# Energy Trust of Oregon

## 2022 Annual Budget and 2022-2023 Action Plan

## DRAFT

**Presented to the Board of Directors**
**October 13, 2021**

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Energy Trust of Oregon

# DRAFT 2022 Annual Budget and 2022-2023 Action Plan

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# MEMO

**Date:** October 6, 2021
**To:** Board of Directors
**From:** Michael Colgrove, Executive Director
**Subject:** Draft 2022 Budget and 2022-2023 Action Plan

I am pleased to present to you Energy Trust of Oregon's Draft 2022 Budget and 2022-2023 Action Plan, which will be the focus of our October 13 budget workshop.

In the materials that follow, a budget overview summarizes the draft budget and action plan. Individual action plans are provided for general management, including diversity, equity and inclusion; energy efficiency and renewable energy programs; and program support groups. 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 carbon dioxide emissions, deliver utility system benefits to all customers, support our economy and help reduce energy burdens.

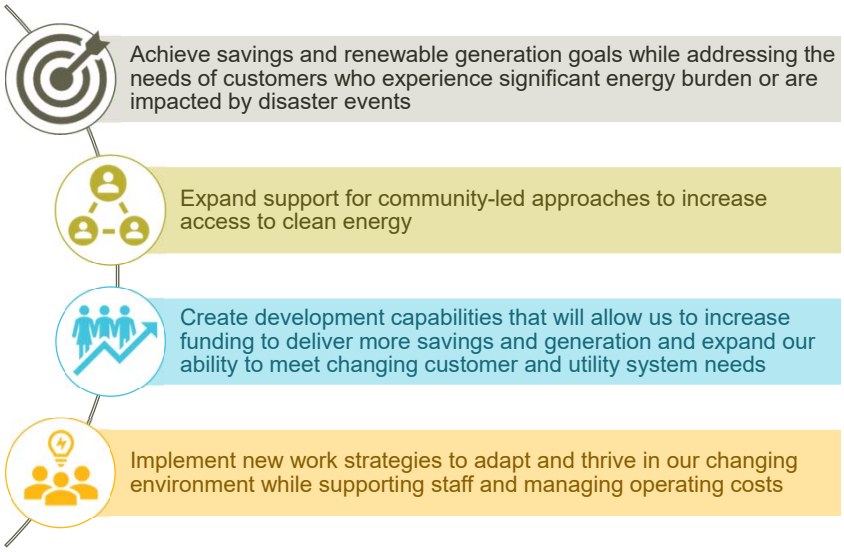
The draft budget and action plan are available for public comment from October 6 through October 20, 2021. We will also provide information on the draft budget to our five affiliated utilities and the OPUC. All materials are available at www.energytrust.org/budget.

Feedback and comments received through these presentations will be incorporated into a Final Proposed 2022 Budget and 2022-2023 Action Plan to be reviewed by the board at the December 17 board meeting. 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 50.1 aMW of electric savings, with 64.6 MW of reduced demand during periods of summer peak and 76.3 MW of reduced demand during periods of winter peak, 6.8 million therms of natural gas savings and 4.0 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

## Draft 2022 Budget Summary

- **Investing $213.0 million** of utility customer funds
- **Saving 50.1 aMW and 6.8 MMTh**
- Delivering highly cost-effective energy
  - 3.4 cents/kWh levelized
  - 44.7 cents/therm levelized (Oregon)
  - 83.7 cents/therm levelized (Washington)
- **Generating 4.0 aMW**
- **Distributing $116.9 million in incentives**; 55% of total expenditures
- Administrative costs at 7.8% of revenue

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

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## Customer Benefits from 2022 Investments

- **More access** for diverse and rural communities
- **Lower energy bills and energy burden** for participants—$836 million in future bill savings
- **Opportunities for 1,900 local businesses** and investments in workforce development
- **Cleaner air** by avoiding 4.5 million tons of carbon dioxide
- Local investments that **keep dollars in our communities**

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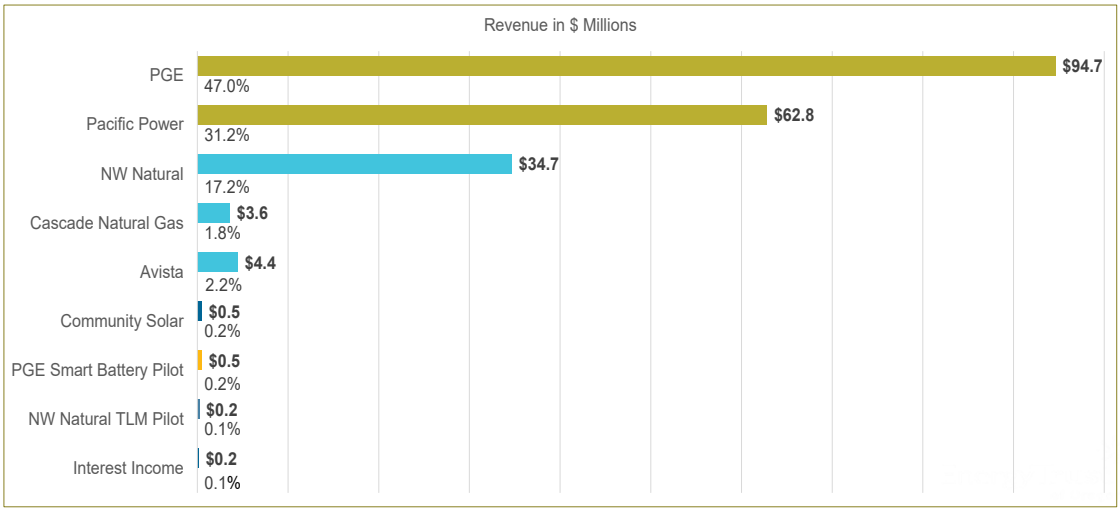
## 2022 Draft Budget Revenue

$201.5 million, up 6.9% from 2021 budget

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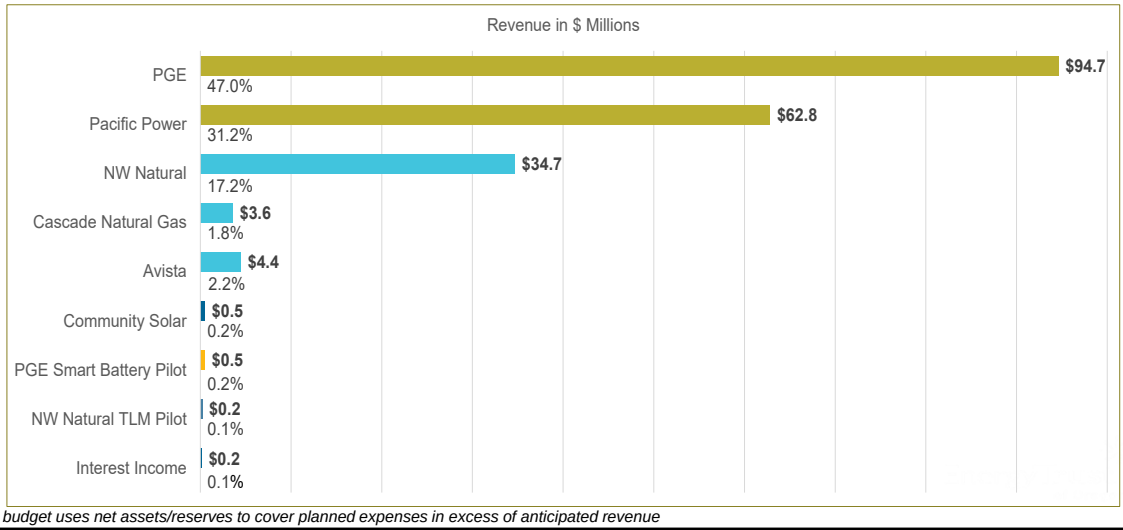
## 2022 Draft Budget Expenditures

$213.0 million, up 0.7% from 2021 budget




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

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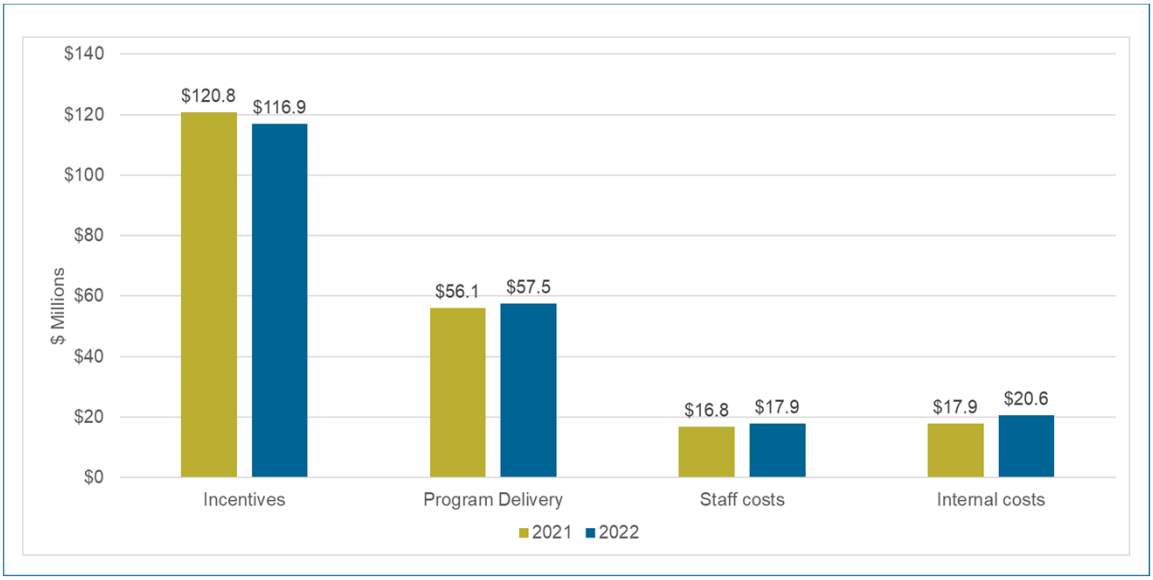
## 2022 Draft Budget Expenses by Category

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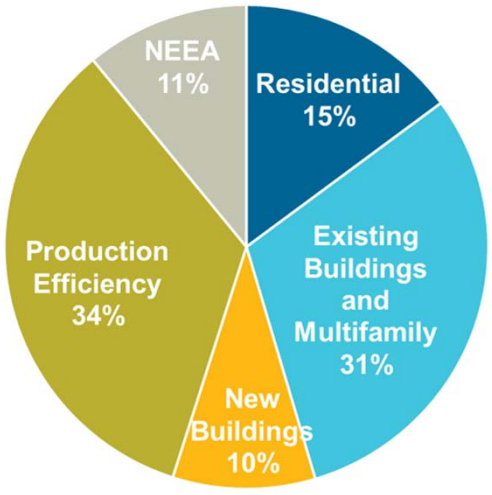
## 2022 Electric Savings by Program

- 50.1 aMW in savings, up 5.7% from 2021 budget
- $149.3 million in total costs, including customer incentives, services and delivery

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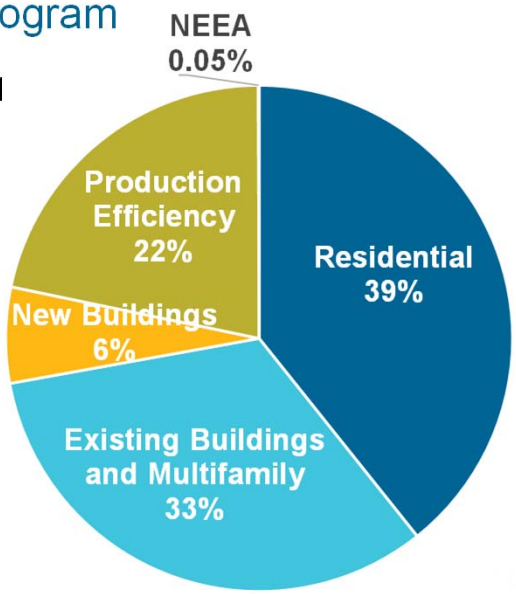
## 2022 Natural Gas Savings by Program

- 6.8 MMTh in savings, up 4.6% from 2021 budget
- $41.2 million in total costs, including customer incentives, services and delivery

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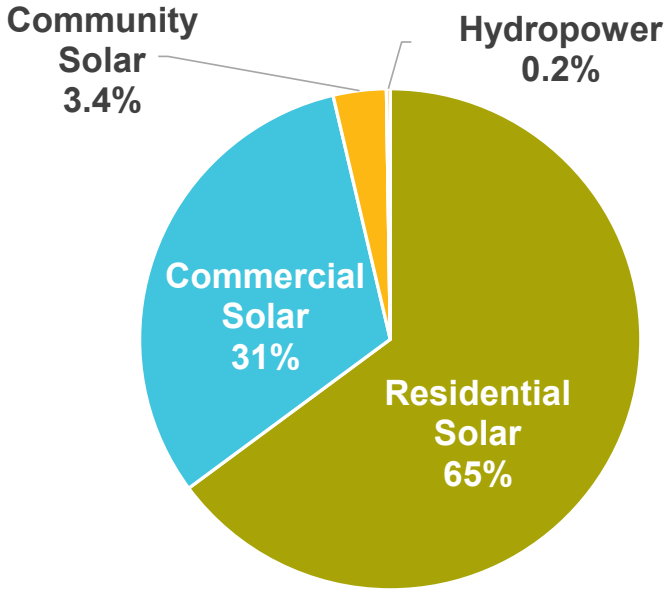
## 2022 Renewable Generation

- 4.0 aMW in generation, up 12.8% from 2021 budget
- $21.4 million in total costs, including customer incentives, services and delivery

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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 will be 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 are welcome and are due to Energy Trust on Wednesday, October 20 by email to info@energytrust.org or 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.

# 2022 Budget Outreach Schedule

## Outreach Schedule

**Key dates for the public noted in bold text**

| | |
|---|---|
| August 24 | Discuss significant changes and new activities for 2022 with each utility |
| September 14-15 | Present an overview of budget process and schedule and relevant draft action plan highlights to the Conservation Advisory Council, Diversity Advisory Council and Renewable Energy Advisory Council |
| September | Review early budget information, including financials, action plan activities and initial revenue discussions with each utility and with the Oregon Public Utility Commission |
| Sept. – October | Expanded stakeholder outreach to learn of customer and community group priorities and needs, and share draft budget goals and strategies |
| **October 6** | **Open the public comment period; post online draft budget and action plan** |
| **October 13** | **Present the draft budget and action plan at a virtual public budget workshop, with attendees including the board of directors, the three advisory councils, stakeholders and the public** |
| **October 18** | **Post online a recording of presentations delivered at the budget workshop** |
| **October 20** | **Close public comment period** |
| November | Review budget revisions and determine funding levels with each utility for 2022 and 2023, including any related rate adjustments needed to reach savings targets |
| **November 16** | **Present the draft budget and action plan at a special public meeting of the Oregon Public Utility Commission** |
| **November 16-17** | **Review any changes to the draft materials with the three advisory councils** |
| December 9 | Post online the final proposed budget documents |
| **December 17** | **Present the final proposed budget and action plan to the board of directors, presentation includes a summary of public comments and staff responses; after making any final changes, the board votes on the budget** |
| December 31 | Submit the annual budget and two-year action plan to the OPUC |

## Submitting comments

Written public comments are welcomed and due to Energy Trust by Wednesday, October 20, 2021. Comments may be emailed to info@energytrust.org, or mailed to Energy Trust of Oregon, 421 SW Oak St., Suite 300, Portland, Oregon 97204.

## Attending public meetings

Energy Trust Board of Directors, Conservation Advisory Council, Diversity Advisory Council and Renewable Energy Advisory Council meetings are open to the public. All meetings are held virtually for now due to COVID-19 precautions. Check the online events calendar for the most up-to-date information.

## Resources

Visit the Energy Trust website at www.energytrust.org/budget for links to budget and action plan materials and to view the budget schedule and workshop agenda. Check back October 18 to access the recorded workshop presentations.

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

# MEMO

**Date:** October 6, 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 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.

## 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. According to the Oregon Office of Economic Analysis report issued in May 2021:

> "Economic growth is surging as the pandemic wanes. Thanks to federal fiscal policy, consumers have higher incomes today than before COVID-19 hit. Now they are increasingly allowed to and feel comfortable resuming pandemic-restricted activities like going out to eat,

[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

on vacations, getting haircuts and the like. The outlook for near-term economic growth is the strongest in decades, if not generations.

Oregon's labor market is expected to return to full health during the upcoming 2021-23 biennium. With the strong near-term outlook for consumer spending, job growth is front-loaded such that the largest employment gains will occur this summer and fall. Total employment in Oregon will surpass pre-pandemic levels in late 2022 with the unemployment rate returning to near 4 percent in 2023."[2]

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[3].

According to an updated report from the Oregon Office of Economic Analysis in September, although the current delta wave of the COVID-19 pandemic poses some complications to the immediate term, the medium-term trajectory for overall economy remains intact[4]. The September update reaffirms the May forecast that Oregon's economic outlook looks bright although notes some downside risk of supply constraints, a tight labor market slowing business hiring and softer spending if closures related to the delta wave persist. Two of the main contributing factors for the positive outlook include the unprecedented amount of federal aid, which outweighs the impact of pandemic losses, and the near record high asset markets and profits[5]. The latter factor offers a better scenario for tax related revenue as well as potential business growth. According to the Oregon Office of Economic Analysis from May:

"Looking forward into the 2021-23 biennium, the increasingly rosy economic outlook suggests healthy tax collections will persist. A broad consensus of economic forecasters is calling for near-term output growth to be the strongest seen in decades. Given Oregon's unique kicker law, a booming economic outlook requires an equally aggressive revenue outlook to match it. Taxable income is expected to continue to post healthy gains, showing no evidence of the economic shock we are living through. The outlook for General Fund tax collections has been revised up by around 5% over the next few years. This translates into significantly more resources for policymakers."[6]

## 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:

"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

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

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

[4] Oregon Economic and Revenue Forecast, September 2021, Page 6/65, https://www.oregon.gov/das/OEA/Documents/forecast0921.pdf

[5] Oregon Economic and Revenue Forecast, May 2021, Page 6/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf

[6] Oregon Economic and Revenue Forecast, May 2021, Page 6/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf

for firms. But a tight labor market also works wonders for employees with strong wage gains and more plentiful job opportunities."[7]

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[8]. 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[9], 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."[10] 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[11]. 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 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

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[7] Oregon Economic and Revenue Forecast, May 2021, Page 7/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf

[8] Oregon Economic and Revenue Forecast, May 2021, Page 8/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf

[9] Oregon Economic and Revenue Forecast, May 2021, Page 37/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf

[10] Oregon Economic and Revenue Forecast, May 2021, Page 37/70, https://www.oregon.gov/das/OEA/Documents/forecast0521.pdf

[11] Oregon Economic and Revenue Forecast, September 2021, Page 11/65, https://www.oregon.gov/das/OEA/Documents/forecast0921.pdf

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 federal infrastructure bill that was recently passed by the U.S. Senate sets aside billions of dollars for energy efficiency funding to stimulate the national economy and reduce greenhouse gas emissions. Additional House and Senate votes on the bill are expected to take place during the Energy Trust budget process. If the bill is signed into law, it could set aside hundreds of millions of dollars for state energy offices and energy efficiency grants. Current provisions include[12]:

- Industry
    - $150 million for Industrial Assessment Centers, which help small manufacturing plants identify possible efficiency projects
    - $400 million in grants for industrial plants to implement projects
    - $500 million for industrial demonstration projects
- Commercial and residential retrofits

[12] https://www.aceee.org/blog-post/2021/08/energy-efficiency-funds-infrastructure-bill-should-tee-historic-investments-fall

    - $3.5 billion for low-income weatherization, a new revolving loan fund supporting commercial building and home upgrades, funds for public school and federal building upgrades and worker training
- Zero energy homes and buildings
    - $225 million for grants to states and others for implementation of building energy codes

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. As of the end of quarter two 2021, Energy Trust is forecasting to achieve 101% of its 2021 electric efficiency goal, 118% of the gas efficiency goal and 174% of the 2021 renewable generation goal.[13] 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.

[13] Internal Energy Trust 2021 Q2 reporting.

### 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.

### Laws Pertaining to Large Electric Customer Spending

In 2021, large customer spending caps in place under SB 838 (2007) were repealed when HB 3141, a bill modifying the public purpose charge, was enacted by the Oregon Legislature and Governor Brown. Large customer spending caps are no longer applicable for 2022 and beyond. Energy Trust will continue to identify all-cost effective energy efficiency from large customers and provide incentives to eligible large customers in alignment with our policies, managing through annual budgets and coordinating with utilities on revenue needs in order to do so. Our planning assumptions for how we serve large customers are not materially changed for 2022. As HB 3141 is implemented, we may receive additional direction for expenditures related to large customers through discussions with stakeholders and OPUC.

### 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.

In addition to Energy Trust providing value to help utilities manage their peak loads, there is also a growing interest from utilities in managing carbon emissions. Energy Trust has already engaged in conversations with some of our funding utilities about providing programs to reduce carbon in targeted areas. Energy Trust will continue to explore these opportunities in pursuit of implementation solutions to achieve carbon reduction goals.

## 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 program year 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.

# MEMO

**Date:** October 6, 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 15 measures that will be offered in 2022 in Existing Buildings (including multifamily), New Buildings and Residential programs. Five 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 | pending | pending | pending |
| 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:** October 6, 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.

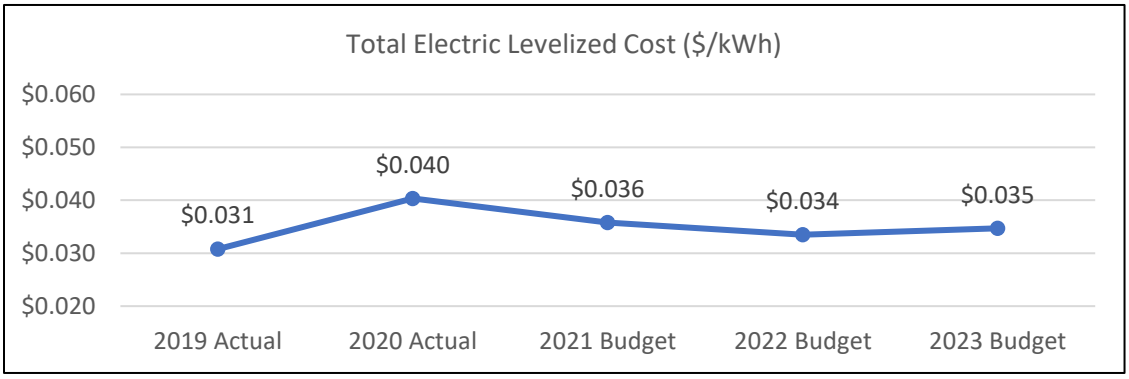
This memo provides detail on levelized costs and identifies actions to manage levelized costs over time.

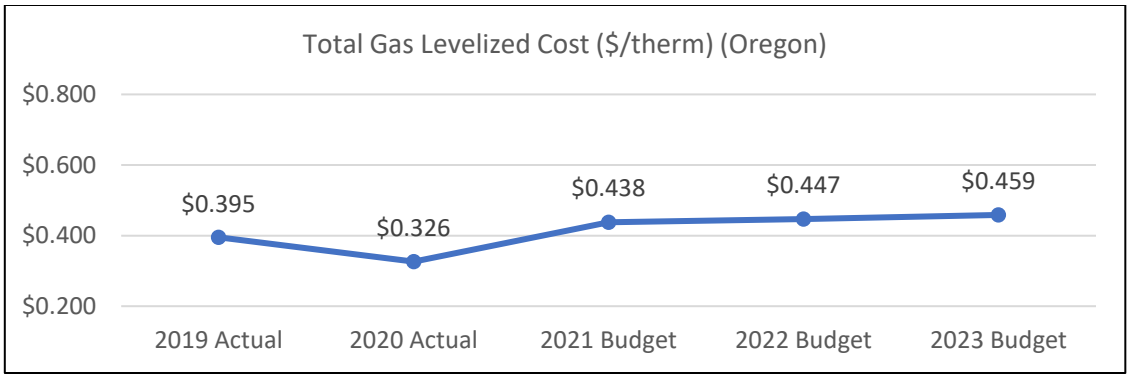
**Levelized Costs in Draft 2022 Budget and 2022-2023 Action Plan**

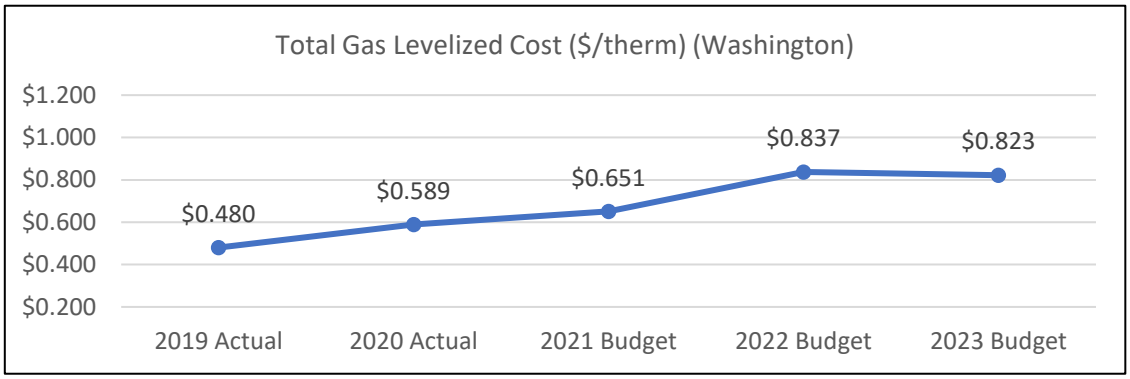
The draft 2022 budget delivers electric savings at a cost of 3.4 cents per kilowatt hour (kWh) and 44.7 cents per therm (Oregon only) levelized. This is a small 6% decrease (0.2 cents/kWh) over 2021 budgeted electric levelized costs and a very small increase (0.9 cents/therm) over 2021 budgeted gas levelized costs.

Levelized cost for NW Natural Washington programs in 2022 is 83.7 cents per therm, a 29% 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 increasing slightly to 3.5 cents per kWh. Gas levelized costs are projected to increase slightly to 45.9 cents per therm (Oregon only) in 2023. Projected levelized cost for NW Natural customers in southwest Washington in 2023 is 82 cents, a 2% decrease 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 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. 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.

**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:** October 6, 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 through Q3 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 | December 2021<br><br>April, July 2022 |
| Water Environment Services—Tri-City Wastewater Treatment Facility (biopower) *Achieved commercial operation July 2021* | 0.5 aMW | $800,000 in one payment based on reaching generation milestone | September 2022 |
| **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<br><br>Four payments of $100,000 based on reaching milestones | December 2021<br><br>December 2022<br><br>December 2023<br><br>December 2024<br><br>December 2025 |
| **TOTAL** | | **$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** | 7 projects<br>$209,080 | 4 projects<br>$369,380<br><br>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<br>$327,629 | 7 projects<br>$199,680 | n/a | n/a |
| **TOTAL** | **22 projects<br>$536,709** | **15 projects<br>$572,600** | **4 projects<br>$3,540** | **4 projects<br>$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 July 1, 2021 for projects expected to be paid after December 31, 2021. It does not include project commitments expected to be made in the second half 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** | $1,978,118<br>0.85 aMW |
| **Pacific Power** | $671,684<br>0.39 aMW |
| **TOTAL** | **$2,649,801**<br>**1.24 aMW** |

# MEMO

**Date:** October 6, 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:** October 6, 2021
**To:** Board of Directors
**From:** Michael Colgrove, Executive Director
**Subject:** Staffing for Draft 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 incremental 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

[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.

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 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 starts 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 FTE 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 8.0% of total costs. The increase in total staffing costs across all major funding sources from 2021 to 2022 is 6.7%. 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.

| Staffing Cost by Major Funding Source | 2019 Actual | 2020 Actual | 2021 Budget | 2022 Budget | 2023 Projection |
|---|---|---|---|---|---|
| Oregon PUC Grant | 13,465,688 | 14,788,938 | 16,130,842 | 17,170,337 | 18,229,408 |
| Washington | 304,271 | 342,134 | 391,283 | 387,626 | 400,982 |
| LMI Federal Grant and other | 27,179 | 6,939 | 0 | - | - |
| Community Solar | 139,601 | 220,149 | 235,154 | 278,032 | 295,484 |
| PGE Storage | - | 12,293 | 50,932 | 61,236 | 58,368 |
| NWN TLM | - | - | 0 | 38,718 | 31,831 |
| Total | 13,942,991 | 15,378,174 | 16,808,212 | 17,935,949 | 19,016,072 |

## Healthcare Costs

Employee healthcare premium increases for 2022 are now estimated to be 8% compared to the 20% increase projected for 2022 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. Healthcare benefits continue to be the largest cost driver in Energy Trust's benefit package. Energy Trust projects a 12% increase in healthcare premiums for 2023 based on discussions with our insurer.

## Staff Compensation

The draft budget includes 5% for staff compensation adjustments, which allows for annual increases consistent with budgets prior to 2021. In 2021, compensation increases were held to 3%; merit was prioritized for staff at the lower end of Energy Trust's salary ranges. In addition, promotion raises were reduced compared to prior years. The draft 2022-23 compensation budget reinstates promotions and merit increases needed to compete with a competitive labor market and to accommodate other pay adjustments, if needed, to ensure pay equity compliance.

The draft budget also includes an additional 1.3% to adjust salaries as an outcome of the 2021 market compensation study currently underway at Energy Trust. 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. This budget will allow the organization to meet the salary expectations of the existing workforce and will help address a decrease in satisfaction in compensation revealed through the 2021 employee engagement survey.

## 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 Development Manager 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 Development Manager position. A final decision on this potential staffing shift will be made once the final recommendations on these efforts are submitted and considered.

### 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.

### Total 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 | 2020 Actual | 2021 Budget | 2022 Budget | 2023 Projection |
|---|---|---|---|---|---|
| **Total Company Employee Cost** | 13,942,991 | 15,378,174 | 16,808,212 | 17,935,949 | 19,016,072 |
| **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% | 6.3% | 5% |
| 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 | 16,126,918 | 17,170,337 | 18,229,408 |
| Employee Count (FTE) | 107.5 | 107.5 | 112 | 114.5 | 114.5 |
| Year over Year $ change | 560,838 | 1,323,250 | 1,341,905 | 1,039,495 | 1,059,071 |
| Year over Year % change | 4.3% | 9.8% | 9.1% | 6.4% | 6.2% |
| 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 | 1,545,330 |

** 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 increase 6.4% over 2021 costs under the OPUC grant.

# MEMO

**Date:** October 6, 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 $11.7 million, or 6% 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 Final Proposed 2022 Budget**

| | Oregon PUC Grant Funded Expenditure | | |
|---|---|---|---|
| | Total | Program Costs | Administrative and Program Support |
| Incentives | 114,684,799 | 114,684,799 | - |
| Program Delivery Contractors | 56,675,405 | 56,675,405 | - |
| Employee Salaries & Fringe Benefits | 17,170,337 | 8,126,476 | 9,043,861 |
| Agency Contractor Services | 2,651,393 | 1,556,936 | 1,094,457 |
| Planning and Evaluation Services | 3,668,503 | 3,634,128 | 34,375 |
| Advertising and Marketing Services | 3,639,432 | 2,287,000 | 1,352,432 |
| Other Professional Services | 7,353,648 | 6,376,212 | 977,436 |
| Travel, Meetings, Trainings & Conferenc | 329,870 | | 329,870 |
| Dues, Licenses and Fees | 188,074 | | 188,074 |
| Software and Hardware | 811,012 | | 811,012 |
| Depreciation & Amortization | 370,557 | | 370,557 |
| Office Rent and Equipment | 1,052,556 | | 1,052,556 |
| Materials Postage and Telephone | 126,143 | | 126,143 |
| Miscellaneous Expenses | 11,189 | | 11,189 |
| Expenditures | 208,732,917 | 193,340,956 | 15,391,961 |

**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 | 196,802,744 | 210,826,043 |
| Performance measure | 8% | 8% | 8% | 8% | 8% |
| Maximum cost allowed per measure 8% | 14,651,281 | 14,046,143 | 14,747,497 | 15,744,220 | 16,866,083 |
| Administrative and program support costs | 11,422,288 | 12,166,182 | 14,084,001 | 15,391,961 | 16,264,685 |
| as percent of revenue | 6.2% | 6.9% | 7.6% | 7.8% | 7.7% |
| increase from prior year | 613,335 | 743,894 | 1,917,819 | 1,307,960 | 872,724 |
| increase percentage | 5.7% | 6.5% | 15.8% | 9.3% | 5.7% |

The administrative and program support costs in the 2022 budget are $15,391,961, or 7.8% of total revenue, and 9.3% 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 $1.3 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:

- Investing in professional services to support the board of directors' evaluation and

[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.

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:** October 6, 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 in rates
- 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 |
|---|---|---|---|---|---|
| Efficiency Program Reserves | 34,268,936 | 20,579,271 | 14,731,467 | 9,276,104 | 5,658,144 |
| Renewable Program Reserves | 19,094,978 | 21,980,488 | 15,042,007 | 8,670,700 | 3,756,344 |
| Washington and Other Programs | 526,299 | 941,119 | 569,550 | 885,398 | 1,327,177 |
| Dvelopment Funds | 19,216 | 11,640 | 401,375 | 403,120 | 405,543 |
| | | | | | |
| Loans for Low Income and Manufactured Homes | 1,800,000 | 2,300,000 | 2,300,000 | 2,300,000 | 2,300,000 |
| Operational Contingency | 3,352,208 | 2,946,818 | 2,979,976 | 5,024,669 | 5,086,730 |
| Emergency contingency | 5,000,000 | 5,000,000 | 5,000,000 | 3,000,000 | 3,000,000 |
| Total Company | 64,061,637 | 53,759,336 | 41,024,375 | 29,559,991 | 21,534,283 |
| | | | | | |
| Annual Expenditures | 186,038,915 | 189,509,225 | 206,332,468 | 212,987,783 | 223,175,634 |
| Monthly Expenditures | 15,503,243 | 15,792,435 | 17,194,372 | 17,748,982 | 18,597,969 |
| # of months coverage ratio | 4.1 | 3.4 | 2.4 | 1.7 | 1.2 |

## 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. A proposal is before the board of directors to move $2 million 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.

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

| | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| Transfer to PGE Efficiency Program Reserve | | | | |
| Return from PGE Efficiency Program Reserve | | | | |
| Transfer to PAC Efficiency Program Reserve | | (4,400,000) | (4,500,000) | |
| Return from PAC Efficiency Program Reserve | | | 4,400,000 | 4,500,000 |
| | | | | |
| Balance of borrowings from contingency at year end | - | (4,400,000) | (4,500,000) | - |
| Operational Contingency Balance after borrowings | 4,979,976 | 624,669 | 586,730 | 5,086,730 |

# Energy Trust of Oregon

Income Statement—Budget, Forecast and Projection

| | Actual 2020 | Board Approved Budget 2021 | Reforecast 2021 | Board Approved Projection 2022 | Draft Budget 2022 | Draft Projection 2023 |
|---|---|---|---|---|---|---|
| Revenue from Utilities | 178,129,076 | 187,344,583 | 192,917,693 | 194,306,051 | 200,153,618 | 214,176,917 |
| Contract Revenue | 522,175 | 1,045,484 | 1,064,605 | 887,200 | 1,216,686 | 819,564 |
| Grant Revenue | 9,221 | | 8,831 | | | |
| Investment Income | 546,451 | 96,000 | 153,098 | 96,000 | 153,098 | 153,098 |
| Revenue | 179,206,923 | 188,486,067 | 194,144,227 | 195,289,251 | 201,523,402 | 215,149,579 |
| Incentives | 104,581,342 | 120,805,454 | 117,899,261 | 111,149,936 | 116,910,633 | 122,483,586 |
| Program Delivery Contractors | 56,720,018 | 56,097,373 | 56,280,873 | 56,266,203 | 57,504,370 | 61,266,198 |
| Employee Salaries & Fringe Benefits | 15,378,174 | 16,808,212 | 15,954,502 | 17,514,293 | 17,935,949 | 19,016,072 |
| Agency Contractor Services | 1,521,926 | 2,169,863 | 2,046,007 | 2,144,566 | 2,693,463 | 2,767,021 |
| Planning and Evaluation Services | 3,178,496 | 3,482,785 | 3,263,929 | 4,051,456 | 3,698,594 | 3,694,316 |
| Advertising and Marketing Services | 3,076,319 | 3,253,100 | 2,839,647 | 3,191,199 | 3,682,000 | 3,963,000 |
| Other Professional Services | 2,718,869 | 5,891,758 | 5,088,214 | 5,647,691 | 7,515,335 | 6,766,300 |
| Travel, Meetings, Trainings & Conference | 91,949 | 260,630 | 184,804 | 465,275 | 346,070 | 484,425 |
| Dues, Licenses and Fees | 171,724 | 334,420 | 323,029 | 343,340 | 237,397 | 258,014 |
| Software and Hardware | 651,505 | 817,203 | 929,703 | 833,748 | 834,353 | 913,785 |
| Depreciation & Amortization | 272,019 | 275,295 | 331,287 | 246,408 | 387,222 | 352,630 |
| Office Rent and Equipment | 1,058,272 | 1,247,500 | 1,079,396 | 1,255,750 | 1,100,146 | 1,080,146 |
| Materials Postage and Telephone | 82,302 | 148,750 | 100,750 | 161,225 | 130,750 | 119,140 |
| Miscellaneous Expenses | 6,309 | 5,500 | 11,066 | 6,000 | 11,500 | 11,000 |
| Expenditures | 189,509,225 | 211,597,841 | 206,332,468 | 203,277,091 | 212,987,782 | 223,175,634 |
| **Net Income** | **(10,302,302)** | **(23,111,774)** | **(12,188,241)** | **(7,987,840)** | **(11,464,380)** | **(8,026,055)** |

Budget Recap Expenditures and Energy Goals
2022 Budget Recap Spending and Savings

| Program | Budget ($M) | | | Electric | | Gas | |
|---|---|---|---|---|---|---|---|
| | Electric | Gas | Total | Electric Savings Goal (aMW) | Levelized Cost per kWh | Annual Therms | Levelized Cost per Therm |
| Existing Buildings with MF | $ 49.3 | $ 12.5 | $ 61.8 | 15.3 | $ 0.034 | 2,083,344 | $ 0.478 |
| New Buildings | $ 17.6 | $ 1.8 | $ 19.4 | 4.8 | $ 0.038 | 416,778 | $ 0.386 |
| NEEA Commercial | $ 2.9 | $ 0.3 | $ 3.2 | 1.7 | $ 0.034 | 609 | $ 32.434 |
| Commercial Sector | $ 69.8 | $ 14.6 | $ 84.4 | 21.8 | $ 0.034 | 2,500,731 | $ 0.473 |
| Industry and Agriculture | $ 39.0 | $ 4.2 | $ 43.3 | 17.1 | $ 0.026 | 1,475,627 | $ 0.273 |
| NEEA - Industrial | $ 0.5 | $ - | $ 0.5 | 0.7 | $ 0.012 | - | |
| Industry and Agriculture Sector | $ 39.6 | $ 4.2 | $ 43.8 | 17.8 | $ 0.026 | 1,475,627 | $ 0.273 |
| Residential | $ 36.5 | $ 18.2 | $ 54.6 | 7.5 | $ 0.058 | 2,544,244 | $ 0.482 |
| NEEA Residential | $ 3.4 | $ 1.1 | $ 4.5 | 3.1 | $ 0.013 | 2,830 | $ 23.283 |
| Residential Sector | $ 39.9 | $ 19.2 | $ 59.1 | 10.5 | $ 0.045 | 2,547,074 | $ 0.510 |
| **Oregon Efficiency Programs** | **$ 149.3** | **$ 38.1** | **$ 187.3** | **50.1** | **$ 0.034** | **6,523,432** | **$ 0.447** |
| Solar | $ 15.9 | | $ 15.9 | 4.0 | $ 0.035 | | |
| Other Renewables | $ 5.5 | | $ 5.5 | 0.0 | $ 5.061 | | |
| **Renewables Programs** | **$ 21.4** | | **$ 21.4** | **4.0** | **$ 0.047** | | |
| Commercial Washington | | $ 1.4 | $ 1.4 | | | 154,099 | $ 0.717 |
| NEEA Commercial Washington | | $ - | $ - | | | - | |
| Residential Washington | | $ 1.7 | $ 1.7 | | | 129,649 | $ 0.969 |
| NEEA Residential Washington | | $ - | $ - | | | - | |
| **Washington Programs** | | **$ 3.1** | **$ 3.1** | | | **283,748** | **$ 0.837** |
| Community Solar | | | $ 0.4 | | | | |
| PGE Storage | | | $ 0.5 | | | | |
| NWN Geo TLM Phase 3 | | | $ 0.3 | | | | |
| LMI | | | $ - | | | | |
| **Total Programs** | | | **$ 213.0** | | | | |

Energy Trust of Oregon
2022 Budget Income Statement by Funding Source

| | 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 | 10,501,736 | 996,017 | 1,072,587 | 6,562 | 1,978,373 | 176,191 | 14,731,467 | 11,025,762 | 4,016,244 | 15,042,007 | -8,382 | 6,192 | 133,796 | 13,402 | 424,542 | 401,375 | 10,279,976 | 41,024,719 |
| Revenue | 85,833,700 | 56,640,480 | 5,681,586 | 25,642,500 | 3,567,475 | 4,443,292 | 181,809,033 | 8,818,840 | 6,174,871 | 14,993,711 | 3,350,874 | | 500,000 | 501,954 | 214,732 | | 153,098 | 201,523,402 |
| *detail: Incentives* | 48,170,694 | 32,306,658 | 3,598,478 | 12,359,287 | 2,021,521 | 1,971,121 | 100,427,759 | 9,916,540 | 4,340,500 | 14,257,040 | 1,761,614 | | | 300,000 | 164,220 | | | 116,910,633 |
| *detail: Program Delivery* | 26,581,009 | 17,962,242 | 1,370,633 | 7,696,639 | 1,464,092 | 1,154,418 | 56,229,033 | 330,967 | 115,404 | 446,372 | 728,135 | | | 29,500 | 71,330 | | | 57,504,370 |
| Total Expenditures | 89,181,047 | 60,075,380 | 5,921,690 | 24,246,597 | 4,143,917 | 3,747,835 | 187,316,467 | 14,936,059 | 6,480,390 | 21,416,450 | 3,125,358 | | 380,155 | 465,396 | 283,958 | | | 212,987,783 |
| Net Income | (3,347,347) | (3,434,900) | (240,104) | 1,395,903 | (576,442) | 695,457 | (5,507,434) | (6,117,219) | (305,519) | (6,422,739) | 225,516 | | 119,845 | 36,558 | (69,226) | | 153,098 | (11,464,381) |
| Interest Distribution | 38,379 | (3,136) | 4,141 | 3,063 | 7,348 | 2,278 | 52,072 | 34,636 | 16,796 | 51,432 | 454 | 27 | 842 | 138 | 1,695 | 1,745 | (108,405) | - |
| Transfers | | 4,400,000 | | | | | | | | | | | | | | | (4,400,000) | |
| Ending Net Assets | 7,192,768 | 1,957,980 | 836,625 | 1,405,527 | 1,409,279 | 873,926 | 9,276,104 | 4,943,179 | 3,727,521 | 8,670,700 | 217,588 | 6,219 | 254,483 | 50,097 | 357,012 | 403,120 | 5,924,669 | 29,560,338 |
| less:Renewables Dedicated | | | | | | | | (2,124) | (504,944) | (507,068) | | | | | | | | |
| Renewables funds yet to be dedicated for future periods | | | | | | | | 4,941,055 | 3,222,577 | 8,163,632 | | | | | | | | |

Energy Trust of Oregon
Administrative Cost Organization Wide vs. Subject to OPUC Performance Measure - 2022
2022 Budget Statement of Administrative Cost Performance Measure

| | | 2022 2022-23 R1 | | 2021 2022-23 R1 | | 2021 Approved Budget | |
|---|---|---|---|---|---|---|---|
| | | OPUC Programs | Total Company | OPUC Programs | Total Company | OPUC Programs | Total Company |
| 1 | Incentives | 114,684,799 | 116,910,633 | 115,596,632 | 117,899,261 | 118,559,097 | 120,805,454 |
| 2 | Program Delivery Contractors | 56,675,405 | 57,504,370 | 55,529,811 | 56,280,873 | 55,315,811 | 56,097,373 |
| 3 | Employee Salaries & Fringe Benefits | 8,126,476 | 8,634,163 | 7,264,151 | 7,745,078 | 7,823,967 | 8,306,352 |
| 4 | Services | 13,854,276 | 14,041,865 | 10,352,052 | 10,479,794 | 11,725,428 | 11,892,107 |
| 5 | Total Program Direct Costs | 193,340,956 | 197,091,030 | 188,742,645 | 192,405,006 | 193,424,303 | 197,101,285 |
| 6 | Program Support (under GAAP, program / under OPUC, support) | 3,933,014 | 4,204,223 | 3,923,637 | 4,128,268 | 4,122,027 | 4,338,254 |
| 7 | Communications and General Outreach | 4,623,095 | 4,717,334 | 3,999,593 | 4,079,655 | 4,098,944 | 4,179,726 |
| 8 | Management & General | 6,835,852 | 6,975,195 | 5,607,294 | 5,719,538 | 5,863,029 | 5,978,577 |
| 9 | Total Administrative | 11,458,947 | 11,692,529 | 9,606,887 | 9,799,194 | 9,961,974 | 10,158,303 |
| 10 | Total Administrative and Program Support | 15,391,961 | 15,896,752 | 13,530,524 | 13,927,462 | 14,084,001 | 14,496,556 |
| 11 | Total Expenditures | 208,732,917 | 212,987,783 | 202,273,169 | 206,332,468 | 207,508,304 | 211,597,841 |
| 12 | Total Revenue | 196,802,744 | 201,523,402 | 189,916,819 | 194,144,227 | 184,343,709 | 188,486,067 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | For Organization wide "GAAP" reporting, comparison to other non-profits | | | | | | |
| | Programs (rows 5 + 6 ) | | 201,295,253 | | 196,533,274 | | 201,439,538 |
| | Administration ( row 9 ) | | 11,692,529 | | 9,799,194 | | 10,158,303 |
| | Administrative percent of total Expenditure | | 5.5% | | 4.7% | | 4.8% |
| | For Oregon Performance Measure, comparison to measure and other 1149-funded programs | | | | | | |
| | Programs ( row 5 ) | 193,340,956 | | 188,742,645 | | 193,424,303 | |
| | Administrative and Program Support ( rows 6+9 ) | 15,391,961 | | 13,530,524 | | 14,084,001 | |
| | Administrative and Program Support percent of Revenue | 7.82% | | 7.12% | | 7.64% | |
| | Administrative and Program Support Year over Year Increase | 9.29% | | | | | |

Energy Trust of Oregon
2022 Budget Summary by Funding Source

**All Funding Sources**

| Expenditures Detail | OPUC Efficiency | OPUC Renewables | Washington | Community Solar | PGE Storage | NWN Geo TLM Phase 3 | Community Solar, PGE Storage and TLM | Programs |
|---|---|---|---|---|---|---|---|---|
| Incentives | 100,427,759 | 14,257,040 | 1,761,614 | | 300,000 | 164,220 | 464,220 | 116,910,633 |
| Program Delivery Contractors | 56,229,033 | 446,372 | 728,135 | | 29,500 | 71,330 | 100,830 | 57,504,370 |
| Employee Salaries & Fringe Benefits | 14,399,559 | 2,770,778 | 387,626 | 278,032 | 61,236 | 38,718 | 377,987 | 17,935,949 |
| Agency Contractor Services | 2,225,522 | 425,871 | 24,218 | 12,485 | 3,423 | 1,944 | 17,852 | 2,693,463 |
| Planning and Evaluation Services | 3,569,036 | 99,467 | 29,905 | 63 | 77 | 47 | 186 | 3,698,594 |
| Advertising and Marketing Services | 3,094,669 | 544,762 | 20,250 | 2,463 | 18,015 | 1,840 | 22,318 | 3,682,000 |
| Other Professional Services | 5,230,430 | 2,123,219 | 69,609 | 47,422 | 43,272 | 1,384 | 92,077 | 7,515,335 |
| Travel, Meetings, Trainings & Conferences | 280,181 | 49,689 | 11,539 | 3,908 | 474 | 280 | 4,661 | 346,070 |
| Dues, Licenses and Fees | 159,899 | 28,175 | 48,909 | 156 | 161 | 98 | 415 | 237,397 |
| Software and Hardware | 393,844 | 417,168 | 10,298 | 8,503 | 3,568 | 973 | 13,043 | 834,353 |
| Depreciation & Amortization | 310,265 | 60,291 | 8,012 | 6,525 | 1,372 | 756 | 8,654 | 387,222 |
| Office Rent and Equipment | 877,792 | 174,763 | 22,680 | 18,873 | 3,894 | 2,143 | 24,910 | 1,100,146 |
| Materials Postage and Telephone | 108,649 | 17,494 | 2,375 | 1,650 | 373 | 208 | 2,232 | 130,750 |
| Miscellaneous Expenses | 9,828 | 1,361 | 190 | 74 | 30 | 17 | 122 | 11,500 |
| Expenditures | 187,316,467 | 21,416,450 | 3,125,358 | 380,155 | 465,396 | 283,958 | 1,129,508 | 212,987,783 |
| *Expenditure break down by function:* | | | | | | | | |
| Program Costs | 177,033,233 | 20,240,737 | 2,953,783 | 359,285 | 439,847 | 268,369 | 1,067,501 | 201,295,254 |
| Communications and Outreach | 4,148,756 | 474,340 | 69,222 | 8,420 | 10,308 | 6,289 | 25,017 | 4,717,334 |
| Management & General | 6,134,478 | 701,373 | 102,353 | 12,450 | 15,241 | 9,299 | 36,991 | 6,975,195 |
| Total Administrative | 10,283,234 | 1,175,713 | 171,575 | 20,870 | 25,549 | 15,589 | 62,007 | 11,692,529 |
| Expenditures | 187,316,467 | 21,416,450 | 3,125,358 | 380,155 | 465,396 | 283,958 | 1,129,509 | 212,987,783 |

| Energy Savings and Generation Detail | OPUC Efficiency | OPUC Renewables | Washington Programs | | | Total Company |
|---|---|---|---|---|---|---|
| Efficiency electric kWh savings | 439,119,168 | | | | | 439,119,168 |
| Efficiency gas therms savings | 6,523,432 | | 283,748 | | | 6,807,180 |
| Renewables electric kWh generation | | 35,028,400 | | | | 35,028,400 |

Energy Trust of Oregon
2022 Budget Detail by Funding Source and Program

**All 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** | **Washington** | **Community Solar, PGE Storage and TLM** | **Programs** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Incentives | 10,554,709 | 32,766,488 | | 26,195,576 | | 30,910,986 | | 100,427,759 | 10,855,500 | 3,401,540 | 14,257,040 | 1,761,614 | 464,220 | 116,910,633 |
| Program Delivery Contractors | 6,105,709 | 19,105,018 | 2,995,448 | 9,810,960 | 457,865 | 13,548,193 | 4,205,840 | 56,229,033 | 446,372 | | 446,372 | 728,135 | 100,830 | 57,504,370 |
| Employee Salaries & Fringe Benefits | 1,469,339 | 4,625,976 | 134,761 | 3,589,539 | 34,421 | 4,357,945 | 187,578 | 14,399,559 | 1,830,204 | 940,574 | 2,770,778 | 387,626 | 377,987 | 17,935,949 |
| Agency Contractor Services | 156,120 | 792,145 | 12,084 | 620,672 | 2,558 | 625,062 | 16,882 | 2,225,522 | 325,551 | 100,320 | 425,871 | 24,218 | 17,852 | 2,693,463 |
| Planning and Evaluation Services | 392,730 | 1,743,749 | 7,785 | 382,034 | 5,527 | 1,026,794 | 10,417 | 3,569,036 | 85,249 | 14,218 | 99,467 | 29,905 | 186 | 3,698,594 |
| Advertising and Marketing Services | 248,607 | 941,443 | 20,771 | 649,393 | 3,316 | 1,201,992 | 29,148 | 3,094,669 | 446,815 | 97,948 | 544,762 | 20,250 | 22,318 | 3,682,000 |
| Other Professional Services | 250,565 | 1,100,019 | 16,126 | 1,493,763 | 3,637 | 2,343,815 | 22,504 | 5,230,430 | 1,267,657 | 855,562 | 2,123,219 | 69,609 | 92,077 | 7,515,335 |
| Travel, Meetings, Trainings & Conferences | 31,134 | 91,871 | 2,690 | 62,967 | 567 | 87,196 | 3,758 | 280,181 | 35,336 | 14,353 | 49,689 | 11,539 | 4,661 | 346,070 |
| Dues, Licenses and Fees | 14,672 | 78,423 | 1,793 | 27,309 | 707 | 34,528 | 2,466 | 159,899 | 16,928 | 11,247 | 28,175 | 48,909 | 415 | 237,397 |
| Software and Hardware | 38,202 | 129,536 | 3,014 | 102,686 | 481 | 115,695 | 4,230 | 393,844 | 390,603 | 26,565 | 417,168 | 10,298 | 13,043 | 834,353 |
| Depreciation & Amortization | 30,088 | 101,871 | 2,530 | 80,424 | 457 | 91,352 | 3,544 | 310,265 | 39,726 | 20,566 | 60,291 | 8,012 | 8,654 | 387,222 |
| Office Rent and Equipment | 84,257 | 286,114 | 7,761 | 225,829 | 1,987 | 261,041 | 10,802 | 877,792 | 116,091 | 58,672 | 174,763 | 22,680 | 24,910 | 1,100,146 |
| Materials Postage and Telephone | 8,937 | 38,024 | 887 | 32,134 | 177 | 27,248 | 1,241 | 108,649 | 11,294 | 6,200 | 17,494 | 2,375 | 2,232 | 130,750 |
| Miscellaneous Expenses | 996 | 3,231 | 145 | 2,344 | 26 | 2,883 | 203 | 9,828 | 966 | 395 | 1,361 | 190 | 122 | 11,500 |
| Expenditures | 19,386,066 | 61,803,908 | 3,205,796 | 43,275,629 | 511,725 | 54,634,730 | 4,498,613 | 187,316,467 | 15,868,289 | 5,548,160 | 21,416,450 | 3,125,358 | 1,129,508 | 212,987,783 |
| *Expenditure break down by function:* | | | | | | | | | | | | | | |
| Program Costs | 18,321,817 | 58,411,018 | 3,029,806 | 40,899,899 | 483,633 | 51,635,412 | 4,251,649 | 177,033,233 | 14,997,157 | 5,243,579 | 20,240,737 | 2,953,783 | 799,132 | 201,295,254 |
| Communications and Outreach | 429,370 | 1,368,856 | 71,003 | 958,485 | 11,334 | 1,210,071 | 99,637 | 4,148,756 | 351,457 | 122,883 | 474,340 | 69,222 | 25,017 | 4,717,334 |
| Management & General | 634,880 | 2,024,033 | 104,988 | 1,417,245 | 16,759 | 1,789,248 | 147,326 | 6,134,478 | 519,675 | 181,698 | 701,373 | 102,353 | 36,991 | 6,975,195 |
| Total Administrative | 1,064,250 | 3,392,889 | 175,991 | 2,375,730 | 28,093 | 2,999,318 | 246,963 | 10,283,234 | 871,132 | 304,581 | 1,175,713 | 171,575 | 62,007 | 11,692,529 |
| Expenditures | 19,386,066 | 61,803,908 | 3,205,796 | 43,275,629 | 511,725 | 54,634,730 | 4,498,613 | 187,316,467 | 15,868,289 | 5,548,160 | 21,416,450 | 3,125,358 | 861,140 | 212,987,783 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | NEEA - Industrial | Residential | NEEA Residential | **OPUC Efficiency** | Solar | Other Renewables | **OPUC Renewables** | **Washington Programs** | | **Total Company** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Efficiency electric kWh savings | 41,814,792 | 134,104,625 | 14,828,751 | 149,862,311 | 6,404,226 | 65,290,920 | 26,813,543 | 439,119,168 | | | | | | 439,119,168 |
| Efficiency gas therms savings | 416,778 | 2,083,344 | 609 | 1,475,627 | - | 2,544,244 | 2,830 | 6,523,432 | | | | 283,748 | | 6,807,180 |
| Renewables electric kWh generation | | | | | | | | | 34,943,400 | 85,000 | 35,028,400 | | | 35,028,400 |

Energy Trust of Oregon

2022 Budget Detail by Funding Source and Program

**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 | 16,487,309 | | 14,386,244 | | 11,026,357 | | 48,170,694 | 7,729,000 | 2,187,540 | 9,916,540 |
| Program Delivery Contractors | 3,638,699 | 9,746,189 | 1,559,996 | 4,882,240 | 260,983 | 4,669,575 | 1,823,327 | 26,581,009 | 330,967 | | 330,967 |
| Employee Salaries & Fringe Benefits | 874,177 | 2,340,444 | 70,182 | 1,921,240 | 19,620 | 1,536,256 | 81,319 | 6,843,239 | 1,311,404 | 604,521 | 1,915,925 |
| Agency Contractor Services | 92,886 | 400,705 | 6,293 | 332,179 | 1,458 | 220,255 | 7,319 | 1,061,095 | 233,269 | 65,341 | 298,610 |
| Planning and Evaluation Services | 229,909 | 906,517 | 4,054 | 203,373 | 3,150 | 365,835 | 4,516 | 1,717,355 | 69,587 | 9,138 | 78,726 |
| Advertising and Marketing Services | 147,902 | 476,291 | 10,817 | 347,578 | 1,890 | 429,107 | 12,636 | 1,426,221 | 327,245 | 60,597 | 387,842 |
| Other Professional Services | 149,091 | 556,435 | 8,398 | 809,609 | 2,073 | 825,419 | 9,756 | 2,360,782 | 930,942 | 550,022 | 1,480,964 |
| Travel, Meetings, Trainings & Conferences | 18,523 | 46,482 | 1,401 | 33,703 | 323 | 30,742 | 1,629 | 132,803 | 25,320 | 9,297 | 34,617 |
| Dues, Licenses and Fees | 8,729 | 39,670 | 934 | 14,618 | 403 | 12,175 | 1,069 | 77,598 | 12,129 | 7,230 | 19,359 |
| Software and Hardware | 22,728 | 65,536 | 1,570 | 54,960 | 274 | 40,785 | 1,834 | 187,687 | 279,880 | 17,074 | 296,954 |
| Depreciation & Amortization | 17,900 | 51,540 | 1,318 | 43,045 | 261 | 32,205 | 1,536 | 147,804 | 28,465 | 13,218 | 41,682 |
| Office Rent and Equipment | 50,128 | 144,751 | 4,042 | 120,869 | 1,133 | 92,017 | 4,683 | 417,624 | 83,183 | 37,710 | 120,893 |
| Materials Postage and Telephone | 5,317 | 19,237 | 462 | 17,198 | 101 | 9,608 | 538 | 52,461 | 8,092 | 3,941 | 12,034 |
| Miscellaneous Expenses | 592 | 1,635 | 76 | 1,255 | 15 | 1,017 | 88 | 4,678 | 692 | 254 | 946 |
| Expenditures | 11,527,366 | 31,282,741 | 1,669,542 | 23,168,112 | 291,684 | 19,291,352 | 1,950,250 | 89,181,047 | 11,370,176 | 3,565,884 | 14,936,059 |
| *Expenditure break down by function:* | | | | | | | | | | | |
| Program Costs | 10,894,540 | 29,565,392 | 1,577,889 | 21,896,237 | 275,671 | 18,232,302 | 1,843,186 | 84,285,217 | 10,745,980 | 3,370,125 | 14,116,105 |
| Communications and Outreach | 255,312 | 692,862 | 36,978 | 513,136 | 6,460 | 427,272 | 43,195 | 1,975,216 | 251,831 | 78,979 | 330,809 |
| Management & General | 377,513 | 1,024,487 | 54,676 | 758,739 | 9,552 | 631,778 | 63,869 | 2,920,615 | 372,365 | 116,780 | 489,145 |
| Total Administrative | 632,825 | 1,717,349 | 91,654 | 1,271,875 | 16,013 | 1,059,050 | 107,064 | 4,895,830 | 624,196 | 195,759 | 819,955 |
| Expenditures | 11,527,366 | 31,282,741 | 1,669,542 | 23,168,112 | 291,684 | 19,291,352 | 1,950,250 | 89,181,047 | 11,370,176 | 3,565,884 | 14,936,059 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | NEEA - Industrial | Residential | NEEA Residential | **OPUC Efficiency** | Solar | Other Renewables | **OPUC Renewables** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Efficiency electric kWh savings | 25,837,472 | 80,810,913 | 8,452,735 | 93,524,840 | 3,650,410 | 24,563,314 | 15,283,719 | 252,123,402 | | | |
| Renewables electric kWh generation | | | | | | | | | 22,167,000 | - | 22,167,000 |

Energy Trust of Oregon

2022 Budget Detail by Funding Source and Program

**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 | 3,304,441 | 9,874,260 | | 9,475,251 | | 9,652,706 | | 32,306,658 | 3,126,500 | 1,214,000 | 4,340,500 |
| Program Delivery Contractors | 1,917,038 | 5,233,477 | 1,176,839 | 3,727,669 | 196,882 | 4,334,845 | 1,375,492 | 17,962,242 | 115,404 | | 115,404 |
| Employee Salaries & Fringe Benefits | 459,692 | 1,347,850 | 52,944 | 1,316,449 | 14,801 | 1,367,509 | 61,346 | 4,620,591 | 518,800 | 336,053 | 854,853 |
| Agency Contractor Services | 48,845 | 230,764 | 4,747 | 227,611 | 1,100 | 196,061 | 5,521 | 714,650 | 92,283 | 34,979 | 127,261 |
| Planning and Evaluation Services | 110,382 | 522,058 | 3,059 | 139,353 | 2,377 | 316,749 | 3,407 | 1,097,385 | 15,661 | 5,080 | 20,741 |
| Advertising and Marketing Services | 77,775 | 274,293 | 8,160 | 238,163 | 1,426 | 375,169 | 9,533 | 984,520 | 119,570 | 37,351 | 156,921 |
| Other Professional Services | 78,400 | 320,448 | 6,336 | 554,750 | 1,564 | 734,753 | 7,360 | 1,703,611 | 336,715 | 305,540 | 642,254 |
| Travel, Meetings, Trainings & Conferences | 9,740 | 26,769 | 1,057 | 23,094 | 244 | 27,365 | 1,229 | 89,497 | 10,017 | 5,055 | 15,072 |
| Dues, Licenses and Fees | 4,590 | 22,846 | 704 | 10,016 | 304 | 10,838 | 807 | 50,105 | 4,798 | 4,017 | 8,816 |
| Software and Hardware | 11,952 | 37,742 | 1,184 | 37,659 | 207 | 36,305 | 1,383 | 126,432 | 110,722 | 9,491 | 120,214 |
| Depreciation & Amortization | 9,413 | 29,681 | 994 | 29,495 | 197 | 28,667 | 1,159 | 99,606 | 11,261 | 7,348 | 18,609 |
| Office Rent and Equipment | 26,360 | 83,361 | 3,049 | 82,821 | 855 | 81,910 | 3,533 | 281,889 | 32,908 | 20,963 | 53,871 |
| Materials Postage and Telephone | 2,796 | 11,078 | 349 | 11,785 | 76 | 8,552 | 406 | 35,042 | 3,201 | 2,259 | 5,461 |
| Miscellaneous Expenses | 312 | 942 | 57 | 860 | 11 | 906 | 67 | 3,153 | 274 | 141 | 415 |
| Expenditures | 6,061,736 | 18,015,571 | 1,259,479 | 15,874,976 | 220,042 | 17,172,335 | 1,471,241 | 60,075,380 | 4,498,114 | 1,982,277 | 6,480,390 |
| *Expenditure break down by function:* | | | | | | | | | | | |
| Program Costs | 5,728,960 | 17,026,558 | 1,190,337 | 15,003,477 | 207,962 | 16,229,614 | 1,390,474 | 56,777,383 | 4,251,178 | 1,873,454 | 6,124,632 |
| Communications and Outreach | 134,258 | 399,016 | 27,895 | 351,605 | 4,874 | 380,339 | 32,586 | 1,330,572 | 99,626 | 43,904 | 143,530 |
| Management & General | 198,517 | 589,997 | 41,247 | 519,894 | 7,206 | 562,382 | 48,182 | 1,967,425 | 147,310 | 64,918 | 212,228 |
| Total Administrative | 332,775 | 989,013 | 69,142 | 871,499 | 12,080 | 942,721 | 80,768 | 3,297,997 | 246,936 | 108,822 | 355,758 |
| Expenditures | 6,061,736 | 18,015,571 | 1,259,479 | 15,874,976 | 220,042 | 17,172,335 | 1,471,241 | 60,075,380 | 4,498,114 | 1,982,277 | 6,480,390 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | NEEA - Industrial | Residential | NEEA Residential | **OPUC Efficiency** | Solar | Other Renewables | **OPUC Renewables** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Efficiency electric kWh savings | 15,977,321 | 53,293,712 | 6,376,016 | 56,337,471 | 2,753,817 | 40,727,607 | 11,529,823 | 186,995,767 | | | |
| Renewables electric kWh generation | | | | | | | | | 12,776,400 | 85,000 | 12,861,400 |

Energy Trust of Oregon

2022 Budget Detail by Funding Source and Program

**NW Natural - Industrial**

| Expenditures Detail | New Buildings | Existing Buildings with MF | Industry and Agriculture | **OPUC Efficiency** |
|---|---|---|---|---|
| Incentives | 64,658 | 2,126,750 | 1,407,070 | 3,598,478 |
| Program Delivery Contractors | 25,200 | 497,600 | 847,833 | 1,370,633 |
| Employee Salaries & Fringe Benefits | 7,952 | 233,676 | 224,429 | 466,056 |
| Agency Contractor Services | 845 | 40,041 | 38,834 | 79,719 |
| Planning and Evaluation Services | 2,996 | 78,393 | 25,073 | 106,462 |
| Advertising and Marketing Services | 1,346 | 47,563 | 40,601 | 89,510 |
| Other Professional Services | 1,354 | 55,607 | 82,541 | 139,502 |
| Travel, Meetings, Trainings & Conferences | 169 | 4,640 | 3,935 | 8,744 |
| Dues, Licenses and Fees | 79 | 3,964 | 1,707 | 5,750 |
| Software and Hardware | 207 | 6,544 | 6,421 | 13,172 |
| Depreciation & Amortization | 163 | 5,146 | 5,029 | 10,338 |
| Office Rent and Equipment | 456 | 14,454 | 14,121 | 29,032 |
| Materials Postage and Telephone | 48 | 1,921 | 2,010 | 3,979 |
| Miscellaneous Expenses | 5 | 163 | 146 | 315 |
| Expenditures | 105,478 | 3,116,463 | 2,699,749 | 5,921,690 |
| *Expenditure break down by function:* | | | | |
| Program Costs | 99,688 | 2,945,376 | 2,551,539 | 5,596,603 |
| Communications and Outreach | 2,336 | 69,025 | 59,795 | 131,156 |
| Management & General | 3,454 | 102,062 | 88,415 | 193,931 |
| Total Administrative | 5,790 | 171,086 | 148,210 | 325,087 |
| Expenditures | 105,478 | 3,116,463 | 2,699,749 | 5,921,690 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | Industry and Agriculture | **OPUC Efficiency** |
|---|---|---|---|---|
| Efficiency gas therms savings | 9,470 | 519,310 | 916,404 | 1,445,183 |

Energy Trust of Oregon

2022 Budget Detail by Funding Source and Program

**NW Natural**

| Expenditures Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Incentives | 772,639 | 2,827,937 | | 459,669 | 8,299,043 | | 12,359,287 |
| Program Delivery Contractors | 443,209 | 2,398,001 | 188,317 | 220,642 | 3,713,178 | 733,292 | 7,696,639 |
| Employee Salaries & Fringe Benefits | 107,718 | 465,378 | 8,472 | 67,711 | 1,185,264 | 32,704 | 1,867,248 |
| Agency Contractor Services | 11,441 | 79,744 | 760 | 11,716 | 170,144 | 2,943 | 276,748 |
| Planning and Evaluation Services | 41,984 | 156,725 | 489 | 7,564 | 309,774 | 1,816 | 518,353 |
| Advertising and Marketing Services | 18,233 | 94,724 | 1,306 | 12,249 | 326,017 | 5,082 | 457,611 |
| Other Professional Services | 18,347 | 110,744 | 1,014 | 24,903 | 638,727 | 3,924 | 797,658 |
| Travel, Meetings, Trainings & Conferences | 2,283 | 9,241 | 169 | 1,187 | 23,710 | 655 | 37,245 |
| Dues, Licenses and Fees | 1,075 | 7,895 | 113 | 515 | 9,386 | 430 | 19,414 |
| Software and Hardware | 2,801 | 13,032 | 189 | 1,937 | 31,466 | 737 | 50,164 |
| Depreciation & Amortization | 2,206 | 10,249 | 159 | 1,517 | 24,844 | 618 | 39,593 |
| Office Rent and Equipment | 6,177 | 28,786 | 488 | 4,260 | 71,005 | 1,883 | 112,600 |
| Materials Postage and Telephone | 656 | 3,826 | 56 | 606 | 7,408 | 216 | 12,768 |
| Miscellaneous Expenses | 73 | 325 | 9 | 44 | 782 | 35 | 1,269 |
| Expenditures | 1,428,843 | 6,206,607 | 201,541 | 814,522 | 14,810,747 | 784,337 | 24,246,597 |
| *Expenditure break down by function:* | | | | | | | |
| Program Costs | 1,350,402 | 5,865,879 | 190,477 | 769,807 | 13,997,672 | 741,279 | 22,915,516 |
| Communications and Outreach | 31,647 | 137,466 | 4,464 | 18,040 | 328,034 | 17,372 | 537,023 |
| Management & General | 46,794 | 203,262 | 6,600 | 26,675 | 485,041 | 25,686 | 794,058 |
| Total Administrative | 78,440 | 340,728 | 11,064 | 44,715 | 813,075 | 43,058 | 1,331,081 |
| Expenditures | 1,428,843 | 6,206,607 | 201,541 | 814,522 | 14,810,747 | 784,337 | 24,246,597 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Efficiency gas therms savings | 346,195 | 1,095,911 | 443 | 338,860 | 2,087,934 | 2,061 | 3,871,404 |

Energy Trust of Oregon

2022 Budget Detail by Funding Source and Program

**Cascade Natural Gas**

| Expenditures Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Incentives | 99,731 | 886,581 | | 263,572 | 771,636 | | 2,021,521 |
| Program Delivery Contractors | 57,209 | 751,793 | 47,968 | 106,794 | 313,545 | 186,784 | 1,464,092 |
| Employee Salaries & Fringe Benefits | 13,888 | 145,883 | 2,158 | 36,862 | 105,600 | 8,330 | 312,721 |
| Agency Contractor Services | 1,475 | 24,998 | 194 | 6,378 | 15,159 | 750 | 48,953 |
| Planning and Evaluation Services | 5,232 | 48,941 | 125 | 4,118 | 13,522 | 463 | 72,401 |
| Advertising and Marketing Services | 2,351 | 29,693 | 333 | 6,669 | 28,155 | 1,294 | 68,495 |
| Other Professional Services | 2,365 | 34,715 | 258 | 13,557 | 56,907 | 999 | 108,802 |
| Travel, Meetings, Trainings & Conferences | 294 | 2,897 | 43 | 646 | 2,112 | 167 | 6,160 |
| Dues, Licenses and Fees | 139 | 2,475 | 29 | 280 | 836 | 110 | 3,868 |
| Software and Hardware | 361 | 4,085 | 48 | 1,055 | 2,803 | 188 | 8,541 |
| Depreciation & Amortization | 284 | 3,213 | 41 | 826 | 2,213 | 157 | 6,734 |
| Office Rent and Equipment | 796 | 9,024 | 124 | 2,319 | 6,326 | 480 | 19,070 |
| Materials Postage and Telephone | 85 | 1,199 | 14 | 330 | 660 | 55 | 2,343 |
| Miscellaneous Expenses | 9 | 102 | 2 | 24 | 70 | 9 | 216 |
| Expenditures | 184,221 | 1,945,598 | 51,337 | 443,432 | 1,319,545 | 199,786 | 4,143,917 |
| *Expenditure break down by function:* | | | | | | | |
| Program Costs | 174,107 | 1,838,789 | 48,518 | 419,088 | 1,247,105 | 188,818 | 3,916,426 |
| Communications and Outreach | 4,080 | 43,092 | 1,137 | 9,821 | 29,226 | 4,425 | 91,781 |
| Management & General | 6,033 | 63,717 | 1,681 | 14,522 | 43,214 | 6,543 | 135,710 |
| Total Administrative | 10,113 | 106,809 | 2,818 | 24,343 | 72,440 | 10,968 | 227,491 |
| Expenditures | 184,221 | 1,945,598 | 51,337 | 443,432 | 1,319,545 | 199,786 | 4,143,917 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Efficiency gas therms savings | 40,723 | 274,457 | 113 | 121,499 | 191,498 | 525 | 628,814 |

Energy Trust of Oregon

2022 Budget Detail by Funding Source and Program

**Avista Gas**

| Expenditures Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Incentives | 42,456 | 563,651 | | 203,770 | 1,161,244 | | 1,971,121 |
| Program Delivery Contractors | 24,354 | 477,958 | 22,329 | 25,782 | 517,050 | 86,946 | 1,154,418 |
| Employee Salaries & Fringe Benefits | 5,912 | 92,746 | 1,005 | 22,847 | 163,316 | 3,878 | 289,704 |
| Agency Contractor Services | 628 | 15,892 | 90 | 3,953 | 23,444 | 349 | 44,357 |
| Planning and Evaluation Services | 2,227 | 31,114 | 58 | 2,552 | 20,913 | 215 | 57,081 |
| Advertising and Marketing Services | 1,001 | 18,878 | 155 | 4,133 | 43,544 | 603 | 68,313 |
| Other Professional Services | 1,007 | 22,070 | 120 | 8,403 | 88,009 | 465 | 120,075 |
| Travel, Meetings, Trainings & Conferences | 125 | 1,842 | 20 | 401 | 3,267 | 78 | 5,732 |
| Dues, Licenses and Fees | 59 | 1,573 | 13 | 174 | 1,293 | 51 | 3,164 |
| Software and Hardware | 154 | 2,597 | 22 | 654 | 4,336 | 87 | 7,850 |
| Depreciation & Amortization | 121 | 2,042 | 19 | 512 | 3,423 | 73 | 6,191 |
| Office Rent and Equipment | 339 | 5,737 | 58 | 1,438 | 9,784 | 223 | 17,578 |
| Materials Postage and Telephone | 36 | 762 | 7 | 205 | 1,021 | 26 | 2,056 |
| Miscellaneous Expenses | 4 | 65 | 1 | 15 | 108 | 4 | 197 |
| Expenditures | 78,424 | 1,236,929 | 23,897 | 274,838 | 2,040,750 | 92,998 | 3,747,835 |
| *Expenditure break down by function:* | | | | | | | |
| Program Costs | 74,118 | 1,169,025 | 22,585 | 259,750 | 1,928,718 | 87,893 | 3,542,088 |
| Communications and Outreach | 1,737 | 27,396 | 529 | 6,087 | 45,199 | 2,060 | 83,008 |
| Management & General | 2,568 | 40,509 | 783 | 9,001 | 66,833 | 3,046 | 122,739 |
| Total Administrative | 4,305 | 67,905 | 1,312 | 15,088 | 112,032 | 5,105 | 205,747 |
| Expenditures | 78,424 | 1,236,929 | 23,897 | 274,838 | 2,040,750 | 92,998 | 3,747,835 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency Division** |
|---|---|---|---|---|---|---|---|
| Efficiency gas therms savings | 20,391 | 193,666 | 53 | 98,864 | 264,812 | 244 | 578,031 |

Energy Trust of Oregon

2022 Budget Detail by Funding Source and Program

**NW Natural Washington**

| Expenditures Detail | **Washington** |
|---|---|
| Incentives | 1,761,614 |
| Program Delivery Contractors | 728,135 |
| Employee Salaries & Fringe Benefits | 387,626 |
| Agency Contractor Services | 24,218 |
| Planning and Evaluation Services | 29,905 |
| Advertising and Marketing Services | 20,250 |
| Other Professional Services | 69,609 |
| Travel, Meetings, Trainings & Conferences | 11,539 |
| Dues, Licenses and Fees | 48,909 |
| Software and Hardware | 10,298 |
| Depreciation & Amortization | 8,012 |
| Office Rent and Equipment | 22,680 |
| Materials Postage and Telephone | 2,375 |
| Miscellaneous Expenses | 190 |
| Expenditures | 3,125,358 |
| *Expenditure break down by function:* | |
| Program Costs | 2,953,783 |
| Communications and Outreach | 69,222 |
| Management & General | 102,353 |
| Total Administrative | 171,575 |
| Expenditures | 3,125,358 |

| Energy Savings and Generation Detail | **Washington** |
|---|---|
| Efficiency gas therms savings | 283,748 |

# Capital Expenditure Budget

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

## 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 50.1 aMW of electric savings, with 64.6 MW of reduced demand during periods of summer peak and 76.3 MW of reduced demand during periods of winter peak, 6.8 million therms of natural gas savings and 4.0 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

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 Policy 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

- 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.
- Provide support to the board of directors that enables it to evaluate and recommend 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $5.7 | $6.6 | $6.8 |

**Expenditure detail is provided under budget details tab in the budget binder.*

## 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

- 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 Draft 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 |

**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

- 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 Draft 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 | $0.8 | $0.9 |

**Expenditure detail is provided under budget details tab in the budget binder.*

## 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

- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $64.7 | $61.8 | $68.1 |
| Gas Savings (therms) | 2,072,244 | 2,083,344 | 2,469,115 |
| Electric Savings (aMW) | 16.68 | 15.31 | 16.78 |

**Expenditure detail is provided under budget details tab in the budget binder.*

# 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

- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $17.3 | $19.4 | $19.8 |
| Gas Savings (therms) | 363,531 | 416,778 | 396,875 |
| Electric Savings (aMW) | 4.43 | 4.77 | 4.90 |

**Expenditure detail is provided under budget details tab in the budget binder.*

# 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

- 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 Draft 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.*

## 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

- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $1.5 | $1.4 | $1.3 |
| Gas Savings (therms) | 238,107 | 154,099 | 165,798 |

**Expenditure detail is provided under budget details tab in the budget binder.*

# 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

- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $43.9 | $43.3 | $46.6 |
| Gas Savings (therms) | 1,362,290 | 1,475,627 | 1,544,299 |
| Electric Savings (aMW) | 16.82 | 17.11 | 17.73 |

**Expenditure detail is provided under budget details tab in the budget binder.*

# 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.
- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $49.5 | $54.6 | $56.8 |
| Gas Savings (therms) | 2,317,348 | 2,544,244 | 2,505,415 |
| Electric Savings (aMW) | 5.54 | 7.45 | 8.01 |

**Expenditure detail is provided under budget details tab in the budget binder.*

## 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

- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $1.8 | $1.7 | $1.7 |
| Gas Savings (therms) | 148,573 | 129,649 | 124,105 |

**Expenditure detail is provided under budget details tab in the budget binder.*

# 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

- 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 build critical consumer insights. Continue participation in NEEA's ongoing regional smart thermostat study that could produce data that would enable Energy Trust to analyze whether additional smart thermostat products would be eligible for incentives in 2022 and yield additional savings.
- 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 at 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $9.0 | $8.2 | $8.2 |
| Gas Savings (therms) | 2,749 | 3,439 | 3,439 |
| Electric Savings (aMW) | 4.0 | 5.5 | 5.5 |

**Expenditure detail is provided under budget details tab in the budget binder.*

# 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

- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $13.9 | $15.9 | $15.8 |
| Generation (aMW) | 2.9 | 4.0 | 3.2 |

**Expenditure detail is provided under budget details tab in the budget binder.*

## 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

- 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 investige of 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $9.2 | $5.5 | $4.2 |
| Generation (aMW) | 0.6 | 0.01 | 0.3 |

**Expenditure detail is provided under budget details tab in the budget binder.*

## 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

- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $0.3 | $0.4 | $0.4 |

**Expenditure detail is provided under budget details tab in the budget binder.*

## 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

- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $5.3 | $5.7 | $5.8 |

**Expenditure detail is provided under budget details tab in the budget binder.*

## 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

- 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, which is 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $3.1 | $3.1 | $3.7 |

**Expenditure detail is provided under budget details tab in the budget binder.*

## 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

- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $1.0 | $1.2 | $1.2 |

**Expenditure detail is provided under budget details tab in the budget binder.*

# 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

- 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 Draft Budget | 2023 Projection |
|---|---|---|---|
| Total Expenditures (millions)* | $2.8 | $2.9 | $3.1 |

**Expenditure detail is provided under budget details tab in the budget binder.*

2021 Forecast Recap Spending and Savings

| Program | Budget ($M) | | | Electric | | Gas | |
|---|---|---|---|---|---|---|---|
| | Electric | Gas | Total | Electric Savings Goal (aMW) | Levelized Cost per kWh | Annual Therms | Levelized Cost per Therm |
| Existing Buildings with MF | $ 51.6 | $ 12.1 | $ 63.7 | 18.9 | $ 0.030 | 2,789,989 | $ 0.382 |
| New Buildings | $ 15.2 | $ 1.5 | $ 16.7 | 4.1 | $ 0.039 | 361,466 | $ 0.388 |
| NEEA Commercial | $ 3.3 | $ 0.3 | $ 3.6 | 1.1 | $ 0.059 | 608 | $ 36.503 |
| Commercial Sector | $ 70.0 | $ 14.0 | $ 84.0 | 24.0 | $ 0.032 | 3,152,062 | $ 0.391 |
| Industry and Agriculture | $ 35.6 | $ 3.7 | $ 39.4 | 14.8 | $ 0.029 | 1,546,347 | $ 0.232 |
| NEEA - Industrial | $ 0.0 | $ - | $ 0.0 | 0.7 | $ 0.001 | - | |
| Industry and Agriculture Sector | $ 35.7 | $ 3.7 | $ 39.4 | 15.4 | $ 0.028 | 1,546,347 | $ 0.232 |
| Residential | $ 33.9 | $ 17.6 | $ 51.5 | 6.1 | $ 0.057 | 2,627,381 | $ 0.443 |
| NEEA Residential | $ 4.1 | $ 1.3 | $ 5.4 | 2.7 | $ 0.018 | 2,829 | $ 28.078 |
| Residential Sector | $ 38.0 | $ 18.9 | $ 56.9 | 8.8 | $ 0.046 | 2,630,210 | $ 0.474 |
| **Oregon Efficiency Programs** | **$ 143.7** | **$ 36.6** | **$ 180.3** | **48.3** | **$ 0.034** | **7,328,619** | **$ 0.392** |
| Solar | $ 16.3 | | $ 16.3 | 5.6 | $ 0.026 | | |
| Other Renewables | $ 5.7 | | $ 5.7 | 0.6 | $ 0.084 | | |
| **Renewables Programs** | **$ 22.0** | | **$ 22.0** | **6.2** | **$ 0.031** | | |
| Commercial Washington | | $ 1.6 | $ 1.6 | | | 351,382 | $ 0.381 |
| NEEA Commercial Washington | | $ - | $ - | | | - | |
| Residential Washington | | $ 2.1 | $ 2.1 | | | 181,346 | $ 1.099 |
| NEEA Residential Washington | | $ - | $ - | | | - | |
| **Washington Programs** | | **$ 3.6** | **$ 3.6** | | | **532,728** | **$ 0.607** |
| Community Solar | | | $ 0.3 | | | | |
| PGE Storage | | | $ 0.1 | | | | |
| NWN Geo TLM Phase 3 | | | $ 0.0 | | | | |
| LMI | | | $ 0.0 | | | | |
| **Total Programs** | | | **$ 206.3** | | | | |

Energy Trust of Oregon
2021 Forecast Income Statement by Funding Source

| | 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 | 53,759,681 |
| Revenue | 85,628,643 | 56,259,845 | 5,382,595 | 21,326,800 | 3,311,914 | 2,443,292 | 174,353,089 | 9,339,612 | 6,224,118 | 15,563,731 | 3,000,874 | 8,831 | 499,770 | 135,371 | 429,464 | | 153,098 | 194,144,227 |
| *detail: Incentives* | 46,710,969 | 33,414,699 | 3,507,860 | 12,902,404 | 1,784,646 | 1,329,203 | 99,649,782 | 9,915,003 | 6,031,846 | 15,946,849 | 2,242,630 | | | 60,000 | | | | 117,899,261 |
| *detail: Program Delivery* | 25,583,815 | 17,629,520 | 1,185,616 | 8,319,711 | 1,280,916 | 899,162 | 54,898,741 | 362,904 | 268,166 | 631,070 | 751,062 | | | - | - | | | 56,280,873 |
| Total Expenditures | 84,189,391 | 59,466,334 | 5,436,850 | 25,014,600 | 3,547,250 | 2,603,503 | 180,257,927 | 13,603,746 | 8,411,496 | 22,015,242 | 3,620,930 | 2,649 | 289,802 | 130,024 | 5,608 | 10,287 | | 206,332,468 |
| Net Income | 1,439,252 | (3,206,489) | (54,255) | (3,687,800) | (235,336) | (160,211) | (5,904,838) | (4,264,134) | (2,187,378) | (6,451,512) | (620,056) | 6,182 | 209,969 | 5,347 | 423,856 | (10,287) | 153,098 | (12,188,241) |
| Interest Distribution | 31,550 | 8,383 | 3,547 | 5,968 | 6,760 | 827 | 57,035 | 43,277 | 16,523 | 59,799 | 973 | 10 | 1,383 | 35 | 686 | 21 | (119,941) | - |
| Transfers | | | | | | | | | | | | | (400,000) | | | 400,000 | | |
| Ending Net Assets | 10,501,736 | 996,017 | 1,072,587 | 6,562 | 1,978,373 | 176,191 | 14,731,467 | 11,025,762 | 4,016,244 | 15,042,007 | (8,382) | 6,192 | 133,796 | 13,402 | 424,542 | 401,375 | 10,279,976 | 41,024,719 |
| less:Renewables Dedicated | | | | | | | | (1,803,403) | (746,791) | (2,550,194) | | | | | | | | |
| Renewables funds yet to be dedicated for future periods | | | | | | | | 9,222,359 | 3,269,453 | 12,491,813 | | | | | | | | |

Energy Trust of Oregon
2021 Forecast Summary by Funding Source and Program

**All Funding Sources**

| Expenditures Detail | OPUC Efficiency | OPUC Renewables | Washington | Community Solar | PGE Storage | NWN Geo TLM Phase 3 | LMI | Community Solar, PGE Storage and Grants | Programs | Alt fund development |
|---|---|---|---|---|---|---|---|---|---|---|
| Incentives | 99,649,782 | 15,946,849 | 2,242,630 | | 60,000 | | | 60,000 | 117,899,261 | |
| Program Delivery Contractors | 54,898,741 | 631,070 | 751,062 | | - | - | | - | 56,280,873 | |
| Employee Salaries & Fringe Benefits | 12,845,838 | 2,437,642 | 394,026 | 220,465 | 38,121 | 5,517 | 2,606 | 266,710 | 15,944,216 | 10,287 |
| Agency Contractor Services | 1,862,434 | 164,189 | 16,907 | 1,903 | 553 | 15 | 7 | 2,478 | 2,046,007 | |
| Planning and Evaluation Services | 3,141,087 | 108,419 | 14,368 | 37 | 17 | 1 | 0 | 55 | 3,263,929 | |
| Advertising and Marketing Services | 2,449,652 | 367,037 | 19,279 | 2,943 | 692 | 30 | 14 | 3,679 | 2,839,647 | |
| Other Professional Services | 3,288,463 | 1,670,305 | 75,808 | 30,906 | 22,701 | 20 | 10 | 53,637 | 5,088,214 | |
| Travel, Meetings, Trainings & Conferences | 151,107 | 23,603 | 8,289 | 1,726 | 74 | 2 | 1 | 1,804 | 184,804 | |
| Dues, Licenses and Fees | 244,914 | 27,306 | 50,643 | 117 | 46 | 2 | 1 | 165 | 323,029 | |
| Software and Hardware | 497,778 | 408,603 | 13,050 | 7,116 | 3,150 | 5 | 2 | 10,273 | 929,703 | |
| Depreciation & Amortization | 275,251 | 43,077 | 7,411 | 4,660 | 883 | 3 | 1 | 5,548 | 331,287 | |
| Office Rent and Equipment | 860,067 | 172,192 | 24,959 | 18,628 | 3,532 | 12 | 6 | 22,177 | 1,079,396 | |
| Materials Postage and Telephone | 83,378 | 13,606 | 2,288 | 1,236 | 239 | 1 | 1 | 1,477 | 100,750 | |
| Miscellaneous Expenses | 9,434 | 1,343 | 211 | 63 | 15 | 0 | 0 | 79 | 11,066 | |
| Expenditures | 180,257,927 | 22,015,242 | 3,620,930 | 289,802 | 130,024 | 5,608 | 2,649 | 428,082 | 206,322,182 | 10,287 |
| *Expenditure break down by function:* | | | | | | | | | | |
| Program Costs | 171,696,645 | 20,969,637 | 3,448,955 | 276,038 | 123,849 | 5,341 | 2,523 | 407,751 | 196,522,988 | |
| Communications and Outreach | 3,564,281 | 435,312 | 71,597 | 5,730 | 2,571 | 111 | 52 | 8,465 | 4,079,655 | |
| Management & General | 4,997,001 | 610,293 | 100,377 | 8,034 | 3,604 | 155 | 73 | 11,867 | 5,719,538 | 10,287 |
| Total Administrative | 8,561,282 | 1,045,606 | 171,975 | 13,764 | 6,175 | 266 | 126 | 20,332 | 9,799,194 | |
| Expenditures | 180,257,927 | 22,015,242 | 3,620,930 | 289,802 | 130,024 | 5,608 | 2,649 | 428,082 | 206,322,182 | 10,287 |

| Energy Savings and Generation Detail | OPUC Efficiency | OPUC Renewables | Washington Programs | | | Total Company | |
|---|---|---|---|---|---|---|---|
| Efficiency electric kWh savings | 422,889,688 | | | | | 422,889,688 | |
| Efficiency gas therms savings | 7,328,619 | | 532,728 | | | 7,861,347 | |
| Renewables electric kWh generation | | 54,141,302 | | | | 54,141,302 | |

Energy Trust of Oregon
2021 Forecast Detail by Funding Source and Program

**All 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** | **Washington** | **Community Solar, PGE Storage and Grants** | **Programs** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Incentives | 8,358,483 | 37,313,270 | | 24,607,551 | | 29,370,479 | | 99,649,782 | 12,018,914 | 3,927,935 | 15,946,849 | 2,242,630 | 60,000 | 117,899,261 |
| Program Delivery Contractors | 5,806,959 | 18,102,112 | 3,369,227 | 9,143,422 | 11,917 | 13,355,248 | 5,109,856 | 54,898,741 | 631,070 | | 631,070 | 751,062 | - | 56,280,873 |
| Employee Salaries & Fringe Benefits | 1,327,119 | 4,087,932 | 128,241 | 3,025,236 | 8,650 | 4,082,013 | 186,646 | 12,845,838 | 1,606,601 | 831,042 | 2,437,642 | 394,026 | 266,710 | 15,944,216 |
| Agency Contractor Services | 119,050 | 809,846 | 9,753 | 421,168 | 166 | 487,785 | 14,666 | 1,862,434 | 137,716 | 26,473 | 164,189 | 16,907 | 2,478 | 2,046,007 |
| Planning and Evaluation Services | 496,601 | 1,116,338 | 3,671 | 583,599 | 1,512 | 935,234 | 4,132 | 3,141,087 | 53,826 | 54,593 | 108,419 | 14,368 | 55 | 3,263,929 |
| Advertising and Marketing Services | 204,107 | 619,053 | 18,959 | 479,557 | 126 | 1,099,153 | 28,697 | 2,449,652 | 274,542 | 92,495 | 367,037 | 19,279 | 3,679 | 2,839,647 |
| Other Professional Services | 197,217 | 917,531 | 13,942 | 616,243 | 556 | 1,522,315 | 20,659 | 3,288,463 | 989,158 | 681,147 | 1,670,305 | 75,808 | 53,637 | 5,088,214 |
| Travel, Meetings, Trainings & Conferences | 12,288 | 51,975 | 1,673 | 36,969 | 76 | 45,655 | 2,471 | 151,107 | 16,622 | 6,981 | 23,603 | 8,289 | 1,804 | 184,804 |
| Dues, Licenses and Fees | 21,168 | 136,370 | 2,273 | 33,176 | 537 | 48,451 | 2,941 | 244,914 | 16,056 | 11,251 | 27,306 | 50,643 | 165 | 323,029 |
| Software and Hardware | 55,911 | 153,841 | 2,884 | 108,709 | 19 | 172,050 | 4,365 | 497,778 | 386,412 | 22,190 | 408,603 | 13,050 | 10,273 | 929,703 |
| Depreciation & Amortization | 29,339 | 86,924 | 1,874 | 62,914 | 12 | 91,352 | 2,836 | 275,251 | 29,367 | 13,710 | 43,077 | 7,411 | 5,548 | 331,287 |
| Office Rent and Equipment | 79,966 | 284,498 | 7,490 | 218,837 | 50 | 257,889 | 11,337 | 860,067 | 117,390 | 54,803 | 172,192 | 24,959 | 22,177 | 1,079,396 |
| Materials Postage and Telephone | 8,427 | 26,667 | 729 | 19,904 | 5 | 26,542 | 1,104 | 83,378 | 8,941 | 4,665 | 13,606 | 2,288 | 1,477 | 100,750 |
| Miscellaneous Expenses | 874 | 3,282 | 160 | 2,148 | 1 | 2,726 | 242 | 9,434 | 965 | 377 | 1,343 | 211 | 79 | 11,066 |
| Expenditures | 16,717,509 | 63,709,639 | 3,560,875 | 39,359,433 | 23,626 | 51,496,893 | 5,389,952 | 180,257,927 | 16,287,581 | 5,727,662 | 22,015,242 | 3,620,930 | 428,082 | 206,322,182 |
| *Expenditure break down by function:* | | | | | | | | | | | | | | |
| Program Costs | 15,923,518 | 60,683,774 | 3,391,752 | 37,490,072 | 22,504 | 49,051,067 | 5,133,958 | 171,696,645 | 15,514,008 | 5,455,629 | 20,969,637 | 3,448,955 | 407,751 | 196,522,988 |
| Communications and Outreach | 330,559 | 1,259,745 | 70,410 | 778,263 | 467 | 1,018,260 | 106,577 | 3,564,281 | 322,058 | 113,254 | 435,312 | 71,597 | 8,465 | 4,079,655 |
| Management & General | 463,433 | 1,766,120 | 98,712 | 1,091,098 | 655 | 1,427,566 | 149,417 | 4,997,001 | 451,514 | 158,779 | 610,293 | 100,377 | 11,867 | 5,719,538 |
| Total Administrative | 793,992 | 3,025,865 | 169,122 | 1,869,361 | 1,122 | 2,445,825 | 255,994 | 8,561,282 | 773,572 | 272,033 | 1,045,606 | 171,975 | 20,332 | 9,799,194 |
| Expenditures | 16,717,509 | 63,709,639 | 3,560,875 | 39,359,433 | 23,626 | 51,496,893 | 5,389,952 | 180,257,927 | 16,287,581 | 5,727,662 | 22,015,242 | 3,620,930 | 428,082 | 206,322,182 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with | NEEA Commercial | Industry and Agriculture | NEEA - Industrial | Residential | NEEA Residential | **OPUC Efficiency** | Solar | Other Renewables | **OPUC Renewables** | **Washington Programs** | | **Total Company** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Efficiency electric kWh savings | 35,774,103 | 165,470,768 | 9,312,580 | 129,302,431 | 5,846,813 | 53,727,306 | 23,455,687 | 422,889,688 | | | | | | 422,889,688 |
| Efficiency gas therms savings | 361,466 | 2,789,989 | 608 | 1,546,347 | - | 2,627,381 | 2,829 | 7,328,619 | | | | 532,728 | | 7,861,347 |
| Renewables electric kWh generation | | | | | | | | | 48,895,302 | 5,246,000 | 54,141,302 | | | 54,141,302 |

Energy Trust of Oregon
2021 Forecast Detail by Funding Source and Program

**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 | 4,669,603 | 18,817,241 | | 11,934,363 | | 11,289,762 | | 46,710,969 | 7,272,472 | 2,642,531 | 9,915,003 |
| Program Delivery Contractors | 3,258,617 | 9,274,413 | 1,758,071 | 4,246,605 | 6,793 | 4,816,824 | 2,222,492 | 25,583,815 | 362,904 | | 362,904 |
| Employee Salaries & Fringe Benefits | 741,442 | 2,073,919 | 66,917 | 1,449,810 | 4,931 | 1,532,133 | 81,180 | 5,950,331 | 969,595 | 547,662 | 1,517,257 |
| Agency Contractor Services | 66,577 | 410,881 | 5,089 | 201,875 | 94 | 183,645 | 6,379 | 874,540 | 83,108 | 17,446 | 100,554 |
| Planning and Evaluation Services | 265,402 | 600,771 | 1,915 | 271,381 | 862 | 379,132 | 1,797 | 1,521,260 | 32,483 | 35,977 | 68,460 |
| Advertising and Marketing Services | 114,137 | 314,125 | 9,893 | 229,846 | 72 | 419,320 | 12,482 | 1,099,875 | 165,680 | 58,388 | 224,068 |
| Other Professional Services | 110,300 | 465,524 | 7,275 | 295,381 | 317 | 572,812 | 8,986 | 1,460,593 | 595,480 | 398,544 | 994,024 |
| Travel, Meetings, Trainings & Conferences | 6,870 | 26,373 | 873 | 17,719 | 43 | 17,201 | 1,075 | 70,154 | 10,031 | 4,197 | 14,228 |
| Dues, Licenses and Fees | 11,840 | 69,186 | 1,186 | 15,901 | 306 | 18,245 | 1,279 | 117,943 | 9,689 | 6,782 | 16,472 |
| Software and Hardware | 31,272 | 78,056 | 1,505 | 52,106 | 11 | 64,765 | 1,898 | 229,614 | 233,191 | 14,624 | 247,815 |
| Depreciation & Amortization | 16,409 | 44,105 | 978 | 30,155 | 7 | 34,394 | 1,234 | 127,282 | 17,723 | 9,035 | 26,758 |
| Office Rent and Equipment | 44,717 | 144,358 | 3,908 | 104,888 | 28 | 97,138 | 4,931 | 399,969 | 70,842 | 36,115 | 106,957 |
| Materials Postage and Telephone | 4,713 | 13,531 | 380 | 9,540 | 3 | 9,997 | 480 | 38,644 | 5,396 | 3,019 | 8,415 |
| Miscellaneous Expenses | 489 | 1,665 | 84 | 1,030 | 1 | 1,028 | 105 | 4,401 | 583 | 249 | 831 |
| Expenditures | 9,342,388 | 32,334,150 | 1,858,073 | 18,860,600 | 13,467 | 19,436,396 | 2,344,318 | 84,189,391 | 9,829,176 | 3,774,570 | 13,603,746 |
| *Expenditure break down by function:* | | | | | | | | | | | |
| Program Costs | 8,898,675 | 30,798,452 | 1,769,825 | 17,964,823 | 12,827 | 18,513,272 | 2,232,975 | 80,190,848 | 9,362,343 | 3,595,298 | 12,957,641 |
| Communications and Outreach | 184,729 | 639,350 | 36,740 | 372,935 | 266 | 384,320 | 46,355 | 1,664,696 | 194,355 | 74,635 | 268,990 |
| Management & General | 258,984 | 896,348 | 51,508 | 522,842 | 373 | 538,804 | 64,988 | 2,333,847 | 272,478 | 104,636 | 377,115 |
| Total Administrative | 443,713 | 1,535,698 | 88,248 | 895,777 | 640 | 923,124 | 111,342 | 3,998,543 | 466,833 | 179,272 | 646,105 |
| Expenditures | 9,342,388 | 32,334,150 | 1,858,073 | 18,860,600 | 13,467 | 19,436,396 | 2,344,318 | 84,189,391 | 9,829,176 | 3,774,570 | 13,603,746 |

| 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 | 21,444,575 | 104,943,743 | 5,308,170 | 70,214,094 | 3,332,683 | 22,936,365 | 13,369,741 | 241,549,372 | | | |
| | - | - | - | - | - | - | - | - | | | |
| Renewables electric kWh generation | | | | | | | | | 25,296,169 | 4,324,000 | 29,620,169 |

Energy Trust of Oregon
2021 Forecast Detail by Funding Source and Program

**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 | 2,918,251 | 11,685,032 | | 10,619,183 | | 8,192,233 | | 33,414,699 | 4,746,442 | 1,285,404 | 6,031,846 |
| Program Delivery Contractors | 2,029,452 | 5,063,596 | 1,326,264 | 3,778,361 | 5,124 | 3,750,105 | 1,676,617 | 17,629,520 | 268,166 | | 268,166 |
| Employee Salaries & Fringe Benefits | 463,189 | 1,235,079 | 50,481 | 1,290,719 | 3,720 | 1,136,708 | 61,241 | 4,241,136 | 637,005 | 283,379 | 920,385 |
| Agency Contractor Services | 41,573 | 244,622 | 3,839 | 179,674 | 71 | 136,204 | 4,812 | 610,795 | 54,607 | 9,027 | 63,635 |
| Planning and Evaluation Services | 168,425 | 333,305 | 1,445 | 245,137 | 650 | 287,491 | 1,356 | 1,037,809 | 21,343 | 18,616 | 39,959 |
| Advertising and Marketing Services | 71,270 | 187,017 | 7,463 | 204,569 | 54 | 307,797 | 9,416 | 787,586 | 108,862 | 34,107 | 142,970 |
| Other Professional Services | 68,874 | 277,154 | 5,488 | 262,897 | 239 | 424,838 | 6,779 | 1,046,269 | 393,678 | 282,603 | 676,281 |
| Travel, Meetings, Trainings & Conferences | 4,290 | 15,702 | 659 | 15,770 | 33 | 12,757 | 811 | 50,021 | 6,591 | 2,783 | 9,374 |
| Dues, Licenses and Fees | 7,393 | 41,191 | 895 | 14,152 | 231 | 13,532 | 965 | 78,358 | 6,366 | 4,469 | 10,835 |
| Software and Hardware | 19,527 | 46,472 | 1,135 | 46,375 | 8 | 48,035 | 1,432 | 162,984 | 153,221 | 7,567 | 160,788 |
| Depreciation & Amortization | 10,246 | 26,258 | 738 | 26,839 | 5 | 25,509 | 931 | 90,526 | 11,645 | 4,675 | 16,320 |
| Office Rent and Equipment | 27,922 | 85,945 | 2,948 | 93,354 | 21 | 72,045 | 3,720 | 285,955 | 46,548 | 18,687 | 65,235 |
| Materials Postage and Telephone | 2,943 | 8,056 | 287 | 8,491 | 2 | 7,414 | 362 | 27,555 | 3,545 | 1,646 | 5,192 |
| Miscellaneous Expenses | 305 | 991 | 63 | 916 | 0 | 763 | 80 | 3,119 | 383 | 129 | 511 |
| Expenditures | 5,833,661 | 19,250,419 | 1,401,704 | 16,786,438 | 10,159 | 14,415,432 | 1,768,520 | 59,466,334 | 6,458,405 | 1,953,092 | 8,411,496 |
| *Expenditure break down by function:* | | | | | | | | | | | |
| Program Costs | 5,556,593 | 18,336,128 | 1,335,131 | 15,989,172 | 9,677 | 13,730,776 | 1,684,525 | 56,642,003 | 6,151,665 | 1,860,330 | 8,011,996 |
| Communications and Outreach | 115,350 | 380,643 | 27,716 | 331,922 | 201 | 285,040 | 34,969 | 1,175,841 | 127,703 | 38,619 | 166,322 |
| Management & General | 161,717 | 533,648 | 38,857 | 465,343 | 282 | 399,616 | 49,026 | 1,648,490 | 179,036 | 54,142 | 233,178 |
| Total Administrative | 277,068 | 914,291 | 66,573 | 797,265 | 483 | 684,655 | 83,995 | 2,824,331 | 306,739 | 92,761 | 399,501 |
| Expenditures | 5,833,661 | 19,250,419 | 1,401,704 | 16,786,438 | 10,159 | 14,415,432 | 1,768,520 | 59,466,334 | 6,458,405 | 1,953,092 | 8,411,496 |

| 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 | 14,329,528 | 60,527,025 | 4,004,410 | 59,088,337 | 2,514,129 | 30,790,941 | 10,085,946 | 181,340,316 | | | |
| | - | - | - | - | - | - | - | - | | | |
| Renewables electric kWh generation | | | | | | | | | 23,599,132 | 922,000 | 24,521,132 |

Energy Trust of Oregon
2021 Forecast Detail by Funding Source and Program

**NW Natural - Industrial**

| Expenditures Detail | New Buildings | Existing Buildings with MF | Industry and Agriculture | **OPUC Efficiency** |
|---|---|---|---|---|
| Incentives | 30,988 | 2,052,552 | 1,424,319 | 3,507,860 |
| Program Delivery Contractors | 6,800 | 319,405 | 859,411 | 1,185,616 |
| Employee Salaries & Fringe Benefits | 3,551 | 174,591 | 204,950 | 383,092 |
| Agency Contractor Services | 319 | 34,615 | 28,520 | 63,454 |
| Planning and Evaluation Services | 1,799 | 40,756 | 48,289 | 90,844 |
| Advertising and Marketing Services | 547 | 26,444 | 32,496 | 59,487 |
| Other Professional Services | 528 | 39,215 | 41,727 | 81,470 |
| Travel, Meetings, Trainings & Conferences | 33 | 2,220 | 2,505 | 4,759 |
| Dues, Licenses and Fees | 57 | 5,829 | 2,248 | 8,134 |
| Software and Hardware | 150 | 6,574 | 7,362 | 14,086 |
| Depreciation & Amortization | 79 | 3,714 | 4,262 | 8,054 |
| Office Rent and Equipment | 214 | 12,155 | 14,826 | 27,195 |
| Materials Postage and Telephone | 23 | 1,139 | 1,349 | 2,510 |
| Miscellaneous Expenses | 2 | 140 | 146 | 288 |
| Expenditures | 45,089 | 2,719,352 | 2,672,409 | 5,436,850 |
| *Expenditure break down by function:* | | | | |
| Program Costs | 42,948 | 2,590,197 | 2,545,484 | 5,178,628 |
| Communications and Outreach | 892 | 53,770 | 52,842 | 107,504 |
| Management & General | 1,250 | 75,384 | 74,083 | 150,717 |
| Total Administrative | 2,141 | 129,155 | 126,925 | 258,221 |
| Expenditures | 45,089 | 2,719,352 | 2,672,409 | 5,436,850 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | Industry and Agriculture | **OPUC Efficiency Division** |
|---|---|---|---|---|
| Efficiency gas therms savings | - 5,618 | - 827,656 | - 1,134,449 | - 1,967,723 |

Energy Trust of Oregon
2021 Forecast Detail by Funding Source and Program

**NW Natural**

| Expenditures Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Incentives | 600,484 | 3,502,526 | | 362,645 | 8,436,749 | | 12,902,404 |
| Program Delivery Contractors | 415,745 | 2,527,215 | 207,452 | 173,717 | 4,113,942 | 881,641 | 8,319,711 |
| Employee Salaries & Fringe Benefits | 96,807 | 444,367 | 7,896 | 48,135 | 1,212,023 | 32,203 | 1,841,432 |
| Agency Contractor Services | 8,594 | 88,010 | 601 | 6,698 | 143,793 | 2,530 | 250,227 |
| Planning and Evaluation Services | 49,761 | 104,162 | 226 | 11,341 | 243,250 | 713 | 409,453 |
| Advertising and Marketing Services | 14,744 | 67,236 | 1,167 | 7,632 | 319,413 | 4,951 | 415,144 |
| Other Professional Services | 14,226 | 99,706 | 858 | 9,800 | 449,237 | 3,564 | 577,392 |
| Travel, Meetings, Trainings & Conferences | 889 | 5,645 | 103 | 588 | 13,440 | 426 | 21,093 |
| Dues, Licenses and Fees | 1,526 | 14,822 | 140 | 528 | 14,277 | 507 | 31,800 |
| Software and Hardware | 4,030 | 16,715 | 178 | 1,729 | 50,732 | 753 | 74,137 |
| Depreciation & Amortization | 2,116 | 9,444 | 115 | 1,001 | 26,927 | 489 | 40,092 |
| Office Rent and Equipment | 5,777 | 30,904 | 461 | 3,482 | 75,953 | 1,956 | 118,533 |
| Materials Postage and Telephone | 609 | 2,897 | 45 | 317 | 7,818 | 190 | 11,876 |
| Miscellaneous Expenses | 63 | 356 | 10 | 34 | 801 | 42 | 1,306 |
| Expenditures | 1,215,371 | 6,914,005 | 219,253 | 627,647 | 15,108,357 | 929,968 | 25,014,600 |
| *Expenditure break down by function:* | | | | | | | |
| Program Costs | 1,157,647 | 6,585,627 | 208,839 | 597,837 | 14,390,791 | 885,799 | 23,826,541 |
| Communications and Outreach | 24,032 | 136,712 | 4,335 | 12,411 | 298,741 | 18,388 | 494,619 |
| Management & General | 33,692 | 191,666 | 6,078 | 17,399 | 418,825 | 25,780 | 693,440 |
| Total Administrative | 57,724 | 328,378 | 10,413 | 29,810 | 717,566 | 44,168 | 1,188,059 |
| Expenditures | 1,215,371 | 6,914,005 | 219,253 | 627,647 | 15,108,357 | 929,968 | 25,014,600 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency Division** |
|---|---|---|---|---|---|---|---|
| | - | - | - | - | - | - | - |
| Efficiency gas therms savings | 284,212 | 1,470,611 | 443 | 263,336 | 2,199,063 | 2,061 | 4,219,726 |

Energy Trust of Oregon
2021 Forecast Detail by Funding Source and Program

**Cascade Natural Gas**

| Expenditures Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Incentives | 95,089 | 807,574 | | 229,854 | 652,129 | | 1,784,646 |
| Program Delivery Contractors | 65,835 | 589,061 | 52,842 | 72,006 | 276,600 | 224,571 | 1,280,916 |
| Employee Salaries & Fringe Benefits | 15,122 | 102,801 | 2,011 | 27,090 | 87,866 | 8,203 | 243,094 |
| Agency Contractor Services | 1,358 | 20,382 | 153 | 3,770 | 10,546 | 645 | 36,853 |
| Planning and Evaluation Services | 7,663 | 23,997 | 58 | 6,383 | 11,078 | 182 | 49,360 |
| Advertising and Marketing Services | 2,329 | 15,571 | 297 | 4,295 | 22,987 | 1,261 | 46,741 |
| Other Professional Services | 2,247 | 23,090 | 219 | 5,515 | 32,948 | 908 | 64,928 |
| Travel, Meetings, Trainings & Conferences | 140 | 1,307 | 26 | 331 | 986 | 109 | 2,900 |
| Dues, Licenses and Fees | 241 | 3,432 | 36 | 297 | 1,047 | 129 | 5,183 |
| Software and Hardware | 637 | 3,871 | 45 | 973 | 3,721 | 192 | 9,439 |
| Depreciation & Amortization | 334 | 2,187 | 29 | 563 | 1,975 | 125 | 5,214 |
| Office Rent and Equipment | 913 | 7,157 | 117 | 1,960 | 5,571 | 498 | 16,216 |
| Materials Postage and Telephone | 96 | 671 | 11 | 178 | 573 | 48 | 1,579 |
| Miscellaneous Expenses | 10 | 82 | 3 | 19 | 59 | 11 | 184 |
| Expenditures | 192,016 | 1,601,185 | 55,848 | 353,234 | 1,108,086 | 236,881 | 3,547,250 |
| *Expenditure break down by function:* | | | | | | | |
| Program Costs | 182,896 | 1,525,137 | 53,195 | 336,458 | 1,055,457 | 225,630 | 3,378,774 |
| Communications and Outreach | 3,797 | 31,661 | 1,104 | 6,985 | 21,910 | 4,684 | 70,141 |
| Management & General | 5,323 | 44,387 | 1,548 | 9,792 | 30,718 | 6,567 | 98,335 |
| Total Administrative | 9,120 | 76,048 | 2,652 | 16,777 | 52,628 | 11,251 | 168,475 |
| Expenditures | 192,016 | 1,601,185 | 55,848 | 353,234 | 1,108,086 | 236,881 | 3,547,250 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency Division** |
|---|---|---|---|---|---|---|---|
| | - | - | - | - | - | - | - |
| Efficiency gas therms savings | 44,073 | 334,510 | 113 | 97,152 | 193,430 | 524 | 669,802 |

Energy Trust of Oregon
2021 Forecast Detail by Funding Source and Program

**Avista Gas**

| Expenditures Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Incentives | 44,067 | 448,344 | | 37,187 | 799,606 | | 1,329,203 |
| Program Delivery Contractors | 30,510 | 328,421 | 24,597 | 13,321 | 397,777 | 104,535 | 899,162 |
| Employee Salaries & Fringe Benefits | 7,008 | 57,175 | 936 | 4,533 | 113,283 | 3,818 | 186,753 |
| Agency Contractor Services | 629 | 11,336 | 71 | 631 | 13,597 | 300 | 26,564 |
| Planning and Evaluation Services | 3,551 | 13,347 | 27 | 1,068 | 14,283 | 85 | 32,360 |
| Advertising and Marketing Services | 1,080 | 8,660 | 138 | 719 | 29,636 | 587 | 40,820 |
| Other Professional Services | 1,042 | 12,842 | 102 | 923 | 42,479 | 423 | 57,810 |
| Travel, Meetings, Trainings & Conferences | 65 | 727 | 12 | 55 | 1,271 | 51 | 2,181 |
| Dues, Licenses and Fees | 112 | 1,909 | 17 | 50 | 1,350 | 60 | 3,497 |
| Software and Hardware | 295 | 2,153 | 21 | 163 | 4,797 | 89 | 7,518 |
| Depreciation & Amortization | 155 | 1,216 | 14 | 94 | 2,546 | 58 | 4,083 |
| Office Rent and Equipment | 423 | 3,980 | 55 | 328 | 7,182 | 232 | 12,200 |
| Materials Postage and Telephone | 45 | 373 | 5 | 30 | 739 | 23 | 1,215 |
| Miscellaneous Expenses | 5 | 46 | 1 | 3 | 76 | 5 | 136 |
| Expenditures | 88,985 | 890,529 | 25,997 | 59,105 | 1,428,622 | 110,265 | 2,603,503 |
| *Expenditure break down by function:* | | | | | | | |
| Program Costs | 84,759 | 848,234 | 24,762 | 56,298 | 1,360,770 | 105,028 | 2,479,851 |
| Communications and Outreach | 1,760 | 17,609 | 514 | 1,169 | 28,248 | 2,180 | 51,480 |
| Management & General | 2,467 | 24,687 | 721 | 1,638 | 39,603 | 3,057 | 72,173 |
| Total Administrative | 4,226 | 42,295 | 1,235 | 2,807 | 67,852 | 5,237 | 123,652 |
| Expenditures | 88,985 | 890,529 | 25,997 | 59,105 | 1,428,622 | 110,265 | 2,603,503 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency Division** |
|---|---|---|---|---|---|---|---|
| | - | - | - | - | - | - | - |
| Efficiency gas therms savings | 27,563 | 157,211 | 52 | 51,409 | 234,888 | 244 | 471,368 |

Energy Trust of Oregon
2021 Forecast Detail by Funding Source and Program

**NW Natural Washington**

| Expenditures Detail | **Washington** |
|---|---|
| Incentives | 2,242,630 |
| Program Delivery Contractors | 751,062 |
| Employee Salaries & Fringe Benefits | 394,026 |
| Agency Contractor Services | 16,907 |
| Planning and Evaluation Services | 14,368 |
| Advertising and Marketing Services | 19,279 |
| Other Professional Services | 75,808 |
| Travel, Meetings, Trainings & Conferences | 8,289 |
| Dues, Licenses and Fees | 50,643 |
| Software and Hardware | 13,050 |
| Depreciation & Amortization | 7,411 |
| Office Rent and Equipment | 24,959 |
| Materials Postage and Telephone | 2,288 |
| Miscellaneous Expenses | 211 |
| Expenditures | 3,620,930 |
| *Expenditure break down by function:* | |
| Program Costs | 3,448,955 |
| Communications and Outreach | 71,597 |
| Management & General | 100,377 |
| Total Administrative | 171,975 |
| Expenditures | 3,620,930 |

| Energy Savings and Generation Detail | **Washington** |
|---|---|
| Efficiency electric kWh savings | |
| Efficiency gas therms savings | 532,728 |
| Renewables electric kWh generation | |

Budget Recap Expenditures and Energy Goals
2023 Projection Recap Spending and Savings

| Program | Budget ($M) | | | Electric | | Gas | |
|---|---|---|---|---|---|---|---|
| | Electric | Gas | Total | Electric Savings Goal (aMW) | Levelized Cost per kWh | Annual Therms | Levelized Cost per Therm |
| Existing Buildings with MF | $ 54.4 | $ 13.7 | $ 68.1 | 16.8 | $ 0.036 | 2,469,115 | $ 0.499 |
| New Buildings | $ 18.0 | $ 1.8 | $ 19.8 | 4.9 | $ 0.037 | 396,875 | $ 0.401 |
| NEEA Commercial | $ 2.9 | $ 0.3 | $ 3.2 | 1.7 | $ 0.034 | 609 | $ 32.418 |
| Commercial Sector | $ 75.3 | $ 15.8 | $ 91.1 | 23.4 | $ 0.036 | 2,866,599 | $ 0.494 |
| Industry and Agriculture | $ 42.1 | $ 4.5 | $ 46.6 | 17.7 | $ 0.028 | 1,544,299 | $ 0.279 |
| NEEA - Industrial | $ 0.5 | $ - | $ 0.5 | 0.7 | $ 0.012 | - | |
| Industry and Agriculture Sector | $ 42.6 | $ 4.5 | $ 47.1 | 18.5 | $ 0.027 | 1,544,299 | $ 0.279 |
| Residential | $ 38.0 | $ 18.8 | $ 56.8 | 8.0 | $ 0.057 | 2,505,415 | $ 0.498 |
| NEEA Residential | $ 3.4 | $ 1.1 | $ 4.5 | 3.1 | $ 0.013 | 2,830 | $ 23.272 |
| Residential Sector | $ 41.4 | $ 19.9 | $ 61.3 | 11.1 | $ 0.045 | 2,508,245 | $ 0.526 |
| **Oregon Efficiency Programs** | **$ 159.3** | **$ 40.2** | **$ 199.5** | **52.9** | **$ 0.035** | **6,919,143** | **$ 0.459** |
| Solar | $ 15.8 | | $ 15.8 | 3.2 | | | |
| Other Renewables | $ 4.2 | | $ 4.2 | 0.3 | | | |
| **Renewables Programs** | **$ 20.0** | | **$ 20.0** | **3.5** | | | |
| Commercial Washington | | $ 1.3 | $ 1.3 | | | 165,798 | $ 0.699 |
| NEEA Commercial Washington | | $ - | $ - | | | - | |
| Residential Washington | | $ 1.7 | $ 1.7 | | | 124,105 | $ 0.965 |
| NEEA Residential Washington | | $ - | $ - | | | - | |
| **Washington Programs** | | **$ 3.0** | **$ 3.0** | | | **289,903** | **$ 0.823** |
| Community Solar | | | $ 0.4 | | | | |
| PGE Storage | | | $ 0.3 | | | | |
| NWN Geo TLM Phase 3 | | | $ 0.0 | | | | |
| LMI | | | $ - | | | | |
| **Total Programs** | | | **$ 223.2** | | | | |

Energy Trust of Oregon
2023 Projection Income Statement by Funding Source

| | 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 | 7,192,768 | -2,442,020 | 836,625 | 1,405,527 | 1,409,279 | 873,926 | 9,276,104 | 4,943,179 | 3,727,521 | 8,670,700 | 217,588 | 6,219 | 254,483 | 50,097 | 357,012 | 403,120 | 10,324,669 | 29,560,338 |
| Revenue | 91,833,700 | 64,640,480 | 5,681,586 | 25,642,500 | 3,567,475 | 4,443,292 | 195,809,033 | 8,818,840 | 6,198,170 | 15,017,010 | 3,350,874 | | 500,000 | 319,564 | | | 153,098 | 215,149,579 |
| *detail: Incentives* | 51,406,382 | 34,982,316 | 3,593,896 | 13,639,165 | 2,131,342 | 1,975,316 | 107,728,417 | 8,920,290 | 4,063,250 | 12,983,540 | 1,606,628 | | | 165,000 | - | | | 122,483,586 |
| *detail: Program Delivery* | 28,633,030 | 19,072,037 | 1,405,997 | 8,105,650 | 1,599,966 | 1,240,361 | 60,057,041 | 302,010 | 130,911 | 432,922 | 745,735 | | | 30,500 | - | | | 61,266,198 |
| Total Expenditures | 95,005,626 | 64,301,874 | 5,898,058 | 26,015,332 | 4,411,404 | 3,839,449 | 199,471,742 | 13,679,208 | 6,289,395 | 19,968,603 | 2,996,338 | | 401,228 | 300,786 | 36,937 | | | 223,175,634 |
| Net Income | (3,171,926) | 338,606 | (216,472) | (372,832) | (843,929) | 603,843 | (3,662,709) | (4,860,368) | (91,225) | (4,951,593) | 354,536 | | 98,772 | 18,778 | (36,937) | | 153,098 | (8,026,055) |
| Interest Distribution | 33,701 | (13,661) | 4,378 | 7,328 | 5,934 | 7,068 | 44,748 | 15,105 | 22,131 | 37,236 | 2,373 | 37 | 1,826 | 358 | 2,035 | 2,423 | (91,037) | - |
| Transfers | | 4,500,000 | | | | | | | | | | | | | | | (4,500,000) | |
| Ending Net Assets | 4,054,543 | 2,382,925 | 624,531 | 1,040,023 | 571,285 | 1,484,837 | 5,658,144 | 97,916 | 3,658,427 | 3,756,344 | 574,497 | 6,256 | 355,081 | 69,233 | 322,110 | 405,543 | 5,886,730 | 21,534,283 |
| less:Renewables Dedicated | | | | | | | | - | (300,000) | (300,000) | | | | | | | | |
| Renewables funds yet to be dedicated for future periods | | | | | | | | 97,916 | 3,358,427 | 3,456,344 | | | | | | | | |

Energy Trust of Oregon
2023 Projection Summary by Funding Source and Program

**All Funding Sources**

| Expenditures Detail | OPUC Efficiency | OPUC Renewables | Washington | Community Solar | PGE Storage | NWN Geo TLM Phase 3 | Community Solar, PGE Storage and Grants | Programs |
|---|---|---|---|---|---|---|---|---|
| Incentives | 107,728,417 | 12,983,540 | 1,606,628 | | 165,000 | - | 165,000 | 122,483,586 |
| Program Delivery Contractors | 60,057,041 | 432,922 | 745,735 | | 30,500 | - | 30,500 | 61,266,198 |
| Employee Salaries & Fringe Benefits | 15,384,172 | 2,845,236 | 400,982 | 295,484 | 58,368 | 31,831 | 385,683 | 19,016,072 |
| Agency Contractor Services | 2,502,897 | 227,674 | 19,112 | 13,351 | 2,823 | 1,164 | 17,338 | 2,767,021 |
| Planning and Evaluation Services | 3,581,677 | 95,882 | 16,675 | 45 | 34 | 4 | 83 | 3,694,316 |
| Advertising and Marketing Services | 3,382,478 | 544,597 | 20,797 | 2,785 | 12,088 | 256 | 15,129 | 3,963,000 |
| Other Professional Services | 4,560,134 | 2,055,300 | 79,514 | 48,306 | 22,698 | 348 | 71,352 | 6,766,300 |
| Travel, Meetings, Trainings & Conferences | 397,168 | 67,428 | 14,966 | 4,272 | 470 | 121 | 4,863 | 484,425 |
| Dues, Licenses and Fees | 174,675 | 33,838 | 49,159 | 195 | 130 | 18 | 342 | 258,014 |
| Software and Hardware | 443,752 | 444,335 | 11,360 | 9,846 | 3,638 | 855 | 14,338 | 913,785 |
| Depreciation & Amortization | 283,998 | 53,589 | 7,186 | 6,165 | 1,157 | 535 | 7,857 | 352,630 |
| Office Rent and Equipment | 865,826 | 167,918 | 21,964 | 19,207 | 3,565 | 1,666 | 24,438 | 1,080,146 |
| Materials Postage and Telephone | 99,951 | 15,164 | 2,092 | 1,505 | 298 | 131 | 1,934 | 119,140 |
| Miscellaneous Expenses | 9,555 | 1,182 | 168 | 68 | 21 | 6 | 94 | 11,000 |
| Expenditures | 199,471,742 | 19,968,603 | 2,996,338 | 401,228 | 300,786 | 36,937 | 738,951 | 223,175,634 |
| *Expenditure break down by function:* | | | | | | | | |
| Program Costs | 188,512,334 | 18,871,485 | 2,831,713 | 379,184 | 284,260 | 34,907 | 698,351 | 210,913,883 |
| Communications and Outreach | 4,450,815 | 445,560 | 66,857 | 8,953 | 6,711 | 824 | 16,488 | 4,979,720 |
| Management & General | 6,508,593 | 651,558 | 97,768 | 13,092 | 9,814 | 1,205 | 24,111 | 7,282,030 |
| Total Administrative | 10,959,407 | 1,097,118 | 164,625 | 22,044 | 16,526 | 2,029 | 40,600 | 12,261,750 |
| Expenditures | 199,471,742 | 19,968,603 | 2,996,338 | 401,228 | 300,786 | 36,937 | 738,951 | 223,175,634 |

| Energy Savings and Generation Detail | OPUC Efficiency | OPUC Renewables | Washington Programs | | | Total Company |
|---|---|---|---|---|---|---|
| Efficiency electric kWh savings | 463,518,416 | | | | | 463,518,416 |
| Efficiency gas therms savings | 6,919,143 | | 289,903 | | | 7,209,045 |
| Renewables electric kWh generation | | 30,534,200 | | | | 30,534,200 |

Energy Trust of Oregon
2023 Projection Detail by Funding Source and Program

**All 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** | **Washington** | **Community Solar, PGE Storage and Grants** | **Programs** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Incentives | 10,302,691 | 36,676,074 | | 28,306,033 | | 32,443,619 | | 107,728,417 | 10,855,000 | 2,128,540 | 12,983,540 | 1,606,628 | 165,000 | 122,483,586 |
| Program Delivery Contractors | 6,491,568 | 21,202,442 | 2,995,448 | 10,859,418 | 457,865 | 13,844,461 | 4,205,840 | 60,057,041 | 432,922 | | 432,922 | 745,735 | 30,500 | 61,266,198 |
| Employee Salaries & Fringe Benefits | 1,535,268 | 5,033,358 | 136,715 | 3,838,934 | 35,560 | 4,614,117 | 190,221 | 15,384,172 | 1,910,542 | 934,694 | 2,845,236 | 400,982 | 385,683 | 19,016,072 |
| Agency Contractor Services | 143,378 | 818,743 | 8,749 | 708,021 | 1,394 | 810,334 | 12,278 | 2,502,897 | 185,707 | 41,967 | 227,674 | 19,112 | 17,338 | 2,767,021 |
| Planning and Evaluation Services | 606,425 | 1,417,711 | 5,518 | 766,624 | 3,927 | 774,089 | 7,382 | 3,581,677 | 65,951 | 29,930 | 95,882 | 16,675 | 83 | 3,694,316 |
| Advertising and Marketing Services | 257,326 | 1,033,719 | 22,239 | 692,479 | 3,543 | 1,341,964 | 31,209 | 3,382,478 | 453,380 | 91,217 | 544,597 | 20,797 | 15,129 | 3,963,000 |
| Other Professional Services | 231,974 | 1,151,745 | 16,560 | 870,058 | 3,701 | 2,262,985 | 23,113 | 4,560,134 | 1,203,493 | 851,808 | 2,055,300 | 79,514 | 71,352 | 6,766,300 |
| Travel, Meetings, Trainings & Conferences | 41,649 | 130,488 | 3,640 | 91,205 | 753 | 124,347 | 5,087 | 397,168 | 51,328 | 16,099 | 67,428 | 14,966 | 4,863 | 484,425 |
| Dues, Licenses and Fees | 16,565 | 79,590 | 2,062 | 32,595 | 760 | 40,261 | 2,842 | 174,675 | 22,679 | 11,158 | 33,838 | 49,159 | 342 | 258,014 |
| Software and Hardware | 41,970 | 147,108 | 3,129 | 114,668 | 499 | 131,986 | 4,392 | 443,752 | 416,714 | 27,621 | 444,335 | 11,360 | 14,338 | 913,785 |
| Depreciation & Amortization | 26,836 | 94,034 | 2,129 | 73,024 | 387 | 84,607 | 2,981 | 283,998 | 36,206 | 17,383 | 53,589 | 7,186 | 7,857 | 352,630 |
| Office Rent and Equipment | 81,040 | 284,276 | 7,095 | 220,760 | 1,859 | 260,926 | 9,870 | 865,826 | 114,288 | 53,629 | 167,918 | 21,964 | 24,438 | 1,080,146 |
| Materials Postage and Telephone | 7,879 | 35,539 | 750 | 29,790 | 145 | 24,797 | 1,050 | 99,951 | 10,013 | 5,152 | 15,164 | 2,092 | 1,934 | 119,140 |
| Miscellaneous Expenses | 934 | 3,231 | 135 | 2,284 | 24 | 2,759 | 189 | 9,555 | 883 | 300 | 1,182 | 168 | 94 | 11,000 |
| Expenditures | 19,785,502 | 68,108,058 | 3,204,169 | 46,605,891 | 510,416 | 56,761,253 | 4,496,453 | 199,471,742 | 15,759,104 | 4,209,498 | 19,968,603 | 2,996,338 | 738,951 | 223,175,634 |
| *Expenditure break down by function:* | | | | | | | | | | | | | | |
| Program Costs | 18,698,444 | 64,366,054 | 3,028,125 | 44,045,263 | 482,372 | 53,642,667 | 4,249,409 | 188,512,334 | 14,893,265 | 3,978,219 | 18,871,485 | 2,831,713 | 698,351 | 210,913,883 |
| Communications and Outreach | 441,474 | 1,519,696 | 71,495 | 1,039,918 | 11,389 | 1,266,514 | 100,329 | 4,450,815 | 351,633 | 93,927 | 445,560 | 66,857 | 16,488 | 4,979,720 |
| Management & General | 645,584 | 2,222,308 | 104,549 | 1,520,710 | 16,654 | 1,852,071 | 146,715 | 6,508,593 | 514,206 | 137,352 | 651,558 | 97,768 | 24,111 | 7,282,030 |
| Total Administrative | 1,087,058 | 3,742,003 | 176,044 | 2,560,628 | 28,043 | 3,118,586 | 247,045 | 10,959,407 | 865,839 | 231,279 | 1,097,118 | 164,625 | 40,600 | 12,261,750 |
| Expenditures | 19,785,502 | 68,108,058 | 3,204,169 | 46,605,891 | 510,416 | 56,761,253 | 4,496,453 | 199,471,742 | 15,759,104 | 4,209,498 | 19,968,603 | 2,996,338 | 738,951 | 223,175,634 |

| 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** | **Washington Programs** | | **Total Company** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Efficiency electric kWh savings | 42,937,510 | 147,001,882 | 14,827,945 | 155,341,713 | 6,404,226 | 70,191,597 | 26,813,543 | 463,518,416 | | | | | | 463,518,416 |
| Efficiency gas therms savings | 396,875 | 2,469,115 | 609 | 1,544,299 | - | 2,505,415 | 2,830 | 6,919,143 | | | | 289,903 | | 7,209,045 |
| Renewables electric kWh generation | | | | | | | | | 28,042,200 | 2,492,000 | 30,534,200 | | | 30,534,200 |

Energy Trust of Oregon
2023 Projection Detail by Funding Source and Program

**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 | 18,376,082 | | 15,644,304 | | 11,440,157 | | 51,406,382 | 7,916,750 | 1,003,540 | 8,920,290 |
| Program Delivery Contractors | 3,869,137 | 10,846,437 | 1,559,996 | 5,497,522 | 260,983 | 4,775,627 | 1,823,327 | 28,633,030 | 302,010 | | 302,010 |
| Employee Salaries & Fringe Benefits | 897,130 | 2,542,286 | 71,200 | 2,072,610 | 20,269 | 1,619,385 | 82,465 | 7,305,344 | 1,393,132 | 485,823 | 1,878,955 |
| Agency Contractor Services | 83,789 | 413,451 | 4,556 | 382,220 | 794 | 284,164 | 5,323 | 1,174,299 | 135,414 | 21,813 | 157,227 |
| Planning and Evaluation Services | 346,558 | 742,184 | 2,874 | 411,694 | 2,238 | 334,864 | 3,200 | 1,843,612 | 53,507 | 15,557 | 69,064 |
| Advertising and Marketing Services | 150,355 | 522,109 | 11,582 | 373,869 | 2,019 | 476,387 | 13,530 | 1,549,851 | 337,367 | 46,655 | 384,021 |
| Other Professional Services | 135,562 | 581,633 | 8,624 | 480,451 | 2,110 | 793,369 | 10,020 | 2,011,769 | 877,565 | 544,190 | 1,421,755 |
| Travel, Meetings, Trainings & Conferences | 24,336 | 65,911 | 1,896 | 49,243 | 429 | 43,647 | 2,205 | 187,668 | 37,428 | 9,452 | 46,880 |
| Dues, Licenses and Fees | 9,680 | 40,196 | 1,074 | 17,599 | 433 | 14,137 | 1,232 | 84,351 | 16,537 | 6,785 | 23,322 |
| Software and Hardware | 24,525 | 74,301 | 1,630 | 61,907 | 284 | 46,320 | 1,904 | 210,871 | 303,860 | 14,356 | 318,216 |
| Depreciation & Amortization | 15,681 | 47,495 | 1,109 | 39,425 | 221 | 29,693 | 1,292 | 134,916 | 26,401 | 9,035 | 35,436 |
| Office Rent and Equipment | 47,356 | 143,580 | 3,695 | 119,185 | 1,060 | 91,564 | 4,279 | 410,718 | 83,337 | 27,875 | 111,212 |
| Materials Postage and Telephone | 4,604 | 17,950 | 391 | 16,083 | 83 | 8,705 | 455 | 48,270 | 7,301 | 2,720 | 10,021 |
| Miscellaneous Expenses | 546 | 1,632 | 70 | 1,233 | 13 | 970 | 82 | 4,546 | 644 | 156 | 799 |
| Expenditures | 11,555,098 | 34,415,248 | 1,668,695 | 25,167,343 | 290,937 | 19,958,990 | 1,949,314 | 95,005,626 | 11,491,252 | 2,187,956 | 13,679,208 |
| *Expenditure break down by function:* | | | | | | | | | | | |
| Program Costs | 10,920,236 | 32,524,400 | 1,577,013 | 23,784,595 | 274,952 | 18,862,400 | 1,842,215 | 89,785,812 | 10,859,898 | 2,067,745 | 12,927,643 |
| Communications and Outreach | 257,829 | 767,908 | 37,234 | 561,559 | 6,492 | 445,345 | 43,495 | 2,119,861 | 256,404 | 48,820 | 305,224 |
| Management & General | 377,033 | 1,122,940 | 54,448 | 821,189 | 9,493 | 651,245 | 63,604 | 3,099,952 | 374,950 | 71,391 | 446,341 |
| Total Administrative | 634,862 | 1,890,848 | 91,682 | 1,382,748 | 15,985 | 1,096,590 | 107,100 | 5,219,814 | 631,354 | 120,211 | 751,565 |
| Expenditures | 11,555,098 | 34,415,248 | 1,668,695 | 25,167,343 | 290,937 | 19,958,990 | 1,949,314 | 95,005,626 | 11,491,252 | 2,187,956 | 13,679,208 |

| 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 | 26,052,123 | 88,497,514 | 8,451,929 | 96,098,929 | 3,650,410 | 25,347,412 | 15,283,719 | 263,382,036 | | | |
| | - | - | - | - | - | - | - | - | | | |
| Renewables electric kWh generation | | | | | | | | | 16,723,800 | 2,350,000 | 19,073,800 |

Energy Trust of Oregon
2023 Projection Detail by Funding Source and Program

**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 | 11,130,299 | | 10,186,882 | | 10,222,589 | | 34,982,316 | 2,938,250 | 1,125,000 | 4,063,250 |
| Program Delivery Contractors | 2,038,444 | 5,815,131 | 1,176,839 | 4,032,264 | 196,882 | 4,436,986 | 1,375,492 | 19,072,037 | 130,911 | | 130,911 |
| Employee Salaries & Fringe Benefits | 500,476 | 1,474,210 | 53,712 | 1,393,954 | 15,291 | 1,462,368 | 62,211 | 4,962,221 | 517,410 | 448,871 | 966,281 |
| Agency Contractor Services | 46,743 | 239,750 | 3,437 | 257,066 | 599 | 256,611 | 4,015 | 808,223 | 50,293 | 20,154 | 70,447 |
| Planning and Evaluation Services | 187,753 | 430,375 | 2,168 | 276,889 | 1,689 | 293,365 | 2,414 | 1,194,652 | 12,444 | 14,374 | 26,818 |
| Advertising and Marketing Services | 83,878 | 302,759 | 8,737 | 251,449 | 1,523 | 423,135 | 10,207 | 1,081,688 | 116,013 | 44,562 | 160,575 |
| Other Professional Services | 75,625 | 337,275 | 6,506 | 323,132 | 1,592 | 716,443 | 7,559 | 1,468,131 | 325,928 | 307,617 | 633,545 |
| Travel, Meetings, Trainings & Conferences | 13,576 | 38,220 | 1,430 | 33,119 | 324 | 39,415 | 1,664 | 127,748 | 13,901 | 6,647 | 20,548 |
| Dues, Licenses and Fees | 5,400 | 23,309 | 810 | 11,836 | 327 | 12,767 | 929 | 55,378 | 6,142 | 4,374 | 10,516 |
| Software and Hardware | 13,682 | 43,085 | 1,229 | 41,636 | 214 | 41,829 | 1,436 | 143,112 | 112,854 | 13,265 | 126,118 |
| Depreciation & Amortization | 8,748 | 27,541 | 836 | 26,516 | 166 | 26,814 | 975 | 91,596 | 9,805 | 8,348 | 18,153 |
| Office Rent and Equipment | 26,418 | 83,258 | 2,788 | 80,159 | 799 | 82,686 | 3,228 | 279,336 | 30,951 | 25,755 | 56,706 |
| Materials Postage and Telephone | 2,568 | 10,409 | 295 | 10,817 | 62 | 7,861 | 343 | 32,355 | 2,712 | 2,432 | 5,143 |
| Miscellaneous Expenses | 304 | 947 | 53 | 829 | 10 | 876 | 62 | 3,081 | 239 | 144 | 383 |
| Expenditures | 6,446,162 | 19,956,567 | 1,258,840 | 16,926,547 | 219,479 | 18,023,743 | 1,470,535 | 64,301,874 | 4,267,852 | 2,021,543 | 6,289,395 |
| *Expenditure break down by function:* | | | | | | | | | | | |
| Program Costs | 6,091,996 | 18,860,111 | 1,189,677 | 15,996,566 | 207,420 | 17,033,480 | 1,389,741 | 60,768,990 | 4,033,367 | 1,910,475 | 5,943,842 |
| Communications and Outreach | 143,833 | 445,291 | 28,089 | 377,682 | 4,897 | 402,164 | 32,812 | 1,434,768 | 95,229 | 45,107 | 140,335 |
| Management & General | 210,333 | 651,166 | 41,075 | 552,299 | 7,161 | 588,099 | 47,982 | 2,098,115 | 139,256 | 65,961 | 205,218 |
| Total Administrative | 354,166 | 1,096,457 | 69,163 | 929,981 | 12,059 | 990,263 | 80,794 | 3,532,884 | 234,485 | 111,068 | 345,553 |
| Expenditures | 6,446,162 | 19,956,567 | 1,258,840 | 16,926,547 | 219,479 | 18,023,743 | 1,470,535 | 64,301,874 | 4,267,852 | 2,021,543 | 6,289,395 |

| 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 | 16,885,387 | 58,504,369 | 6,376,016 | 59,242,784 | 2,753,817 | 44,844,184 | 11,529,823 | 200,136,380 | | | |
| | - | - | - | - | - | - | - | - | | | |
| Renewables electric kWh generation | | | | | | | | | 11,318,400 | 142,000 | 11,460,400 |

Energy Trust of Oregon
2023 Projection Detail by Funding Source and Program

**NW Natural - Industrial**

| Expenditures Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | **OPUC Efficiency** |
|---|---|---|---|---|---|
| Incentives | 60,836 | 1,971,014 | | 1,562,046 | 3,593,896 |
| Program Delivery Contractors | 25,981 | 480,396 | | 899,620 | 1,405,997 |
| Employee Salaries & Fringe Benefits | 7,969 | 212,852 | | 240,940 | 461,761 |
| Agency Contractor Services | 744 | 34,652 | | 44,474 | 79,869 |
| Planning and Evaluation Services | 4,094 | 51,190 | | 50,497 | 105,781 |
| Advertising and Marketing Services | 1,337 | 43,717 | | 43,456 | 88,510 |
| Other Professional Services | 1,203 | 48,738 | | 43,013 | 92,954 |
| Travel, Meetings, Trainings & Conferences | 216 | 5,517 | | 5,722 | 11,455 |
| Dues, Licenses and Fees | 86 | 3,367 | | 2,045 | 5,498 |
| Software and Hardware | 218 | 6,221 | | 7,198 | 13,637 |
| Depreciation & Amortization | 139 | 3,977 | | 4,583 | 8,700 |
| Office Rent and Equipment | 421 | 12,023 | | 13,857 | 26,301 |
| Materials Postage and Telephone | 41 | 1,503 | | 1,870 | 3,414 |
| Miscellaneous Expenses | 5 | 136 | | 143 | 284 |
| Expenditures | 103,290 | 2,875,304 | | 2,919,464 | 5,898,058 |
| *Expenditure break down by function:* | | | | | |
| Program Costs | 97,615 | 2,717,329 | - | 2,759,062 | 5,574,006 |
| Communications and Outreach | 2,305 | 64,157 | | 65,142 | 131,603 |
| Management & General | 3,370 | 93,819 | | 95,260 | 192,449 |
| Total Administrative | 5,675 | 157,975 | | 160,402 | 324,052 |
| Expenditures | 103,290 | 2,875,304 | | 2,919,464 | 5,898,058 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | **OPUC Efficiency Division** |
|---|---|---|---|---|---|
| | - | - | - | - | - |
| Efficiency gas therms savings | 32,395 | 538,865 | - | 990,191 | 1,561,451 |

Energy Trust of Oregon
2023 Projection Detail by Funding Source and Program

**NW Natural**

| Expenditures Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Incentives | 715,913 | 3,707,969 | | 525,242 | 8,690,041 | | 13,639,165 |
| Program Delivery Contractors | 471,277 | 2,684,039 | 188,317 | 242,523 | 3,786,202 | 733,292 | 8,105,650 |
| Employee Salaries & Fringe Benefits | 109,105 | 555,060 | 8,595 | 75,146 | 1,240,942 | 33,165 | 2,022,014 |
| Agency Contractor Services | 10,181 | 90,362 | 550 | 13,871 | 218,295 | 2,141 | 335,399 |
| Planning and Evaluation Services | 57,445 | 134,090 | 347 | 15,749 | 121,544 | 1,287 | 330,463 |
| Advertising and Marketing Services | 18,302 | 114,003 | 1,398 | 13,553 | 360,201 | 5,441 | 512,899 |
| Other Professional Services | 16,475 | 127,095 | 1,041 | 13,415 | 609,936 | 4,030 | 771,991 |
| Travel, Meetings, Trainings & Conferences | 2,961 | 14,387 | 229 | 1,785 | 33,433 | 887 | 53,681 |
| Dues, Licenses and Fees | 1,178 | 8,780 | 130 | 638 | 10,817 | 495 | 22,038 |
| Software and Hardware | 2,983 | 16,224 | 197 | 2,245 | 35,501 | 766 | 57,915 |
| Depreciation & Amortization | 1,907 | 10,370 | 134 | 1,430 | 22,756 | 520 | 37,116 |
| Office Rent and Equipment | 5,759 | 31,353 | 446 | 4,322 | 70,192 | 1,721 | 113,793 |
| Materials Postage and Telephone | 561 | 3,920 | 47 | 583 | 6,666 | 183 | 11,960 |
| Miscellaneous Expenses | 67 | 356 | 8 | 45 | 740 | 33 | 1,249 |
| Expenditures | 1,414,113 | 7,498,008 | 201,439 | 910,546 | 15,207,266 | 783,961 | 26,015,332 |
| *Expenditure break down by function:* | | | | | | | |
| Program Costs | 1,336,418 | 7,086,051 | 190,371 | 860,519 | 14,371,746 | 740,888 | 24,585,994 |
| Communications and Outreach | 31,553 | 167,303 | 4,495 | 20,317 | 339,320 | 17,493 | 580,480 |
| Management & General | 46,141 | 244,654 | 6,573 | 29,710 | 496,200 | 25,580 | 848,858 |
| Total Administrative | 77,694 | 411,957 | 11,067 | 50,027 | 835,520 | 43,072 | 1,429,338 |
| Expenditures | 1,414,113 | 7,498,008 | 201,439 | 910,546 | 15,207,266 | 783,961 | 26,015,332 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency Division** |
|---|---|---|---|---|---|---|---|
| | - | - | - | - | - | - | - |
| Efficiency gas therms savings | 305,535 | 1,402,994 | 443 | 362,896 | 2,044,421 | 2,061 | 4,118,350 |

Energy Trust of Oregon
2023 Projection Detail by Funding Source and Program

**Cascade Natural Gas**

| Expenditures Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Incentives | 86,861 | 895,537 | | 285,102 | 863,841 | | 2,131,342 |
| Program Delivery Contractors | 60,832 | 841,468 | 47,968 | 144,361 | 318,553 | 186,784 | 1,599,966 |
| Employee Salaries & Fringe Benefits | 13,557 | 150,821 | 2,189 | 42,034 | 117,343 | 8,448 | 334,393 |
| Agency Contractor Services | 1,265 | 24,553 | 140 | 7,759 | 20,642 | 545 | 54,904 |
| Planning and Evaluation Services | 6,964 | 36,272 | 88 | 8,810 | 9,791 | 328 | 62,253 |
| Advertising and Marketing Services | 2,274 | 30,977 | 356 | 7,581 | 33,115 | 1,386 | 75,689 |
| Other Professional Services | 2,047 | 34,534 | 265 | 7,504 | 57,675 | 1,026 | 103,052 |
| Travel, Meetings, Trainings & Conferences | 368 | 3,909 | 58 | 998 | 3,161 | 226 | 8,721 |
| Dues, Licenses and Fees | 146 | 2,386 | 33 | 357 | 1,023 | 126 | 4,071 |
| Software and Hardware | 371 | 4,408 | 50 | 1,256 | 3,357 | 195 | 9,637 |
| Depreciation & Amortization | 237 | 2,818 | 34 | 800 | 2,152 | 132 | 6,173 |
| Office Rent and Equipment | 716 | 8,519 | 114 | 2,418 | 6,637 | 438 | 18,842 |
| Materials Postage and Telephone | 70 | 1,065 | 12 | 326 | 630 | 47 | 2,150 |
| Miscellaneous Expenses | 8 | 97 | 2 | 25 | 70 | 8 | 210 |
| Expenditures | 175,716 | 2,037,365 | 51,310 | 509,331 | 1,437,991 | 199,690 | 4,411,404 |
| *Expenditure break down by function:* | | | | | | | |
| Program Costs | 166,062 | 1,925,428 | 48,491 | 481,347 | 1,358,985 | 188,719 | 4,169,032 |
| Communications and Outreach | 3,921 | 45,460 | 1,145 | 11,365 | 32,086 | 4,456 | 98,432 |
| Management & General | 5,733 | 66,477 | 1,674 | 16,619 | 46,920 | 6,516 | 143,940 |
| Total Administrative | 9,654 | 111,937 | 2,819 | 27,984 | 79,006 | 10,971 | 242,372 |
| Expenditures | 175,716 | 2,037,365 | 51,310 | 509,331 | 1,437,991 | 199,690 | 4,411,404 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency Division** |
|---|---|---|---|---|---|---|---|
| | - | - | - | - | - | - | - |
| Efficiency gas therms savings | 34,335 | 320,476 | 113 | 128,438 | 193,715 | 525 | 677,602 |

Energy Trust of Oregon
2023 Projection Detail by Funding Source and Program

**Avista Gas**

| Expenditures Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency** |
|---|---|---|---|---|---|---|---|
| Incentives | 50,695 | 595,173 | | 102,458 | 1,226,991 | | 1,975,316 |
| Program Delivery Contractors | 25,896 | 534,970 | 22,329 | 43,128 | 527,093 | 86,946 | 1,240,361 |
| Employee Salaries & Fringe Benefits | 7,031 | 98,129 | 1,019 | 14,249 | 174,078 | 3,932 | 298,438 |
| Agency Contractor Services | 656 | 15,975 | 65 | 2,630 | 30,622 | 254 | 50,203 |
| Planning and Evaluation Services | 3,611 | 23,600 | 41 | 2,986 | 14,525 | 153 | 44,916 |
| Advertising and Marketing Services | 1,179 | 20,154 | 166 | 2,570 | 49,126 | 645 | 73,841 |
| Other Professional Services | 1,062 | 22,469 | 123 | 2,544 | 85,561 | 478 | 112,237 |
| Travel, Meetings, Trainings & Conferences | 191 | 2,543 | 27 | 338 | 4,690 | 105 | 7,895 |
| Dues, Licenses and Fees | 76 | 1,552 | 15 | 121 | 1,517 | 59 | 3,341 |
| Software and Hardware | 192 | 2,868 | 23 | 426 | 4,980 | 91 | 8,580 |
| Depreciation & Amortization | 123 | 1,833 | 16 | 271 | 3,192 | 62 | 5,497 |
| Office Rent and Equipment | 371 | 5,543 | 53 | 820 | 9,847 | 204 | 16,837 |
| Materials Postage and Telephone | 36 | 693 | 6 | 111 | 935 | 22 | 1,802 |
| Miscellaneous Expenses | 4 | 63 | 1 | 8 | 104 | 4 | 184 |
| Expenditures | 91,124 | 1,325,565 | 23,884 | 172,660 | 2,133,261 | 92,953 | 3,839,449 |
| *Expenditure break down by function:* | | | | | | | |
| Program Costs | 86,117 | 1,252,736 | 22,572 | 163,174 | 2,016,055 | 87,846 | 3,628,501 |
| Communications and Outreach | 2,033 | 29,577 | 533 | 3,853 | 47,599 | 2,074 | 85,670 |
| Management & General | 2,973 | 43,252 | 779 | 5,634 | 69,606 | 3,033 | 125,278 |
| Total Administrative | 5,007 | 72,829 | 1,312 | 9,486 | 117,206 | 5,107 | 210,948 |
| Expenditures | 91,124 | 1,325,565 | 23,884 | 172,660 | 2,133,261 | 92,953 | 3,839,449 |

| Energy Savings and Generation Detail | New Buildings | Existing Buildings with MF | NEEA Commercial | Industry and Agriculture | Residential | NEEA Residential | **OPUC Efficiency Division** |
|---|---|---|---|---|---|---|---|
| | - | - | - | - | - | - | - |
| Efficiency gas therms savings | 24,610 | 206,779 | 53 | 62,775 | 267,279 | 244 | 561,740 |

Energy Trust of Oregon
2023 Projection Detail by Funding Source and Program

**NW Natural Washington**

| Expenditures Detail | **Washington** |
|---|---|
| Incentives | 1,606,628 |
| Program Delivery  Contractors | 745,735 |
| Employee Salaries & Fringe Benefits | 400,982 |
| Agency Contractor Services | 19,112 |
| Planning and Evaluation Services | 16,675 |
| Advertising and Marketing Services | 20,797 |
| Other Professional Services | 79,514 |
| Travel, Meetings, Trainings & Conferences | 14,966 |
| Dues, Licenses and Fees | 49,159 |
| Software and Hardware | 11,360 |
| Depreciation & Amortization | 7,186 |
| Office Rent and Equipment | 21,964 |
| Materials Postage and Telephone | 2,092 |
| Miscellaneous Expenses | 168 |
| Expenditures | 2,996,338 |
| *Expenditure break down by function:* | |
| Program Costs | 2,831,713 |
| Communications and Outreach | 66,857 |
| Management & General | 97,768 |
| Total Administrative | 164,625 |
| Expenditures | 2,996,338 |

| Energy Savings and Generation Detail | **Washington Programs** |
|---|---|
| Efficiency electric kWh savings | |
| Efficiency gas therms savings | 289,903 |
| Renewables electric kWh generation | |

# 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 as forecasted in their annual projections of public purpose collections and/or 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:** 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. 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.

**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. It receives a small, dedicated percentage of customer utility bills to invest in energy efficiency and renewable energy programs in Oregon and Southwest Washington. The Oregon Public Utility Commission oversees Energy Trust investments of utility customer funds in Oregon. Under SB 1149, Energy Trust receives a portion of a public purpose charge to fund electric efficiency, market transformation and small-scale renewable energy development. Under SB 838, Energy Trust coordinates with the two electric utilities to identify additional cost-effective electric efficiency funding beyond the original amount determined in SB 1149. Energy Trust coordinates with the three natural gas utilities to identify natural gas efficiency funding. Energy Trust has small contracts separate from this core funding—these contracts are with Energy Solutions for the Oregon Community Solar Program and with 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.

**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.

**OPUC performance measures:** Under Energy Trust's grant agreement with the OPUC, the OPUC is required to establish 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 keeps 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 promote 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. 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 authorized by Oregon state law (SB 1149). Energy Trust receives a portion of the funds collected to deliver benefits from energy-efficiency improvements, market transformation and small-scale renewable energy generation. The phrase “public purpose charge” is used by other utilities and also informally at times to refer to Energy Trust’s core funding. 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:** An annual process in which prior years’ energy savings and renewable generation are adjusted and corrected to reflect new information on how much energy is being saved or generated in the field. This information is then used to update reports and software tools for budgeting, forecasting and analyzing future savings. Information includes improved engineering estimates of savings, corrections to identified transaction errors, anticipated results of future evaluations based on what prior evaluations of similar programs have shown (anticipated evaluation factor) applied to future or current years savings and results from actual evaluations of the program and the year of activity in question (evaluation factor). Results are incorporated in the true-up report (for prior years). Sometimes the best data on program savings or generation is not available for two to three years, especially for market transformation programs. For some programs, savings are updated through the annual true-up process multiple times.

**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.