completion.

Context

House Bill 3141, the public purpose modernization bill passed by the Oregon Legislature in 2021, creates new commitments and opportunities for Energy Trust's renewable energy programs. The bill requires at least 25% of renewable funds to serve low- and moderate-income customers and expands the scope of renewables investment to include advanced technologies that support reliability, resilience and the integration of renewable resources.

Demand for renewable energy, energy planning and infrastructure is growing as more communities adopt clean energy policies and sustainability goals. Resilience is a key driver for communities interested in distributed renewable energy projects that can be designed and operated to power critical facilities during a grid outage. Energy Trust's investment in irrigation modernization continues to identify hydropower potential and leverage significant state and federal funding, including appropriations in the pending federal infrastructure bill. Hydropower and biogas projects continue to confront development challenges, including increasing capital and operations and maintenance costs, low energy value (revenue) and interconnection barriers. These conditions make net-metered projects more economically viable than those that plan to sell electricity back to utilities.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Maintain support for a portfolio of technologies to sustain and grow Oregon's vibrant small- and community-scale distributed renewable energy generation markets
  - Focus development assistance outreach on irrigation hydropower and net-metered biogas projects
  - Support the Irrigation Modernization Program to leverage state and federal sources of funding
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Apply lessons from the community energy planning work in Wallowa County to other Oregon communities that would like to initiate energy planning
  - Support communities exploring organic material recovery alternatives and investigate biogas production opportunities that lead to renewable energy generation
  - Support communities rebuilding from 2020 disasters with project development assistance

2022 Key Activities of Other Renewables Program

- With guidance from the Oregon Public Utility Commission, begin implementation of the equity, resilience and grid flexibility goals driven by HB 3141.
- Focus on the development of municipal and special district-proposed hydropower projects through project development assistance and installation incentives. Pursue feasibility studies for potential municipal pressure reduction valve hydropower projects identified in a 2021 scoping study.
- Help Irrigation Modernization Program participants move hydropower projects to the design and build phases.
- Coordinate with efficiency programs to pursue combined energy efficiency and renewable energy opportunities with a focus on industrial, agricultural and municipal customers.
- In collaboration with Pacific Power, support energy planning in Wallowa County and investigate how existing renewable projects can be configured to support critical facilities, provide grid benefits and allow the community to be more resilient. Develop lessons that may be applied to other communities in the future.
- In collaboration with Oregon Department of Environmental Quality and Regional Solutions, support communities exploring food and brewery waste and other organic materials as a biogas resource and renewable energy generation opportunity.
- Work with customers, communities and utilities to identify locations where renewable energy microgrids can support business continuity, increase community energy resilience and provide grid services.
- Hold competitive solicitations to identify distributed renewable energy projects eligible for installation incentives.
- Collaborate with natural gas utilities to develop and understand the nascent renewable natural gas market and investigate the market impact on customers that produce biogas.

2023 Expected Changes

- Several hydropower projects under development by municipalities and special districts and one cogeneration project at a water resource recovery facility are expected to reach commercial operation as a result of project development assistance.
- Increased post-commercial food waste collected from several municipalities is expected to be converted to biogas, creating additional biopower and renewable natural gas opportunities.
- Apply lessons from Wallowa County and municipal/community engagement market research to expand energy planning and other community engagement activities to more communities.
- HB 2021, which enables eligible communities to coordinate with their utility in developing a green tariff that directs how much of their electricity is renewably sourced, will lead to renewable energy projects that are economically viable. Eligible communities include tribes, local and county governments, irrigation districts, water control districts and ditch improvement districts.

Budgeted Expenditures and Generation

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$9.2	$6.4	$4.2
Generation (aMW)	0.6	0.1	0.3

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Oregon Community Solar Program

The State of Oregon's Community Solar Program gives Oregon customers of Portland General Electric, Pacific Power and Idaho Power the option to subscribe to or own part of a community solar project and be credited through their electric bills for their portion of the energy generated. The program is managed by the Oregon Public Utility Commission and administered through a contract with Energy Solutions. Energy Trust's work on community solar will provide underserved customers with access to solar energy; however, Energy Trust will not claim any generation. OPUC is currently leading a program expansion planning process that will determine the program's future direction.

Community solar is an option for renters, people who live in multifamily buildings and other customers who want to use solar energy but may not have a sunny roof of their own or are not able to invest in a rooftop system. The program was launched in January 2020 and the first cohort of projects are in or nearing commercial operations. Twenty-five percent of program capacity has been reserved for small projects and projects managed by public sector or nonprofits, and 10% of each project's capacity must be reserved for low-income participants.

Context

The Oregon Community Solar Program was developed in response to passage of SB 1547 in 2016. Energy Trust has a three-year subcontract with Energy Solutions that runs from March 2019 through March 2022 to support certain aspects of program development and delivery, including project manager registration, project certification, customer service and consumer protection. This work is funded by revenue that is separate from utility customer public purpose funding directed to Energy Trust through SB 838 and SB 1149. Energy Trust's services under the subcontract result in a small increase in the organization's net assets.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Collaborate with OPUC and external partners to identify and address barriers to low-income program participation
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Coordinate with Solar program staff to develop an Energy Trust incentive offer for small-scale community projects funded through the Oregon Community Solar Program
- **Goal 3: Create development capabilities that will allow us to increase funding to deliver more savings and generation and expand our ability to meet changing customer and utility system needs**
  - As an activity not funded by the public purpose charge and that generates net retained revenues, Oregon Community Solar Program provides an opportunity for Energy Trust to explore additional revenue models and creates flexibility for the organization to pursue future opportunities

2022 Key Activities of Oregon Community Solar Program

- Deliver ongoing operations of the program, including management of the network of project managers, project pre-certification and certification processes, project quality control/assurance and customer service contact center, and implementation of the program's consumer protection plan.
- Conduct outreach and education to recruit a diverse pool of project managers and projects, including public entities and community organizations, to encourage wide and diverse participation in the program.
- Coordinate with the program's low-income facilitator, Community Energy Project, to achieve the program goals specific to low-income participation and ensure the program strategy and approach to consumer protection and customer service reflect and consider the needs of low-income participants.
- Provide impartial advice to the OPUC on policy issues relevant to the program.
- Recommend and implement continuous improvements to the program.
- Support a stakeholder engagement process to revise the Community Solar Program Implementation Manual and make improvements to the program.
- Engage Energy Trust's board of directors and executive team, in consultation with Energy Solutions and the OPUC, to evaluate the options for a contract extension, rebid or wind-down related to the end of Energy Trust's current contract in March 2022. Continue, modify or transition program activities as appropriate.

2023 Expected Changes

- Should Energy Trust's program administration subcontract be renewed beyond March 2022, we anticipate largely continuing the same scope as above into 2023.

Budgeted Expenditures

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$0.3	$0.4	$0.4

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Planning and Evaluation

The planning and evaluation group is comprised of the planning team and the evaluation and engineering team. The planning team develops estimates of efficiency program costs and savings. It works with utilities to develop forecasts for long-range savings, updates avoided costs and tools, develops cost-effectiveness tools and manages savings and cost-effectiveness reporting. The evaluation and engineering team assesses the effectiveness of efficiency and renewable energy program implementation and estimates savings and generation on a retrospective basis. The team performs evaluations and market research; serves as the owner of third-party, spatial and utility customer information data; leads projects to strategically use data and information to support organizational needs; and participates in regional and national research projects. Additionally, the team assists in and reviews development of proposed new and revised efficiency measures and helps Energy Trust incorporate new efficient technologies into programs.

Context

Energy Trust is entering a transitional period where remaining traditional efficiency opportunities and the value of efficiency to the utility system may be diminishing as the alternative resource is increasingly wind and solar, and costs for those resources are dropping. Yet opportunities are emerging to work with utilities, community-based organizations and health providers to leverage additional funding from organizations whose goals are to achieve values from our programs that goes beyond energy efficiency and renewable generation. These values include reducing demand on the utility system, improving the condition of housing, reducing healthcare costs and achieving other benefits associated with efficiency measures such as reducing carbon emissions. The role of the planning and evaluation group is diversifying to help pursue these opportunities by providing a clearer look at different subgroups of energy users, creating data sets to better target programs and identifying and quantifying how energy savings relates to other benefits.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Use research conducted in 2020 and 2021 to develop a reliable system for tracking participation and engagement by geography, race and ethnicity and income groups
  - Continue to forecast future potential cost-effective energy savings for utility integrated resource plans as a basis to set efficiency goals and establish funding levels
  - Work with the region to advance customer load research to better understand behavior and measure performance and impact of efficiency on utility peak loads
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Monitor and evaluate how efforts to market and deliver programs through community-led initiatives result in cost-effective savings and identify how these efforts can improve
  - Work with Oregon and Washington utility commissions and utilities to adjust policies, cost-effectiveness frameworks and strategies as regulatory direction around community-led approaches evolves
- **Goal 3: Create development capabilities that will allow us to increase funding to deliver more savings and generation and expand our ability to meet changing customer and utility system needs**
  - Help organize data and information in ways useful to identify, quantify and execute on the most promising new Energy Trust initiatives alongside existing initiatives
- **Goal 4: Implement new work strategies to adapt and thrive in our changing environment and support staff while managing operating costs**
  - Employ feedback systems to assess the effectiveness of new work strategies such as remote work to maximize benefits and minimize negative impacts

2022 Key Activities of Planning and Evaluation

- Continue to deliver enhanced energy-efficiency supply and cost estimates for utility integrated resource planning processes. Communicate transparently with stakeholders to improve forecasting and modeling methodology.
- Work with efficiency programs to forecast savings potential and develop programs responsive to evolving market conditions and future opportunities including niche products, market opportunities and targeted customers.
- Continue to develop a framework to quantify the value of energy savings in the changing industry landscape. Improve estimates of energy saved during utility peak periods from energy efficiency and renewable generation. Assist programs in designing delivery mechanisms to implement offerings in targeted areas of utility systems.
- Adjust tools, analysis and processes to meet policy needs as Oregon and Washington regulatory policies evolve in response to businesses and residents grappling with COVID-19, equity, carbon and other issues.
- Analyze savings and generation results and economic impacts reported by Energy Trust.
- Provide technical information and quality assurance for the measure development process. Obtain data on markets and measure performance that are critical to measure assessment.
- Combine Energy Trust data, utility customer information and third-party data into integrated data sets. Continue to train analysts on these data sets and support programs in using them for research and analysis.
- Deliver impact evaluations of savings from all major efficiency programs and select renewable energy programs. Adjust methods to reflect increased importance of peak savings and generation and changes in energy use in homes and businesses due to remote work and other COVID-19 disruptions.
- Conduct periodic process evaluations for all major programs to enhance delivery and market understanding.
- Update avoided costs to reflect outcomes from OPUC Docket UM 1893 and incorporate these avoided costs into measure and program planning work in 2021 to prepare for 2022 implementation.

2023 Expected Changes

- Evaluation of coordinated utility demand response and Energy Trust efficiency and renewable energy programs will be increasingly important, focused on both reducing local utility grid costs and system-wide costs.
- By 2023, technical analysis supporting the 2021 Northwest Power Plan may influence utility resource planning and the value of efficiency programs. This may include a reduction in the value of energy efficiency and a change in the maximum summer value of efficiency (to morning and evening hours when solar resources are ramping up and down). Other factors, such as the social cost of carbon, health and reduced arrearage benefits, may increase total resource cost.
- By 2023, storage may play a large role in utility systems. Pilots from PGE and Energy Trust and other work on storage may help determine whether utilities see higher value from storage at customer sites due to reduced local grid costs and increased grid resilience and thus pursue decentralized storage alongside renewable energy and/or efficiency at a larger scale.
- Federal and state governments are accelerating efforts to advance equipment efficiency standards. This could lead to rapid adoption of some energy-efficient products and practices and could reduce some remaining efficiency resource for Energy Trust programs. If a new standard is put in place for efficiency of new manufactured homes, we think there will be remaining opportunities that Energy Trust could pursue but on a smaller scale of savings and investment.
- By 2023, demand management and flexible load control may be major components of utility planning. If collaborative efforts with utilities succeed, co-investment will be a driver of energy savings and on-site generation.

Budgeted Expenditures

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$5.4	$6.3	$6.3

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Program Marketing

The program marketing team develops and delivers marketing that drives participation in efficiency and renewable energy programs, supports savings and generation goals and supports Energy Trust's overall organizational goals. The team manages marketing activities of Program Management Contractors and Program Delivery Contractors and sets the overarching program marketing strategy to ensure consistency across programs. The team aligns with best practices and improves marketing effectiveness by applying lessons across sectors.

Context

To help our efficiency and renewable programs reach goals and serve all customers, Energy Trust's program marketing team must be responsive, resilient and effective. On top of industry and technology changes, COVID-19, wildfires and the related economic effects create a need to engage customers in new ways and to be even more aware of their needs. Social turmoil and racial inequities also underline the importance of deeper investments in strategies that support diversity, equity and inclusion goals. This includes customers and communities with little to no prior knowledge of efficiency and renewable energy and little to no awareness of Energy Trust. Reaching these customers requires new approaches. The team is leveraging new technologies and techniques to hear from customers and adopting new ways of thinking about customer needs.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Build on marketing campaigns and strategies that focus on inclusion and accessibility for customers not traditionally targeted by our programs
  - Focus on sharing the stories of Oregonians to inspire more customers to see how energy can help them in their daily lives
  - Build greater understanding of the customers we haven't served through market research and engagement activities
- **Goal 2: Expand support for community-led approaches to increase access to clean energy**
  - Invest in and expand implementation of multicultural and inclusive marketing that supports communities

2022 Key Activities of Program Marketing

- Develop and implement marketing strategies to advance diversity, equity and inclusion objectives, including supporting collaborations with community-based organizations, highlighting community voices and expanding program reach and participation in culturally and economically diverse and rural areas.
- Apply best practices for multicultural and inclusive marketing to strategic planning, project scopes, solicitations, creative development and execution of marketing initiatives. This will include applying Energy Trust's DEI Lens, working with minority-owned firms or in-culture subject matter experts on market research and creative projects, soliciting input from community members, and working with multicultural marketing specialists.
- Apply findings from market research, including surveys, feedback from Black-owned businesses and municipal/community engagement, to inform program marketing strategies. Scope and conduct market research within more communities. Share findings with utilities and other partners to forge more impactful collaborations.
- Refresh marketing strategies across the program portfolio and scale program marketing activities to align with program strategies and available incentive budgets.
- Build on existing residential and multicultural marketing and PR strategies to engage and maximize benefits to customers and communities, particularly communities of color, rural and low-income communities.
- Build on the business customer engagement campaign, Run Better, in both English and Spanish, to create a strong link between the needs of small and minority-owned business customers and Energy Trust offers. Establish Energy Trust as a go-to resource for businesses, particularly those located in rural or low-income areas or owned by people of color. Tap into public relations and social media strategies to extend the reach of advertising investments.
- Support the competitive bids for program management and delivery of Residential and Production Efficiency programs; manage marketing transition to new contracts.
- Develop a strategic marketing plan to support full-scale rollouts for business lighting, including a direct install offer for small businesses and midstream offers. Collaborate with electric utilities on outreach to customers for direct install offer.
- Continue to collaborate with utilities' marketing staff to better leverage their targeting capabilities and communication channels and to engage in work that supports complementary goals.
- Focus on public relations strategies to generate higher awareness of Other Renewables program activities, position the Solar program as a resource for advanced and equitable solar, and educate customers and stakeholders about our contribution to Oregon's clean energy future, including community-based work, resilience and solar program offerings for lower-income customers.

2023 Expected Changes

- Continue emphasis on market/community research to build a more comprehensive view of customers and their needs and opportunities to benefit from and collaborate with Energy Trust.
- Expand marketing resources to include more diverse voices and experiences by hiring more marketing and communications professionals and consultants who are people of color.
- Build on existing marketing campaign platforms to reach a more diverse set customers with information that helps them reduce energy costs at home and in their businesses.

Budgeted Expenditures

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$3.1	$3.2	$3.9

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Operations Support

The operations support group provides leadership and support to business systems and measure development, as well as operations, analytic and reporting support for Energy Trust. The group manages projects and processes across all groups and programs to promote alignment of priorities, standardization, replicability and best practices. Staff ensures that resources, data and systems architecture, data quality and analysis capabilities are aligned to plan, forecast and deliver programs that are valuable to all customer types and markets. The team leads measure development activities across all efficiency programs in collaboration with the planning and evaluation group and provides information and presentations to internal and external stakeholders, including the OPUC.

Context

Energy Trust is facing continued market and technology challenges and changes from the COVID-19 pandemic, disaster events, contractor transitions and remote work. This requires an evaluation of how operations support staff is deployed within energy programs to support emerging delivery strategies, analyze lagging markets, encourage operational efficiency and standardization, and develop new measures for and integration of offerings across programs.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Lead large system upgrade projects to improve the ability of programs to target and implement location and customer segment-based product offerings in our core systems
  - Lead efforts to develop and utilize self-service reporting tools that allow program staff to track current program performance against historical trends on an ongoing basis
- **Goal 3: Create development capabilities that will allow us to increase funding to deliver more savings and generation and expand our ability to meet changing customer and utility system needs**
  - Lead program engagement with OPUC on measure-related topics, including exceptions and notifications, in coordination with Planning and Evaluation staff
  - Lead analysis and ongoing tracking and monitoring of program changes driven by the implementation of HB 3141 and related rulemaking and policy changes
- **Goal 4: Implement new work strategies to adapt and thrive in our changing environment and support staff while managing operating costs**
  - Continue the consolidation of operations staff into a single Operations Support group that includes business analyst, data analyst, coordinator, processing and measure development staff deployed across the organization
  - Lead efforts and cross training of staff within the organization to standardize processes, data definitions and processes to ensure operational efficiency and resilience

2022 Key Activities of Operations Support

- Lead quarterly and monthly forecasting of energy and incentives for all energy programs in budget software tool and Power BI with the goal of providing program staff an accurate forecast at any point through the year.
- Support enhancements to budget software functionality and develop internal processes to support scenario development and longer budget cycles.
- Continue to develop market analysis and measure designs that support targeted efforts in support of Energy Trust's DEI tactics and objectives and ensure consistency across programs.
- Respond to internal and external stakeholder requests for information on measure cost-effectiveness, measure savings and costs information, and co-funding opportunities. Continue to work with OPUC and advisory groups on behalf of energy programs on cost-effectiveness framework as the organization responds to emerging external drivers (e.g., disaster recovery, code changes, expanded program offers and non-energy benefits).
- Enhance systems, process and reporting practices to support changes to program structure, implementation contractors, program design and delivery channels.
- Manage requests, user acceptance testing and change management efforts for enhancements and upgrades to business systems.
- Lead development and utilization of self-service reporting tools that enable staff to analyze and use information in program design, day-to-day decision making and project and payment processing.
- Support the implementation of changes to system and data architecture to align and streamline delivery approaches across programs.
- Support diversity, equity and inclusion research, goal setting and tracking through data analysis, direct project support and staff resources.
- Finalize the loading of financial data into the data warehouse to support public reporting and the retirement of legacy reporting systems.
- Assist in efforts to implement and enhance the selected system that will be used to track supplier diversity spending at Energy Trust and at our implementation contractors.

2023 Expected Changes

- Developing, tracking and reporting on targeted offers (e.g., low-income, community-specific efforts) may require changes in how we analyze and report data to support new program measure designs, implementation strategies and partnerships.
- Possible changes to organizational reporting metrics, including benefit-cost ratios, may require updates to current tools for measure screening and organizational reporting.
- A large system enhancement to project and customer tracking systems may be needed to accommodate downstream changes from the replacement of financial and contracting systems.

Budgeted Expenditures

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$1.0	$1.2	$1.3

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Information Technology

The information technology (IT) group offers technical skills and system enhancements required by Energy Trust's energy programs and operational support groups. The IT group builds technical proficiency and focuses on continuous improvement of systems in partnership with engaged users. Resources include hardware, infrastructure, information systems, reporting capabilities and technical support.

Context

The COVID-19 pandemic required the IT group to prioritize work in 2021 to continue support for a fully remote Energy Trust staff. This will be augmented in 2022 as Energy Trust implements a hybrid remote workforce. Along with this change, program offers and delivery approaches are evolving, and Energy Trust is working with a broader set of stakeholders. Operating programs efficiently in this environment requires information systems acquisition and enhancements. It also requires ongoing assessment of rapidly advancing technology to choose the best approaches for information systems architecture.

2022 Goals and Strategic Focus

- **Goal 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events**
  - Develop robust systems to efficiently process and track customer projects, including through web applications
- **Goal 4: Implement new work strategies to adapt and thrive in our changing environment and support staff while managing operating costs**
  - Create and implement user systems and a security strategy in response to changing workforce requirements for remote work
  - Enhance foundational IT systems, including Project Tracking, customer relationship management system (CRM) and web services
  - Improve data and reporting infrastructure to accommodate changing business needs, including new visual presentation tools for data
  - Implement new tools to automate processes, improve capabilities and streamline work across the organization
  - Continue assessment of changing business needs, emerging technologies and new approaches to improve IT systems

2022 Key Activities of Information Technology

- Complete development of systems changes needed for new program delivery approaches, including cross-program and location-based savings and incentives.
- Upgrade the customer relationship management system (CRM) to stay current and take advantage of new features to improve work efficiency.
- Implement additional elements of an information security management system to comply with best practices established by the International Organization for Standardization.
- Allocate time for ongoing work on the backlog of smaller systems enhancements for operational improvements.
- Continue to build out of remote infrastructure including transition to laptops, virtual private network functionality, and additional security and usability features to support remote work.
- Implement a supplier diversity tracking system in support of Energy Trust's supplier diversity program.
- Upgrade Microsoft Great Plains accounting software, utilizing a more streamlined approach based on new annual upgrade requirements.
- Complete various data quality improvement projects.
- Upgrade Microsoft SQL Server database application to stay current and take advantage of new features.

2023 Expected Changes

- Investigate shifting additional resources from on-premises servers to the cloud.

Budgeted Expenditures

	2021 Budget	2022 Budget	2023 Projection
Total Expenditures (millions)*	$2.8	$2.9	$3.0

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Recap Spending and Energy Savings and Generation
Approved Forecast for 2021

Program	Budget ($M)			Electric		Gas	
	Electric	Gas	Total	Electric Savings and Generation Goal (aMW)	Levelized Cost per kWh	Annual Therms	Levelized Cost per Therm
Existing Buildings with MF	$ 48.5	$ 12.0	$ 60.6	17.4	$ 0.031	2,940,404	$ 0.370
New Buildings	$ 14.9	$ 1.6	$ 16.5	4.2	$ 0.037	362,882	$ 0.394
NEEA Commercial	$ 3.1	$ 0.2	$ 3.3	1.1	$ 0.056	607	$ 31.077
Commercial Sector	$ 66.5	$ 13.9	$ 80.4	22.7	$ 0.033	3,303,893	$ 0.379
Industry and Agriculture	$ 33.7	$ 3.2	$ 36.9	14.4	$ 0.029	1,335,083	$ 0.238
NEEA - Industrial	$ 0.0	$ -	$ 0.0	0.7	$ 0.001	-	
Industry and Agriculture Sector	$ 33.8	$ 3.2	$ 36.9	15.0	$ 0.028	1,335,083	$ 0.238
Residential	$ 34.8	$ 18.0	$ 52.8	6.5	$ 0.056	2,701,725	$ 0.431
NEEA Residential	$ 3.9	$ 1.0	$ 4.9	2.9	$ 0.016	2,828	$ 23.515
Residential Sector	$ 38.7	$ 19.1	$ 57.8	9.4	$ 0.045	2,704,553	$ 0.455
Oregon Efficiency Programs	**$ 138.9**	**$ 36.1**	**$ 175.1**	**47.1**	**$ 0.034**	**7,343,529**	**$ 0.384**
Solar	$ 16.0		$ 16.0	5.7	$ 0.025		
Other Renewables	$ 3.6		$ 3.6	0.5	$ 0.065		
Renewables Programs	**$ 19.7**		**$ 19.7**	**6.1**	**$ 0.029**		
Commercial Washington		$ 1.5	$ 1.5			354,108	$ 0.356
NEEA Commercial Washington		$ -	$ -			-	
Residential Washington		$ 2.1	$ 2.1			193,655	$ 0.889
NEEA Residential Washington		$ -	$ -			-	
Washington Programs		**$ 3.6**	**$ 3.6**			**547,764**	**$ 0.551**
Community Solar			$ 0.3				
PGE Storage			$ 0.1				
LMI			$ 0.0				
Total Programs			**$ 198.8**				

See accompanying budget memos for further detail

Energy Trust of Oregon
Income Statement by Funding Source
2021 Forecast

	Oregon OPUC Efficiency Funders							Oregon OPUC Renewables			Other Funding Sources							TOTAL
	PGE	PAC	NWN IND	NWN	CNG	AVI	Total Oregon OPUC Efficiency	PGE	PAC	Total Renewables	Washington	LMI	Community Solar	PGE storage	NWN TLM GEO	Fund Development	Investments / Contingency	
Beginning Net Assets	9,030,935	4,194,122	1,123,295	3,688,393	2,206,949	335,576	20,579,270	15,767,389	6,213,051	21,980,440	610,701		322,444	8,020	-	11,641	10,246,820	53,759,336
Revenue	85,983,503	56,755,168	5,382,595	21,563,330	3,317,944	2,443,292	175,445,831	9,416,625	6,248,607	15,665,233	3,000,874	8,831	499,770	135,371	429,464		159,761	195,345,135
detail: Incentives	43,689,843	32,664,378	3,341,104	13,223,038	1,695,115	1,370,671	95,984,149	8,663,647	5,203,847	13,867,494	2,179,167			68,000	12,034			112,110,844
detail: Program Delivery	25,344,617	17,633,886	1,185,616	8,064,254	1,219,148	872,720	54,320,241	371,105	263,828	634,933	751,062			9,279	41,362			55,756,877
Total Expenditures	80,346,836	58,582,277	5,253,594	24,913,321	3,369,991	2,611,961	175,077,980	12,219,829	7,437,533	19,657,362	3,559,697	8,804	293,494	144,379	88,185	15,590		198,845,491
Net Operating Income	5,636,667	(1,827,109)	129,001	(3,349,992)	(52,047)	(168,669)	367,851	(2,803,204)	(1,188,925)	(3,992,129)	(558,823)	27	206,277	(9,008)	341,279	(15,590)	159,761	(3,500,356)
Interest Distribution	36,454	10,093	3,654	6,194	6,710	773	63,878	44,197	17,286	61,482	1,019	0	1,309	11	525	12	(128,237)	-
Transfers		-										(27)	(400,000)			400,027		
Ending Net Assets	14,704,056	2,377,105	1,255,950	344,596	2,161,611	167,680	21,010,999	13,008,382	5,041,412	18,049,793	52,897	(0)	130,030	(977)	341,804	396,089	10,278,344	50,258,980
less:Renewables Dedicated								(5,584,243)	(2,951,744)	(8,535,986)								
Renewables funds yet to be dedicated for future periods								7,424,139	2,089,668	9,513,807								
Electric kWh savings	228,545,136	180,268,296					408,813,433											408,813,433
Gas therms savings			990,298	4,686,497	735,105	475,602	6,887,503				575,026							7,462,529
Electric kWh generation								29,257,196	20,220,483	49,477,679								49,477,679

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Forecast for 2021

All Funding Sources

Expenditures Detail	OPUC Efficiency	OPUC Renewables	Washington	Community Solar	PGE Storage	NWN Geo TLM Phase 3	LMI	Alt fund development	Programs
Incentives	95,984,149	13,867,494	2,179,167		68,000	12,034			112,110,844
Program Delivery Contractors	54,320,241	634,933	751,062		9,279	41,362			55,756,877
Employee Salaries & Fringe Benefits	13,087,174	2,393,381	405,191	224,582	36,817	33,325	8,658	15,590	16,189,129
Agency Contractor Services	1,817,371	160,796	19,023	2,071	686	300	30		2,000,278
Planning and Evaluation Services	2,594,768	111,667	8,227	14	7	4	0		2,714,688
Advertising and Marketing Services	2,470,437	349,230	19,631	3,019	796	486	49		2,843,647
Other Professional Services	2,740,330	1,464,561	72,854	30,643	22,665	284	28		4,331,364
Travel, Meetings, Trainings & Conferences	115,042	19,403	6,554	1,690	62	26	3		142,779
Dues, Licenses and Fees	248,817	27,172	50,736	127	55	31	3		326,943
Software and Hardware	472,073	403,635	12,406	6,724	1,288	70	7		896,203
Depreciation & Amortization	275,997	42,226	7,449	4,668	894	48	5		331,287
Office Rent and Equipment	863,049	168,791	25,113	18,659	3,573	192	19		1,079,396
Materials Postage and Telephone	79,035	12,803	2,069	1,233	240	17	2		95,400
Miscellaneous Expenses	9,497	1,270	214	64	16	4	0		11,066
Expenditures	175,077,980	19,657,362	3,559,697	293,494	144,379	88,185	8,804	15,590	198,829,901
Expenditure break down by function:									
Program Costs	166,425,643	18,685,897	3,383,777	278,989	137,244		8,369		189,003,746
Communications and Outreach	3,625,656	407,081	73,717	6,078	2,990	1,826	182		4,117,530
Management & General	5,026,681	564,384	102,203	8,427	4,145	2,532	253		5,708,625
Total Administrative	8,652,338	971,465	175,920	14,504	7,135	4,358	435		9,826,155
Expenditures	175,077,980	19,657,362	3,559,697	293,494	144,379	88,185	8,804	15,590	198,829,901

Energy Savings and Generation Detail

Efficiency electric kWh savings	408,813,433								408,813,433
Efficiency gas therms savings	7,864,842		575,026						8,439,868
Renewables electric kWh generation		49,477,679							49,477,679

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Forecast for 2021

All OPUC Programs

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	**OPUC Efficiency**	Solar	Other Renewables	**OPUC Renewables**
Incentives	4,390,380	16,445,761		10,860,386		11,993,316		43,689,843	7,316,392	1,347,255	8,663,647
Program Delivery Contractors	3,196,705	9,252,965	1,662,570	4,247,717	6,424	4,876,474	2,101,763	25,344,617	371,105		371,105
Employee Salaries & Fringe Benefits	742,601	2,043,599	66,813	1,433,155	4,993	1,597,693	81,151	5,970,006	984,180	522,256	1,506,436
Agency Contractor Services	66,164	389,182	6,111	187,641	102	181,848	7,670	838,717	84,274	15,315	99,589
Planning and Evaluation Services	248,119	484,428	1,068	254,421	499	275,697	1,004	1,265,236	39,299	31,570	70,869
Advertising and Marketing Services	112,350	300,444	9,710	226,374	70	425,353	12,253	1,086,555	168,888	48,000	216,888
Other Professional Services	115,260	386,992	6,113	209,328	269	480,809	7,556	1,206,326	481,553	392,291	873,844
Travel, Meetings, Trainings & Conferences	4,752	19,094	575	14,131	28	13,294	709	52,583	8,475	3,262	11,737
Dues, Licenses and Fees	11,793	67,169	1,218	16,044	306	19,179	1,329	117,037	10,078	6,434	16,512
Software and Hardware	29,027	70,897	1,396	48,785	10	62,705	1,762	214,583	234,921	12,994	247,915
Depreciation & Amortization	16,115	42,316	961	29,810	7	35,309	1,213	125,732	18,067	8,446	26,514
Office Rent and Equipment	44,056	138,348	3,843	103,549	28	100,491	4,849	395,164	72,221	33,763	105,983
Materials Postage and Telephone	4,402	12,187	338	8,988	2	9,739	426	36,081	5,267	2,731	7,998
Miscellaneous Expenses	486	1,588	82	1,004	1	1,092	104	4,356	599	193	792
Expenditures	8,982,209	29,654,969	1,760,798	17,641,334	12,738	20,072,999	2,221,789	80,346,836	9,795,319	2,424,510	12,219,829
Expenditure break down by function:											
Program Costs	8,538,309	28,189,423	1,673,779	16,769,501	12,109	19,080,993	2,111,988	76,376,103	9,311,235	2,304,691	11,615,926
Communications and Outreach	186,011	614,119	36,464	365,331	264	415,688	46,011	1,663,887	202,849	50,209	253,058
Management & General	257,889	851,427	50,554	506,502	366	576,318	63,790	2,306,846	281,234	69,610	350,845
Total Administrative	443,900	1,465,546	87,018	871,833	630	992,006	109,801	3,970,733	484,084	119,819	603,903
Expenditures	8,982,209	29,654,969	1,760,798	17,641,334	12,738	20,072,999	2,221,789	80,346,836	9,795,319	2,424,510	12,219,829

Energy Savings and Generation Detail

Efficiency electric kWh savings	35,135,085	150,121,167	8,857,060	133,583,734	5,632,212	51,666,887	23,817,288	408,813,433			
Efficiency gas therms savings	438,989	3,335,885	607	1,384,808	-	2,701,725	2,828	7,864,842			
Renewables electric kWh generation									45,153,679	4,324,000	49,477,679

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Forecast for 2021

PGE

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	**OPUC Efficiency**	Solar	Other Renewables	**OPUC Renewables**	**Programs**
Incentives	4,390,380	16,445,761		10,860,386		11,993,316		43,689,843	7,316,392	1,347,255	8,663,647	52,353,490
Program Delivery Contractors	3,196,705	9,252,965	1,662,570	4,247,717	6,424	4,876,474	2,101,763	25,344,617	371,105		371,105	25,715,722
Employee Salaries & Fringe Benefits	742,601	2,043,599	66,813	1,433,155	4,993	1,597,693	81,151	5,970,006	984,180	522,256	1,506,436	7,476,442
Agency Contractor Services	66,164	389,182	6,111	187,641	102	181,848	7,670	838,717	84,274	15,315	99,589	938,306
Planning and Evaluation Services	248,119	484,428	1,068	254,421	499	275,697	1,004	1,265,236	39,299	31,570	70,869	1,336,105
Advertising and Marketing Services	112,350	300,444	9,710	226,374	70	425,353	12,253	1,086,555	168,888	48,000	216,888	1,303,443
Other Professional Services	115,260	386,992	6,113	209,328	269	480,809	7,556	1,206,326	481,553	392,291	873,844	2,080,170
Travel, Meetings, Trainings & Conferences	4,752	19,094	575	14,131	28	13,294	709	52,583	8,475	3,262	11,737	64,320
Dues, Licenses and Fees	11,793	67,169	1,218	16,044	306	19,179	1,329	117,037	10,078	6,434	16,512	133,549
Software and Hardware	29,027	70,897	1,396	48,785	10	62,705	1,762	214,583	234,921	12,994	247,915	462,497
Depreciation & Amortization	16,115	42,316	961	29,810	7	35,309	1,213	125,732	18,067	8,446	26,514	152,246
Office Rent and Equipment	44,056	138,348	3,843	103,549	28	100,491	4,849	395,164	72,221	33,763	105,983	501,148
Materials Postage and Telephone	4,402	12,187	338	8,988	2	9,739	426	36,081	5,267	2,731	7,998	44,079
Miscellaneous Expenses	486	1,588	82	1,004	1	1,092	104	4,356	599	193	792	5,149
Expenditures	8,982,209	29,654,969	1,760,798	17,641,334	12,738	20,072,999	2,221,789	80,346,836	9,795,319	2,424,510	12,219,829	92,566,666
Expenditure break down by function:												
Program Costs	8,538,309	28,189,423	1,673,779	16,769,501	12,109	19,080,993	2,111,988	76,376,103	9,311,235	2,304,691	11,615,926	87,992,029
Communications and Outreach	186,011	614,119	36,464	365,331	264	415,688	46,011	1,663,887	202,849	50,209	253,058	1,916,945
Management & General	257,889	851,427	50,554	506,502	366	576,318	63,790	2,306,846	281,234	69,610	350,845	2,657,691
Total Administrative	443,900	1,465,546	87,018	871,833	630	992,006	109,801	3,970,733	484,084	119,819	603,903	4,574,636
Expenditures	8,982,209	29,654,969	1,760,798	17,641,334	12,738	20,072,999	2,221,789	80,346,836	9,795,319	2,424,510	12,219,829	92,566,666

Energy Savings and Generation Detail

Efficiency electric kWh savings	22,118,208	93,192,458	5,048,524	70,466,744	3,210,361	20,932,987	13,575,854	228,545,136				
Renewables electric kWh generation									24,933,196	4,324,000	29,257,196	

See accompanying budget memos for further detail

Energy Trust of Oregon
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Pacific Power

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	**OPUC Efficiency**	Solar	Other Renewables	**OPUC Renewables**	**Programs**
Incentives	2,875,465	11,201,825		9,990,228		8,596,859		32,664,378	4,613,073	590,773	5,203,847	37,868,224
Program Delivery Contractors	2,093,009	5,156,157	1,254,219	3,778,778	4,846	3,761,337	1,585,540	17,633,886	263,828		263,828	17,897,714
Employee Salaries & Fringe Benefits	487,488	1,302,911	50,402	1,308,135	3,767	1,172,645	61,219	4,386,566	624,925	262,020	886,945	5,273,511
Agency Contractor Services	43,359	247,831	4,610	171,108	77	133,270	5,786	606,040	53,524	7,684	61,207	667,247
Planning and Evaluation Services	165,299	313,884	806	235,604	376	208,347	758	925,074	24,959	15,839	40,798	965,872
Advertising and Marketing Services	73,626	191,323	7,325	206,429	53	308,692	9,243	796,691	107,263	25,079	132,342	929,033
Other Professional Services	75,533	246,436	4,611	193,985	203	352,366	5,700	878,834	311,511	279,206	590,717	1,469,551
Travel, Meetings, Trainings & Conferences	3,114	12,159	434	12,886	21	9,743	535	38,892	5,383	2,283	7,665	46,557
Dues, Licenses and Fees	7,728	42,773	919	14,630	231	14,056	1,002	81,339	6,400	4,260	10,661	92,000
Software and Hardware	19,022	45,147	1,053	44,487	8	45,954	1,329	157,000	149,201	6,519	155,720	312,721
Depreciation & Amortization	10,561	26,947	725	27,183	5	25,877	915	92,213	11,475	4,238	15,713	107,926
Office Rent and Equipment	28,871	88,100	2,899	94,426	21	73,646	3,658	291,621	45,868	16,939	62,807	354,429
Materials Postage and Telephone	2,885	7,760	255	8,196	2	7,137	322	26,556	3,345	1,460	4,805	31,362
Miscellaneous Expenses	318	1,011	62	916	0	800	78	3,186	381	97	478	3,664
Expenditures	5,886,278	18,884,263	1,328,321	16,086,990	9,610	14,710,729	1,676,086	58,582,277	6,221,136	1,216,397	7,437,533	66,019,809
Expenditure break down by function:												
Program Costs	5,595,379	17,951,004	1,262,676	15,291,972	9,135	13,983,726	1,593,254	55,687,146	5,913,688	1,156,282	7,069,970	62,757,117
Communications and Outreach	121,898	391,071	27,508	333,142	199	304,642	34,710	1,213,169	128,832	25,190	154,022	1,367,192
Management & General	169,002	542,188	38,138	461,875	276	422,361	48,122	1,681,962	178,616	34,924	213,540	1,895,501
Total Administrative	290,899	933,259	65,646	795,018	475	727,003	82,832	2,895,131	307,448	60,114	367,562	3,262,693
Expenditures	5,886,278	18,884,263	1,328,321	16,086,990	9,610	14,710,729	1,676,086	58,582,277	6,221,136	1,216,397	7,437,533	66,019,809

Energy Savings and Generation Detail

Efficiency electric kWh savings	13,016,877	56,928,709	3,808,536	63,116,990	2,421,851	30,733,899	10,241,434	180,268,296				180,268,296
Renewables electric kWh generation									20,220,483	-	20,220,483	20,220,483

See accompanying budget memos for further detail

Energy Trust of Oregon
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NW Natural - Industrial

Expenditures Detail	New Buildings	Existing Buildings with MF	Industry and Agriculture	**Programs**
Incentives	37,800	2,203,988	1,099,316	3,341,104
Program Delivery Contractors	6,800	319,405	859,411	1,185,616
Employee Salaries & Fringe Benefits	4,385	200,295	186,159	390,838
Agency Contractor Services	391	38,181	24,364	62,936
Planning and Evaluation Services	2,051	38,473	43,231	83,755
Advertising and Marketing Services	664	29,448	29,408	59,520
Other Professional Services	680	37,968	27,174	65,821
Travel, Meetings, Trainings & Conferences	28	1,872	1,835	3,735
Dues, Licenses and Fees	70	6,592	2,084	8,745
Software and Hardware	171	6,954	6,333	13,458
Depreciation & Amortization	95	4,150	3,871	8,115
Office Rent and Equipment	260	13,563	13,448	27,272
Materials Postage and Telephone	26	1,195	1,167	2,388
Miscellaneous Expenses	3	155	131	289
Expenditures	53,423	2,902,238	2,297,932	5,253,594
Expenditure break down by function:				
Program Costs	50,783	2,758,810	2,184,369	4,993,962
Communications and Outreach	1,106	60,102	47,587	108,796
Management & General	1,534	83,326	65,976	150,836
Total Administrative	2,640	143,428	113,564	259,632
Expenditures	53,423	2,902,238	2,297,932	5,253,594

Energy Savings and Generation Detail

Efficiency gas therms savings	8,800	968,539	990,298	

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Forecast for 2021

NW Natural

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	**Programs**
Incentives	605,424	3,323,255		291,776	9,002,583		13,223,038
Program Delivery Contractors	440,067	2,511,434	167,852	172,469	4,059,086	713,346	8,064,254
Employee Salaries & Fringe Benefits	104,479	463,833	6,745	44,122	1,255,293	27,543	1,902,015
Agency Contractor Services	9,190	88,301	617	5,775	140,883	2,603	247,369
Planning and Evaluation Services	49,455	89,517	108	10,246	105,875	341	255,542
Advertising and Marketing Services	15,602	68,104	980	6,970	344,972	4,159	440,787
Other Professional Services	15,970	87,808	617	6,440	373,254	2,565	486,654
Travel, Meetings, Trainings & Conferences	661	4,329	58	435	10,293	241	16,016
Dues, Licenses and Fees	1,634	15,245	123	494	14,859	451	32,806
Software and Hardware	4,022	16,082	141	1,501	48,629	598	70,973
Depreciation & Amortization	2,234	9,597	97	917	27,370	412	40,628
Office Rent and Equipment	6,118	31,368	388	3,187	77,814	1,646	120,521
Materials Postage and Telephone	611	2,763	34	277	7,544	145	11,373
Miscellaneous Expenses	68	359	8	31	843	35	1,344
Expenditures	1,255,536	6,711,995	177,769	544,641	15,469,297	754,083	24,913,321
Expenditure break down by function:							
Program Costs	1,193,488	6,380,289	168,984	517,725	14,704,806	716,816	23,682,107
Communications and Outreach	26,001	138,997	3,681	11,279	320,351	15,616	515,925
Management & General	36,048	192,709	5,104	15,637	444,141	21,651	715,289
Total Administrative	62,048	331,706	8,785	26,916	764,491	37,267	1,231,214
Expenditures	1,255,536	6,711,995	177,769	544,641	15,469,297	754,083	24,913,321

Energy Savings and Generation Detail

Efficiency gas therms savings	352,266	1,823,315	443	248,116	2,260,297	2,061	4,686,497

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Forecast for 2021

Cascade Natural Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	**Programs**
Incentives	103,067	786,668		190,789	614,591		1,695,115
Program Delivery Contractors	74,917	600,400	42,755	72,241	247,131	181,703	1,219,148
Employee Salaries & Fringe Benefits	17,498	110,099	1,718	24,999	81,203	7,016	242,533
Agency Contractor Services	1,561	20,987	157	3,272	9,249	663	35,889
Planning and Evaluation Services	8,184	21,148	27	5,805	5,887	87	41,139
Advertising and Marketing Services	2,649	16,187	250	3,949	20,678	1,059	44,772
Other Professional Services	2,712	20,870	157	3,649	24,504	653	52,545
Travel, Meetings, Trainings & Conferences	112	1,029	15	246	676	61	2,139
Dues, Licenses and Fees	278	3,623	31	280	975	115	5,303
Software and Hardware	683	3,822	36	850	3,192	152	8,736
Depreciation & Amortization	379	2,281	25	520	1,797	105	5,107
Office Rent and Equipment	1,039	7,456	99	1,806	5,108	419	15,927
Materials Postage and Telephone	104	657	9	157	495	37	1,458
Miscellaneous Expenses	12	85	2	18	55	9	181
Expenditures	213,194	1,595,312	45,281	308,582	1,015,542	192,080	3,369,991
Expenditure break down by function:							
Program Costs	202,658	1,516,472	43,044	293,332	965,354	182,587	3,203,446
Communications and Outreach	4,415	33,037	938	6,390	21,031	3,978	69,789
Management & General	6,121	45,803	1,300	8,860	29,157	5,515	96,756
Total Administrative	10,536	78,840	2,238	15,250	50,188	9,493	166,545
Expenditures	213,194	1,595,312	45,281	308,582	1,015,542	192,080	3,369,991

Energy Savings and Generation Detail

Efficiency gas therms savings	52,245	387,734	112	101,772	192,718	524	735,105

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Forecast for 2021

Avista Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	**Programs**
Incentives	41,908	408,142		16,616	904,005		1,370,671
Program Delivery Contractors	30,462	313,751	19,902	12,805	411,220	84,581	872,720
Employee Salaries & Fringe Benefits	7,115	57,300	800	2,796	123,939	3,266	195,216
Agency Contractor Services	635	10,923	73	366	14,116	309	26,421
Planning and Evaluation Services	3,328	11,006	13	649	8,985	40	24,022
Advertising and Marketing Services	1,077	8,424	116	442	31,560	493	42,112
Other Professional Services	1,103	10,862	73	408	37,399	304	50,149
Travel, Meetings, Trainings & Conferences	46	536	7	28	1,031	29	1,675
Dues, Licenses and Fees	113	1,886	15	31	1,489	53	3,587
Software and Hardware	278	1,989	17	95	4,873	71	7,322
Depreciation & Amortization	154	1,187	12	58	2,742	49	4,202
Office Rent and Equipment	422	3,880	46	202	7,797	195	12,543
Materials Postage and Telephone	42	342	4	18	756	17	1,179
Miscellaneous Expenses	5	44	1	2	84	4	141
Expenditures	86,686	830,274	21,078	34,516	1,549,997	89,411	2,611,961
Expenditure break down by function:							
Program Costs	82,402	789,242	20,036	32,810	1,473,396	84,992	2,482,878
Communications and Outreach	1,795	17,194	436	715	32,099	1,852	54,091
Management & General	2,489	23,838	605	991	44,502	2,567	74,992
Total Administrative	4,284	41,032	1,042	1,706	76,601	4,419	129,083
Expenditures	86,686	830,274	21,078	34,516	1,549,997	89,411	2,611,961

Energy Savings and Generation Detail

Efficiency gas therms savings	25,678	156,298	52	44,622	248,709	243	475,602

See accompanying budget memos for further detail

Energy Trust of Oregon
Approved Forecast for 2021

NW Natural Washington

Expenditures Detail	Commercial Washington	Residential Washington	Washington
Incentives	874,894	1,304,274	2,179,167
Program Delivery Contractors	325,751	425,311	751,062
Employee Salaries & Fringe Benefits	172,310	232,881	405,191
Agency Contractor Services	8,020	11,004	19,023
Planning and Evaluation Services	3,289	4,938	8,227
Advertising and Marketing Services	8,024	11,607	19,631
Other Professional Services	23,078	49,776	72,854
Travel, Meetings, Trainings & Conferences	1,837	4,717	6,554
Dues, Licenses and Fees	17,475	33,262	50,736
Software and Hardware	5,477	6,929	12,406
Depreciation & Amortization	3,246	4,203	7,449
Office Rent and Equipment	10,642	14,470	25,113
Materials Postage and Telephone	893	1,177	2,069
Miscellaneous Expenses	89	126	214
Expenditures	1,455,023	2,104,675	3,559,697
Expenditure break down by function:			
Program Costs			3,383,777
Communications and Outreach	30,132	43,585	73,717
Management & General	41,775	60,428	102,203
Total Administrative	71,907	104,013	175,920
Expenditures	1,455,023	2,104,675	3,559,697

Energy Savings and Generation Detail

Efficiency electric kWh savings			
Efficiency gas therms savings	381,370	193,655	575,026
Renewables electric kWh generation			

See accompanying budget memos for further detail

Recap of Spending and Energy Savings and Generation
Approved Projection for 2023

Program	Budget ($M)			Electric		Gas	
	Electric	Gas	Total	Electric Savings and Generation Goal (aMW)	Levelized Cost per kWh	Annual Therms	Levelized Cost per Therm
Existing Buildings with MF	$ 54.4	$ 18.4	$ 72.7	17.1	$ 0.038	3,071,645	$ 0.527
New Buildings	$ 18.0	$ 1.9	$ 19.8	4.9	$ 0.037	367,701	$ 0.447
NEEA Commercial	$ 3.0	$ 1.0	$ 4.0	1.8	$ 0.031	505,194	$ 0.149
Commercial Sector	$ 75.3	$ 21.2	$ 96.5	23.9	$ 0.037	3,944,541	$ 0.465
Industry and Agriculture	$ 42.0	$ 4.4	$ 46.5	17.7	$ 0.028	1,498,398	$ 0.282
NEEA - Industrial	$ 0.5	$ -	$ 0.5	0.8	$ 0.011	-	
Industry and Agriculture Sector	$ 42.5	$ 4.4	$ 47.0	18.5	$ 0.027	1,498,398	$ 0.282
Residential	$ 40.4	$ 20.9	$ 61.3	8.6	$ 0.056	2,681,228	$ 0.518
NEEA Residential	$ 3.3	$ 0.3	$ 3.6	4.7	$ 0.008	-	
Residential Sector	$ 43.7	$ 21.2	$ 64.9	13.3	$ 0.039	2,681,228	$ 0.526
Oregon Efficiency Programs	**$ 161.5**	**$ 46.8**	**$ 208.4**	**55.7**	**$ 0.034**	**8,124,167**	**$ 0.454**
Solar	$ 14.2		$ 14.2	3.0	$ 0.042		
Other Renewables	$ 4.2		$ 4.2	0.3	$ 0.130		
Renewables Programs	**$ 18.3**		**$ 18.3**	**3.3**	**$ 0.049**		
Commercial Washington		$ 1.3	$ 1.3			165,798	$ 0.703
NEEA Commercial Washington		$ -	$ -			-	
Residential Washington		$ 1.6	$ 1.6			122,650	$ 0.926
NEEA Residential Washington		$ -	$ -			-	
Washington Programs		**$ 2.9**	**$ 2.9**			**288,448**	**$ 0.805**
Community Solar			$ 0.4				
PGE Storage			$ 0.3				
LMI			$ -				
Total Programs			**$ 230.3**				

See accompanying budget memos for further detail

Energy Trust of Oregon
Income Statement
Approved Projection 2023

	Oregon OPUC Efficiency Funders							Oregon OPUC Renewables			Other Funding Sources						TOTAL
	PGE	PAC	NWN IND	NWN	CNG	AVI	Total Oregon OPUC Efficiency	PGE	PAC	Total Renewables	Washington	Community Solar	PGE storage	NWN TLM GEO	Fund Development	Investments / Contingency	
Beginning Net Assets	10,533,642	520,227	217,446	1,298,474	800,577	461,986	13,832,352	6,890,364	3,902,762	10,793,126	224,780	246,040	35,838	194,150	397,998	9,328,579	35,053,244
Revenue	87,833,700	64,640,480	7,231,586	29,242,500	5,267,475	4,943,292	199,159,033	8,818,840	6,378,060	15,196,900	2,950,874	500,000	319,564			208,000	218,334,371
detail: Incentives	53,506,796	36,368,846	4,734,837	15,566,959	2,733,153	2,646,437	115,557,027	7,235,290	4,063,250	11,298,540	1,513,832		165,000				128,534,399
detail: Program Delivery	28,216,827	18,727,349	1,469,908	9,041,709	1,978,096	1,542,195	60,976,084	495,594	292,391	787,986	752,455		30,500				62,547,024
Total Expenditures	96,434,882	65,085,088	7,266,130	29,107,039	5,519,589	4,946,855	208,359,583	11,757,918	6,574,950	18,332,868	2,919,473	402,721	300,357				230,315,002
Net Operating Income	(8,601,182)	(444,608)	(34,544)	135,461	(252,114)	(3,563)	(9,200,550)	(2,939,078)	(196,890)	(3,135,968)	31,402	97,279	19,207	-	-	208,000	(11,980,631)
Interest Distribution	44,769	2,140	1,438	9,813	4,845	3,305	66,310	38,936	27,325	66,260	1,727	2,117	326	1,395	2,859	(140,994)	-
Transfers		1,000,000					1,000,000								-	(1,000,000)	
Ending Net Assets	1,977,230	1,077,759	184,339	1,443,748	553,307	461,729	5,698,113	3,990,221	3,733,196	7,723,418	257,909	345,435	55,371	195,545	400,857	8,395,585	23,072,613
less:Renewables Dedicated								(118,790)	(91,135)	(209,925)							
Renewables funds yet to be dedicated for future periods								3,871,432	3,642,061	7,513,493							
Electric kWh savings	275,913,987	212,021,679					487,935,666										487,935,666
Gas therms savings			1,694,533	4,864,056	877,035	688,544	8,124,167				288,448						8,412,615
Electric kWh generation								15,570,900	10,901,500	26,472,400							26,472,400

See accompanying budget memos for further detail

Energy Trust of Oregon
2022-23 R2 Final for
2023

All Funding Sources

Expenditures Detail	OPUC Efficiency	OPUC Renewables	Washington	Community Solar	PGE Storage	Programs
Incentives	115,557,027	11,298,540	1,513,832		165,000	128,534,399
Program Delivery Contractors	60,976,084	787,986	752,455		30,500	62,547,024
Employee Salaries & Fringe Benefits	15,902,528	2,794,839	414,565	303,764	59,451	19,475,148
Agency Contractor Services	2,683,919	220,800	18,326	13,202	2,774	2,939,021
Planning and Evaluation Services	3,742,283	93,260	18,902	39	29	3,854,514
Advertising and Marketing Services	3,459,337	529,299	19,635	2,709	12,020	4,023,000
Other Professional Services	3,987,140	1,891,249	80,879	48,088	22,530	6,029,886
Travel, Meetings, Trainings & Conferences	400,230	64,591	14,893	4,253	458	484,425
Dues, Licenses and Fees	213,856	33,259	51,077	193	128	298,514
Software and Hardware	451,661	442,525	11,070	9,893	3,636	918,785
Office Rent and Equipment	875,078	160,892	21,641	19,018	3,516	1,080,146
Materials Postage and Telephone	100,772	14,544	2,036	1,495	294	119,140
Miscellaneous Expenses	9,668	1,084	162	67	20	11,000
Expenditures	208,359,583	18,332,868	2,919,473	402,721	300,357	230,315,002
Expenditure break down by function:						
Program Costs	197,468,561	17,374,604	2,766,871	381,671	284,658	218,276,363
Communications and Outreach	4,496,254	395,610	63,000	8,690	6,482	4,970,037
Management & General	6,394,768	562,654	89,602	12,360	9,218	7,068,602
Total Administrative	10,891,022	958,265	152,602	21,050	15,700	12,038,639
Expenditures	208,359,583	18,332,868	2,919,473	402,721	300,357	230,315,002

Energy Savings and Generation Detail

Efficiency electric kWh savings	487,935,666					
Efficiency gas therms savings	8,124,167		288,448			
Renewables electric kWh generation		28,822,400				

See accompanying budget memos for further detail

Energy Trust of Oregon
2022-23 R2 Final for 2023

All OPUC Programs

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	**OPUC Efficiency**	Solar	Other Renewables	**OPUC Renewables**
Incentives	10,302,189	40,536,856		28,201,017		36,516,965		115,557,027	9,170,000	2,128,540	11,298,540
Program Delivery Contractors	6,526,568	21,721,254	3,727,433	11,012,178	444,404	14,166,541	3,377,706	60,976,084	787,986		787,986
Employee Salaries & Fringe Benefits	1,551,378	5,251,851	156,777	3,865,760	26,215	4,904,967	145,581	15,902,528	1,863,337	931,503	2,794,839
Agency Contractor Services	151,545	824,070	10,460	702,716	1,275	984,362	9,491	2,683,919	179,571	41,229	220,800
Planning and Evaluation Services	622,309	1,450,928	4,685	776,717	2,068	880,626	4,950	3,742,283	67,695	25,565	93,260
Advertising and Marketing Services	258,361	1,085,226	26,654	681,564	3,249	1,380,096	24,186	3,459,337	439,212	90,087	529,299
Other Professional Services	223,343	1,168,266	17,582	746,294	2,665	1,812,793	16,198	3,987,140	1,043,392	847,857	1,891,249
Travel, Meetings, Trainings & Conferences	41,098	132,767	4,250	89,508	603	128,108	3,896	400,230	48,928	15,663	64,591
Dues, Licenses and Fees	21,961	94,726	2,611	37,849	663	53,516	2,530	213,856	22,293	10,966	33,259
Software and Hardware	41,530	149,697	3,724	113,374	454	139,502	3,379	451,661	414,921	27,603	442,525
Office Rent and Equipment	79,967	286,385	7,897	215,545	1,323	276,626	7,334	875,078	109,095	51,798	160,892
Materials Postage and Telephone	7,731	35,896	873	29,298	119	26,057	798	100,772	9,489	5,055	14,544
Miscellaneous Expenses	911	3,322	160	2,213	20	2,897	145	9,668	795	289	1,084
Expenditures	19,828,890	72,741,245	3,963,105	46,474,034	483,057	61,273,056	3,596,195	208,359,583	14,156,713	4,176,155	18,332,868
Expenditure break down by function:											
Program Costs	18,792,428	68,939,037	3,755,952	44,044,821	457,808	58,070,294	3,408,221	197,468,561	13,416,737	3,957,867	17,374,604
Communications and Outreach	427,894	1,569,705	85,521	1,002,877	10,424	1,322,230	77,603	4,496,254	305,492	90,119	395,610
Management & General	608,569	2,232,503	121,632	1,426,335	14,826	1,880,532	110,371	6,394,768	434,484	128,170	562,654
Total Administrative	1,036,462	3,802,208	207,153	2,429,213	25,250	3,202,762	187,974	10,891,022	739,976	218,289	958,265
Expenditures	19,828,890	72,741,245	3,963,105	46,474,034	483,057	61,273,056	3,596,195	208,359,583	14,156,713	4,176,155	18,332,868

Energy Savings and Generation Detail

Efficiency electric kWh savings	42,937,510	150,224,440	16,173,694	155,341,713	6,846,356	75,250,511	41,161,442	487,935,666			
Efficiency gas therms savings	367,701	3,071,645	505,194	1,498,398	-	2,681,228	-	8,124,167			
Renewables electric kWh generation									26,330,400	2,492,000	28,822,400

See accompanying budget memos for further detail

Energy Trust of Oregon
2022-23 R2 Final for 2023

PGE

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	**OPUC Efficiency**	Solar	Other Renewables	**OPUC Renewables**
Incentives	5,945,839	18,973,953		15,644,304		12,942,701		53,506,796	6,231,750	1,003,540	7,235,290
Program Delivery Contractors	3,854,881	10,466,221	1,602,621	5,552,997	253,310	4,723,492	1,763,304	28,216,827	495,594		495,594
Employee Salaries & Fringe Benefits	903,532	2,485,513	67,407	2,090,001	14,943	1,713,922	75,999	7,351,316	1,261,900	484,164	1,746,064
Agency Contractor Services	88,269	389,886	4,497	379,887	727	343,612	4,955	1,211,833	121,610	21,430	143,040
Planning and Evaluation Services	356,305	733,574	2,014	417,658	1,179	394,011	2,584	1,907,325	54,237	13,288	67,525
Advertising and Marketing Services	150,459	513,582	11,460	368,490	1,852	487,696	12,626	1,546,166	305,515	46,067	351,582
Other Professional Services	130,087	552,746	7,559	414,065	1,519	632,726	8,456	1,747,158	706,612	542,137	1,248,749
Travel, Meetings, Trainings & Conferences	23,935	62,840	1,827	48,394	344	44,773	2,034	184,146	33,135	9,225	42,361
Dues, Licenses and Fees	12,791	44,821	1,123	20,464	378	18,703	1,321	99,600	15,098	6,685	21,782
Software and Hardware	24,187	70,844	1,601	61,295	259	48,743	1,764	208,693	280,995	14,347	295,343
Office Rent and Equipment	46,574	135,530	3,396	116,531	754	96,643	3,829	403,256	73,882	26,923	100,804
Materials Postage and Telephone	4,502	16,987	375	15,839	68	9,107	417	47,296	6,426	2,669	9,096
Miscellaneous Expenses	530	1,573	69	1,196	12	1,014	76	4,470	538	150	688
Expenditures	11,541,891	34,448,071	1,703,949	25,131,121	275,343	21,457,143	1,877,365	96,434,882	9,587,293	2,170,625	11,757,918
Expenditure break down by function:											
Program Costs	10,938,592	32,647,459	1,614,883	23,817,509	260,950	20,335,571	1,779,235	91,394,200	9,086,162	2,057,166	11,143,328
Communications and Outreach	249,066	743,365	36,770	542,312	5,942	463,030	40,512	2,080,997	206,887	46,841	253,728
Management & General	354,232	1,057,246	52,296	771,300	8,451	658,542	57,618	2,959,685	294,244	66,619	360,862
Total Administrative	603,298	1,800,612	89,066	1,313,612	14,392	1,121,572	98,130	5,040,682	501,131	113,459	614,590
Expenditures	11,541,891	34,448,071	1,703,949	25,131,121	275,343	21,457,143	1,877,365	96,434,882	9,587,293	2,170,625	11,757,918

Energy Savings and Generation Detail

Efficiency electric kWh savings	26,052,123	90,556,709	9,219,006	96,098,929	3,902,423	26,622,775	23,462,022	275,913,987			
Renewables electric kWh generation									15,570,900	2,350,000	17,920,900

See accompanying budget memos for further detail

Energy Trust of Oregon
2022-23 R2 Final for 2023

Pacific Power

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	**OPUC Efficiency**	Solar	Other Renewables	**OPUC Renewables**
Incentives	3,442,547	11,404,726		10,186,882		11,334,691		36,368,846	2,938,250	1,125,000	4,063,250
Program Delivery Contractors	2,030,934	5,614,194	1,208,995	4,068,386	191,094	4,283,535	1,330,212	18,727,349	292,391		292,391
Employee Salaries & Fringe Benefits	503,882	1,436,155	50,851	1,405,534	11,272	1,512,364	57,333	4,977,390	601,437	447,339	1,048,776
Agency Contractor Services	49,226	225,280	3,393	255,476	548	303,203	3,738	840,863	57,961	19,800	77,761
Planning and Evaluation Services	190,896	415,777	1,520	280,876	889	324,734	1,949	1,216,642	13,458	12,277	25,735
Advertising and Marketing Services	83,908	296,753	8,645	247,811	1,397	423,695	9,525	1,071,734	133,697	44,020	177,717
Other Professional Services	72,547	319,382	5,703	278,460	1,146	558,317	6,379	1,241,934	336,780	305,720	642,500
Travel, Meetings, Trainings & Conferences	13,348	36,310	1,378	32,545	259	39,508	1,534	124,882	15,793	6,438	22,231
Dues, Licenses and Fees	7,133	25,898	847	13,762	285	16,503	997	65,425	7,196	4,281	11,477
Software and Hardware	13,489	40,935	1,208	41,221	195	43,010	1,331	141,388	133,926	13,256	147,182
Office Rent and Equipment	25,973	78,310	2,562	78,368	569	85,278	2,888	273,948	35,213	24,875	60,088
Materials Postage and Telephone	2,511	9,815	283	10,652	51	8,036	314	31,663	3,063	2,385	5,448
Miscellaneous Expenses	296	909	52	805	9	895	57	3,022	257	139	395
Expenditures	6,436,690	19,904,444	1,285,435	16,900,778	207,715	18,933,769	1,416,258	65,085,088	4,569,420	2,005,530	6,574,950
Expenditure break down by function:											
Program Costs	6,100,242	18,864,032	1,218,245	16,017,369	196,857	17,944,095	1,342,230	61,683,069	4,330,575	1,900,700	6,231,276
Communications and Outreach	138,899	429,524	27,739	364,707	4,482	408,578	30,562	1,404,491	98,605	43,278	141,883
Management & General	197,549	610,888	39,451	518,702	6,375	581,097	43,466	1,997,528	140,240	61,552	201,792
Total Administrative	336,448	1,040,412	67,190	883,409	10,857	989,674	74,028	3,402,018	238,845	104,830	343,675
Expenditures	6,436,690	19,904,444	1,285,435	16,900,778	207,715	18,933,769	1,416,258	65,085,088	4,569,420	2,005,530	6,574,950

Energy Savings and Generation Detail

Efficiency electric kWh savings	16,885,387	59,667,731	6,954,689	59,242,784	2,943,933	48,627,735	17,699,420	212,021,679			
Renewables electric kWh generation									10,759,500	142,000	10,901,500

See accompanying budget memos for further detail

Energy Trust of Oregon
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NW Natural - Industrial

Expenditures Detail	New Buildings	Existing Buildings with MF	Industry and Agriculture	**OPUC Efficiency**
Incentives	60,836	3,175,555	1,498,446	4,734,837
Program Delivery Contractors	25,981	494,634	949,293	1,469,908
Employee Salaries & Fringe Benefits	8,031	308,993	240,974	557,998
Agency Contractor Services	784	48,527	43,839	93,150
Planning and Evaluation Services	4,092	69,880	50,888	124,861
Advertising and Marketing Services	1,338	63,855	42,479	107,673
Other Professional Services	1,155	68,791	34,998	104,944
Travel, Meetings, Trainings & Conferences	213	7,809	5,577	13,600
Dues, Licenses and Fees	114	5,576	2,359	8,049
Software and Hardware	215	8,808	7,068	16,091
Office Rent and Equipment	414	16,852	13,438	30,704
Materials Postage and Telephone	40	2,112	1,827	3,979
Miscellaneous Expenses	5	195	138	338
Expenditures	103,218	4,271,590	2,891,323	7,266,130
Expenditure break down by function:				
Program Costs	97,822	4,048,312	2,740,193	6,886,327
Communications and Outreach	2,227	92,178	62,393	156,798
Management & General	3,168	131,099	88,738	223,005
Total Administrative	5,395	223,277	151,130	379,803
Expenditures	103,218	4,271,590	2,891,323	7,266,130

Energy Savings and Generation Detail

Efficiency gas therms savings	32,395	692,945	969,194	1,694,533

See accompanying budget memos for further detail

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NW Natural

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	**OPUC Efficiency**
Incentives	715,913	4,763,626		493,586	9,593,833		15,566,959
Program Delivery Contractors	504,928	3,273,581	666,879	244,273	4,145,106	206,941	9,041,709
Employee Salaries & Fringe Benefits	113,094	676,716	28,049	72,640	1,326,205	8,919	2,225,624
Agency Contractor Services	11,037	106,278	1,871	13,215	266,672	581	399,655
Planning and Evaluation Services	59,378	153,793	838	15,340	132,615	303	362,266
Advertising and Marketing Services	18,849	139,848	4,769	12,805	372,390	1,482	550,142
Other Professional Services	16,269	150,657	3,146	10,550	491,199	992	672,812
Travel, Meetings, Trainings & Conferences	2,997	17,103	760	1,681	34,624	239	57,404
Dues, Licenses and Fees	1,600	12,213	467	711	14,466	155	29,611
Software and Hardware	3,028	19,290	666	2,131	37,723	207	63,045
Office Rent and Equipment	5,829	36,906	1,413	4,051	74,820	449	123,468
Materials Postage and Telephone	564	4,626	156	551	7,042	49	12,988
Miscellaneous Expenses	67	427	29	42	781	9	1,354
Expenditures	1,453,552	9,355,065	709,043	871,576	16,497,476	220,327	29,107,039
Expenditure break down by function:							
Program Costs	1,377,575	8,866,073	671,982	826,018	15,635,148	208,810	27,585,605
Communications and Outreach	31,367	201,876	15,301	18,808	356,004	4,755	628,110
Management & General	44,611	287,116	21,761	26,750	506,324	6,762	893,325
Total Administrative	75,978	488,992	37,062	45,558	862,328	11,517	1,521,434
Expenditures	1,453,552	9,355,065	709,043	871,576	16,497,476	220,327	29,107,039

Energy Savings and Generation Detail

Efficiency gas therms savings	278,771	1,701,928	367,872	343,631	2,171,853	-	4,864,056

See accompanying budget memos for further detail

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Cascade Natural Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	**OPUC Efficiency**
Incentives	83,359	1,373,843		271,654	1,004,297		2,733,153
Program Delivery Contractors	80,932	1,143,398	169,867	149,422	381,765	52,712	1,978,096
Employee Salaries & Fringe Benefits	15,198	211,927	7,145	41,454	133,479	2,272	411,474
Agency Contractor Services	1,483	33,283	477	7,541	26,840	148	69,772
Planning and Evaluation Services	7,744	47,928	213	8,754	11,083	77	75,800
Advertising and Marketing Services	2,533	43,796	1,215	7,308	36,474	377	91,702
Other Professional Services	2,186	47,181	801	6,020	49,438	253	105,880
Travel, Meetings, Trainings & Conferences	403	5,356	194	959	3,485	61	10,458
Dues, Licenses and Fees	215	3,825	119	406	1,456	39	6,060
Software and Hardware	407	6,041	170	1,216	3,797	53	11,683
Office Rent and Equipment	783	11,558	360	2,312	7,530	114	22,658
Materials Postage and Telephone	76	1,449	40	314	709	12	2,600
Miscellaneous Expenses	9	134	7	24	79	2	255
Expenditures	195,328	2,929,719	180,607	497,383	1,660,431	56,122	5,519,589
Expenditure break down by function:							
Program Costs	185,118	2,776,581	171,167	471,385	1,573,640	53,188	5,231,079
Communications and Outreach	4,215	63,221	3,897	10,733	35,831	1,211	119,109
Management & General	5,995	89,916	5,543	15,265	50,960	1,722	169,402
Total Administrative	10,210	153,137	9,440	25,998	86,791	2,933	288,511
Expenditures	195,328	2,929,719	180,607	497,383	1,660,431	56,122	5,519,589

Energy Savings and Generation Detail

Efficiency gas therms savings	31,762	418,847	93,704	124,329	208,393	-	877,035

See accompanying budget memos for further detail

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Avista Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	**OPUC Efficiency**
Incentives	53,695	845,153		106,146	1,641,443		2,646,437
Program Delivery Contractors	28,912	729,225	79,071	47,807	632,643	24,537	1,542,195
Employee Salaries & Fringe Benefits	7,641	132,547	3,326	15,156	218,997	1,058	378,725
Agency Contractor Services	746	20,816	222	2,757	44,036	69	68,646
Planning and Evaluation Services	3,894	29,976	99	3,201	18,183	36	55,389
Advertising and Marketing Services	1,274	27,392	565	2,672	59,842	176	91,920
Other Professional Services	1,099	29,509	373	2,201	81,112	118	114,412
Travel, Meetings, Trainings & Conferences	203	3,350	90	351	5,718	28	9,739
Dues, Licenses and Fees	108	2,392	55	148	2,389	18	5,111
Software and Hardware	205	3,778	79	445	6,229	25	10,760
Office Rent and Equipment	394	7,229	168	845	12,355	53	21,044
Materials Postage and Telephone	38	906	19	115	1,163	6	2,246
Miscellaneous Expenses	5	84	3	9	129	1	230
Expenditures	98,212	1,832,358	84,070	181,853	2,724,237	26,124	4,946,855
Expenditure break down by function:							
Program Costs	93,079	1,736,580	79,676	172,348	2,581,841	24,758	4,688,281
Communications and Outreach	2,119	39,541	1,814	3,924	58,787	564	106,750
Management & General	3,014	56,237	2,580	5,581	83,610	802	151,824
Total Administrative	5,134	95,778	4,394	9,506	142,397	1,366	258,574
Expenditures	98,212	1,832,358	84,070	181,853	2,724,237	26,124	4,946,855

Energy Savings and Generation Detail

Efficiency gas therms savings	24,773	257,926	43,618	61,244	300,982	-	688,544

See accompanying budget memos for further detail

Energy Trust of Oregon
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NW Natural Washington

Expenditures Detail	Commercial Washington	Residential Washington	Washington
Incentives	656,545	857,287	1,513,832
Program Delivery Contractors	400,159	352,295	752,455
Employee Salaries & Fringe Benefits	182,935	231,630	414,565
Agency Contractor Services	8,260	10,066	18,326
Planning and Evaluation Services	7,568	11,334	18,902
Advertising and Marketing Services	8,940	10,695	19,635
Other Professional Services	26,880	53,999	80,879
Travel, Meetings, Trainings & Conferences	5,065	9,828	14,893
Dues, Licenses and Fees	17,266	33,811	51,077
Software and Hardware	4,973	6,097	11,070
Office Rent and Equipment	9,716	11,925	21,641
Materials Postage and Telephone	922	1,113	2,036
Miscellaneous Expenses	73	88	162
Expenditures	1,329,304	1,590,169	2,919,473
Expenditure break down by function:			
Program Costs	1,259,821	1,507,050	2,766,871
Communications and Outreach	28,685	34,315	63,000
Management & General	40,798	48,804	89,602
Total Administrative	69,483	83,119	152,602
Expenditures	1,329,304	1,590,169	2,919,473

Energy Savings and Generation Detail

Efficiency gas therms savings	165,798	122,650	288,448

See accompanying budget memos for further detail

Glossary of Key Terms

Above market cost: The portion of the net present value cost of producing power (including fixed and operating costs, delivery, overhead and profit) from a new renewable energy resource that exceeds the market value that is used by the utility to acquire resources. The market value will typically be an updated forward price curve, qualifying facilities tariff, Oregon Public Utility Commission-approved avoided cost filings or marginal resource selected through a competitive bidding process. In the case of on-site and net-metered use, the market cost will be the retail rates for the customer under filed tariffs with the Oregon Public Utility Commission (OPUC).

Administrative cost: Costs that, by nonprofit accounting standards, have general objectives that enable an organization's programs to function. The organization's programs provide direct services to its constituents to fulfill the mission of the organization. Administrative costs are included in the OPUC performance measure on administrative and program support. See **program delivery efficiency OPUC performance measure**.

> Administrative costs fall in these two categories. **Management and general** includes governance/board activities, interest/financing costs, accounting, payroll, human resources, general legal support and other general organizational management costs. **General communications and outreach** covers expenditures of a general nature, conveying the nonprofit mission of the organization and general public awareness. Both management and general and general communications and outreach receive 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 efficient alternative to charging programs on an invoice-by-invoice basis. An example would be accumulating all costs associated with customer management such as call center operations, customer service personnel and complaint tracking. Costs are then spread to programs that benefited using the ratio of calls to the call center by program (i.e., the allocation base).

Allocation cost pools: These are: employee benefits and taxes; office operations including rent, telephone, utilities and supplies; information technology services including infrastructure, development, reporting and analysis; planning and evaluation general costs; customer service and trade ally support costs; community services costs; general communications and outreach costs; management and general costs; shared costs for electric utilities; shared costs for natural gas utilities; and shared costs for all utilities.

Auditor's opinion: An accountant's or auditor's opinion is a report by an independent Certified Public Accountant describing the scope of an examination of an organization's financial books and documents and certifying that its financial statements meet the American Institute of Certified Public Accountants (AICPA) requirements of Generally Accepted Accounting Principles. Depending on the audit findings, the opinion can be unmodified or modified regarding specific items. Failure to follow Generally Accepted Accounting Principles can result in a modified opinion. An unmodified opinion indicates agreement by the auditors that the financial statements present an accurate assessment of the organization's financial results.

Energy Trust strives for and has achieved in all its years an unmodified opinion. This annual audit is presented every spring to the board of directors. The OPUC requires an unmodified opinion regarding Energy Trust's financial statements.

Average megawatt: Megawatt is the standard term of measurement for bulk electricity. One megawatt is 1 million watts. One million watts delivered continuously 24 hours a day for a year (8,760 hours) is called an average megawatt.

Avoided cost: The amount of money an electric or natural gas utility would spend for the next increment of electric generation or fuel it would need to acquire if not for the reduction in demand due to either energy-efficiency savings or the energy that a co-generator or small-power producer provides.

Benefit/cost ratio: For Energy Trust to provide an incentive for a project, the benefit must meet or outweigh the cost. This is expressed as a benefit/cost ratio with the benefits in the numerator and the costs in the denominator. The OPUC has directed Energy Trust to apply the Total Resource Cost Test benefit/cost ratio and Utility Cost Test benefit/cost ratio to ensure that Energy Trust is responsibly investing ratepayer funds. The Total Resource Cost Test determines whether to provide an incentive for an energy-efficiency measure. The Utility Cost Test helps determine the maximum allowable amount of the incentive. Together, the tests assess the value of the energy-efficiency investment compared to a utility supplying the same amount of energy and determine whether energy efficiency is the best energy buy for a utility and for all utility customers.

Business planning: An annual process by which Energy Trust evaluates available staff resources and areas for innovation and prioritizes projects and business activities for the following year. The business plan forms the basis for setting the next year's organizational goals, budget and action plan, and is reviewed by leadership at least on a quarterly basis.

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 stated functions and capital asset expenditures. Energy Trust's budget uses a calendar year. The board approves the general allocation of funds including commitments and cash outlays. Approval of expenditures is based on assumed revenues from utilities and contracted revenues.

Clean energy: Defined by Energy Trust as conservation, energy efficiency and small-scale renewable energy projects.

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 an agreed upon time frame, committed funds return to an incentive pool. Reapplication would then be required. Funds are expensed when the project is completed or interim milestones are met.

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: Energy-efficiency programs and measures are evaluated for cost-effectiveness. The cost of the 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 program costs plus a portion of Energy Trust administrative costs. In some instances, exceptions to cost effectiveness can be requested from the OPUC. See **benefit/cost ratio** and **administrative cost**.

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 or master agreements. Methodology used to develop renewable energy activity-based budgets amounts. Funds are expensed when the project is completed or interim milestones are met.

Direct program costs: Costs that can be directly linked to and reflect a causal relationship to an individual program/project or that can easily be allocated to two or more programs based on usage, cause or benefit.

Direct program evaluation and planning services: These include: 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.

Distributed energy resources: Solar, biopower and hydropower are renewable distributed energy resources (DERs). Other distributed energy resources include battery storage, energy efficiency, electric vehicles, smart thermostats, smart water heaters and other flexible loads that are connected to the grid at or near customers’ homes and businesses. When aggregated, distributed energy resources may provide a supplement to traditional utility infrastructure.

Distribution-system connected technologies: Technology connected to the distribution grid at the customer’s site and installed for use by the customer. This could be either a smart inverter that is part of a solar generation system and capable of providing grid support or a battery storage system charged by on-site renewable energy or the electric grid with a smart inverter and/or integrated controls capable of providing grid support.

Diversity, Equity and Inclusion Initiative: Energy Trust’s work to promote diversity, equity and inclusion in internal and external activities to create more opportunities for underserved communities. This involves evaluating burdens, benefits and outcomes to these communities, including people of color, people with low to moderate incomes and people who live in rural areas. Work is guided by Energy Trust’s Diversity, Equity and Inclusion board policy, the Diversity Advisory Council, an internal Diversity, Equity and Inclusion Committee and a staff-led operations plan.

Energy Trust funding: Energy Trust is largely funded by customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista to invest in energy-efficiency and renewable energy programs in Oregon and energy-efficiency programs in Southwest Washington. The Oregon Public Utility Commission oversees Energy Trust investments of utility customer funds in Oregon. Under Oregon state laws (SB 1149, SB 838 and HB 3141 effective 2022), Energy Trust receives ratepayer funds to invest in cost-effective electric efficiency and natural gas efficiency and a portion of the public purpose charge to invest in small-scale renewable energy systems and grid-connected technologies. Energy Trust has

small contracts separate from this core funding, such as with Energy Solutions for the Oregon Community Solar Program and PGE for its Smart Battery Pilot.

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.

Free riders: Program participants who would have completed an energy-saving action even in the absence of Energy Trust programs.

Gross savings, gross generation: The estimate of savings from program participants, irrespective of free riders or spillover. Gross was adopted as the standard method of budgeting and reporting beginning in 2020, replacing use of net energy reporting. Where 2020 is compared to earlier years, those years will likewise be restated from net to gross for comparability. These values are also subject to annual updates following true-up adjustments. See **true up**.

Incentives: Energy Trust offers cash incentives to reduce costs of energy efficiency and renewable energy investments. These incentives may be paid to any customer type, to trade ally contractors or other market actors. Midstream or upstream incentives may be provided to retailers, distributors and manufacturers of products and equipment; these incentives are passed on to consumers and contractors as instant discounts, reducing barriers to participation.

Indirect costs: Costs within programs that are not directly associated with delivering to customers or projects, such as travel and supplies. These are shared costs that are allocated for accounting purposes rather than assigning individual charges to programs and are allocated to all programs and administration functions based on a standard basis such as hours worked, square footage and customer phone calls. Examples include rent/facilities, supplies, computer equipment and support and depreciation. See **allocation**.

Innovation Team: An internal team that trains and mentors staff members to use innovation tools and processes as they develop new and innovative ideas for the organization. The Innovation Team integrates these processes into the organization and supports a culture of innovation at Energy Trust.

Integrated Resource Plan (IRP): Comprehensive energy resource planning documents developed by utilities. IRPs identify future resources needed to meet expected customer demand and consider reliability and least cost resources. Energy Trust typically coordinates every-other year with each utility to determine the amount of cost-effective energy efficiency resource that the utility can incorporate into its IRP.

Internal costs: Charts and graphs in budget materials highlight the top three types of cost—incentives, delivery and staffing costs. The remainder of the expenditure budget is labelled “internal costs” in these charts and graphs. This category includes professional services and operating expenses.

Kilowatt hour: A unit of energy commonly used as a billing unit by electric utilities.

Levelized costs: A measure of the average net present cost of the savings from an energy efficiency resource or the energy generated by a renewable generation resource over the lifetime of the respective resource.

Low- and moderate-income customers: Residential customers whose household income is less than or equal to 120% of the state median income, adjusted for household size.

Net assets: Cumulative revenue less cumulative expenditure. Also called carryover or reserves. Net assets are necessary to ensure funds are available when needed and to protect the organization from unexpected downturns in revenue or timing of expenditure.

Non-energy benefits: Benefits to utility customers and other stakeholders that don't involve energy and that are used in Energy Trust calculations for cost-effectiveness when the benefits are generally applicable and can be credibly quantified at a reasonable cost. Quantifiable non-energy benefits include comfort from adding cooling to a site; spending less on wood, propane or heating oil; or spending less on replacement parts and labor due to longer-lasting efficient equipment, like LEDs resulting in fewer bulbs replacements. In some cases, exceptions to cost-effectiveness can be requested from the OPUC when non-quantifiable non-energy benefits are present.

OPUC performance measures: Under Energy Trust's grant agreement with the OPUC, the OPUC establishes quantifiable performance measures that clearly define its expectation of Energy Trust's performance, including financials. Performance measures are adjusted on an annual basis.

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 of the organization 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). See **indirect costs, direct program costs.**

Program Delivery Contractor (PDC): Company contracted to implement a specific program track or initiative. Using PDCs keeps costs low for utility customers, draws from existing expertise and skills in the market and allows Energy Trust to remain flexible and nimble as the market changes. PDC contracts are competitively selected, reviewed by a committee of internal staff and external representatives and reviewed and approved by the board. Contracts are rebid on a regular basis.

Program delivery efficiency OPUC performance measure: The maximum threshold set by the OPUC for administrative and program support costs as a percentage of total annual revenues. Administrative costs adhere to Generally Accepted Accounting Principles for nonprofit organizations. Program support costs were defined in coordination with the OPUC to enable comparison with other recipients of public purpose funding. For the purposes of this measure, program support costs are defined as program costs, except for direct program costs, in the following areas: program management, program delivery, program incentives, program payroll and related expenses, outsourced services, planning and evaluation services, customer service management and Trade Ally Network management. See **OPUC performance measures**.

Program delivery expense: Includes all Program Management Contract labor and direct costs associated with incentive processing, program coordination, program support, trade ally communications and Program Delivery Contractors. Includes contract payments to Northwest

Energy Efficiency Alliance for market transformation efforts. Includes performance compensation incentives paid to Program Management Contractors and Program Delivery Contractors under contract agreement if certain incentive goals are met. Includes professional services for items such as solar inspections and general renewable energy consulting. See **Program Management Contractor**.

Program Management Contractor (PMC): Company contracted to deliver and implement a program. PMCs keep costs low for utility customers, draw from existing expertise and skills in the market and allow Energy Trust to remain flexible and nimble as the market changes. PMC contracts are competitively selected, reviewed by a committee of internal staff and external representatives and reviewed and approved by the board. Contracts are rebid on a regular basis.

Program management expense: PMC billings associated with program contract oversight, program support, staff management and other duties. See **Program Management Contractor**.

Program marketing, program outreach: PMC labor and direct costs associated with marketing, outreach and awareness efforts to communicate program opportunities and benefits to utility customers and program participants. Awareness campaigns and outreach efforts are designed to reach participants of individual programs. Co-op advertising with trade allies and vendors promotes a program benefit to customers. See **Program Management Contractor**.

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 margin of funds above what is needed to fulfill annual budgeted costs. The reserve percent varies by funder. Management may access up to 50 percent of annual program reserves without prior board approval. See **net assets**.

Project specific costs: For renewable energy, expenses directly related to identified projects or identified customers to assist in constructing or operating renewable projects or distribution-system connected technologies. Includes services to prospective and 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 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.

Program support costs: A portion of the costs in the OPUC performance measure, includes support expenses incurred directly by the program and 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. Contained in statement of functional expense report.

Project forecasting: Information in Energy Trust's Project Tracker information system about the timing of future incentive payments. *Estimated* means project data may be inaccurate or

incomplete; a rough estimate of energy savings, incentives and completion date by project and by service territory. *Proposed* means a project 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 in this phase. (For renewable energy projects, this is a project that has received board approval.) *Accepted* is used for renewable energy projects in the second round of application; projects have reached a stage where the approval process can begin. *Committed* means a project has a signed agreement or application reserving incentive dollars until project completion or completion of interim milestones; energy savings/generations, incentives and completion date by project and by service territory must be documented in project records and in Project Tracker. If a project has not demonstrably proceeded within the agreed upon time frame, committed funds are returned to the incentive pool. Reapplication is required. *Dedicated* is used for renewable energy projects that have been committed, have a signed agreement and, if required, have been approved by the board.

Public purpose charge: A charge on utility customer bills initially authorized by Oregon state law SB 1149 in 1999 and modified in 2021 through HB 3141. As of 2022, Energy Trust will receive a portion of public purpose charge funds collected to invest in small-scale renewable energy systems and distribution-system connected technologies. Energy-efficiency funding that previously came from the public purpose charge will be set through standard OPUC ratemaking processes. See **Energy Trust funding**.

Spillover: The concept that some program participants will complete an energy-saving action because of awareness of the program but will not receive a program incentive.

Staffing costs: Combination of salaries, benefits, retirement and employer taxes incurred by the organization to retain employees. Staffing costs are subject to an OPUC performance measure.

Therm: A unit of natural gas commonly used as a billing unit by utilities.

Total program and administrative expenses (line item on income statement): Used 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 Generally Accepted Accounting Principles.

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 and outreach). Per the requirements of Generally Accepted Accounting Principles 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.

True up: A previously used annual process in which prior years' energy savings and renewable generation were adjusted and corrected to reflect new information on how much energy was saved or generated in the field. Information included improved engineering estimates of savings, corrections to identified transaction errors and results from actual evaluations of the program and the year of activity in question. **Working savings/generation:** The estimate of savings/generation used for data entry by program personnel as they approve individual projects. Estimates 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 line loss factors.