Energy Trust of Oregon

2024 Annual Budget and 2024-2025 Action Plan

FINAL PROPOSED

Presented to the Board of Directors
December 15, 2023

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EnergyTrust of Oregon

2024 Annual Budget and 2024-2025 Action Plan

Table of Contents

MEMO

Date: December 8, 2023
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Final Proposed 2024 Budget and 2024-2025 Action Plan

I am pleased to present to you Energy Trust of Oregon's Final Proposed 2024 Budget, 2024 Annual Goals and 2024-2025 Action Plan, which will be the focus of our December 15 board meeting.

This budget represents near-term investments to achieve longer-term targets of expanding and accelerating energy savings by 2030 and serving customers with high energy burden that we have historically underserved. Additional cost-effective energy efficiency will help utilities meet their decarbonization goals at a lower cost than alternative investments while providing equitable benefits to customers and communities.

This budget invests in the capabilities, staffing and market support needed to deliver more savings in future years and will also maximize the impact of new complementary funding expected to enter the market in 2025 (e.g. Inflation Reduction Act, Portland Clean Energy Community Benefits Fund), ensuring that those funding sources result in measurable value to our utility systems as soon as possible.

In the materials that follow, action plans are provided for general management, including diversity, equity and inclusion; energy efficiency and renewable energy programs; program support groups; and contract and grant-funded initiatives. The materials also include utility-specific action plans developed in collaboration with each of our five utility partners.

Supporting memos provide additional details on the assumptions that shaped action plans and budgets across the organization as well as budget components such as staffing, administrative costs, levelized costs, market intelligence, incentive increases, and new investments and delivery approaches to accelerate energy savings.

Unless otherwise noted, the budget reflects all revenues and expenditures for Oregon core efficiency and renewable energy funds, NW Natural Washington customers, NW Natural and Avista transport customers, Oregon Community Solar Program, Oregon Landlord-provided Cooling Spaces Initiative, Portland General Electric Smart Battery Pilot, and other contracted and grant-funded activities. Some materials, such as calculations of Oregon Public Utility Commission performance measures, reference a subset of the budget and are clearly marked.

After board consideration on December 15, the budget and action plan will be submitted to the Oregon Public Utility Commission by year-end and posted online at www.energytrust.org/budget.

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

Thank you,

Michael T. Colgrove, Executive Director

2024 Organizational Goals

Customers will save and generate energy and reduce costs in 2024 and beyond as a result of investments in clean energy programs, including those designed to meet the needs of customers the organization has historically underserved.

Customers will gain access to a broader and more diverse network of qualified contractors who can install clean energy upgrades in their communities, and potential trades people will gain skills and opportunities in the energy efficiency and solar industries.

Community-based organizations will have opportunities to bring clean energy benefits to their communities by partnering with Energy Trust to deliver programs and accessing funding, training, mentorship and connections.

Customers, partners and stakeholders will benefit from Energy Trust's ability to achieve long-term goals by shifting to a multiyear budgeting and planning process for future years.

Final Proposed 2024 Budget Summary

- **Investing $305.6 million**
- **Saving 48.0 aMW and 6.9 MMTh**
  - 66.8 MW of reduced demand during summer peak and 79.8 MW during winter peak
  - Includes 0.2 MMth gas transport and 0.2 MMth NW Natural WA
- Delivering highly cost-effective energy
  - 5.2 cents/kWh levelized
  - 64.6 cents/therm levelized (OR), 108.0 cents/therm levelized (WA)
- **Generating 4.6 aMW**
- **Distributing $161.4 million in incentives**; 53% of total expenditures
- Administrative costs at 5.6% of expenditures

Photo: Hernandez Family, Woodburn, OR

Customer Benefits from 2024 Investments

- **Lower energy bills and energy burden**—$770 million in future bill savings for participants
- **Opportunities for 1,600+ local businesses, greater support for community-based organizations** and investments in workforce development
- Local investments that **keep dollars in our communities**
- **Cleaner air** by avoiding 2.3 million metric tons of carbon dioxide over time
- Support for **community-led clean energy efforts**, such as resilience
- Access to **direct benefits for customers experiencing low incomes**, including those in rural areas and those of color

Photo: Jacobs Heating & Air Conditioning, Portland, OR

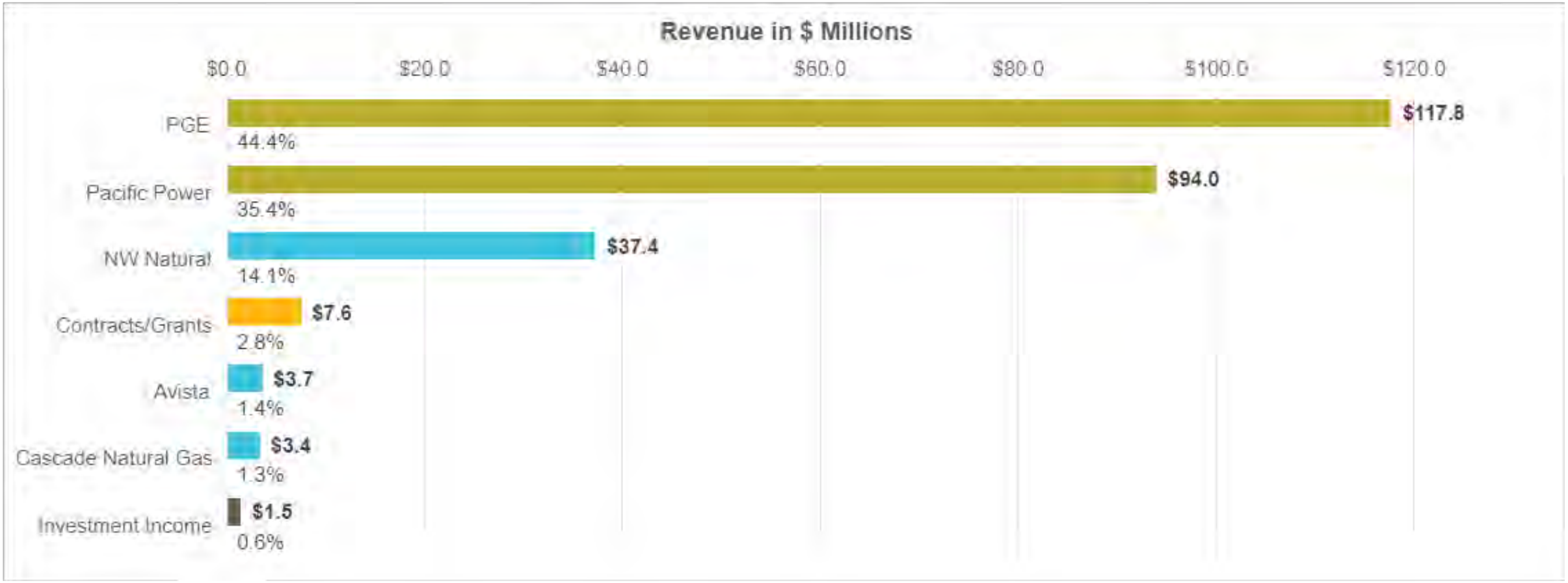
Summary of Changes to Final Proposed Budget

	Draft Budget	Final Proposed Budget	Change	% Change
Revenue ($ Million)	$277.0	$265.3	-$11.7	-4.2%
Expenditures ($ Million)	$304.8	$305.6	$0.9	0.3%
Incentives ($ Million)	$159.2	$161.4	$2.2	1.4%
Staffing Costs ($ Million)	$27.3	$26.9	-$0.4	-1.5%
Administrative Costs ($ Million)	$17.2	$17.2	$0.0	0.0%
Electric Savings (aMW)	48.7	48.0	-0.8	-1.6%
Gas Savings (MMTh)	7.2	6.9	-0.2	-3.3%
Electric Levelized Costs (¢/kWh)	5.1	5.2	0.1	2.1%
Gas Levelized Costs (OR) (¢/therm)	61.2	64.6	3.4	5.6%
Gas Levelized Costs (WA) (¢/therm)	111.5	108.0	-3.5	-3.2%
Generation (aMW)	4.2	4.6	0.4	10.7%

Notes: aMW: average megawatts of electricity; MMTh: million annual therms of natural gas; administrative costs are for management and general, communications and outreach

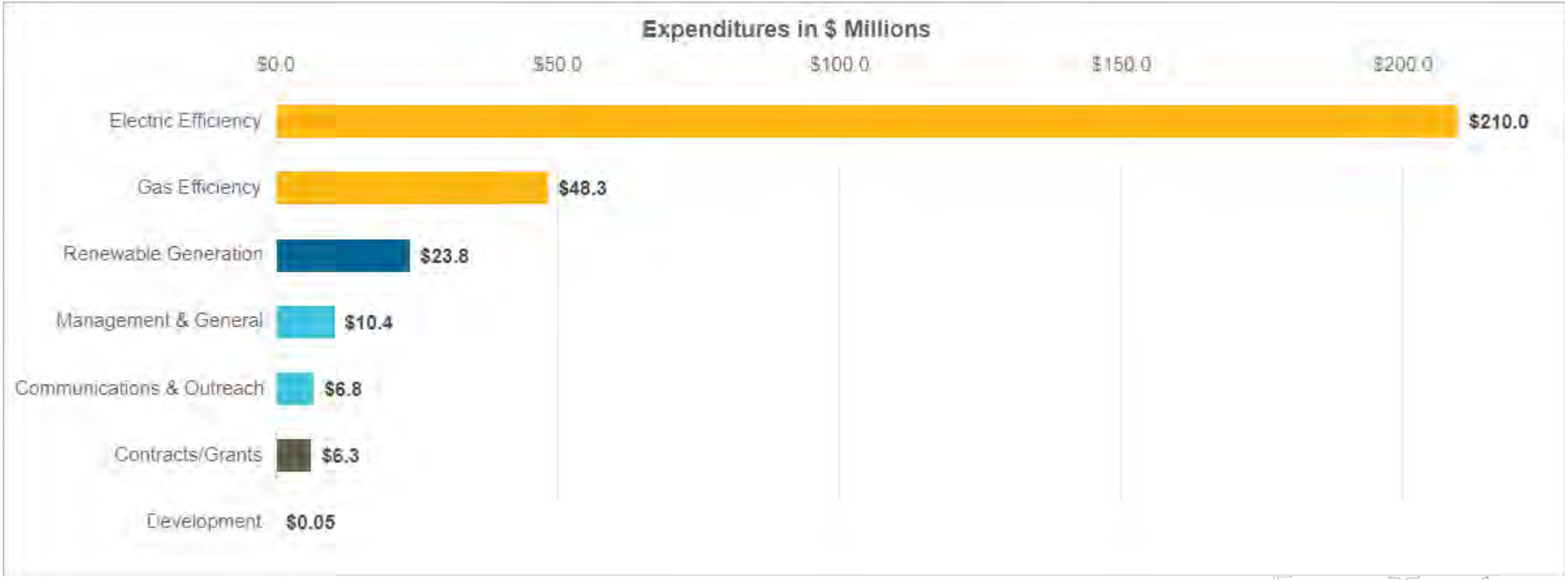
2024 Final Proposed Budget Revenues

$265.3 million, up 28% from 2023 budget



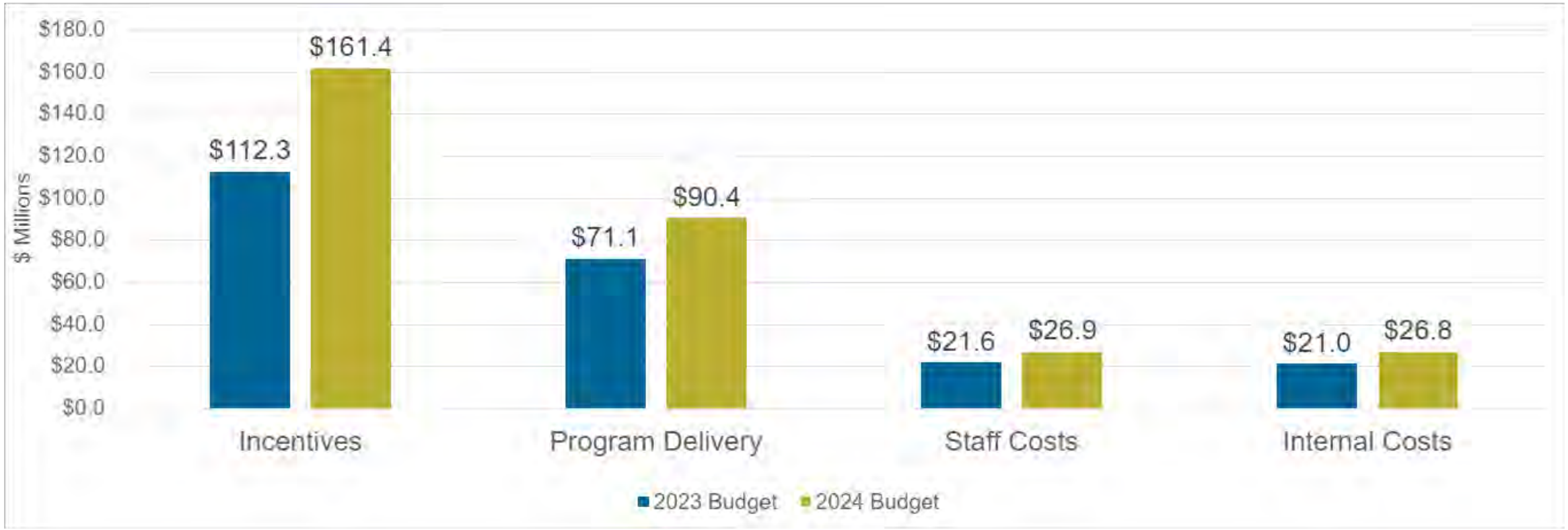
2024 Final Proposed Budget Expenditures

$305.6 million, up 35% from 2023 budget



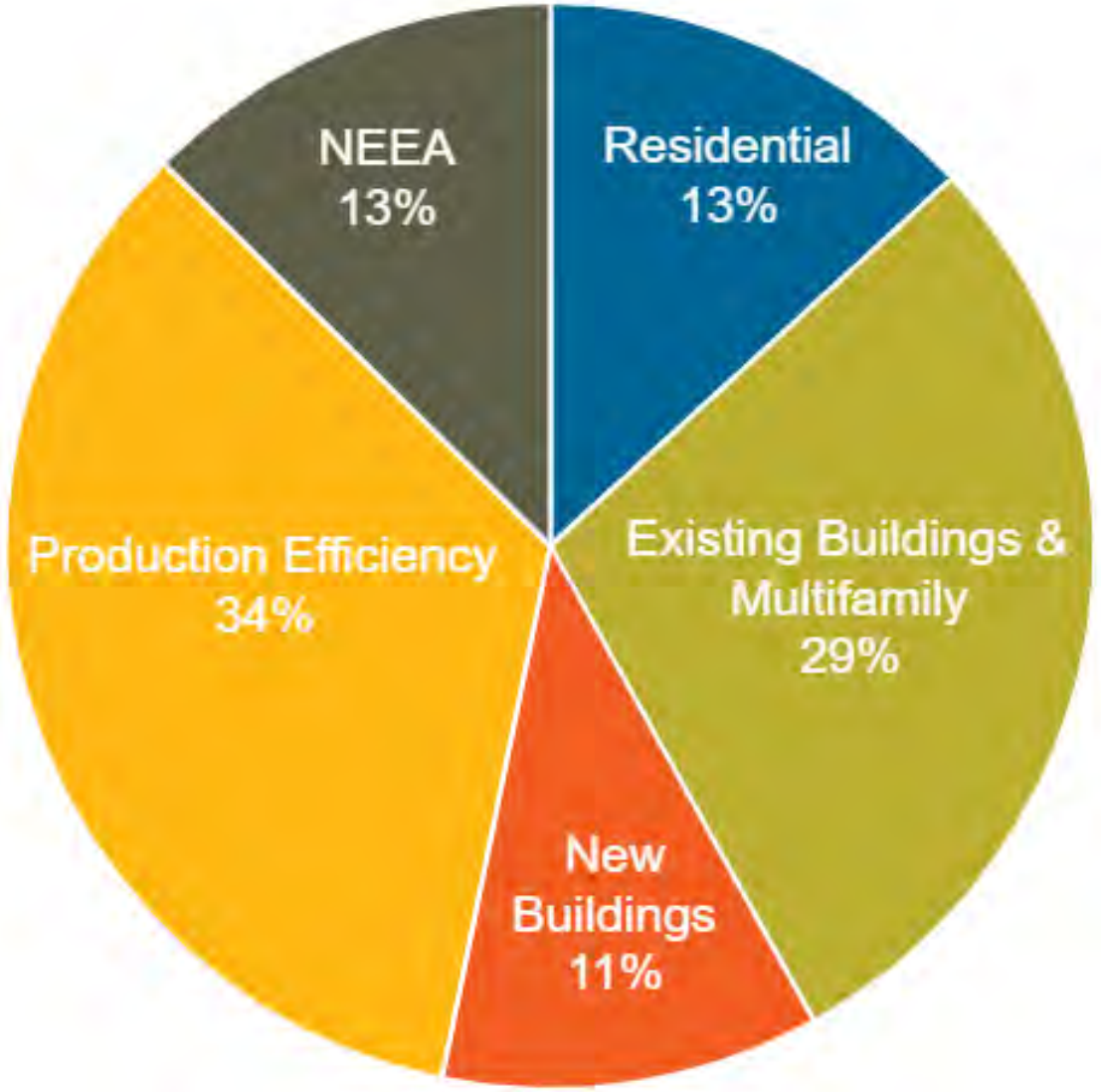
The budget uses net assets/reserves to cover planned expenses in excess of anticipated revenue

2024 Final Proposed Expenses Compared to 2023 Budget



2024 Electric Savings by Program

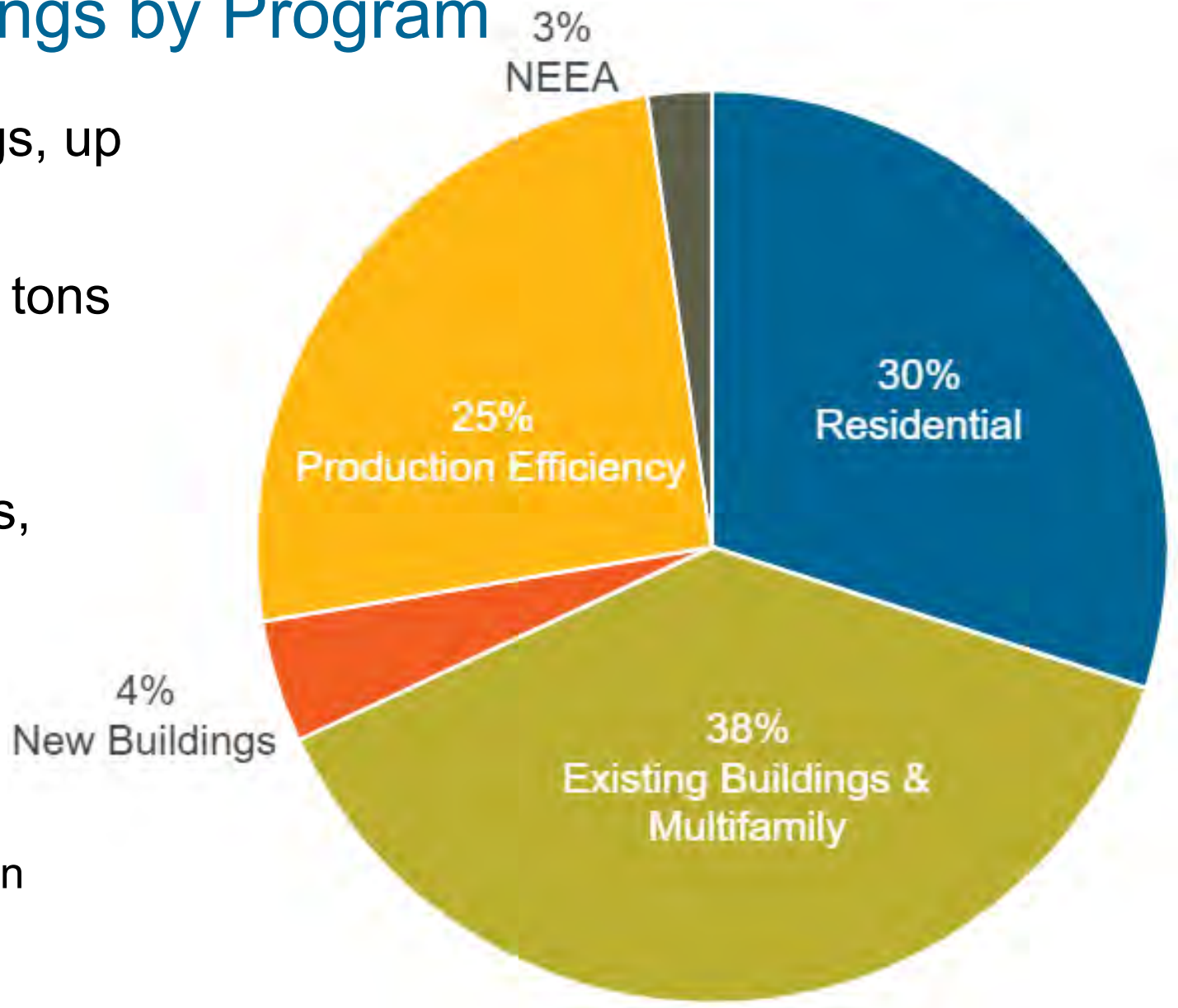
- **48.0** aMW of electric savings, up **6.2%** from 2023 budget
- Equivalent to **1.4 million** metric tons of carbon avoided over time
- **$223.1** million in total costs, including customer incentives, services and delivery
- Savings driven by:
  - Industrial and commercial custom and SEM projects
  - Lighting upgrades for businesses
  - Residential home retrofits



aMW: average megawatts

2024 Natural Gas Savings by Program

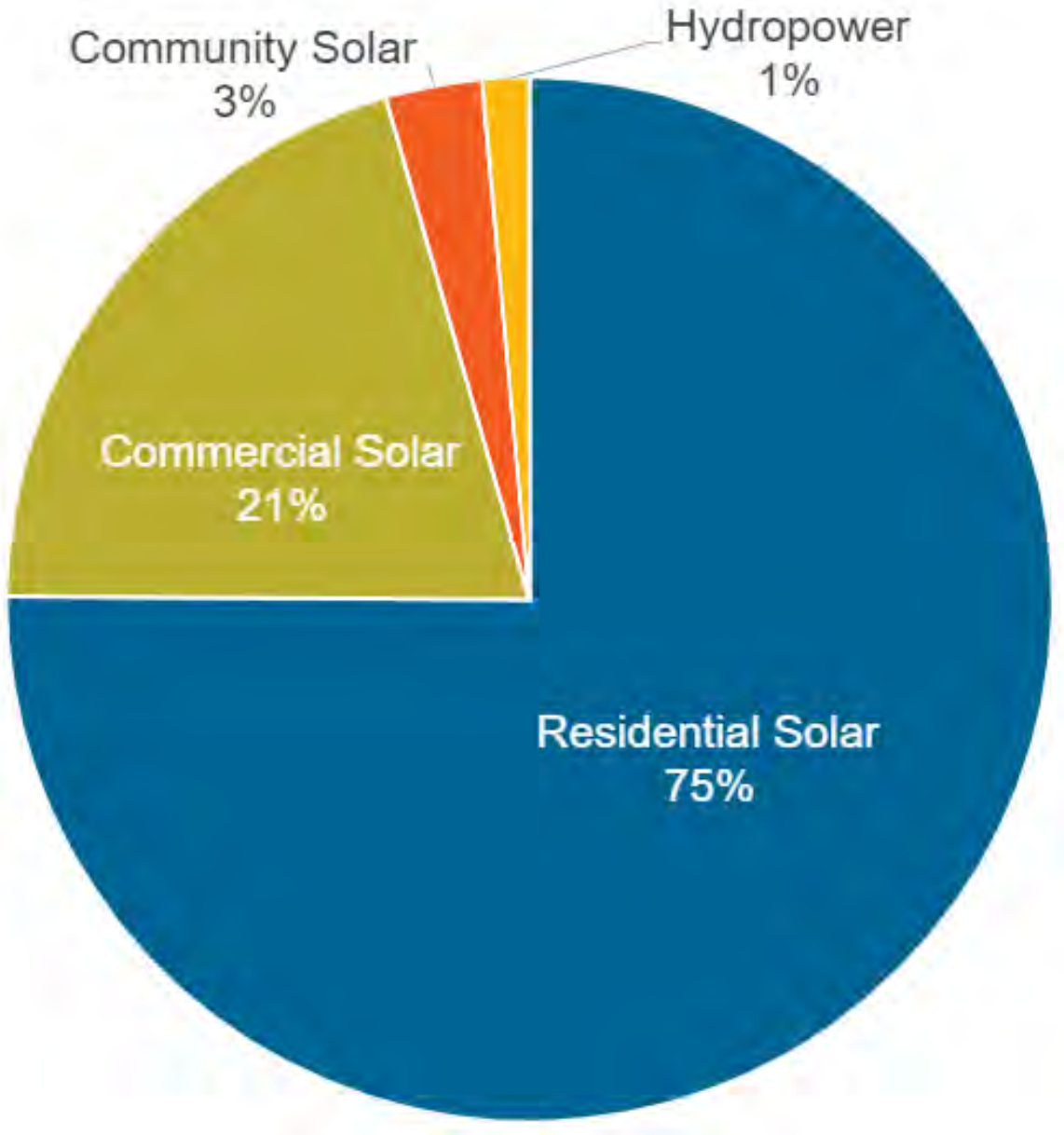
- **6.9** MMTh natural gas savings, up **9**% from 2023 budget
- Equivalent to **672,000** metric tons of carbon avoided over time
- **$55.5** million in total costs, including customer incentives, services and delivery
- Savings driven by:
  - Custom industrial projects
  - Commercial custom and SEM
  - Residential market transformation



MMTh: million annual therms

2024 Renewable Generation

- **4.6** aMW generation
- Equivalent to **194,000** metric tons of carbon avoided over time
- **$25.3** million in total costs, including incentives, services and delivery
- Focus on customers with low and moderate incomes and distribution system-connected technologies
- Maintain and expand support for solar market while transitioning away from standard solar incentives



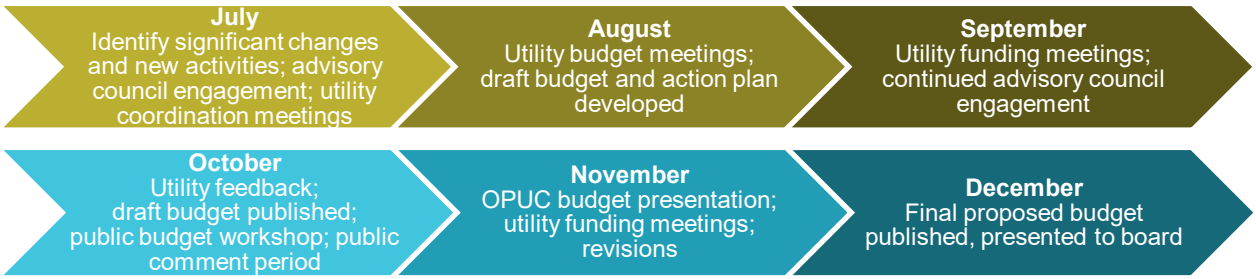
Draft 2025 Budget Summary

- **Investing $329.5 million**
- **Saving 51.5 aMW and 7.8 MMTh**
  - **71.9 MW** of reduced demand during summer peak and **86.3 MW** during winter peak
  - Includes 0.9 MMth gas transport and 0.3 MMth NW Natural WA
- Delivering highly cost-effective energy
  - 4.9 cents/kWh levelized
  - 65.8 cents/therm levelized (OR), 105.7 cents/therm levelized (WA)
- **Generating 3.6 aMW**
- **Distributing $170.5 million in incentives**; 52% of total expenditures
- Administrative costs at 5.9% of expenditures

Frequently Asked Questions:
Energy Trust Annual Budget and 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 Energy Advisory Council—stakeholders and the public.

Starting in the first quarter of the year, we reference our five-year strategic plan to develop internal guidance for staff and an annual business plan for the following year. Staff use the guidance and business plan to develop a comprehensive draft budget and action plan and organizational goals 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 Oregon Public Utility Commission (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. Following the October board meeting, presentation materials and recordings will be posted on this page. Budget presentations and supporting 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 open for 14 days surrounding the October board meeting. For details on submitting public comments and due dates, visit www.energytrust.org/budget.

Who reviews and approves the budget and action plan?
We ask for review and feedback from our board of directors, advisory councils, OPUC staff, 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 our five utility partners 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 strategic plan and guide the development of our annual budget and 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 communities and utility customers in Oregon and Southwest Washington save energy and benefit from energy efficiency and 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. Energy Trust also contracts with governments, utilities and other entities to deliver programs and services that align with our mission, advance our strategic plan focus areas and support our core energy savings and generation work.

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 to offset future revenue needs. Carryover of unspent funds can be a result of many factors, including meeting our savings goals at lower than expected costs or revenue forecasts being higher than projected due to unexpected weather changes. Renewable energy project development often occurs over multiple years and requires an upfront funding commitment. Some carryover funds are dedicated for those project commitments.

What accountability measures are in place to ensure funds are spent wisely?
All expenditures must comply with legal requirements and meet minimum annual performance measures established by the OPUC. All energy-efficiency investments, excluding pilots and limited activities exempted by the OPUC, are required to be cost effective, meaning that long-term project savings exceed related costs and are of net financial benefit to the customer. The board of directors' oversight includes reviews of major contract decisions, monthly financial statements, program evaluations and progress to strategic plan focus areas.

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

MEMO

Date: December 8, 2023
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Summary of Market Intelligence

This memo summarizes input and insights gleaned from customers, stakeholders and experts in 2023 and late 2022. Energy Trust sought and received input from the following groups, some of which were asked about market trends, customer and community needs, opportunities and strategic priorities for Energy Trust.

- Conservation Advisory Council (CAC)
- Diversity Advisory Council (DAC)
- Renewable Energy Advisory Council (RAC)
- Utilities
- Staff conversations with customers, partners and stakeholders
- Energy Trust's 2022 Customer Awareness and Participation Study[1]

Information about market conditions was also sourced from the Oregon Office of Economic Analysis' Oregon economic and Revenue Forecasts from March through September 2023[2].

What's happening in the market?

- **The Inflation Reduction Act is creating unprecedented funding opportunities.** The Federal Inflation Reduction Act, plus other federal legislation, will drive significant new opportunities in Oregon and Southwest Washington. But many of the details of how funds will be distributed are unknown, and there are challenges in figuring out how organizations should organize and partner to help this money flow through to the market and customers. This will require a lot of coordination and communication across organizations and agencies to be effective. (CAC, RAC, utilities)
    - *"There's so much potential. Everything is happening right at once and we don't want to miss out on the opportunity." (RAC)*
    - *"The biggest opportunity is around federal funding and figuring out how we work together to help customers access funds and services." Avista*
- **Portland Clean Energy Community Benefits Fund is a huge opportunity as well.** In Portland, there's a need for organizations to work together creatively to use the resources that are coming through PCEF. The Portland City Council just passed PCEF's Climate Investment Plan and implementation is expected to begin in 2024, which will create additional opportunities for collaboration. (CAC, RAC)
    - *"There are real huge major opportunities if we all work together and look at how to creatively use resources that are coming." CAC member*
- **The industry lacks capacity to keep up with the opportunities.** Labor shortage is a major issue for the energy efficiency industry, especially as new funding creates more opportunities. There is not enough capacity for community-based organizations and trade ally contractors to

[1] https://www.energytrust.org/wp-content/uploads/2023/04/Energy-Trust-of-Oregon_CAP-Study-Report-2022_Final-wSR.pdf
[2] https://www.oregon.gov/das/oea/Documents/forecast0923.pdf, https://www.oregon.gov/das/oea/Documents/forecast0523.pdf, https://www.oregon.gov/das/oea/Documents/forecast0323.pdf

deliver new programs and opportunities. The challenge is not lack of funds, but rather how to distribute all the new funding to individuals. In addition, community action agencies are at capacity, especially because of a backlog of customers that accrued during the pandemic. (CAC, utilities, staff conversations)
    - *"More funding is available but there's not enough labor to keep up." CAC member*
- **Communities lack expertise and bandwidth to capture new funding.** With new funds coming available, some communities lack the skills and time to take advantage of time-sensitive grant opportunities. Rural and tribal communities don't have the capacity to apply for grants or incentives. Smaller cities and counties lack understanding of how to administer federal funds. All of these communities need help. (RAC, utilities)
    - *"We're hearing from communities feeling like grant funding opportunities are flying right past them." RAC member*
- **People need information and resources to make sense of new opportunities.** People are confused about all the funds and programs becoming available. Renters and people who are Latin and Indigenous, live in rural areas and experience lower incomes are less aware of Energy Trust's programs. They need education and guidance through marketing and outreach that is culturally relevant and available in multiple languages. (DAC, utilities, Customer Awareness and Participation Study, staff conversations)
    - *"People are having a really tough time figuring out who to talk to, and organizations and agencies are having a hard time figuring out who to do a warm handoff to." CAC member*
- **Costs are increasing for energy, goods, services and borrowing amid economic uncertainty**. Energy and equipment prices are increasing. People are shying away from borrowing money due to high interest rates. Small businesses are facing tighter cash flows or holding on to money because of uncertainty in the market. (RAC, utilities)
    - *"Interest rates have affected demand for solar installations." RAC member*
    - *"Increasing costs of HVAC are driving people to repair rather than replace equipment." NW Natural*
- **The economy remains uncertain.** The Oregon Office of Economic Analysis forecasts a soft landing to the recent inflationary boom. Remaining uncertainty means a recession cannot be ruled out in 2024, but easing inflation and a stabilizing labor market suggest any recession would likely be mild. The economy is expected to cool somewhat with the current high interest rates, but cooling inflation and a healthier labor market may allow the Federal Reserve to make cuts to the interest rate sooner in 2024 than previously expected. Some equipment prices are easing following pandemic-driven demand surges and overloaded supply chains. Housing affordability remains a risk to the economic forecast, but lower interest rates are expected to spur more construction of homes and buildings. Oregon maintains a strong labor market and high employment rates. (RAC, utilities, Oregon Office of Economic Analysis, staff conversations)
- **Affordability is a growing challenge.** Home prices and rents are rising faster than incomes. Amid rising costs of living, affordability is a significant concern for low- and moderate-income households. There are still many obstacles for these customers to participate in energy efficiency programs, such as upfront costs. Many of these customers can't afford necessary home repairs, making deferred maintenance a barrier to participation. Reducing energy burden is a priority, and so is keeping rates as flat as possible. (CAC, DAC, utilities, Oregon Office of Economic Analysis, staff conversations)
    - *"Community Energy Project can't serve 50% of homes with PCEF funding because the deferred maintenance is so bad." CAC member*

- **Figuring out how to serve renters is an urgent problem that needs to be solved.** People who don't own their homes, including many Native American and Black people, aren't able to participate in clean energy programs and benefit directly from energy transformation. (CAC, DAC, staff conversations)
    - *"This is one of our biggest problems we talk about all the time, but nobody really knows how to solve it." CAC member*
- **People are more interested in clean energy.** Customers and communities are more aware of and interested in clean energy and climate change based on the weather events of recent years. An example: growth in residential solar projects was exponential in 2022. Some customers, including commercial and industrial businesses, are interested in electrification. (CAC, DAC, RAC, utilities, staff conversations)
    - *"People are interested in switching from liquid fuels to electricity due to cost and climate change." DAC member*
- **People and communities are using energy differently to stay safe and healthy during extreme weather and power outages.** Air conditioning is now a necessity to stay cool during heat waves and to breathe clean air during wildfire season. According to Energy Trust's 2022 Customer Awareness and Participation Study, 85% of households have some type of cooling. Rural customers experience frequent and prolonged electric outages, necessitating a backup energy source. Resilience is a priority for people and communities, and communities are seeking help with climate and energy planning. (DAC, utilities, Customer Awareness and Participation Study, staff conversations)
    - *"A lot of people in rural Eastern Oregon are switching to heat pumps but using alternative fuels as backup during outages, which may be needed 10-20 nights a year." DAC member*
- **Meeting greenhouse gas emissions reduction targets is a priority for the utilities.** Utility partners must meet ambitious emissions reduction targets set by the state. The utilities and the OPUC are relying on energy efficiency to help meet climate goals with minimal rate impacts on customers. While all utilities are focused on saving energy as a tool to reduce emissions, gas utility partners are interested in renewable natural gas, Energy Trust's hybrid HVAC pilot and the release of the first gas heat pumps expected in late 2023. Electric utility partners are interested in electrification and managing increased demand. Reducing peak demand is increasingly important. (RAC, utilities)
- **Partners and utilities are eager for more collaboration.** Utilities, community partners and community-based organizations want to deepen relationships with Energy Trust to build mutual understanding and trust**.** Utilities appreciate partnership on distribution system planning, clean energy planning and community outreach and see opportunity to increase and deepen this work over the coming year. (Utilities, staff conversations)
- **Policies continue to evolve and influence Energy Trust.** That includes policies at the federal, state and local level that could create additional opportunities and challenges. Some large commercial and industrial customers are postponing capital updates due to uncertainty around potential policies that could require electrification. (RAC, utilities, staff conversations)

What should Energy Trust prioritize given these market factors?

- **To meet growing opportunities and demand, Energy Trust could help develop new delivery partners.** With community-based organizations and community action agencies at

capacity, Energy Trust can identify and build capacity of new partners to distribute funds and deliver programs in underserved communities. (CAC)
    - *"Energy Trust can help communities roll out energy programs so we don't leave anyone behind in the energy transition." CAC member*
    - *"Energy Trust can expand beyond its traditional role and play a bigger part in building entities around the state that know the communities and can do this work." CAC member*
- **Energy Trust could play a bigger role in convening partners.** Effective partnerships are essential to fully realize opportunities driven by new funding. As more community-based organizations get involved, they need education and relationships in the industry. We could play a bigger role in convening and educating them. The low-income solar working group is a successful example of how we've done this in the past. (CAC)
- **We could also support workforce development for contractors and delivery partners.** Workforce development and training is crucial to deliver on all the available new funding and ensure quality installations, especially in rural areas. Training is important not just for contractors (especially for BIPOC and women-owned companies) but also for community-based organizations that deliver services. Skill development is needed for contractors around HVAC, heat pump water heaters, weatherization, solar and battery storage, and it is also needed for energy assessors, electricians and roofers. There's also an opportunity to help schools offer trade apprenticeships and information on energy careers. (CAC, DAC, staff conversations)
    - *"The market isn't developed yet for the amount of money that's coming in." CAC member*
- **Energy Trust could help people navigate the increasingly complex array of funds and offers.** There's no one place where people and organizations can go to figure out their options, and Energy Trust could be that place and help by providing resources and information. (CAC, DAC)
    - *"We need one place we can get information to relay to clients, business partners and customers." DAC member*
    - *"There's not a one-stop shop for questions." DAC member*
- **We could braid multiple funding sources to help bridge gaps in funding for projects.** Energy Trust needs to be creative and find ways to bridge the gap for parts of a project that funding may not cover. Federal, state and other funds can be braided with Energy Trust incentives to minimize customer costs. (DAC, utilities)
- **We could do more to make programs accessible.** Reducing jargon and participation requirements will ensure more customers get access to clean energy. (CAC)
- **Prioritizing weatherization could maximize the value of other investments.** With so much funding on the way for HVAC upgrades, there could be an opportunity for Energy Trust to maximize the value of those investments by supporting weatherization and deferred maintenance. (CAC)
- **More work is needed to support equity- and resilience-focused outcomes for communities.** The connection between resilience and equity is an important consideration as resiliency provides an opportunity to connect people rather than focusing on individualized benefits. Energy Trust should prioritize resilience at a community level and support solar + storage incentives for low- and moderate-income houses. Additionally, more focus should be placed on the five-year goals of filling community solar carve-out capacity, increasing funding and participation in resiliency and renewables projects in low-income and underserved communities. (RAC)
    - *"Providing access to a resilience hub for every community is an important and reasonable long-term goal." RAC member*

- **Utilities would like more help from Energy Trust to achieve their emissions reduction targets.** That could include targeting locations facing grid constraints and population growth and exploring new offers such as hybrid HVAC and new technologies for large industrial customers. (Utilities)

MEMO

Date: December 8, 2023
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Budget Assumptions for Final Proposed 2024 Budget and 2024-2025 Action Plan

This memo provides an overview of the underlying assumptions that guided development of Energy Trust's Final Proposed 2024 Budget and 2024-2025 Action Plan.

Staff at the OPUC asked what it would take for Energy Trust to accelerate savings acquisitions by 2030 to help utilities meet their carbon goals and what the OPUC could do to enable that. Additional cost-effective energy efficiency will help utilities meet their greenhouse gas reduction targets at a lower cost while providing equitable benefits to customers and communities.

Oregon has established aggressive energy decarbonization goals for investor-owned utilities over the next three decades, including through the Climate Protection Program, which directs the natural gas utilities to reduce emissions 90% by 2050 and also through the 100% Clean Electricity Standard, which requires the electric investor-owned utilities to deliver 100% clean electricity to retail customers by 2040, starting with an 80% reduction in emissions by 2030.

Our electric utility partners are in the process of developing and finalizing Integrated Resource Plans (IRP) and Clean Energy Plans (CEP) describing how they will meet these carbon goals. Those proceedings (LC 80 and LC 82) occur at the same as the development of Energy Trust's 2024 Budget and 2024-2025 Action Plan. As a result of these processes occurring simultaneously, our response to accelerate savings is reflected in this budget but is ahead of typical process alignment with current utility IRPs.

While we're still determining exactly how much more electric efficiency we can achieve by 2030, our initial analysis indicates that more savings are available than what is currently represented in IRPs and that immediate additional investments and significant changes to programs and operations are needed to acquire those savings. These investments are needed to address key delivery bottlenecks in the market that hinder achievement of additional energy efficiency, regardless of the timeline for achieving them.

We have identified two major areas of need: 1) Investments to expand high-quality market delivery channels and 2) Improvements to program offers and approaches to broaden our reach equitably. Energy Trust has a long and successful history of investing in the delivery markets and in adapting program designs to meet customer needs cost effectively.

In the Final Proposed 2024 Budget and 2024-2025 Action Plan, we expand work to reach and serve people experiencing low to moderate incomes, customers living in rural areas, and customers who identify as Black, Indigenous and People of Color. While participation from large commercial and industrial customers is critical to achieving more savings, expanding our ability to serve customers who we have underserved will unlock significant sources of energy-savings that are currently stranded. We cannot achieve accelerated savings goals without participation from customers who face high barriers to participation. Serving these customers doesn't just result in more energy savings, it also relieves energy burden for those customers and ensures equitable distribution of benefits.

Serving these customers with high barriers to participation is also more expensive. It requires higher incentives to cover more or even all the costs of an upgrade, and it requires new delivery strategies like partnerships with community-based organizations, community outreach and more hands-on delivery models to serve these customers who may be reluctant to participate.

Potential Changes to Policies and Processes

We worked with OPUC staff to identify current underlying policies and processes that shape how Energy Trust makes investments on behalf of utility ratepayers and potential changes that would enable us to invest in accelerated energy savings by 2030. Those potential changes include:

- **Updates to electric avoided costs** that reflect the true value that energy efficiency contributes to a reliable, decarbonized energy system
- **Different requirements for evaluating, tracking and reporting cost-effectiveness** at the portfolio rather than program level
- **New assumptions about complementary funding** for measures targeting customers experiencing low and moderate incomes
- **A new multi-year planning approach** that enables Energy Trust to develop strategies, make investments and realize benefits over multiple years instead of the current one-year time frame (with a second-year budget projection)

We performed a sensitivity analysis of the cost-effectiveness of the final proposed 2024 budget to test if these increased investments (in expanding market delivery channels and improving program offers and approaches) would challenge the cost-effectiveness of programs per our traditional approach to cost effectiveness. We also sought to understand how potential policy changes might enable these investments to be cost-effective.

This initial analysis will be revisited and updated in 2024 as we work closely with our utility partners on long-term planning for energy efficiency in support of their next IRPs. At that point, key assumptions addressed in this memo be updated as well.

Based on this analysis, the following observations and decisions were formed:

- **Energy Trust will continue to track and report cost-effectiveness at the program level** but will also evaluate the portfolio level cost-effectiveness to inform the assessment of value of the contribution of energy efficiency in total to the energy system.
- **Energy Trust plans to participate in future OPUC proceedings for implementation of HB 2475** legislation directed at reducing energy burden for priority customers.
- **Energy Trust will continue to coordinate closely with other organizations that are instrumental in administering complementary funds**, but we will not assume those funds are available in 2024 to co-fund savings. As the details about complementary funds become more clear, we will begin to reflect them in our future budgets. In 2024 and 2025, our investments in growing the capacity of the market to deliver more energy efficiency are critical to enabling Oregonians' access to those funds in 2025 and beyond.

Additional assumptions underlying our budget include:

- **Energy Trust used current avoided costs to develop our 2024 budget**, which are acknowledged to be out of date. Even with these current avoided costs, Energy Trust's budget is cost-effective at the portfolio level and for all programs except for Residential and Existing Buildings.
- **Energy Trust will adopt a multiyear planning approach** to meet the challenge of achieving Oregon's energy decarbonization goals by 2030.

The following describes our sensitivity analysis leading to the above decisions and observations on our final proposed 2024 budget.

Cost-effectiveness Sensitivity Analysis

Staff assembled four independent scenarios to analyze a discrete change to a cost or benefit in the Benefit Cost Ratio (BCR) tests that would achieve individually cost-effective programs under either fuel: A baseline scenario of BCRs for the 2024 final proposed budget, BCRs for 2024 final proposed budget after electric avoided costs increase by 12%, BCRs for 2024 final proposed budget with low- and moderate-income customer deductions, and BCRs for 2024 final proposed budget after deducting an estimated amount of complementary funding.

The analysis used each program's measure mix from 2022 to forecast 2024 avoided costs, incremental costs and non-energy benefits. In addition, we assumed that this measure mix is proportionally the same between the low- and moderate-income portfolio and program-wide portfolios for Residential and Existing Buildings programs.

Baseline: BCRs for 2024 Final Proposed Budget

The analysis indicates that the combined portfolio for all programs is forecast to be cost-effective for electric and gas. Each program is forecast to be cost-effective with electric and gas combined for the Utility Cost Test (UCT) and Total Resource Cost Test (TRC). However, the electric portion of Residential program is not forecast to pass the UCT and TRC tests, and the electric portion of the Existing Buildings program is not forecast to pass the TRC test.

2024 Final Proposed Budget

Program	Forecast UCT Test (ELE)	Forecast UCT Test (GAS)	Forecast TRC Test (ELE)	Forecast TRC Test (GAS)	2024 Program Forecast Combined Fuel UCT	2024 Program Forecast Combined Fuel TRC
Existing Buildings with MF	1.03	2.45	0.95	1.46	1.26	1.06
New Buildings	1.99	3.49			2.10	
Industry and Agriculture	1.92	2.60	2.32	3.35	1.99	2.41
Residential	0.89	2.40	0.95	2.45	1.34	1.37
Total Portfolio	**1.30**	**2.48**	**1.36**	**2.07**	**1.52**	**1.51**

Sensitivity 1: BCRs for 2024 Final Proposed Budget after Electric Avoided Costs Increase by 12%

Avoided costs are the primary component of value in the numerator of both the UCT and TRC tests. Avoided costs represent the amount of money a utility would spend for the next increment of energy it would need to either produce or purchase if not for the reduction in demand due to energy efficiency savings.

Energy Trust and other stakeholders are anticipating that electric avoided costs will increase significantly to reflect recent outcomes of PGE and PacifiCorp Integrated Resource Planning processes. More specifically, the value of energy efficiency is expected to increase in relation to other options that the utilities have available to meet their resource needs.

Analysis of BCRs with various avoided costs indicates that electric avoided costs would have to increase by 12% for all programs to pass both the UCT and TRC tests individually for both electricity and gas.

Resulting BCRs after 12% Increase in Electric Avoided Costs

Program	Forecast UCT Test (ELE)	Forecast UCT Test (GAS)	Forecast TRC Test (ELE)	Forecast TRC Test (GAS)	2024 Program Forecast Combined Fuel UCT	2024 Program Forecast Combined Fuel TRC
Existing Buildings with MF	1.15	2.45	1.05	1.46	1.37	1.14
New Buildings	2.23	3.49			2.33	
Industry and Agriculture	2.15	2.60	2.58	3.35	2.20	2.64
Residential	1.00	2.40	1.05	2.45	1.41	1.44
Total Portfolio	**1.46**	**2.48**	**1.51**	**2.07**	**1.65**	**1.62**

Sensitivity 2: BCRs for 2024 Final Proposed Budget with Low- and moderate-income Customer Deductions

We estimated savings, delivery and incentive estimates for low- and moderate-income customers that could potentially be served in the future through House Bill 2475. Planning deducted these values from each program to quantify cost-effectiveness of the resulting market rate programs. Analysis indicates that deducting low- and moderate-income costs makes the Residential program cost-effective, but the Existing Buildings program still falls short of 1.0 on the TRC test.

Resulting BCRs After Low- and Moderate-Income Customer Deductions

Program	Forecast UCT Test (ELE)	Forecast UCT Test (GAS)	Forecast TRC Test (ELE)	Forecast TRC Test (GAS)	2024 Program Forecast Combined Fuel UCT	2024 Program Forecast Combined Fuel TRC
Existing Buildings with MF	1.11	2.45	0.98	1.46	1.35	1.09
New Buildings	1.99	3.49			2.10	
Industry and Agriculture	1.92	2.60	2.32	3.35	1.99	2.41
Residential	1.28	2.40	1.11	2.45	1.76	1.59
Total Portfolio	**1.47**	**2.48**	**1.46**	**2.07**	**1.69**	**1.60**

Sensitivity 3: BCRs for 2024 Final Proposed Budget after Deducting Complementary Funding

If Energy Trust receives complementary funding to achieve energy efficiency in 2024, it would impact the BCRs of programs and the portfolio. In this scenario, we estimated the potential complementary funding sources that could contribute to savings and calculated BCRs based on that complementary funding. Sourcing $8.4 million of complementary funding allocated to electric savings would result in UCTs and TRCs above 1.0 for all programs for both fuels except for the Residential program, which would still fall short of the UCT for electric savings.

Resulting BCRs After Deducting Complementary Funding

Program	Forecast UCT Test (ELE)	Forecast UCT Test (GAS)	Forecast TRC Test (ELE)	Forecast TRC Test (GAS)	2024 Program Forecast Combined Fuel UCT	2024 Program Forecast Combined Fuel TRC
Existing Buildings with MF	1.03	2.45	1.00	1.46	1.26	1.11
New Buildings	1.99	3.49			2.10	
Industry and Agriculture	1.92	2.60	2.32	3.35	1.99	2.41
Residential	0.89	2.40	1.00	2.45	1.34	1.42
Total Portfolio	**1.30**	**2.48**	**1.41**	**2.07**	**1.52**	**1.55**

Complementary Funding

We believe that new funding for energy-related customer projects will begin to flow into the market beginning in late 2024, with significantly more in 2025, through the Inflation Reduction Act, Portland Clean Energy Benefits Fund, the DEQ's Climate Protection Program and other state and federal programs. We anticipate that most of this new funding will begin to enter the market in 2025.

We are proactively planning for the arrival of these funds, including by closely coordinating and collaborating with other agencies and organizations. The objective of our work with these outside entities is to bring this funding to customers in a way that maximizes energy savings for utilities. As the programs are developed and we better understand how they will interact with Energy Trust's existing programs, we will incorporate them into our planning.

These programs have other goals and are not optimized to deliver utility system benefits. While there is overlap with energy efficiency and renewable energy goals, not all of these funds will go toward energy efficiency and renewable energy upgrades. If they do, it is unclear to what extent the savings or renewable generation will be documented and reliable for utility planning purposes.

Energy Trust translates complementary funding into quantifiable energy savings and generation that utilities can plan on in their integrated resource plans. Our program standards, quality assurance, measure development, evaluation, marketing and reporting have been finely tuned over decades to deliver savings that are tracked, verified and counted toward utility IRPs. We work with community-based organizations to ensure savings from their efforts meet regulatory requirements for customer and utility system benefit. We do this by creating and maintaining market infrastructure like our Trade Ally Network, which is the backbone of the state's clean energy contractor infrastructure. We have been working for years to educate contractors, bring new contractors into our network and connect contractors with customers.

We are currently collaborating with other organizations on the following major funding programs:

<u>Oregon Department of Energy (ODOE)</u>

- Points of collaboration:
    - Current Priorities (Nov 2023): Inflation Reduction Act Home Efficiency Rebates (HER), Home Electrification and Appliance Rebates (HEAR), Solar for All
    - Other: Home Energy Efficiency Contractor Training Grant, Energy Efficiency and Conservation Block Grant Program (EECBG), Climate Pollution Reduction Grant, Building Performance Standards program/incentives, community resilience hubs, one-stop shop, building energy codes grant, Infrastructure Investment and Jobs Act (IIJA) Grid Resilience and Grid Resilience and Innovation Partnerships (GRIP), ODOE Community Heat Pump Program, other existing ODOE programs
- How: Monthly coordination meetings, monthly strategic conversations, intensive collaboration on program design and planning for active applications of mutual interest, collaboration on community engagement and input gathering related to funding

<u>Portland Clean Energy Benefits Fund (PCEF)</u>

- Points of collaboration: PCEF-funded projects and strategic programs focused on energy
- How: Regular coordination meetings, roundtable participation, direct collaboration on program design and market coordination for each strategic program area (coordination began in 2018), MOU under development

Seeding Justice

- Points of collaboration: Climate Protection Program and Community Climate Investments (CCI) funding for energy projects
- How: expert input on proposal; deeper collaboration and coordination anticipated as Seeding Justice gets under contract as the CCI entity; MOU in place

Craft3 and other Oregon and Washington stakeholders

- Points of collaboration: Greenhouse Gas Reduction Fund - Clean Communities Investment Accelerator (CCIA) and National Clean Investment Fund (NCIF) (green financing)
- How: regular collaboration meetings, sharing data and market expertise, convening and engaging stakeholders

Oregon Department of Environmental Quality (DEQ)

- Points of collaboration: Climate Pollution Reduction Grant and development of Priority Climate Action Plan (also collaborating on this with METRO)

The following table shows complementary funding that Energy Trust is tracking and collaborating on with other agencies. This is not comprehensive and does not reflect all funding sources Energy Trust is engaged in.

Lead in Oregon	Funding	Status of Energy Trust Coordination	Possible In-Market*	Duration	In-Market Estimation 2023 2024 2025 2026 2027 2028 2029 2030	Sector	ASSUMPTIONS*
ODOE	EPA Solar for All	Strategic partnership on application, MOA in place	Q3 2024	5 yr		Renewables (LMI Solar)	**Competitive** (Oregon has a very high chance of being awarded). $130M over 5 years, 78% to financial assistance. **Award will be announced in March 2024.**
ODOE	Federal efficiency rebates (HER)	Active coordination and joint planning	Q4 2024 or Q1 2025	10 yr		Multifamily + Single Family	$56M, statewide. At least 42% of rebates to low-income (<80% AMI) households, and 10% additionally to low-income multifamily households. Estimate around 80% of the funding will go to EE incentives. **ODOE aims to submit application for funding by Q1 2024.**
ODOE	Federal electrification and appliance rebates (HEAR)	Active coordination and joint planning	Q4 2024 or Q1 2025	10 yr		Multifamily + Single Family (LMI Only)	$56M, statewide. LMI ONLY (<150% AMI). At least 42% of rebates to low-income (<80%AMI) households, and 10% additionally to low-income multifamily households. Estimate around 60% to EE incentives. **ODOE aims to submit application for funding by Q1 2024.**
PCEF	Single Family Strategic Program	Active coordination and joint planning; MOU in-process	Q4 2024 or Q1 2025	5 yr		Single Family Residential (LMI)	$140M over 5 years, PORTLAND ONLY. Estimate around 60% to EE incentives with some solar (funding will also support workforce, non-energy enabling upgrades and delivery/project management). **PCEF plans to issue RFP to procure administration team in Q1 2024 and complete contracting by Summer 2024.**
PCEF	Small Business Strategic Program	Active coordination and joint planning; MOU in process	Q1 2025	5 yr		Existing Buildings	$25M over 5 years, PORTLAND ONLY. Estimate around 60% to energy incentives across the EE/RE program portfolio. **PCEF plans to issue RFP for administrator and other possible roles in 2024. In-market timing unknown.**
PCEF	Unregulated Multifamily Strategic Program	Active coordination and joint planning; MOU in process	Mid-2024	5 yr		Multifamily	$50M over 5 years, PORTLAND ONLY. Estimate around 60% to EE incentives. **Piloted in 2024** with full program rolled out in 2025.
PCEF	Regulated Multifamily Affordable Strategic Program	Active coordination and co-funding; MOU in process	2023	5 yr		New Multifamily	$60M over 5 years, PORTLAND ONLY. Estimate around 70% to EE incentives. Energy Trust is co-funding. **PHB began administering in 2023.**
Seeding Justice + DEQ	Climate Protection Program / CCI	Input and support; MOU in place	Q4 2025	11 yr		Mixed	**In-market timing highly speculative and subject to delay.** Funding very uncertain in early years (anywhere from $5-$40M). Once established, potentially $100-150MM/yr. EE and RE expected to be a priority in early years when GHG impact is higher. Unknown what % will be for energy measures.
DEQ + Metro	Climate Pollution Reduction Implementation Grants	Active coordination and input	Q1 2025	5 yr		TBD - all sectors likely	**Competitive.** What will be eligible depends on what GHG activities the state includes in its Priority Climate Action Plan (PCAP), being developed by DEQ and Metro. Unknown funding amount between $2-$500MM. Unknown what % will be for energy measures. **PCAPs must be complete by March 1, 2024 with funding applications due April 1, 2024.**
Craft3	EPA National Green Financing (CCIA and NCIF)	Active coordination and joint planning	Q4 2025	10 yr		All sectors	$20B+ funding nationally to capitalize green financing programs and products. Oregon community lenders and projects likely to benefit from around $200-300M. This funding will be in the form of financing/loans for GHG-reducing projects -- NOT grants/incentives. Community lenders will need to stand up eligible financing products and obtain capitalization from national awardees. **Timing is highly uncertain and will depend on who is administering the funding at the national level and how engaged local/regional lenders are with the awardees.**
OHA	Healthy Homes Repair Fund	Task force participation and collaboration with community partners	Q4 2024	3 yr		Multi + Single-Family Residential (Low-income/EJ)	$10M program statewide. OHA will competitively award funding to up to 40 grantees that will provide financial assistance to eligible homeowners and landlords to make energy upgrades and repairs needed to maintain safe and healthy homes. **Funding expected to be awarded to grantees in Summer 2024, with in-market timing at some point thereafter**.
ODOE	Commercial BPS voluntary compliance	Pending	Q1/2 2025	5 yr		Existing Buildings w/ MF	$10M incentive program, assumes 75% to incentives. **ODOE will begin designing this program in Q4 2024.**

Multiyear Budget and Action Planning

Part of our strategy to accelerate and expand energy savings by 2030 is to shift to multiyear budgeting and planning.

Our annual planning process is not well suited to a sustained focus on making a larger impact over the long-term. The first multiyear plan will support Oregon achieving energy decarbonization goals by 2030 and will underpin Energy Trust's business planning, staffing strategy, financial planning and budget development.

Shifting to multiyear planning enables Energy Trust to establish goals, develop strategies, adjust to changing market conditions, make investments and realize benefits over multiple years. Work to design a new process and develop a multiyear plan is underway. Stakeholders will be engaged during all phases of multiyear plan development.

MEMO

Date: December 8, 2023
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: New Delivery Approaches to Accelerate Energy Savings in the Final Proposed 2024 Budget and 2024-2025 Action Plan

To expand and accelerate savings by 2030 and reach customers we have not yet served, Energy Trust proposes to invest in 2024 and 2025 in the capabilities, staffing and market support needed to deliver more savings in future years. We believe these investments will also maximize the impact of significant, new complementary funding expected to enter the market in 2025 (such as Inflation Reduction Act rebates and the Portland Clean Energy Communities Benefits Fund), ensuring that those funding sources result in measurable value to our utility systems as soon as possible.

Energy Trust's 2024 Budget and 2024-2025 Budget and Action Plan addresses key delivery bottlenecks by investing in increasing customer incentives and building out new approaches and delivery channels that will achieve savings and support the market from 2026-2030.

New approaches and delivery channels will be applied to multiple aspects of our work including: our network of contractors, cultivation of community-based delivery partners, measure development, program design, quality assurance and evaluation to validate the effectiveness of those offers, outreach, customer service, marketing and consumer education. All of these must grow and evolve to achieve savings as we seek to serve new customers, go deeper with returning customers, and enable the application of future funding from federal, state and local sources in ways that translate into reliable renewable generation, energy savings and flexible loads for utilities.

Energy Trust has played a key role in market creation and infrastructure development from our early days of operation, and this increased investment is a natural evolution of our work in response to state objectives that will provide benefits for all customers. We are proposing to increase funding in these areas to help fill critical gaps that are not currently being addressed and in ways that support and leverage the work of others. This portfolio of work is cost effective, meaning the benefits outweigh the proposed expenditures.

This memo provides examples of some of these delivery costs and associated objectives in 2024 and 2025; it does not include incentive costs. This memo represents a mix of new and expanded activities. Costs cited represent total proposed expenditures in 2024 and 2025 rather than incremental investments. The costs will appear in various expense categories including program delivery and other professional services.

Investments to develop and expand the Trade Ally Network

Budget impact: $2.6 million in 2024, $2.8 million in 2025

Energy Trust's Trade Ally Network is the backbone of the state's clean energy contractor infrastructure. We have been working for years in communities around the state to educate contractors, bring new contractors into our network and connect contractors with customers. Trade ally development activities include training and development for existing trade ally contractors to increase participation and number of projects completed, diversifying the Trade Ally Network and ensuring high quality standards for energy efficiency projects. Working with more contractors in rural areas and those that are women- and minority-owned will help us reach segments of the market we have not yet served.

To expand and accelerate savings, we believe Energy Trust must grow our network of trade allies delivering clean energy projects that result in energy savings. At present, Energy Trust has roughly 1,000 active trade allies whose projects deliver 25-30% of Energy Trust's energy savings each year. Early estimates suggest an additional 300 to 600 active trade allies would be needed to substantially increase energy savings by 2030.

The following are examples of specific investments in 2024.

Contractor Development Pathway

Launched in 2022 for Existing Buildings trade ally contractors, Energy Trust's Contractor Development Pathway helps contractors in the Trade Ally Network that are Black-owned, Indigenous-owned, person of color-owned, women-owned and/or Certification Office for Business Inclusion and Diversity (COBID) certified firms and those located in rural communities grow their businesses and complete more energy efficiency projects. Participants receive training workshops, individual business support services and a network of support.

In 2024, we will launch the Contractor Development Pathway for Residential and Production Efficiency trade ally contractors.

Contractor Mentorship Pathway

In 2023, we launched our Contractor Mentorship Pathway for Residential and Existing Buildings trade allies. In 2024, we will add another cohort of mentors and mentees, and new trade ally contractors will be matched with experienced ones to receive support to build capacity in their businesses.

Small Business Resource Network

We will continue to support and grow our Small Business Resource Network to provide trade allies with access to services needed to help them grow their businesses. Consultation services are available for financial, accounting consulting and tax preparation services; project estimating; website design and support; and marketing consultation and development.

LatinoBuilt partnership

We will expand our partnership with the nonprofit LatinoBuilt to support training and development for its member contractors and develop a LatinoBuilt Community Partner Funding offer for 2025. Expected results include additional Latino-owned contractor businesses that can install energy efficiency measures, enroll in the Trade Ally Network and complete projects. We are also providing funding for 4-6 members to take a sustainable homes development course.

Expansion of trainings

We will develop and deliver trainings and coordinate with other training delivery entities (Portland Clean Energy Community Benefits Fund (PCEF), Bonneville Power Administration's (BPA) Comfort Ready Homes, Earth Advantage, Oregon Training Institute/Community Action Partnership of Oregon, Oregon Department of Energy (ODOE), manufacturers and distributors) to support trade ally contractors and Community Partner Funding community-based organization participants develop competency and skills in residential building science and HVAC concepts. Specifically, activities will be focused on developing and creating more opportunities throughout the state for more robust technical trainings focused on measures that are critical to achieving accelerated savings. The newer efforts focused on trainings will closely align with enhanced quality assurance activities (such as monitoring for refrigerant leaks, assessing duct treatment potential, supporting

higher inspection rates for increased incentive levels) that coincides with working directly with contractors on staff training plans to support optimal installation practices.

Examples of planned training development and delivery activities for residential trade allies and community partners include:

- Heat pump demonstrations that help fast track growth for junior technicians, including heat pump commissioning tools, installation training, ductless heat pump refrigerant charge testing and promotion of extended capacity heat pump requirements (especially in areas with lower customer participation and higher use of bulk fuels)
- On-site demonstrations of proper insulation installation techniques and props in collaboration with BPA's Comfort Ready Homes program
- Heat pump water heater installation and site screening training and field shadowing for current and prospective heat pump water heater installers
- Duct sealing trainings that were previously provided by BPA's Performance Tested Comfort Systems program, primarily to support manufactured home free service contractors
- Outreach and education training specific to 2023 residential energy code requirements (for EPS trade allies)

Investments in workforce development

Budget impact: $2.0 million in 2024, $2.2 million in 2025

Investments in workforce development help build a pipeline of qualified contractors, home energy auditors, tradespeople, designers, architects and other field staff who can scope, identify and install clean energy upgrades. There is a continued labor shortage of contractors, tradespeople and auditors skilled and interested in energy efficiency and renewable energy, and growing the number of qualified contractors who can complete projects is critical to accelerating energy savings. In 2024, Energy Trust will continue to support clean energy workforce development, and the following are some examples of specific initiatives:

Workforce development training centers

Energy Trust plans to partner with the nonprofit National Association of Minority Contractors to secure, operate and provide trainings for a job training facility in Gresham. The center will be a resource for current and potential contractors in the Portland Metro area to learn how to install energy-efficient upgrades and complete energy efficiency projects. In addition, we will explore opportunities for and potentially support additional training centers in outside of the Portland metro area.

Clean energy education with licensed pre-apprenticeship programs

In collaboration with organizations like Earth Advantage and Oregon Solar Energy Education Fund, we will increase investments in clean energy training modules that can be incorporated into existing trainings delivered by licensed pre-apprenticeship programs like Constructing Hope and Oregon Tradeswomen with the goal of expanding the training to pre-apprentice programs across the state.

Youth energy assessments

Energy Trust plans to partner with a youth-focused community-based organization to offer trainings to youth who are Black, Indigenous, and/or persons of color (BIPOC). Participants will receive trainings to do energy assessments in commercial buildings. The effort aims to build a pipeline of new staff for future Existing Buildings staff and contract roles.

Investments in partnerships with community-based organizations

Budget impact: $4.6 million in 2024, $6.0 million in 2025

To increase participation of customers we have underserved, we need to reach and serve them through partners that they know and trust. Energy Trust invests in partnerships with community-based organizations who can provide insight into their communities, act as clean energy ambassadors and deliver targeted offers and incentives.

Community Partner Funding

Through Community Partner Funding launched in 2020, community-based organizations deliver incentives to the communities they serve for installing energy-efficient upgrades, including customers experiencing low incomes, customers of color and customers in rural areas. These community-based organizations understand their community's needs and act as a trusted connector between Energy Trust and the customer. Building trust and relationships are long-term efforts that take multiple years to pay off in customer engagement and savings.

Since many of these partner community-based organizations weren't previously involved in clean energy, Energy Trust offers technical advice, contractor connections and support and training to community-based organizations to build their capacity to be active in this space.

In 2022, 16 community-based organizations participated in Community Partner funding and delivered nearly $1 million in incentives. That number has grown to 24 community-based organizations in 2023. We expect the volume of projects and incentives delivered to grow over time.

In 2024 and 2025, we will expand the Community Partner Funding offer and increase support for and the number of participating community-based organizations. This includes increasing investments in partner organizations by establishing direct funding agreements; providing more technical training; improving and streamlining recruiting, onboarding, and support resources; actively facilitating networking across organizations; and supporting referrals across organizations. We are also increasing our investments in offers that can be delivered at no cost to the participant.

In addition, Energy Trust has increased contracts with two community-based organization partners, Wallowa Resources and Lake County Resources Initiative, to support their capacity development, administration and project support for clean energy projects, including new no-cost offers for customers experiencing energy burdens. In particular, Lake County Resources Initiative will expand its focus to provide in-home energy assessments and deliver offers to residents of Klamath County in 2024.

Solar Ambassadors

Following a successful pilot in 2023, Energy Trust will re-launch and expand Solar Ambassadors in 2024 with a new cohort of community-based organizations doing outreach in their communities. The 2023 pilot was in part funded by a U.S. Department of Energy program that helps communities develop transformative ways of adopting solar energy.

In 2024, Energy Trust plans to work with 7-12 community-based organizations to make solar more accessible to Black, Indigenous, Latino, Asian American and Pacific Islander communities. Representatives from these organizations serve as educators and develop new strategies to bring the benefits of solar energy to communities of color. Energy Trust will provide training and education for participating community-based organizations, which will in turn recruit and train members of the community to serve as ambassadors in the

field who will talk to friends, relatives and neighbors about the steps to going solar. These organizations have also indicated an interest in better understanding energy efficiency and how to bring benefits of conservation to their communities.

Working Together Grants

We will continue Working Together Grants, a competitive funding opportunity to help nonprofit organizations reach and serve their customers and communities with clean energy solutions. With these grants, Energy Trust seeks to extend the benefits of energy efficiency and clean, renewable energy to more customers and create awareness for our programs and services. In 2024, we plan to support implementation of 12 grants funded in November 2023 and offer $80,000 in additional support for nonprofit organizations and to determine how we will sustain this offer in the future.

Investments in community engagement and support

Budget impact: $3 million in 2024, $3.3 million in 2025

To grow awareness and participation, Energy Trust needs to build trust and demonstrate engagement in the communities we serve – especially in rural communities. We also need to increase coordination with communities to support creating and implementing community-specific energy, sustainability and resiliency plans while helping identify energy efficiency and renewable energy opportunities within those plans.

In 2024, with additional capacity on Energy Trust's outreach and program teams, we will deepen our relationships with community-based organizations (specifically with tribes, organizations in rural communities, and those serving communities of color) and expand benefits to those communities served through greater access and participation in programs and services. In collaboration with partners, we will identify communities for targeted outreach and create forums for gathering input to inform program design and delivery, and deepen our understanding of each community's needs, resources and expertise. Guided by an outreach plan developed by Energy Trust's Tribal Working Group, we will increase awareness of our programs and services in tribal communities through marketing, communications, advertising and events.

Investments in program design changes

No-cost, whole home retrofit services

In 2024, Energy Trust will develop a new no-cost, whole home retrofit service for priority customers (customers with low and moderate incomes, customers of color, rural customers) in geographic areas that are not currently served through Community Partner Funding community-based organizations. Through this offer, Energy Trust will support work directly with customers to conduct home assessments, develop project scopes, manage and deliver upgrades, and verify completions. Projects may also address deferred maintenance issues that are a prerequisite to installing efficiency upgrades, and we will refer customers that qualify for other energy services to other agencies and organizations. The goal is to serve a goal of 175 homes with 280 distinct no-cost heat pump water heaters, heat pumps and insulation through a network of subcontracted trade allies.

MEMO

Date: December 8, 2023
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Staffing for 2024 Budget and 2024-2025 Action Plan

This memo describes a multiyear staffing plan to support the 2024 Budget and 2024-2025 Action Plan.

Background

This staffing plan enables Energy Trust to deliver energy efficiency and renewable energy customer services to acquire savings identified in utility integrated resource plans and reach priority customers that we have not yet served. It also lays the foundation for Energy Trust to accelerate energy efficiency acquisition to support utilities in meeting their state-mandated decarbonization goals.

Oregon Public Utility Commission (OPUC) staff have asked how much energy efficiency resource Energy Trust can achieve through 2030, how we would achieve it, and what Energy Trust needs from the OPUC to accomplish maximum energy efficiency savings and serve customers who have been historically underserved and those with high energy burden. Achieving energy efficiency will require delivering forecasted energy savings for the years after 2030 earlier than planned, effectively accelerating them into the next six years, and removing market barriers and offering the most compelling incentives and services to spur customer action. To serve customers Energy Trust has historically underserved and those with high energy burden will require investments in new and expanded delivery partnerships, new offers and services, additional outreach and community engagement, and recruitment and training of more trade ally contractors.

To achieve these objectives, the Final Proposed 2024 Budget and 2024-2025 Action Plan increases total staffing costs for 2024 by 11% and for 2025 by an additional 21% when compared to the 2024 budget projection in the Approved 2023 Budget and 2023-2024 Action Plan.

2024 Staffing Planning

Energy Trust's approach to savings acquisition is changing in response to a dynamic and more complex environment with new state policy objectives, including equity and decarbonization. To acquire and accelerate future savings, Energy Trust will need to increase staffing to support three critical components of its work: energy programs design and management, outreach and community engagement, and internal systems and support functions to effectively respond to program and organizational priorities.

1) **Energy programs design and management.** Energy Trust will redesign existing programs and offers, develop new programs and offers, expand partnerships with utilities and community-based organizations, and increase investments in market infrastructure to ensure a robust trade ally network and service providers are able to serve customers in all regions. We must also support more engagement with communities we have not reached effectively in the past so we can design programs and approaches that are compelling and effective.

2) **Outreach and community engagement.** Additional resources dedicated to outreach and engagement will allow Energy Trust to respond effectively to communities and customers by working with community-based organizations, local governments, chambers, main street associations, contractors and others who can help Energy Trust reach and serve customers. OPUC equity metrics and emerging program approaches are driving more locally responsive initiatives and increased need

for outreach and community engagement to ensure savings opportunities align with community objectives in ways that interest customers and deliver cost-effective projects. This is especially needed in areas where there are currently no, or an insufficient amount of, dedicated outreach staff representing the portfolio of Energy Trust offers and supporting community engagement efforts. To ensure full coverage of all service areas, additional Energy Trust outreach staff are needed in Southern Oregon Central Oregon, Willamette Valley, Coastal communities and for serving tribes and municipalities statewide.

3) **Internal systems and support functions.** Scaling up Energy Trust's programs and outreach activities will require commensurate support in human resources, finance, legal, communications and other administrative and program support functions. Energy Trust information systems and data, many of which are legacy and were designed for a smaller-scale organization, will also need to be modernized in a methodical way.

Total Staffing Costs and Cost Drivers for the 2024 Budget

In the final proposed 2024 budget, total staffing costs across all major funding sources represent 8.81% of total costs. The increase in staffing costs across all major funding sources from 2023 to 2024 is 25%, while the increase in total expenditures from 2023 to 2024 is 35%. Energy Trust engaged the OPUC and utility partners to discuss the staffing plan and associated costs as part of the budget development process.

Energy Trust's two largest funding sources are: Oregon ratepayers under the OPUC grant agreement and Washington programs funded by NW Natural under oversight by the Washington Utilities and Transportation Commission. Additional funding comes from smaller contracts and grants for design and implementation services and other activities related to our core focus, all of which support clean energy solutions for the benefit of customers. 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 Costs by Major Funding Sources

Program	2021 Actual	2022 Actual	2023 Budget	2024 Budget	2025 Budget
OPUC Programs	$ 15,265,717	$ 16,926,312	$ 20,058,105	$ 25,495,474	$ 30,146,492
NWN Washington	$ 392,518	$ 427,319	$ 464,143	$ 540,814	$ 634,836
Contracts/Grants	$ 280,276	$ 464,284	$ 813,327	$ 791,517	$ 834,709
Development	$ 13,577	$ 20,574	$ 226,431	$ 38,515	$ 40,163
Gas Transport	$ -	$ -	$ 25,617	$ 69,563	$ 314,704
Total	**$ 15,952,088**	**$ 17,838,489**	**$ 21,587,623**	**$ 26,935,883**	**$ 31,970,904**

Healthcare Costs

Healthcare benefits remain the most significant cost driver in Energy Trust's benefit package. Energy Trust has agreed to a rate reduction of 8% in medical premiums for 2024. Considering the renewal rates across all employee benefits for 2024, the cost of providing benefits per employee will decrease in 2024. This rate reduction was received from the provider after the draft budget was complete and represents a large portion of the reduction in staffing costs in the final proposed budget.

Staff Compensation

Energy Trust reserves a pool of funds in our annual budget for performance-based compensation adjustments, promotions, adjusting range placement, ensuring pay equity and to align with the market as needed. The final proposed 2024 staffing budget includes a pool of funds equivalent to 5% of employee

salaries for these types of adjustments. This will allow for possible promotions, merit and modest compensation increases needed to compete with a competitive labor market and to accommodate other pay adjustments, if needed, to ensure pay equity compliance.

Energy Trust will also be conducting our regular market compensation study in 2024 to evaluate Energy Trust's current compensation structure and salary ranges against market rates. The market study conducted in 2022, and coinciding salary adjustments, were successful and decreased Energy Trust's turnover across the organization. However, there's an ongoing need to identify key areas in the organization where attracting and retaining talent remains an ongoing challenge and further market adjustments to salaries may be required. Energy Trust will use staffing funds available through attrition to make the necessary adjustments to align internal salaries with their respective external value on the market as needed.

New Staff

Energy Trust is proposing 36.5 new staff positions in 2024 and 18.75 additional positions in 2025. This is an increase of 4.5 FTE compared to the draft budget. Since the draft budget, Energy Trust refined its understanding of the number of staff and roles needed to perform work and achieve goals in 2024. In the table below, the additional FTE are included under the "acceleration" focus area and the "acceleration support" focus area.

The 2025 projection may be adjusted through 2025 business planning and re-prioritization. All proposed positions will help acquire additional savings, especially in areas where customers have been underserved. In the table below, the positions are grouped and described according to how they will support the organization's ability to absorb new priorities of interest to the OPUC, utilities and the communities and customers we serve.

Proposed New FTE by Focus Area

This table shows additional staff positions for 2024 compared to the *projected* number of FTE Energy Trust will have at the end of 2023. The "Employee Cost Drivers by Year" table below compares final proposed budget information for 2024 and 2025 to the approved 2023 budget.

	Staffing Allocation		
Focus Area	**2024**	**2025**	**Description**
Acceleration: Planning, program design, management, marketing and evaluation	16 FTE	9 FTE	These positions enable Energy Trust to design, market and deliver innovative program designs rooted in customer and community needs. These programs target existing, new and historically underserved customers across all sectors for acceleration of energy efficiency and advancing renewable energy to support policy objectives. They provide engineering for measure development, design and evaluation of customized pilots and customer offers to address utility distribution system priorities. These resources also enable Energy Trust to leverage and maximize new funding sources becoming available to customers from federal, state and local climate initiatives so that utilities can rely on additional energy savings to accomplish their decarbonization and integrated resource planning goals. Program operations roles provide broad support for data

			management, targeting and reporting across all programs.
Acceleration Support: Community Outreach and Engagement	4 FTE	4 FTE	These positions support savings acquisition over time by expanding outreach work to more service area regions, creating broad awareness and access to program information for customers and community entities, particularly those we have not engaged. These positions provide connections leading to program delivery opportunities, connect tribal entities to Energy Trust programs, coordinate with workforce entities to strengthen the trade worker pipeline for program delivery, and support trade ally recruitment and diversification efforts. They support performance toward OPUC Equity Metrics and ensure stakeholder engagement in the organization's planning and budgeting processes.
Acceleration Support: Organizational and Systems Enhancements	16.5 FTE	5.75 FTE	These positions build the human, systems and process infrastructure required to deliver on key priorities in Energy Trust's rapidly changing and growing organization. These positions increase capacity to focus on strategic initiatives, support contract development and RFP processes, invest in the cultural competency development of staff, and provide project management support to key initiatives and implementation of automated workflows through the people management platform. All resources support and accelerate program acquisition over time.
TOTAL	36.5 FTE	18.75 FTE	

Staffing Costs Detail by Year

The following table provides employee cost drivers in the preceding three years and final proposed budget levels for 2024 and 2025, for the total company. It also details costs specific to the OPUC grant and the OPUC staffing cost performance measure. In 2023 Energy Trust introduced the use of a "vacancy factor" in staff planning and budgeting to account for staff turnover. This factor utilized Energy Trust's historical experience as estimates for turnover rate and time to hire. Energy Trust will reevaluate this factor in 2024 to determine what adjustments, if any, are needed.

Employee Cost Drivers by Year

	2021	2022	2023	2024	2025
	Actual	Actual	Approved Budget	Final Budget	Final Budget
Total Company Employee Cost	$ 15,952,088	$ 17,838,489	$ 21,587,623	$ 26,935,883	$ 31,970,904
Drivers:					
Employee count (FTE)	115.5	136.3	146	180.8	200.55
Interns (FTE)	3	2	0	0.5	0.5
RAY fellows (FTE)	2	1	1	2	1
Compensation adjustment pool	3.00%	5.20%	5.00%	5.00%	5.00%
Benefits rate increase	20.00%	8.00%	2.00%	5.00%	5.00%
Total Employee Cost % of Total Organizational Expenses	8.68%	9.79%	9.55%	8.81%	9.70%
Oregon PUC Grant Funded Employee Cost and Performance Measures					
Employee Cost	$ 15,265,717	$ 16,926,312	$ 20,058,105	$ 25,495,474	$ 30,146,492
Year over Year $ Change	$ 476,779	$ 1,660,595	$ 3,131,793	$ 5,437,368	$ 4,651,019
Year over Year % Change	3.22%	10.88%	18.50%	27.11%	18.24%
PUC Employee Cost % of Total PUC Expenses	8.47%	9.51%	9.13%	8.53%	9.41%
Maximum % Increase Allowed by Performance Measure	9.00%	9.00%	Waived	TBD	TBD
Maximum $ Increase Allowed by Performance Measure	$ 1,331,004	$ 1,373,915	Waived	TBD	TBD

Market Comparisons and Cost Analysis

For 2023, OPUC Staff proposed, and the commission adopted, a waiver for the staffing cost performance measure applied to Energy Trust in prior years. Staff's rationale, as noted in Order No. 23-082, was "that additional investments are necessary if Energy Trust is to expand capabilities in targeting peaks and helping utilities meet state-mandated decarbonization goals. Further, staff would like Energy Trust to have the flexibility and capability to expand services if there is increased demand for energy efficiency, particularly in the form of outreach to environmental justice communities. The staffing performance measure should not be a deterrent to Energy Trust adapting to serve customer needs at a time when the value of energy efficiency is increasing."

As noted elsewhere in this budget and action plan, Energy Trust is seeing that the demand for, and value of, energy efficiency is increasing. As such we are again planning for significant increases in staffing costs compared to prior years to deliver additional savings in future years. During development of our final proposed 2024 budget, we constructed models to contextualize the staffing trajectory within the projected total cost structure of Energy Trust. This assessment compared Energy Trust's ratio of staff cost to total cost to peer organizations in the region and nationally. This exercise showed Energy Trust's proposal is well within a reasonable range, especially when considering differences in business model and use of contractors.

Our analysis also revealed a decrease in the ratio of staffing costs to total cost as we make the necessary investments in 2024 to accelerate savings in future years and reach historically underserved customers with a high energy burden. This may be an indication that we have not yet identified all staff resources needed for Energy Trust to sustain acceleration through to 2030 and adapt our business model to meet the needs of a changing marketplace. This is particularly true for federal grants and other complementary sources of funding.

It's clear that staffing will remain an ongoing area for Energy Trust to actively monitor and adjust. We will reevaluate our staffing needs for 2025 and 2026 as we progress through budgeting cycles and shift resourcing to new priorities through the business planning processes. Planning for staff resources related to new funding sources will not be firmed until it is clear we are going to receive a grant or new contract. Additionally, as we develop an infrastructure for multiyear planning, we will consider what benchmark we set for sustainable staffing levels, which will in turn inform our detailed staffing planning in coming years.

MEMO

Date: December 8, 2023
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Program Delivery Efficiency and Administrative Costs for Final Proposed 2024 Budget and 2024-2025 Action Plan

Historically, the Oregon Public Utility Commission (OPUC) has set its annual program delivery efficiency performance measure for Energy Trust at a maximum threshold for administrative and program support costs, as a percentage of revenues, in Energy Trust's budget. While administrative costs are a standard reporting metric for nonprofit entities per generally accepted accounting principles, "program support costs" is a concept that has been unique to Energy Trust's reporting to the OPUC. Administrative costs include management and general costs and general marketing, communications, outreach and policy services 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.

In Order No. 22-360, the OPUC waived the program delivery efficiency performance measure for 2022. That Order noted that the performance measure's use of actual year-over-year spending, versus budgeted, created "an unnecessary pause in needed hirings related to administrative work and other spending that could positively impact Energy Trust's operations, such as in the critical areas of Information Technology and Planning & Evaluation." In Order No. 23-082, the OPUC adopted staff's recommendation that the program delivery efficiency performance measure be waived for 2023. In their report, staff noted that "staff would like Energy Trust to have the flexibility and capability to expand services if there is increased demand for energy efficiency, whether that is because of a change in consumer demand or changes in utility needs to meet clean energy goals. The administrative cost performance measure should not be a deterrent to Energy Trust adapting to serve customer needs at a time when the value of energy efficiency is increasing."

As noted elsewhere in this budget and action plan, Energy Trust does indeed find itself in a moment where the demand for, and value of, energy efficiency is increasing. As such we are again planning for significant increases in administrative costs compared to prior years. During development of our 2024 budget, we considered the lens through which we evaluate our program delivery efficiency and arrived at two conclusions:

1. Use of the standard administrative cost metric, consistent with generally accepted accounting principles, enables the most transparent reporting and comparison to peer entities and should be adopted.

2. Administrative costs should be compared to total costs as opposed to revenues. Revenues will fluctuate according to reserve requirements, whereas total costs are indicative of total program delivery.

In their recommendation memo to the Commission dated October 25, 2023, OPUC staff agreed with the approach outlined above. Staff noted "In this year's budget, Energy Trust proposes to change how administrative cost performance is evaluated. The historical comparison to revenues can mask that Energy Trust varies how much is requested of utilities based upon the size of each utility's reserve account. Instead, Energy Trust proposes evaluating administrative cost performance against expenditures. Energy Trust notes that administrative expense as a percent of total cost is a common way in which non-profits are evaluated and allows Energy Trust to be benchmarked against peers. Staff supports this change and will address the

topic in Docket No. UM 1158 in 2024." The OPUC adopted staff's recommendation at the public meeting held on November 2, 2023.

What is considered to be a reasonable level of 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% threshold for nonprofits categorized as "general." One component of Charity Navigator's financial health rating methodology is administrative cost as a percent of total cost, and "general" nonprofits are awarded a 10/10 score for this component if the ratio is below 15%.

Energy Trust's Final Proposed 2024 Budget and 2024-2025 Action Plan includes administrative costs of $17.2 million, or 5.6% of total expenditure, which compares favorably to the 15% benchmark established by Charity Navigator for "general" organizations.

Detail of Administrative Costs in Final Proposed 2024 Budget

	Total	Program	Administrative
Incentives	$ 161,445,804	$ 161,445,804	$ -
Program Delivery Contractors	$ 90,427,897	$ 90,427,897	$ -
Employee Salaries & Fringe Benefits	$ 26,935,883	$ 16,316,596	$ 10,619,288
Agency Contractor Services	$ 2,127,692	$ 855,752	$ 1,271,940
Planning and Evaluation Services	$ 4,161,288	$ 4,142,088	$ 19,200
Advertising and Marketing Services	$ 4,896,000	$ 3,054,500	$ 1,841,500
Other Professional Services	$ 10,534,929	$ 8,782,793	$ 1,752,136
Travel, Meetings, Trainings & Conferences	$ 1,033,756	$ 597,904	$ 435,852
Dues, Licenses and Fees	$ 486,160	$ 384,077	$ 102,083
Software and Hardware	$ 1,575,365	$ 1,199,306	$ 376,059
Depreciation & Amortization	$ 459,373	$ 301,831	$ 157,541
Office Rent and Equipment	$ 1,365,707	$ 824,363	$ 541,344
Materials Postage and Telephone	$ 186,220	$ 132,583	$ 53,637
Miscellaneous Expenses	$ 11,770	$ 2,115	$ 9,655
Expenditures	**$ 305,647,844**	**$ 288,467,609**	**$ 17,180,235**

Historical View of Administrative Costs

	2021 Actual	2022 Actual	2023 Budget	2024 Budget	2025 Projection
Total Expenditure	$ 183,711,515	$ 182,250,587	$ 226,031,647	$ 305,647,844	$ 329,545,283
Administrative Costs	$ 9,180,770	$ 10,961,677	$ 13,506,263	$ 17,180,235	$ 19,428,768
As % of Total Expenditure	5.0%	6.0%	6.0%	5.6%	5.9%
Increase from Prior Year $	$ 510,115	$ 1,780,907	$ 2,544,586	$ 3,673,972	$ 2,248,533
Increase from Prior Year %	4.5%	19.4%	23.2%	27.2%	13.1%

Year-over-Year Trends in Administrative Costs as a Percentage of Total Expenditure

The growth in administrative cost as a percent of total expenditure from 2021 to 2022 was driven by significant reductions in certain cost categories in 2021 below what had been budgeted. The decreases were related to factors described in the 2021 Amended Budget Briefing Paper; namely, bonus incentives offered in 2020 in response to unprecedented pandemic conditions drove unexpectedly high levels of participation in early 2021, which required mid-year corrective actions. These actions included reductions in administrative cost to minimize planned spend. Those actions were not repeated in 2022, which reverted to a more typical trendline for administrative cost as a percent of total expenditure.

The decrease in administrative cost as a percent of total expenditure from 2023 to 2024 is driven by a lag in the rate in which staffing and other components of administrative costs increase relative to incentives and program delivery costs, which are significant components of Energy Trust's acceleration investments in 2024 and 2025. New staff members take time to onboard in a high-quality way whereas costs such as incentives can be ramped up more quickly. This lag effect is a concern to Energy Trust leadership as it may give rise to staff burnout and attrition issues that we have experienced in the past. We have rigorously prioritized our administrative investments, including staffing, to ensure we are bringing the most urgently needed hires on board first.

Administrative cost as a percent of total expenditure reverts to the trend line of 5.9% in 2025. This reflects the lag effect being overcome in staffing and other administrative investments. As we prepare the 2025 budget next year, additional administrative investments, including staffing, may be identified as necessary to enable acceleration. We may simultaneously identify additional energy efficiency savings opportunities and related program costs, particularly if avoided costs are increased as expected. Energy Trust leadership would seek to maintain a relatively consistent ratio between administrative cost and total expenditure as we develop the 2025 budget and plan for future years.

MEMO

Date: December 8, 2023
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's portfolio-wide levelized costs vary over time due to changes in the mix of efficiency measures and relative expenditures and due to revisions to estimates of 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 indicator of cost trends. Levelized cost trends have 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 historical and projected levelized costs and identifies actions to manage levelized costs over time.

Levelized Costs in 2024 Budget and 2024-2025 Action Plan

The 2024 budget delivers electric savings at a cost of 5.2 cents per kilowatt hour (kWh) and gas savings at a cost of 64.6 cents per therm (Oregon only) levelized. This is a 34% increase (1.3 cents/kWh) over 2023 budgeted electric levelized costs and a 19% increase (10 cents/therm)[1] over 2023 budgeted gas levelized costs. Both electric and gas portfolios remain cost-effective.

Levelized cost for NW Natural Washington programs in 2024 is $1.08 per therm, a 24% increase (21 cents/therm) over 2023 gas levelized costs. Nevertheless, the savings Energy Trust acquires for Southwest Washington natural gas customers in 2024 are expected to remain cost-effective.

The 2025 budget projection shows Oregon electric levelized costs decreasing slightly, by three tenths of a cent/kWh or 5% from 2024. Oregon gas levelized costs are projected to increase by 1.2 cents per therm in 2025, an increase of about 2%. Projected levelized costs for NW Natural customers in Southwest Washington in 2025 are also projected to decrease by 2.3 cents per therm or 2% from 2024, to $1.06/therm.

[1] Totals differ slightly from chart due to rounding

Levelized Cost Drivers

In Oregon, the changes in budgeted levelized costs from 2023 to 2024 are driven by Energy Trust's planned significant investments in program delivery infrastructure in 2024 and 2025. These investments are detailed in the "New Delivery Approaches to Accelerate Energy Savings in the Draft 2024 Budget and 2024-2025 Action Plan" memo and program action plans. They are designed to help accelerate savings acquisitions but will not result in significantly higher overall savings until 2026 (see caveat in next paragraph). These investments help Energy Trust achieve savings from customer groups that have historically participated in Energy Trust programs at lower levels, including customers experiencing low incomes and high energy burden, rural customers, and culturally and ethnically diverse customers. To reach these customers, significant investments are planned to expand Energy Trust's Trade Ally Network of contractors and to enhance the capacity and capabilities of community-based organizations to serve as marketing and delivery channels. These acquisitions also come at higher initial costs for outreach, customer service, and contractor and workforce development and training, and often with higher incentive investments needed to motivate customers we have not reached historically.

Additionally, with the passing of Oregon State zero mercury standards for lighting (HB 2531), many types of less efficient lighting are going to leave the market in 2024 with the major impact occurring in 2025. While this will result in major standards driving more energy efficiency savings in the market, the need for Energy Trust programs to support those savings will phase out over these years. For Energy Trust to achieve savings levels similar to prior years, these savings will be replaced in Energy Trust's forecasts with savings from a mix of measures, some of which are more expensive.

The 2025 levelized costs are very close to the 2024 values; variations in the range of 2-6% can be considered well within the range of forecasting uncertainty. Levelized costs in this draft budget are expected to stabilize at about the forecast 2024 level in 2025.

In addition to these primary drivers, other factors have some influence on levelized cost trends. There are several planned changes in the volumes of different measures across programs, and some revised efficiency measures. There are not many totally new measures planned for 2024. Evaluation results used in forecasting show slightly lower realization rates against forecast savings for electricity, and higher realization rates for gas, than previously forecast, but these are not different enough overall to greatly influence levelized cost. In 2023 there were two very large and inexpensive New Buildings projects that suppressed 2023 levelized cost, making the 2024 increase appear larger.

For programs serving NW Natural customers in Southwest Washington, 2024 levelized costs increase significantly. Primary influences include an increase in the efficiency of the building code for new homes, a modest increase in commercial delivery cost, a decrease in forecast commercial savings, and an increase in residential incentives. Energy Trust's portfolio in Washington only serves residential and commercial customers, so levelized costs are not moderated by the lower-cost savings from industrial customers as they are in Oregon.

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, the resulting 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 identify new approaches to serve customers and ensure delivery efficiencies for ratepayers. 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 savings.

3. **Ensuring efficient and effective operations** enables us to continue processing high volumes of transactions, maintain strong customer service, adapt quickly to changing market conditions and maintain transparency and accountability through public reporting. Every year we identify and complete system and process enhancements for these purposes.

   The Information Technology and Operations Support action plans identify additional activities to improve staff productivity and systems efficiency.

   We will continue to invest in ongoing improvements to organizational processes for planning, prioritization, budgeting, decision-making and innovation. These changes help us address challenges, explore new ideas, develop new program approaches and implement them more efficiently.

4. **Leveraging other sources of funds.** Energy Trust is investing in relationships and partnerships that leverage complementary sources of funds, particularly to address the efficiency needs of customers with low incomes, communities of color and rural customers. Sources of funding may include state and local government programs such as the Portland Clean Energy Community Benefits Fund, state programs to increase availability of cooling, philanthropic foundations, and tax credits and local initiatives funded through the federal Inflation Reduction Act and Infrastructure Investment and Jobs Act.

Energy Trust also hopes to expand co-investment with utilities in programs that both save energy and create demand response opportunities for utilities. Thus far, successes have included co-funding of low-income weatherization with one community action agency (a second has agreed to work with us), a manufactured home replacement pilot and offer, PGE receiving a significant research grant with Energy Trust as a subcontractor, and coordination with PGE on the installation of smart thermostats in homes.

Thus far these initiatives have the potential to increase the reach of Energy Trust programs to more customers but do not reduce the cost of savings. It is uncertain whether future sources of funds will do both.

MEMO

Date: December 8, 2023
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Measure Cost-Effectiveness Exceptions Status as of September 11, 2023

In response to a request by the Oregon Public Utility Commission (OPUC) 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 Active in 2024

The OPUC has granted exceptions for 18 measures that will be active in 2024 in Existing Buildings (including multifamily), New Buildings and Residential programs. Exceptions that will be active in 2024 are summarized in Table 1.

Table 1 List of Measure Exceptions That Will Be Active in 2024

Program	Measure	Order Number	Date Granted	Expiration Date
Residential	All insulation	22-482	12/13/2022	3/31/2028
Existing Buildings (multifamily)	All insulation	22-482	12/13/2022	3/31/2028
Residential	Low-income insulation	22-482	12/13/2022	3/31/2028
Existing Buildings (multifamily)	Low-income insulation	22-482	12/13/2022	3/31/2028
Residential	Heat pumps in manufactured homes fixed price promotion	N/A – minor	8/1/2023	12/31/2026
Residential	New manufactured homes	N/A – minor	9/19/2023	12/31/2026
Residential	Windows in single family homes	22-482	12/13/2022	3/31/2026
Existing Buildings (multifamily)	Windows in small multifamily buildings	22-482	12/13/2022	3/31/2026
Residential	Extended capacity heat pump conversion from electric furnaces	N/A – minor	10/7/2022	1/31/2026
Existing Buildings (multifamily)	Windows in large multifamily buildings replacing double pane	N/A – minor	10/7/2022	1/31/2026
Residential	No cost DHP pilot	22-024	1/25/2022	3/31/2025
Residential	DHP with supplement fuels	22-024	1/25/2022	3/31/2025
Existing Buildings (multifamily)	DHP zonal heat HZ1	22-024	1/25/2022	3/31/2025
Residential	DHP zonal heat HZ1	22-024	1/25/2022	3/31/2025
Residential	Manufactured home replacement	21-312	9/21/2021	3/31/2025
New Buildings	Custom and market solutions tracks excused from TRC testing	21-293	9/8/2021	3/31/2024
Residential	Clothes washers (gas-only service area)	N/A – minor	9/02/2015	N/A
Multiple	Pilots	15-029	1/29/2015	N/A

Portion of Energy Trust Savings from Measures with Exceptions in 2022 and 2023

The following table represents the portion of total Energy Trust savings from measures with exceptions for 2022 and 2023 (year-to-date through September 11, 2023).

Table 2 Savings and Incentives from Measures with Exceptions in 2022 and 2023 Through September 11, 2023

Program Year	Electric savings (kWh)	% of total electric savings	Gas savings (therms)	% of total gas savings	Incentives ($)	% of total incentives
2022	12,680,982	3.07%	76,929	1.21%	$3,789,753	5.71%
2023 Year-to-Date	7,043,295	3.82%	49,861	1.86%	$2,459,017	5.53%

In 2020 with Order 20-018, the New Buildings program was granted an exception for custom whole building, Path to Net Zero and Market Solutions projects permitted under the 2019 and future commercial building codes to not use the TRC test. A further exception was granted in 2021 through 2023 with Order 21-293. There are 11 whole buildings and 70 market solutions projects that have been completed under this exception to date.

Exception History

There are 142 measure exceptions on record granted by the OPUC since 2012 when counted per measure group and per program.

Of the 142 measure exceptions, 59 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	46
B	28
C	62
D	57
E	9
F	8
G	11

MEMO

Date: December 8, 2023
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Incentive Increases in Final Proposed 2024 Budget and 2024-2025 Action Plan

This memo provides an overview of key incentive changes in the Final Proposed 2024 Budget and 2024-2025 Action Plan compared to existing 2023 incentive levels.

In response to evolving market challenges such as inflation and economic uncertainty, the proposed incentive adjustments are aimed at increasing customer participation by covering more of the upfront project costs. We are proposing higher incentives for commercial and industrial custom and prescriptive projects for Residential projects. These increased incentives are designed to send a signal to the market, including our network of trade ally contractors, that our incentives will now cover a more substantial portion of the total project cost to support market stability and provide a compelling case for customers to implement energy efficiency projects sooner. The goal is to encourage customers to take proactive steps toward implementing energy efficiency projects, even in the face of economic uncertainty.

By increasing incentives beginning in 2024, our goal is to build and sustain a larger pipeline of projects in 2024 and in future years. This approach is intentional, recognizing that energy efficiency does not merely reduce utility bills for customers but also supports our utility partners' objectives to secure more energy efficiency by the end of 2030.

Existing Buildings program incentive increases

- Custom and standard-calculated electric: Increase incentives from $.30/kWh and 70% of the eligible project cost to $.45/kWh and 90% of project cost.
- Custom and standard-calculated gas: Increase project incentives from $3/therm and 80% of eligible project cost to $5/therm and 90% of project cost.
- Project cap: Increase the maximum incentive a customer can receive for a project from $500,000 to $750,000.
- Standard incentives: Continue 15 bonuses on 15 gas measures, including insulation and HVAC measures. Increase incentives on a variety of gas and electric HVAC, motors, fans, controls, commercial laundry and commercial kitchen measures.

Production Efficiency program incentive increases

- Custom and standard-calculated electric: Increase incentives from $.30/kWh and 70% of the eligible project cost to $.45/kWh and 90% of project cost.
- Custom and standard-calculated gas: Increasing incentives from $3/therm and 80% of eligible project cost to $5/therm and 90% of project cost.
- Project cap: Increase the maximum incentive a customer can receive for a project from $500,000 to $750,000.
- Industrial Strategic Energy Management (SEM): Increase incentives for first year and continuous SEM participants from $.04/kwh and $.40/therm up to a $.10/kwh and $1/therm tiered structure where customers can earn a higher incentive based on more savings.
- Standard incentives: Increase incentives across the portfolio to the maximum allowable incentives for gas and electric prescriptive measures including HVAC, controls, irrigation, and greenhouse

measures and align on all incentive increases in the commercial sector for market continuity. Amid high inflation, maximum allowable incentive levels are needed to cover enough project costs to compel customers to participate in programs. Incentive levels will be re-evaluated if complementary funding is identified for these projects.

Residential program incentive increases

- Market rate incentives: Increase incentives for heat pumps from $700 to $1,000 and ductless heat pumps from $500 to $1,000.
- Savings Within Reach incentives for low-to-moderate income customers and renters: Increase incentives for heat pumps from $1,000 to $3,000. Ductless heat pumps incentives are increasing from $1,000 to $1,800.
- Community Partner Funding incentives: Increase incentives for extended capacity heat pumps from $1,650 to between $3,000 and $6,000, depending on the customer's location in select rural communities. Increase incentives for extended capacity heat pumps from $650 to $2,000 for priority customers in select rural communities who are replacing existing heat pumps.
- Savings Within Reach customers and renters: Increase incentives for efficient gas furnaces from $1,000 to $1,600.

2024 Draft Budget Public Comments and Staff Responses

Overview of Public Comment Process and Purpose

Each year Energy Trust invites formal public feedback on its draft budget and action plan to prepare a final proposed budget. Written comments and informal feedback are shared with Executive Team members and budget managers across the organization. Public feedback can result in revisions to budget and action plan details or can influence how staff implement budgeted activities the following year. Comments also provide an opportunity for staff to better understand the priorities of organizations and individuals and how the budget and action plan supports those priorities.

All written comments with responses are then included with the final proposed budget and action plan materials to be referenced by the board of directors during its consideration and vote to adopt the budget.

How Comments Were Collected

The formal public comment period was October 4 to October 18, 2023, with opportunities for informal feedback made available prior to these two weeks. Staff promoted the public comment period through Energy Trust's website, social media channels, blog, email and presentations and outreach. Communications directed people to www.energytrust.org/budget and encouraged written comments.

In addition, throughout the year staff asked stakeholders for information and input to inform our annual business planning, budgeting and action planning process. More on this can be found in the *Summary of Market Intelligence* memo in the final proposed budget and action plan materials.

Staff received 64 written comments from organizations, the Oregon Public Utility Commission, three partner utilities and individuals. Copies of written comments follow.

Written Comments and Staff Responses

Staff appreciates all written comments and informal feedback stakeholders and members of the public provided on the Draft 2024 Budget and 2024-2025 Action Plan. We observe the majority of comments are supportive of our budget and plans. Additionally, informal comments made during Conservation Advisory Council, Diversity Advisory Council and the Renewable Energy Advisory Council meetings were overall supportive of the 2024 budget and plans. Based on comments, changes were made to the final proposed budget to provide additional information on expenditures, reduce some expenditures and delay rate impacts of the budget on utility customers until April 1, 2024. We recognize the time commitment involved with attending budget meetings and reviewing our budget materials, and we thank interested parties for submitting their written comments.

Excerpted Comments by Oregon Public Utility Commission (OPUC)	Staff Responses
Based on stakeholder feedback during budget discussions, Staff would like Energy Trust to consider changes that reflect a delay to the effective date of new utility tariffs for 2024 from January 1 to April 1, 2024. Utility bills in January and February are often the most expensive of the year due to heating needs. Staff supports CUB's recommendation and is pleased that Energy Trust plans to be flexible in its operations in order to accommodate this idea without impacting incentives or services.	We agree that delaying rate impacts until after the heating season will alleviate impact on ratepayers, and we will work with Portland General Electric, Pacific Power and the Oregon Public Utility Commission to delay the effective date of new utility tariffs for 2024 from January 1 to April 1, 2024.
While Staff notes that the Energy Trust budgeting process is already complex and time-consuming, Staff would like Energy Trust to meet with utilities to explore whether or how Energy Trust may be able to include an alternate scenario in future budgets. Staff understands this may not be feasible or practicable given current systems and processes.	We will meet with utilities to determine if providing alternative scenarios may be possible in future years. It is possible that this concept can be incorporated into the multiyear planning process that Energy Trust will be developing next year.
Staff also encourages Energy Trust and utilities to consider how to adopt a multi-year budgeting process that can remain flexible to changing resource needs.	Thank you for this guidance. In 2024, we plan to develop a new multiyear budgeting process that can be implemented in 2025. The multiyear process will enable Energy Trust to align planning with longer-term utility carbon reduction goals and to be responsive to changing resource needs and market dynamics.
Further, Staff recommends Energy Trust use 2024 to characterize the various ways in which external funding will interact with ratepayer funds.	We expect information on the structure, uses and potential interactions with Federal and other new funding sources will develop throughout 2024 and beyond and will become clearer in ensuing years. As this information becomes clearer, we will integrate this information into future budgets, financial projections, and program design. We will plan future budgets with the best available information where these funds can reduce Energy Trust incentives and other costs, how they will increase the volume of projects and/or make additional measures cost-effective.
Where external funding may overlap with existing Energy Trust programs and measures, Staff agrees with the utilities and requests Energy Trust work with Stakeholders to review and evaluate whether Energy Trust provides enabling funding, complementary funding, or reduces spend on certain measures when external funds are used to acquire energy efficiency. Energy Trust's ongoing task is to understand how external funds change the cost-effective, achievable potential and adjust strategy to ensure the organization continues to acquire	We will be happy to discuss how the funds interact with other funders and stakeholders. We are working with Oregon Department of Energy, Portland Clean Energy Community Benefits Fund (PCEF) and other funders to coordinate funding and determine how to leverage ratepayer funding with other sources to serve more customers, stretch ratepayer dollars further and achieve more energy savings.

all cost-effective energy efficiency, even if the volume and cost is more than current forecasts.	
Energy Trust should monitor if external programs cause unexpected market changes such as requiring less ratepayer co-investment to achieve savings.	We agree that it will be important to consider when external funding should be used to reduce incentives or to accelerate or maintain program volume. Monitoring market dynamics will be critical, and monthly forecasting and trade ally market intelligence will help us determine the best use case for rate-payer dollars going forward. Our decisions on these issues will be discussed with stakeholders.
Staff appreciates Energy Trust's scenario analysis to forecast the cost-effectiveness of 2024 programs with and without avoided cost increases, complementary funding, or development of HB 2475-type programs. Figure 3 shows that without some of those updates, the residential and existing building programs are borderline cost-effective. However, Energy Trust's analysis also gave Staff confidence that updating avoided costs, leveraging complementary funding, and developing HB 2475 programs will improve the cost-effectiveness values.	We appreciate your confidence that our 2024 programs will be cost-effective by the time Energy Trust is required to report cost-effectiveness in our 2024 Annual Report.
Staff highlights that Energy Trust's budget as proposed is cost-effective at the portfolio level from both the utility and participant perspective. Staff views this portfolio approach to be valuable because it enables a higher volume of savings to be achieved while making sure Energy Trust's cumulative investments continue to have downward pressure on rates. The counterfactual circumstance, where less efficiency is pursued so that each individual measure or program is cost-effective, puts each utility in a more challenging compliance position for their respective decarbonization requirements.	We agree that evaluating cost-effectiveness at the portfolio level enables additional flexibility to serve customers while maintaining cost-effective programs.
Staff finds the new investments in staffing necessary to achieve savings targets and to test the ability to reach new customers. In 2024, Staff will update the Commission on Energy Trust performance in Docket No. UM 1158. At that time, Staff will likely support a waiver of the performance measure that limits to 10 percent year-over-year actual increases in staffing costs. With expenditures increasing 35.5 percent, Staff finds Energy Trust's proposed staffing increase of 28.5 percent to be reasonable. As Energy Trust begins to consider multiyear planning and budgeting, Staff encourages Energy Trust to continue reporting on staffing needs and performance.	We appreciate your acknowledgement that 2024 staffing investments are appropriate and critical to increasing savings and maximizing the value of future complementary funding. We agree and will continue to be transparent regarding staffing needs and performance by providing information in quarterly and annual reports to the OPUC as well as on an ongoing basis with OPUC staff through meetings and planning for future budgets.
In 2024, Staff will likely support a waiver of the administrative cost performance measure. With Energy Trust's overall expenditure increase of 35.5 percent, Staff expects administrative costs to increase more than 10 percent. Absent a waiver, Energy Trust's performance	We appreciate your support for administrative cost increases in the 2024 draft budget, and we plan to work with stakeholders and the OPUC to rationalize year-over-year growth of administrative cost in future budgets.

metric for administrative cost as a percentage of revenue is eight percent. Staff supports the 30 percent administrative cost increase proposed by Energy Trust for 2024 but will work with stakeholders and Energy Trust early in next year's budget process to limit year-over-year administrative costs growth.	
In this year's budget, Energy Trust proposes to change how administrative cost performance is evaluated. The historical comparison to revenues can mask that Energy Trust varies how much is requested of utilities based upon the size of each utility's reserve account. Instead, Energy Trust proposes evaluating administrative cost performance against expenditures. Energy Trust notes that administrative expense as a percent of total cost is a common way in which non-profits are evaluated and allows Energy Trust to be benchmarked against peers. Staff supports this change and will address the topic in Docket No. UM 1158 in 2024.	We appreciate the shift to evaluating and reporting administrative expenses as a percent of total expenditures, which aligns with generally accepted accounting principles and is used by many nonprofits.
Staff encourages Energy Trust to keep making explicit connections between increased cost and savings, especially in 2025 and 2026 once new programs and infrastructure are in place.	We agree that our annual budgets must tie investments to corresponding savings and results, and we will continue to do so in 2025 and 2026 budgets as well as in our forthcoming multiyear planning process.
While the budget is complex, there are many examples of specific programs and investments that Energy Trust makes in 2024. The $13.3 million highlighted in the Diversity, Equity, and Inclusion Activities section is an example of these. Staff supports these investments with the expectation that they will lead to future savings beyond what was included in the forecasts for the next two years. Many of the external funding sources have long timelines, so this scale up will serve beyond 2024.	We value your acknowledgement that investments in programs and market infrastructure have long lead times and will result in energy savings in years beyond 2024 and 2025.
Staff does not support PGE's proposal to withhold reserves because the benefits of doing so are unclear and Energy Trust's budget includes important 2024 investments.	We appreciate the OPUC's guidance that Energy Trust should not withhold PGE reserves.
With regards to not deploying no-cost measures or expand residential HVAC incentives, Staff is surprised at PGE's position given how these programs form a keystone component of Energy Trust's strategy to use ratepayer resources more equitably. Further, encouraging more efficient heat pumps and no-cost measures like weatherization have important contributions to reducing peak load and are enablers of more effective flexible loads. By contrast, PacifiCorp requested additional focus on measures that save more during summer and winter peaks. Staff sees the future, external incentives that PGE cites as helpful, but insufficient alone for addressing the State's cumulative energy, equity, and decarbonization	We appreciate your support for developing no-cost measures and expanding residential HVAC incentives, which are essential to increasing participation of and direct benefits to underserved customers.

needs. Thus, Staff supports Energy Trust building the capacity to deliver these measures starting in 2024.	
Staff is supportive of Energy Trust's 2024 draft budget which invests in building capacity and infrastructure to deliver an acceleration in energy efficiency.	We appreciate your support for our budget investments to maximize the impact of significant, new complementary funding expected to enter the market in 2025 and beyond. Investments in 2024 will allow us to meet existing IRP savings targets, build the infrastructure to deliver accelerated savings and braid complimentary funding.
Recommendation 1: Document and report regularly on development activities related to large sources of non-ratepayer funding and characterize how existing programs and ratepayer funds interact.	We will incorporate information on our development activities for large sources of funding into our regular reporting to the OPUC.
Recommendation 2: In response to utility feedback, develop guiding principles for considering rate pressure when coordinating management of external funding and report those prior to 2025 budget planning.	We will document our principles for leveraging and coordinating complementary funding prior to our 2025 budget planning process and include this in our materials as we develop the budget.
Recommendation 3: With external funds driving new efficiency, consider dual fuel and electrification measures that can unlock additional efficiency, and which can be considered in the next round of utility integrated resource planning.	We will closely follow how ODOE and others utilize Federal funding to fund fuel type conversion, to assess what efficiency opportunities these projects create and where Energy Trust can help maximize efficiency. Also, through our own pilot and work with NEEA, we will continue to explore electric and gas combined heating systems for homes. As we gain experience, we will discuss with utilities how we can assist in quantifying these opportunities for consideration in integrated resource plans.
Recommendation 4: Work with utilities and Staff to modernize avoided cost calculation methods to consider Oregon's decarbonization policy goals.	We stand ready to work with OPUC and utilities to modernize avoided cost calculation methods and integrate them with decarbonization policies, through OPUC's avoided docket or other forums.
Recommendation 5: Work with utilities and Staff to develop HB 2475 programs prior to 2025 budget planning. This should include developing targeted efforts to reduce energy burden based on utility data.	We welcome the opportunity to collaborate with OPUC staff and utilities to develop HB 2475 programs in early 2024. Utility usage data will help us design targeted program offers and education to reduce energy burden for customers with low to moderate incomes.
Excerpted Comments by Portland General Electric (PGE)	**Staff Responses**
These comments are intended to clarify PGE's staunch support for energy efficiency and outline the long-term partnership approach it seeks to take with the ETO to deliver energy efficiency and renewable energy to its shared customers.	We appreciate PGE's strong commitment to energy efficiency and look forward to working together in 2024 to update our planning and program assumptions to grow this resource.
PGE recognizes the need for investment in program delivery to support community based organization (CBO) capacity, trade ally expansion, and to aid in accelerating and enabling other sources of funding, but remains	We appreciate PGE's careful and diligent review of our proposed budget and your acknowledgement of the need for investments in program delivery and market infrastructure. We

concerned about the size of the investment proposed for 2024/2025, given uncertainty over the potential future applicability of federal, state, or local funding to support capacity expansion efforts; and the lack of visibility into additional energy savings from the proposed investments in capacity.	agree there is uncertainty regarding the timing of future complementary funds, however our conversations with implementers indicate that new funding of significant magnitude will not be available in 2024. The $13.3 million investments in market infrastructure is 4% of the 2024 draft budget and includes investments that are necessary to expand savings and to access complementary funding. As part of our development of a new multiyear planning process in 2024, we plan to work with utilities in 2024 to improve estimates of future savings as a result of these investments.
PGE does not see it as a prudent investment of ratepayer dollars to expand and deploy in 2024 no-cost measures beyond those with prior year measure exceptions, nor does PGE see it as prudent to double residential HVAC incentives, for end-uses that will realize sizeable taxpayer-funded rebates in 2025.	Developing no-cost measures and expanding incentives for residential HVAC systems are critical to increasing participation from and providing direct benefits to underserved customers, especially those with lower incomes. These offers are part of a cost-effective portfolio and part of our work to achieve the energy burden reduction equity metric in our OPUC 2023 performance measures. The no-cost measures planned for 2024 are within OPUC approved pilots for ductless heat pumps, heat pumps and heat pump water heaters. We plan to share what we learn from these pilots with other organizations working to design complementary funding programs. Increasing residential incentives is necessary to spur action after inflation has significantly increased project costs, leaving the balance of project cost unreachable for many households. It is also needed to reduce energy bills for customers with high energy burdens during a period of high inflation.
Given the 37% and 47% increase in expenditures relative to the 2023 budget, in 2024 and 2025 budgets respectively, PGE favors withholding $20-25 million in program reserves “to mitigate risks, smooth out operations from year to year and reduce rate impacts.” PGE views this as prudent given the market uncertainty and opportunity to partner with ETO to implement a utility specific action plan that realizes operational efficiencies, takes a holistic and outcomes-based approach and serves to maximize the benefits for our shared customers.	We have made adjustments for our final proposed budget to utilize more reserves for rate relief in 2024, thereby reducing revenue required from PGE by $6.2 million compared to our draft budget. We are planning to end 2024 at our target 2% level of reserves for PGE to mitigate risks and smooth operations from year-to-year.
PGE favors approval of a one-year budget, for 2024 only, and views it as prudent to withhold reserves and not deploy the no-cost measures.	Our draft 2024 Budget and 2024-2025 Action Plan includes a budget for 2024 only. For 2025, a projection is included, which will be updated in 2024 through the development of Energy Trust's 2025 Budget and 2025-2026 Action Plan. Energy

	Trust's annual utility funding agreements are for one year only.
Also given the dramatic increase in investment in program delivery infrastructure, to enable deployment of local, state, and federal funding, PGE sees it as imperative that proportional savings attribution be included. That is, if PGE ratepayers will fund the delivery infrastructure for Oregon, then the savings realized from other sources of funding should be attributed to its customers via ETO. PGE favors making approval of the 2024/2025 budget conditional upon this requirement.	We have a long history of coordinating with other organizations with complementary funding and have tracked savings where we have a direct influence as per OPUC guidance. Where we have information on what others have influenced, we are happy to share that information with utilities. We integrate that knowledge into evolving and optimizing our role and investment. As new complementary funds further develop, we will continue to transparently share how our influence is evaluated and tracked.
[Energy Trust should] further define: Co-deployment of EE and flex load or electric rates via key design element guidance in existing docket UM 2211 (Implementation of House Bill (HB) 2475), and applicable to UM 2141 (PGE Flexible Load Plan), such that the cost to deliver demand-side resources may be mitigated and customer participation outcomes specified.	We agree to work with PGE in 2024 to define what co-deployment of energy efficiency and flex load and implementation of HB 2475 looks like between PGE and Energy Trust for potential implementation in 2025.
Request an effort to deliver an outcomes-based co-deployment framework in partnership with ETO that supports and aligns with existing dockets UM 2211 and UM 2141.	In 2024, we plan to work with PGE to define shared outcomes that are anticipated from our planned co-deployment of low- and moderate-income and flex load focused strategies.
The proposed 2024/2025 budget and associated action plans are not cost-effective at the program level. Per the ETO 202_Budget Assumptions memo “Energy Trust used current avoided costs to develop our 2024 budget, which are acknowledged to be out of date. Even with these current avoided costs, Energy Trust’s budget is cost-effective at the portfolio level and for all programs except for Residential and Existing Buildings.” To evaluate these programs differently represents a deviation from standard practice without formal guidance from the OPUC. PGE does not favor such a deviation, nor does it desire to see such an approach take precedent, however, PGE also recognizes the regulatory lag that exists between IRP/CEP (LC 80) and the Avoided Cost (UM 1893) dockets. PGE is committed to advancing its decarbonization goals and concedes that this criterion will not be met in this budget cycle.	In the draft 2024 budget, we calculated cost-effectiveness of programs and the portfolio using assumptions from 2019 to estimate the value of the efficiency resource to the electric utility system. The value of the electric portion of the 2024 residential program did not exceed the costs. Based on updates in avoided costs in 2024, we expect all programs will be cost-effective by the time Energy Trust is required to report cost-effectiveness of 2024 programs in our 2024 Annual Report.
[PGE] also acknowledges the need for statewide approaches to scale to meet the trades shortage.... PGE anticipates additional funding opportunities will be available over the next several years and favors a clearer articulation of ETO’s role in [workforce development].	Energy Trust proposes a joint 2024 initiative with PGE and Pacific Power to co-plan joint workforce investments for 2025 to ensure the areas most affecting energy efficiency acquisition are addressed. Through this effort we can assure that all parties are confident in the level of Energy Trust investment in 2025 and beyond.
Request that Energy Trust collaborate to combine IRA funds maximizing program incentives and to increase	We agree that there is a need to ensure customers have access to available funds where

braiding and bundling of like and complementary programs, respectively, across PGE and Energy Trust to better meet needs of low-income customers.	eligible and that it takes collaboration and thoughtful design to ensure customer funds are optimized. Energy Trust is working with ODOE and other funders to establish roles and coordinated processes that prioritize customer need and simplify their experience in accessing eligible incentives. We are committed to this collaboration and to optimizing and maximizing funding for ratepayers.
Strategies that PGE requests be employed in preparation for the 2025/2026 budget: Begin EE revenue collections in Spring 2024 and pro-rate for the balance of the year. This serves to delay, not mitigate, but may temporarily alleviate customer impact.	We agree that delaying rate impacts until after the heating season will alleviate impact on ratepayers, and we will work with PGE, Pacific Power and the OPUC to delay the effective date of new utility tariffs for 2024 from January 1 to April 1, 2024.
Strategies that PGE requests be employed in preparation for the 2025/2026 budget: Increase investment in lower cost market transformation via the Northwest Energy Efficiency Alliance (NEEA).	NEEA's primary funding is negotiated for five-year periods. It is negotiated as a whole for the region. Shares are allocated to funders, including Energy Trust, based on proportions of load and customers. NEEA does sometimes offer optional, separately funded initiatives, in which Energy Trust participates when they are consistent with our mission and the needs of Oregon investor-owned utility customers. For example, Energy Trust has participated in an initiative to coordinate Strategic Energy Management activities across the region under optional funding. There are currently funding negotiations occurring regionally for NEEA for the 2025-2029 period. Energy Trust has been supportive of funding NEEA at an aggressive level but is also reliant on regional consensus as to funding levels.
PGE looks forward to defining shared objectives and outcomes with ETO in the utility specific action planning process as well as sees an opportunity for a holistic approach to determining which investments serve the equity and decarbonization twin mandate and realize the greatest benefit for our shared customers.	We thank you for this comment and agree with the importance of realizing greatest benefit for customers.
Request that Energy Trust prioritize onsite and virtual home energy audits given all HOMES and HEERA heating/cooling rebates require an assessment as a means for enabling savings from identified measures and partner with PGE to co-deploy energy efficiency and flexible load programs to customers for whom the audit deems them relevant.	We are working to refine home energy audits to align with compliance for other complementary funds, and we support exploring how to increase the value of audits
Request a MOU with PCEF be formalized and socialized along with divisions of labor established between ETO and ODOE and/or DEQ.	As we continue to collaborate closely with the Portland Clean Energy Community Benefits Fund to optimize complementary work, we will include updates on our coordination with other funders as this work develops in 2024.

Request that Solarize campaigns be funded solely out of SALMON or Smart Grid Test Bed budgets and not included in the 2024/2025 Renewables budget.	We will work with you to finalize funding for this work and address this request.
Excerpted Comments by Pacific Power	**Staff Responses**
Thank you and the Energy Trust of Oregon (ETO) team for the budget and action plan discussions recently.	We appreciate the time and effort of Pacific Power staff in reviewing the draft budget materials and participating in meetings and discussion. Thank you for the opportunity to work with you and better understand your comments and priorities.
We understand that certain proposed action plan activities and related costs may not result in direct acquisition but are asking for additional transparency.	Infrastructure building activities can be challenging to directly attribute an estimate for future savings impacts. We understand the need for additional transparency for these activities and will coordinate with you as we develop means to track, report and adjust investments as needed.
It would be helpful to better understand ETO's specific goals and scope in the expansion of [community engagement and workforce development] activities and how the appropriate amount of ratepayer funding in support of these activities was determined given that multiple organizations at the state and local level are engaged in similar efforts.	The New Delivery Approaches to Accelerate Energy Savings memo in the draft budget provides a summary of key investments planned for this budget totaling $13.3 million or 4% of the draft 2024 budget. This relatively modest investment will expand multiple efforts related to growth of market capabilities to deliver future savings. In 2024, we plan to create an initiative where we coordinate these investments with all utilities to maximize our collective investments.
We do not yet fully understand what alternative [budget scenarios] exist to minimize near term rate impacts or whether a more incremental approach to funding increases is warranted....We feel it is reasonable to evaluate scenarios that adapt budgets to accommodate these other sources of funding prior to increasing ratepayer collections at such a substantial rate.	The 2024 draft budget was built from the bottom up to maximize direct acquisition of all cost-effective energy efficiency and continue to grow market capacity for future savings. Between the draft and final versions, each program and support groups are reassessing markets and adjusting program designs further. This step may lead to adjustments to the budget. We don't anticipate new significant complementary funding to enter the market until 2025 and plan to use 2024 to learn more about these opportunities as they develop. We plan to integrate new information into the development of the 2025 budget.
We noted several action plan items that would benefit from further engagement and collaboration. There are already activities underway in support of these efforts.	Thank you for noting and sharing those items where there is opportunity for further collaboration for efficient delivery of this work and connections with communities.
Clarity on the process by which a community initiates engagement with ETO or vice versa would be helpful to reduce confusion, effectively manage our respective organizations' resources and effectively communicate on programs. Additional clarity regarding how ETO collaborates with other entities such as ODOE in community energy planning would also be helpful to	Thank you for highlighting the need to level set community engagement. We would like to work with you in 2024 to further define roles and scope of engagement activities.

ensure alignment in approach and engagement with communities. The roles for community engagement around energy planning, community-based renewable energy opportunities, and potential community green tariffs will require close coordination and clarification of roles to best guide and support communities in their clean energy planning efforts.	
We feel it is reasonable and necessary to evaluate and adapt budgets to accommodate [Pacific Power's workforce development] activities and [other] funding sources prior to increasing ratepayer collections.	Thank you for sharing your investments and activities in workforce development and recognizing there may be opportunities for efficiencies to maximize impacts. We look forward to establishing an initiative in 2024 for 2025 planning of this work.
We would like to better understand whether ETO has plans to increase adoption of measures that facilitate peak load reductions providing greater per kWh grid benefits.	Through working with Pacific Power to analyze impacts of past measure mixes, we've found that the top measures also contribute the most to peak savings. We anticipate the update to avoided costs through UM 1893 in 2024 may include a focus on improving how the value of capacity is calculated. Updated values will enable more accurate valuation of peak savings and potentially new program offers to increase adoption. We will work closely with Pacific Power through 2024 to assess this potential.
As noted above, we have significant remaining questions regarding the draft budget and developing PacifiCorp-specific budget and action plan. Given the impacts, uncertainty, and timing of budget development, additional discussion is warranted.	We understand that this budget looks different both in total amount and type of actions and will continue to respond to your information requests.
We anticipate implementation of any new collections in spring of 2024.	We plan to work with you to implement any revenue increase in spring of 2024.
Excerpted Comments by NW Natural	**Staff Responses**
NW Natural is supportive of Energy Trust's 2024 budget. It reflects feedback provided from the utility regarding accelerating the acquisition of energy efficiency. We anticipate increased administration budget will enable Energy Trust to grow capacity to meet increasing planning needs related to target load management and new pilot offerings.	We agree and thank you for your support for growth in planning and pilot work as we continue to develop opportunities for more gas savings.
Excerpted Comments by Portland Bureau of Planning and Sustainability (BPS)	**Staff Responses**
BPS supports the draft budget priorities and action plan, including the goals for additional energy efficiency investments, focus on social equity centered outcomes, and building capacity in the Trade Ally network and community-based organizations (CBOs). Especially in the years ahead with significant opportunities for transformational energy efficiency, renewable energy,	We appreciate City of Portland Bureau of Planning and Sustainability's review of and support for our draft 2024 budget investments.

and climate investments, Energy Trust's expanded coordination and capacity-building in communities around the state will be important to meeting our state climate and energy goals. These approaches and investments in people's homes and businesses will play a key role in reducing people's energy burden, increasing community resilience, and lowering carbon emissions.	
Given the scale of need in our priority communities, it will be necessary to effectively weave together funding from Energy Trust, state, and federal programs in order to support low-income households, reach deep energy upgrades and meet decarbonization goals. This highlights the need for the additional investment in energy efficiency outlined in the 2024 Energy Trust budget, and deeper community engagement.	We agree that providing equitable benefits to customers requires collaboration across federal, state and local government entities and community organizations and braiding of multiple funding sources.
The approaches in the 2024 Energy Trust budget for expanding workforce and contractor training on clean energy implementation are also aligned with the program offerings that PCEF will be launching. Collaboration with CBOs in Portland and statewide will ensure that people are getting accurate and timely information from trusted sources about program offerings, incentives, and rebates.	We agree that collaboration with PCEF, as well as state and local entities, will be essential in ensuring that funds are used appropriately and benefit those most in need, including those with low incomes, those in rural areas and those in communities of color.
These actions need to start soon in order for that workforce, contractor and CBO infrastructure to be ready for higher volume of projects expected to effectively leverage new federal, state and local funds.	We agree that near-term investments are necessary to ensure that we are able to deliver programs and services at the scale needed in the coming years to support state and community energy goals.
We also support and appreciate the efforts in aligning Energy Trust programs with the state of Oregon decarbonization policies, including opportunities for the Oregon Public Utility Commission to provide direction about investments in helping customers identify their most efficient choices to decarbonize energy consumption. These efforts towards decarbonization of buildings and transportation are complimentary to the approaches that PCEF is deploying in our grants and programs, and serve to improve public health and safety.	Our draft budget ensures Energy Trust's investments are aligned with Oregon's decarbonization policies and complement the approaches of PCEF so that all programs and funds work in concert to benefit customers.
As our programs and policies work together, it will be important to have clear understanding of what elements can be funded by each program, what eligibility requirements apply, and how projects are tracked and measured. Energy Trust staff and PCEF staff are working together to formalize agreements of collaboration and are also engaging with state agencies and community partners to design program offerings over the coming year.	We appreciate PCEF's partnership in sharing information, participating in upcoming funder braiding workshops and developing a collaboration agreement to provide complementary offers that benefit ratepayers.
Excerpted Comments by Citizens' Utility Board (CUB)	**Staff Responses**
ETO's work is critical to affordably meeting Oregon's decarbonization goals.	We appreciate the acknowledgement and understand the critical role our organization plays

	in collaborating and working to support energy efficiency across the state.
We are also supportive of investments to expand the Trade Ally Network, which develops the energy efficiency workforce, which is better for customers.	We appreciate the support for our Trade Ally Network and efforts to deepen the work of existing contractors and expand the network with new contractors, especially those that are embedded in communities of color and rural communities. Not only does this ensure more contractors can deliver projects, but it helps create jobs and grow local economies.
CUB supports funding more positions and raising salaries at the ETO. ETO needs to be able to build capacity. ETO's work is critical to affordably meeting Oregon's decarbonization goals. Their capacity to do this work is critical to obtaining and retaining staff, as well as the need to fairly compensate their staff for the work.	We appreciate your support for growing and retaining staff who can to support communities across Oregon.
In particular, we are excited about ETO's no-cost, whole home retrofit service for low-to-moderate income, BIPOC, and rural customers in geographic areas that are not currently served through Community Partner Funding community-based organizations.	Developing no-cost measures and expanding incentives for residential HVAC systems are critical to increasing participation from and providing direct benefits to underserved customers, especially those with lower incomes.
In order to moderate the price increase, we recommend delaying the revenue increase for these programs until April 1st, rather than January 1st when other utility rate increases are expected to go into effect—one of the coldest months of the year.	We agree that delaying rate impacts until after the heating season will alleviate impact on ratepayers, and we will work with utilities and the OPUC to delay the effective date of new utility tariffs for 2024 from January 1 to April 1, 2024.
CUB also suggests the ETO Board consider developing multi-year budgets in the future.	Next year, we'll transition to a new multiyear planning approach that enables Energy Trust to develop strategies, make investments and realize benefits over multiple years instead of the current one-year time frame.
The CPP and HB 2021 have increased avoided cost, and we need to invest in the ETO now to help meet those goals in a least cost, least risk manner.	Our draft 2024 budget reflects a more urgent need to accelerate energy efficiency than is currently reflected in open electric IRP dockets. Base efficiency levels in current IRPs reflect avoided cost values that many agree are out of date. We plan to work closely with our utility partners to update long-term planning for efficiency in 2024.
Excerpted Comments by Coalition of Communities of Color	**Staff Responses**
I am emailing to express our support for the ETO's 2024-2025 budget and its approach. The proposed budget recognizes the importance of energy efficiency, which is a critical strategy that has many environmental, health, and community benefits. Focusing on those experiencing energy burden ensures nobody gets left behind as our state transitions to cleaner energy. And ETO has a uniquely important role to play in this transition.	We appreciate your review and support of our budget. We agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians, including those with high energy burdens, today and in the future.

Excerpted Comments by NW Energy Coalition (NWEC)	Staff Responses
I've noted that the passage of HB 2021 has put a focus on decarbonization and emissions reductions for the electric utilities that you work with. This new statutory requirement to drastically reduce emissions puts an emphasis on energy efficiency like never before. The scale and vision of the current proposed budget reflects that new focus and the need for increased energy efficiency to help utilities meet their new requirements.	We appreciate the support of our budget and the acknowledgement of the scale of investment needed to achieve energy efficiency acceleration and help utilities meet state targets.
Right now, we need both our electric utilities and our gas utilities to get as much as they can as soon as they can because the electric utilities' first statutory compliance benchmark is 2030, a mere 6+ years away and the gas utilities compliance requirements under the Climate Protection Program starts next year. Additionally, the electric utilities have a statutory obligation to acquire all cost-effective energy efficiency first. Those two realities support a "no regrets" approach to acquiring energy efficiency.	We agree with the urgency for action in meeting 2030 benchmarks.
Second, concerns have been expressed about the rate impact of the proposed budget. By my calculations, the impact would have as much as a 1.5% rate impact. Some of that increase is to build ETO capacity to achieve the needed energy efficiency levels. While impact on customers should always be kept at the forefront of any planning, it is also important to remember that those customers are not well-served if the capacity to acquire the cheapest non-emitting resource is not in place. It is necessary to invest now in ETO's capacity to acquire energy efficiency in order to reduce the long-term costs of having a less efficient energy system.	We are mindful of the potential rate impact that will result from our proposed budget and are also sensitive to the fact that it will be part of larger rate increases for some of our utility partners. We prepared our 2024 budget to increase capacity for energy efficiency delivery to all customers and recognize that this will require new approaches and relationships that may take time to fully mature. We agree that the cost of doing this work now will be far lower than operating later in a less efficient energy system.
NW Energy Coalition looks forward to continuing to be engaged in those discussions and to help achieve a budget that will enable Energy Trust to help the utilities meet the requirements that they have by law.	Thank you for your support. Energy Trust greatly appreciates the collaboration and partnership with NWEC.
Excerpted Comments by Oregon Department of Energy	**Staff Responses**
We support the continued development of Energy Trust's budget to meet the mission of helping customers and communities.	Thank you for your review and support of the budget.
While this represents a historic federal investment in energy efficiency, it is only a fraction of what will be needed to reach Oregon's clean energy goals. Continued investment in efficiency programs like the ones outlined in Energy Trust's 2024 budget will be essential in positioning our state to meet these goals and ensuring consumers, particularly those in low-income and historically marginalized communities, experience the benefits of a clean energy transition. Our state cannot achieve the	We appreciate your acknowledgement of the scale of the challenge in front of us and Energy Trust's role in meeting it. We agree that there is a need to reduce barriers to participation so that all customers can participate directly in programs.

savings necessary to equitably meet our ambitious climate goals without broad participation by these communities in energy efficiency programs. We are highly supportive of Energy Trust's commitment to investing in programs that overcome barriers and engage these communities	
As part of House Bill 3049, ODOE has been tasked with developing a "one-stop-shop" to simplify how Oregon consumers find which energy efficiency investments are available to them. The success of this model relies in part on a continued investment in efficiency incentives within our state as well as close collaboration with entities like Energy Trust who administer those incentives. ODOE is supportive of the investments made in Energy Trust's 2024 draft budget and we see Energy Trust's work as critical to making the "one-stop-shop" successful. We also recognize the need to ensure that the multitude of programs and delivery systems are well coordinated, efficiently administered, and don't duplicate efforts. ODOE looks forward to continuing to work closely with Energy Trust on this effort.	Energy Trust is committed to working with ODOE to establish roles and coordinated processes that prioritize customer need and simplify their experience in accessing funding.
The up-front cost of this effort requires higher incentives to cover more or even all the costs of upgrades. We must develop new delivery strategies like partnerships with community-based organizations, community outreach, and more hands-on delivery models to serve these customers who may be reluctant to participate.	We agree that increased incentives are necessary, as are investments in market delivery infrastructure to deliver federal funds and Energy Trust incentives to customers we have previously underserved. That's why our budget includes additional engagement and capacity building with community-based organizations who can deliver customers to communities.
Energy Trust has been a leader in building capacity to keep up with opportunities. Experience and labor shortages are issues for the energy efficiency industry, especially as new funding creates more opportunities. The challenge is not lack of funds, but rather how to distribute the new funding to individuals and communities. Energy Trust's budget recognizes these challenges and allocates appropriate funding to help overcome these challenges	We appreciate the support for investments in growing and expanding the workforce of skilled contractors and others needed to install energy-efficient upgrades.
Excerpted Comments by Small Business Utility Advocates (SBUA)	**Staff Responses**
We remained concerned that small business customers of utilities, except multifamily dwellings, may not reap the benefits of their rate dollars paid to fund an Energy Trust where there is an increase of $30 million and more in 2025. We recall that in 2022 Energy Trust missed performance measure targets for 3 out of 5 utilities and we would ask if the budget for 2024 directly addresses these shortcomings from 2022. We see them as only partly addressed.	Economic conditions such as labor turnover and shortages, rising costs of labor, increasing equipment price and long delivery times continue to present challenges for delivery of incentives to small businesses. However, the small business focused offers launched last year have continued to mature and expand participation by small business customers. In 2024, we will increase incentives and project caps that will benefit small businesses. We will also conduct focused research to help develop packages of measures

	tailored to specific market segments, including small businesses.
We remind decision makers that this budget is proposed in a context of double digit utility rate increases, huge legislation like HB 3409 (2023), the 2021 bills including decarbonization mandate, and post-COVID-19 pandemic conditions of difficult supply chains, labor market, and high inflation. Small commercial customers generally all over the state are certainly traditionally under represented in utility proceedings, which includes the ETO dockets.	We are mindful of the potential rate impact that will result from our proposed budget and are also sensitive to the fact that it will be part of larger rate increases for some of our utility partners. We prepared our 2024 budget to increase capacity for energy efficiency delivery to all customers—with initiatives targeted specifically to small businesses—and recognize that this will require new approaches and relationships that may take time to fully mature.
Small business is not represented in the Conservation Advisory Committee, a key source of input on the Draft Energy Trust 2024 budget.	We thank you for this comment. We are exploring additional membership on Conservation Advisory Council to bring additional customer and community perspectives, including small businesses.
We understand and appreciate the focus on the residential customers especially in the environmental justice communities and those residential customers with historically underrepresented demographics such as those described as Black, Indigenous, and Peoples of Color (“BIPOC”). But we do not see that an easily available information metric is used to measure impact on small commercial customers including those who might be trade allies or other contractors with Energy Trust. See this state government page for example for an easily available data supported list of COBID certified businesses that are not included in the report: (link was not included)	Thank you for noting that the availability of data sources that include information on small businesses in Oregon. We are frequent consumers of this data both in our planning and evaluation of measure and program effectiveness. In addition, 2024 new activities include new qualitative research to identify opportunities for new measures or program strategies for small businesses as well as a study that will characterize diverse small businesses. These activities will further inform metrics used to measure our impact on small businesses in the state.
The ETO proposed significant increased staffing budget is a bit concerning and the Board questions on this were appreciated. We wonder with the moneys expected from the federal legislation and also the newer structure of the Energy Trust funding how the 4FTE going to equity metrics would be fair and reasonable for small commercial customers generally.	Small businesses, and diverse small businesses in particular, are identified in our Diversity Equity and Inclusion Plan as a priority customer segment. The four FTE devoted to community outreach and engagement will be critical to expanding reach deeper into small business customer segments to generate awareness and develop relationships that lead to projects. These positions will also coordinate with workforce entities to strengthen the trade worker pipeline for delivery to small businesses.
Not much money relatively speaking to existing buildings.	Existing Buildings expenditures total roughly one-third of the organization's budget and is the largest single program expenditure category.
Glad to learn about the increased Investments in community engagement and support such as the Working Together Grant.	We are excited to increase our investments and staffing resource for community engagement and maintain support for Working Together Grants. Though many of these tactics and activities are relatively new to the organization, they are critical

	in our efforts to expand services to underserved customers.
Regarding TRC and UTC cost effectiveness exceptions measures: PUC Order No. 94-590 re Total Resource Cost (TRC) test and Utility Cost Test (UCT) to determine if energy efficiency measures and programs are cost-effective and exceptions to that would be helpful to learn how many and what kinds of exceptions existed for small commercial that were not multifamily.	Please see the *Measure Cost-effectiveness Exceptions Status* memos in the draft and final proposed budgets.
Multi-year planning: It does make sense to have multiple year planning.	Thank you for your support for multiyear planning.
Please note that any time spend commenting either orally or in writing is uncompensated for many organizations and individuals. This time SBUA Oregon staff spends on these comments is valuable time spent to support obtaining fair and reasonable rates and terms of service for small commercial customers.	We greatly appreciate the time required and given by SBUA to comment on our budget and also your perspective on behalf of a critical customer segment.

Excerpted Comments from Individuals		
Individual	**Comment**	**Staff Responses**
Alan Vovolka	Please adopt a budget that dramatically increases energy efficiency. You know the reasons to do and how important it is. Please take your leadership responsibilities seriously and take a long view on behalf of ourselves and our children.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Alice Shapiro	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the important goals of this budget. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Ana Molina, Oregon Just Transition Alliance	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the important goals of this budget. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Anahí Segovia Rodriguez, Verde NW	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the important goals of this budget.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring

	We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	that our utility system can meet the needs of Oregonians today and in the future.
Andrea Axel, Spark Northwest	I am writing to express Spark Northwest's strong support for the process of developing the ETO 2024-2025 budget and the direction in which it is headed. Ramping up energy efficiency programs is critical to a just and equitable clean energy transition, and the proposed budget recognizes that importance. Increased investment in energy efficiency brings multiple benefits to Oregonians – it cuts GHG emissions, energy bills, and resource utilization, while also supporting meaningful and family-sustaining jobs throughout the Energy Trust's service territory.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Ann Littlewood	Please continue to support the ETO 2024-2025 budget in the direction it's headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Ann Turner	I am writing to support the ETO 2024-2025 budget process and its focus on the importance of energy efficiency. We must decrease our current use of energy in order to reduce greenhouse gas emissions as well as creating capacity for clean energy strategies like EV's. While EV's emit no GHG's, they do require electricity for charging, increasing the load on the utility system. Increasing energy efficiency is imperative.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Art Okada	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Bill Harris	We can afford to burn less fossil fuel if we can expand green electricity AND if we use the electricity efficiently. One side of the equation alone is not the program we need. Please plan a budget for the ETO which has a strong energy efficiency component.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of utility customers.

Brett Baylor	I wanted to let you know that I enthusiastically support your proposed 2024 through 2025 budget with its potential 30% increased efficiency goals. As we transition to a more electrified economy we'll require energy conservation to counter the growing demands on our existing grid while ramping up additional grid capability over the coming years. I appreciate your foresighted budget. This is something we need more of.	We appreciate your review and support of our budget and agree that increasing investment now in energy efficiency capacity will be critical to meeting increased demand on the grid.
Brian Romer	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Brian Stewart, Electrify Now	Please support dramatic increases in energy efficiency measures with the ETO 2024-25 budget. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Brian Wenzl	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. Energy efficiency is the cheapest, most effective carbon reductive strategy there is. Investments there are the most important, urgent investments we can make.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of utility customers.
Candace Avalos, Verde NW	My name is Candace Avalos, Executive Director of Verde, and I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Carol Cherin	I support the efforts of Oregon Energy Trust to promote energy efficiency in its 2024-2025 budget proposal. Energy efficiency would reduce greenhouse gas emissions which may help our warming earth.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Cheyenne Holliday, Verde NW	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget	We appreciate your review and support of our budget and agree

	and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Damon Motz-Storey, Sierra Club	I wanted to send a quick note supporting the process for developing Energy Trust of Oregon's 2024-2025 budget and the direction it is pointed towards. It is vitally important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce greenhouse gas emissions and to make room for other clean energy strategies like electric vehicles which will reduce emissions but could increase load demand. The Sierra Club's 73,000+ members in Oregon are united in supporting climate action and environmental justice at all levels, including through utilities and buildings.	We appreciate the Sierra Club's review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Darin Henry, Oregon Educators for Climate Education	As a steering committee member for Oregon Educators for Climate Education, OECE, I support your development of the ETO 2024-25 budget without compromises by industry lobbyists. Our students, our children, deserve our best efforts to stop climate change.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
David Parker	I support the process for developing the ETO 2024-2025 budget and the direction it’s headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Dianne Ensign	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Dylan Plummer, Sierra Club	I am writing to voice my support for the proposed ETO 2024-2025 budget.	We appreciate your review and support of our budget and agree that the actions we take now to

	We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs and building electrification which will also reduce emissions but could increase load.	invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Elizabeth Olsen	I live in the Portland area and support the efforts of Oregon Energy Trust to promote energy efficiency in its 2024-2025 budget proposal. Energy efficiency would reduce greenhouse gas emissions and I am very concerned about climate change.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Emily Polanshek	Please resist pressure from those who do support the need to act decisively in order to secure a viable future for our children and theirs! I am in favor of the ETO 2024-2025 budget and the direction it is headed. We must reduce current energy usage now, both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Gail Cordell	I am very supportive of increasing access to more energy efficiencies. I hope you will continue to provide opportunities to do just that. We need to act quickly to maximize the effect of lowering our energy footprint in order to slow the pace of climate change.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Gail Sabbadini	The gravity of the change is becoming more urgent. Please dramatically increase the budget for clean energy efficiency and dirty energy conservation now, not next time.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Greg Norman	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Hal Nelson	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency

	We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
James Metoyer III, EnterCity Collaborative	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load. I am currently an instructor and advocate of energy efficient techniques and practices for underserved communities. This work not only creates healthier communities but creates jobs in the process.	We appreciate your review and support of our budget. We agree and will be increasing our investment next year in workforce development in recognition of the value that new jobs in energy efficiency and renewable energy bring to communities.
Jeanette LeTourneux	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. We need to reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Joanne Delmonico	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Joseph Stenger, MD	I am writing in support of the process for developing the ETO 2024-2025 budget and of the direction it is headed. At this time of cascading climate catastrophes, it's crucially important to gain more energy efficiency as fast as possible. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Judy Arielle Fiestal	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.

Karen Harrington, Climate Reality Project	I support the process for developing the ETO 2024-2025 budget and the direction it's headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
KB Mercer, Traveling Lantern	I am a strong supporter of an energy efficiency focused budget for the ETO 2024-2025 budget. We need strong energy efficiency steps in Oregon and the proposed budget recognizes that need.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Kelly Campbell, Columbia Riverkeeper	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it is headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load. I want to underscore that energy efficiency is also called out in the Columbia River Inter-Tribal Fish Comission's Energy Vision for the Columbia Basin so a focus on this in ETO's budget is in good alignment with this vision.	Thank you for your review and support of the budget. We agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Laura Rogers	I wanted to send a quick note supporting the process for developing the proposed ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies, like EVs, which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Lenny Dee, Onward Oregon	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Leslee Lewis	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. Now really IS the moment to be doing, literally, ALL we can. We need to be doing it AS FAST AS POSSIBLE. ALL OF US. We must reduce current	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of

	energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	Oregonians today and in the future.
Linda Craig	I understand that you are considering a budget that will significantly increase energy efficiency. Please persevere in doing this. What we are seeing of climate change terrifies me, and we need all possible incentives to reduce energy use and carbon emissions ASAP.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Linda Perrine, 350 Eugene	I am a strong supporter of an energy efficiency focused budget for the ETO 2024-2025 budget. We need strong energy efficiency steps in Oregon and the proposed budget recognizes that need. We must reduce current energy usage now, especially methane gas, to reduce GHG emissions and to enable EVs to be added without a net load increase on our electric utilities.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Lindsay McClure	I'm sending a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Lisa Cohn	I support the process for developing the ETO 2024-2025 budget and the direction it is headed. We must reduce current energy usage now both to reduce greenhouse gas emissions and to make room for other clean energy strategies, including electric vehicles and other forms of electrification, which will cut emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Marian Dixon	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Marilyn Feldhaus	I support ETO's move towards greater energy efficiency through its 2024-2925 budget proposals. Greater efficiency would reduce greenhouse gas emissions, which us needed if we want to do something positive about climate change. Please continue with the energy efficiency strategy!	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of

		Oregonians today and in the future.
Mark Darienzo	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Martha Dibblee	I support the efforts of Oregon Energy Trust to promote energy efficiency in its 2024-2025 budget proposal. Energy efficiency would reduce greenhouse gas emissions, about which I am very concerned about because of climate change.	We appreciate your review and support of our budget and agree that the actions we take now to invest in energy efficiency are a critical part of ensuring the health, safety and vitality of Oregonians today and in the future.
Meg Bowman	I write to express my support for the process for developing the ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Michael Heumann	I am writing in strong support of the process for developing the ETO 2024-2025 budget and I endorse the direction in which ETO is headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Dr. Pat DeLaquil, Mobilizing Climate Action Together (MCAT) Steering Committee	Unfortunately, inflation persists, and as project costs increase, ETO incentives need to increase both to maintain an appropriate share of total project costs and to account for increases in the level of cost-effective efficiency measures to higher avoided cost estimates. The 2024 Energy Trust budget will help address market barriers to accelerating savings and maximizing impact of new funding opportunities. It will also help support workforce development and the expansion of contractors and community-based organizations as trade allies. Although the 2024 proposed revenue of $277.0 million is up 33% from the 2023 budget, these increases are needed to increase incentives to account for inflation, develop new approaches and	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our customers and trade allies are able to thrive now and in the future.

	delivery strategies, and support market infrastructure development, including expanding the Trade Ally Network, workforce development and support for Community-based organizations I urge you to fully support the proposed budget.	
Rand Schenck	Please know that I fully support the process for developing the ETO 2024-2025 budget and the direction that this budget indicates you are headed. It is absolutely essential that we reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies. For instance, EVs will reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Robin Bloomgarden	I want to offer my support for your process developing the ETO 24-24' budget, and the direction you are headed. We all know how important it is to build more energy efficiency as fast as we can, and your proposed budget seems to recognize that, reducing current energy usages across the board.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Sasha Pollack	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Susan Heath	Please support the process for developing the ETO 2024-2025 budget in the direction it's headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.

Taran Nadler	I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet the needs of Oregonians today and in the future.
Excerpted Comments from Transcribed Comments at Board Meeting		
Speaker	**Comment**	**Staff Response**
Greer Ryan, Climate Solutions	What was most exciting to me was how much thought was put into filling some gaps that we currently have. Thinking about who Energy Trust is best equipped to reach through incentive programs. And the truth is for lower income, or even moderate-income households, it's really hard to afford big changes, especially when you have multiple changes needed at once for older housing, even with existing incentives. So ramping up the amount of money that can be provided to these households to make something like switching to a heat pump work for them is really, really critical.	We appreciate your support for increasing incentives for residential customers. Large upfront costs for upgrades can make projects unreachable for many households, especially those with high energy burden.
Greer Ryan, Climate Solutions	I'm just excited to see the thought that was put into this. I'm excited to see the additional support that this kind of money could bring to communities in Oregon, to set you all up for success to deliver this funding and to work with different agencies and different groups to get it out the door.	We agree that collaboration with state and local entities will be essential in ensuring that funds benefit those most in need, including those with low incomes, those in rural areas and those in communities of color.
Greer Ryan, Climate Solutions	I'm glad to see that [there is] an increase in funding to soften the workforce issues to support CBOs. All of that is exactly what we need right now. Energy Trust is one of the best places to be doing this work. And we're so grateful.	We agree that near-term investments are necessary to ensure that we are able to deliver programs and services at the scale needed in the coming years to support state and community energy goals.
Jeff Bissonnette, NW Energy Coalition (NWEC)	We see a time right now, where we cannot do business as usual. And this budget underscores that the ETO recognizes that. The Energy Trust has been monumentally successful over the past 20 years in acquiring more efficiency than anybody thought possible. The Energy Trust needs to step up again and do more than anybody	We appreciate your review and support of our budget and agree that the actions we take now to invest more in energy efficiency are a critical part of ensuring that our utility system can meet

	thought possible/thinks possible, and this budget indicates that you're heading in that direction.	the needs of Oregonians today and in the future.
Tim Miller, Oregon Business for Climate	At a program implementation level, nobody, no organization, no entity is positioned like Energy Trust to help align these initiatives for a synergistic impact. And that synergistic impact is completely aligned with Energy Trust - the objectives of capturing cost-effective energy efficiency and renewable energy generation. If we can align these things effectively, everyone benefits, including Energy Trust and its goals. But it's going to take systems and management and capacity and other infrastructure to make this successful. We have to maximize benefits delivered to underserved communities by getting that synergy to be as effective as possible.	We appreciate your support for our budget investments to maximize the impact of significant, new complementary funding expected to enter the market in 2025 and beyond. Investments in 2024 will allow us to meet existing IRP savings targets, build the infrastructure to deliver accelerated savings and braid complimentary funding.
Tim Miller, Oregon Business for Climate	Oregon Businesses for Climate strongly supports Energy Trust making investments needed to serve in this critical role that only Energy Trust can play in, collaborating and aligning as no other entity in the state can, to make all this work happen as effectively as possible.	We appreciate Oregon Businesses for Climate’s review and support of our budget.

Oregon
Tina Kotek, Governor

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

December 6, 2023

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

Dear Michael:

We appreciate the opportunity to comment on the Energy Trust of Oregon's 2024-2025 Budget and Action Plan. We adopt the recommendations of the OPUC Staff summarized in more detail in the memo and discussed at the Commission's November 2, 2023 Special Public Meeting. At that meeting we also discussed our desire for multi-year budget planning for 2025, further reporting on outcomes associated with market infrastructure investments, and coordination with and leveraging of non-ratepayer funding sources.

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

We applaud the Energy Trust for its results so far in 2023. Those results deliver significant least cost resources for utility customers that contribute to controlling overall bills. We look forward to these results continuing into 2024, to working with Energy Trust and stakeholders to achieve the targets of the upcoming year's budget, and to facing together the important challenges and opportunities ahead.

OREGON PUBLIC UTILITY COMMISSION

Megan W. Decker
Chair

Letha Tawney
Commissioner

ITEM NO. RA1

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
SPECIAL PUBLIC MEETING DATE: November 2, 2023

REGULAR X CONSENT ____ EFFECTIVE DATE N/A

DATE: October 25, 2023

TO: Public Utility Commission

FROM: Peter Kernan

THROUGH: JP Batmale and Sarah Hall **SIGNED**

SUBJECT: ENERGY TRUST OF OREGON:
Presentation of 2024 Draft Budget and 2024-2025 Action Plan

STAFF RECOMMENDATION:

Adopt Staff's comments and recommendations on Energy Trust of Oregon's (Energy Trust) Draft 2024 Budget and 2024-2025 Action Plan.

DISCUSSION:

Issue

Whether the Commission should adopt Staff's comments and recommendations on Energy Trust's Draft 2024 Budget and 2024-2025 Action Plan.

Applicable Rule or Law

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

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

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

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

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

Under 2021's House Bill (HB) 3141, the relevant sections of which became operative January 1, 2022, the legislature authorizes expenditures under the portion of the PPC administered by the nongovernmental entity to include the above-market costs of new renewable energy resources. The legislation also adds authorization for customer investments in distribution system-connected technologies that support reliability, resilience, and the integration of renewable energy resources with the distribution systems of electric companies. HB 3141 further amends ORS 757.054 to authorize the collection of charges from retail electric customers to fund the planning and pursuit of cost-effective energy efficiency measures and to allocate a portion of those funds to a nongovernmental entity, independent of the PPC. HB 3141 also requires Energy Trust to jointly develop utility specific budgets, action plans and agreements.[1]

[1] OR Laws 2021 Ch. 547 Sec. 1, 3, 9, 25; See ORS 757.054, ORS 757.746.

Analysis

Background
Energy Trust proposes a total organizational budget of $304.8 million in expenditures for 2024. The majority of funds (97.7 percent) is for activities overseen under the Oregon Public Utility Commission (OPUC) grant agreement and past orders to support energy efficiency and small-scale renewables.[2] The numbers presented in this memo refer to the OPUC portion of Energy Trust's budget, unless otherwise noted. These numbers come from Energy Trust's Draft 2024 Budget and are compared to Energy Trust's 2023 Budget.

The remaining 2.3 percent of Energy Trust's planned 2024 expenditures supports a separate range of contracts and activities. This includes contracts for the Oregon Community Solar Program, Northwest Natural in Washington, Portland General Electric's (PGE) Smart Grid Testbed, Oregon Department of Energy's Landlord Provided Cooling Spaces Grant, and other small grants. Energy Trust's development funds and funds for gas transportation customer programs active in 2024 are also included in this amount.

Energy Trust made its Draft Budget and Action Plan available to stakeholders and the public in a series of meetings and through the Energy Trust website. Energy Trust presented an overview of the 2024 Budget and Draft 2024-2025 Action Plan at a public workshop on October 11, 2023. On October 12, Energy Trust presented the highlights of the joint action plans to the Renewable, Conservation and Diversity Advisory Councils. Energy Trust posted the documents online at http://www.energytrust.org on October 4, 2023. A two week public comment period followed.

Under ORS 757.746(1)(e), which codifies HB 3141, Energy Trust must prepare utility-specific budgets and action plans jointly with the funding public utilities. The action plans must reflect stakeholder feedback gathered through a public process managed by the nongovernmental entity and the relevant public utility, as overseen by the Commission. Implementing the process framework developed with utilities in 2022, Energy Trust began in June with initial utility meetings to kick off the process leading to joint action plans. Energy Trust shared anticipated plans and listened to utilities' priorities and feedback. In July, Energy Trust first discussed anticipated plans for the 2024 budget to include significant increases to reflect an acceleration in energy efficiency. In early August, Energy Trust shared draft utility-specific action plans with utility funders and sought feedback. In early September, Energy Trust met with electric

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

and gas utilities prior to the completion of the draft organizational budget to discuss the year-end forecast and utility-specific budgets and funding models.

At a Special Public Meeting on November 2, 2023, Energy Trust will present its 2024 Budget and 2024-2025 Action Plan. Staff will also present its recommendations outlined in this memo. At that time the Commission will have the opportunity to hear from Energy Trust and stakeholders and to consider adoption of Staff's comments and recommendations. Energy Trust will hold a final round of meetings with utilities in early November to finalize revenue requirements. The Energy Trust Board of Directors will receive a Final Proposed 2024 Budget and 2024-2025 Action Plan for approval at the December 15, 2023 Board Meeting.

Status of Prior Action Items from 2023 Budget
As part of the review of each Energy Trust annual budget, Staff makes suggested recommendations for Energy Trust to adopt over the course of the next year. The 2023 Budget contained specific action items to be conducted during 2023. Energy Trust has completed four of five recommendations, with progress ongoing for the remaining item. Staff discusses below how the progress and status of each action item:

Table 1: OPUC Recommendations for 2023

OPUC Recommendation	Status
1. Review new budget process and implement strategies to reduce labor for budget development. Report on changes in next draft budget.	**Ongoing**
2. Revenues to be collected from individual utilities in 2023 will be no less than what was collected in 2021.	**Completed**
3. In future budgets, publish draft joint utility action plans with the draft budget.	**Completed**
4. Work with utilities to identify and target customers that have difficulty paying their bills with tailored energy saving opportunities.	**Partially Completed**
5. Recalculate benefits of reduced arrearages with new utility data and apply to avoided costs.	**Completed**

1. Review new budget process and implement strategies to reduce labor for budget development. Report on changes in next draft budget.
Energy Trust has adequately documented changes made to the budgeting process including efficiencies from a redesign of the budget data structure. In consultation with Staff, Energy Trust removed several memos that were no longer adding value to the budget review process. This recommendation is marked as ongoing because Energy Trust continues to consider process improvements for 2024.

2. Revenues to be collected from individual utilities in 2023 will be no less than what was collected in 2021.

Energy Trust will collect more revenue from each of the five utilities in 2023 than it did in 2021. Staff discusses this in the section *Overview of 2024 Budget and Action Plans* and in Table 3.

3. In future budgets, publish draft joint utility action plans with the draft budget.

Energy Trust revised the schedule for budgeting in 2023 by publishing draft joint utility action plans in the summer. This enabled draft joint utility action plans to be published with the draft budget on October 4, 2023.

4. Work with utilities to identify and target customers that have difficulty paying their bills with tailored energy saving opportunities.

Energy Trust partially completed this recommendation. Energy Trust receives data from PacifiCorp and Avista. Energy Trust was not able to gather data from Cascade Natural Gas, Northwest Natural or PGE. Staff seeks to better understand how to facilitate the exchange of information and will follow up as part of the implementation of HB 2475 in Docket No. UM 2211. Part two of this recommendation was to develop tailored energy savings opportunities. While Energy Trust made progress in overall support for low-income customers in 2023, the organization did not yet develop tailored energy savings opportunities informed by utility data.

5. Recalculate benefits of reduced arrearages with new utility data and apply to avoided costs.

Energy Trust presented analysis to Staff and the Conservation Advisory Committee on impacts of reduced arrearages as non-energy benefits associated with avoided costs. Energy Trust recommended against including arrearage non-energy benefits due to resultant modest increases in overall avoided costs benefits, compared to much larger increases expected from other changes in 2024. Staff will continue to consider whether to include reduced arrearages when avoided costs are discussed again in 2024 in Docket No. UM 1893.

Overview of 2024 Budget and Action Plans

Energy Trust proposes $297.7 million in expenditures in 2024 for OPUC grant activities, out of the $304.8 million organizational budget. The OPUC grant portion is an increase of 35.5 percent from the 2023 budget. Over half of these expenditures (52 percent) is expected to be paid out as incentives. Energy Trust proposes to collect $277.0 million in revenues, an increase of 26.8 percent from 2023. Table 2 details Energy Trust's entire organizational approved budgets for 2021 through 2023 and the draft 2024 budget.

Table 2: Budgeted Revenues and Expenses[3]

	2021 Amended	2022 Budget	2023 Budget	2024 Budget
Revenues	$188,486,067	$204,331,493	$207,696,689	$277,011,884
Expenditures	$211,597,841	$219,537,575	$226,031,647	$304,766,280
Incentives Portion of Expenditures	$120,805,454	$121,453,704	$112,336,058	$159,219,615

Energy Trust is approaching 2024 as a time to build infrastructure and capacity to meet the moment and accelerate energy efficiency acquisition. Since the last budget process, Oregon's investor-owned utilities filed integrated resource plans detailing efforts to meet State decarbonization goals. Those plans made clear that energy efficiency and distributed renewables are an important part of equitably supplying Oregonians with reliable, least cost energy. Energy Trust designed this budget to invest in the market infrastructure to achieve deeper savings and to reach new customers.

Table 3: Revenue by Utility - OPUC Grant Funds

	2022 Budget	2023 Budget	2024 Budget
PGE	$93,652,540	$96,933,700	$124,100,000
PacifiCorp	$63,018,540	$63,018,540	$97,692,103
NW Natural	$34,274,086	$35,474,089	$37,064,508
Cascade	$3,867,475	$3,267,473	$3,220,276
Avista	$4,943,292	$2,503,292	$5,163,292

In last year's memo, Staff noted that Energy Trust intended to collect less revenue in 2023 than was collected in 2021 for PacifiCorp, Cascade Natural Gas, and Avista. Given the increasing need for Energy Trust to deliver energy efficiency for the State, Staff recommended Energy Trust collect no less than what was collected in 2021 for each utility and to find alternative uses for excess reserves in the interim.

In meeting Staff's Recommendation No. 2 from the 2023 Budget, Energy Trust collected more revenue from all utilities in 2023 than in 2021. Staff notes that this resulted in all utility-specific reserve accounts remaining higher than targets. Staff continues to view these reserves as opportunities to invest in infrastructure to deliver future savings, while also providing the opportunity to mitigate near-term rate pressures. For 2024, Energy Trust proposes a budget where revenue collection represents only 90.9 percent of

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

expenditures. In the short term, Staff views this as a positive factor due to expected near-term rate increases, some of which take effect January 1, 2024.

Joint Utility Action Plans
Based on Staff's Recommendation No. 3 on the 2023 Budget, Energy Trust revised the budgeting process and schedule to accommodate collaboration on 2024 utility-specific action plans in August and September. This collaboration allowed simultaneous publication of joint action plans and the 2024 Draft budget. Draft utility-specific action plans were filed with the draft budget materials on October 4, 2023 and reflect Energy Trust's active engagement of utility partners.

Despite this earlier coordination, utilities expressed surprise at the magnitude of budget numbers shared in September. During early summer coordination, Energy Trust provided utilities with high-level guidance on an expected expenditure increase. However, Staff heard from utilities that it was hard to provide feedback or input without having detailed utility-specific budgets to review. In September, once utilities received a draft budget for 2024, utilities escalated feedback with substantive questions and testing of budget assumptions. Staff appreciated the utilities' attention to detail and concern for ensuring ratepayer investments are worthwhile. Staff sees this as an area for improvement in the next budget cycle.

For this budget though, PGE and Pacific Power questioned how such an expenditure increase will impact ratepayer bills. Staff recognizes this concern and supports the Oregon Citizen's Utility Board (CUB) proposal to minimize the rate impact during the winter heating season by shifting the effective date of the revised Energy Trust tariff from January 1, 2024 to April 1, 2024.

With regards to 2024 savings acquisitions and costs, under Senate Bill 1547 (2016) and codified in ORS 757.054(3)(a), investor-owned utilities are required by law to acquire all cost-effective energy efficiency and demand response prior to acquiring new generating resources.[4] Energy Trust created a cost-effective budget for 2024—even without updates to avoided costs which Staff and utilities have noted do not reflect recent emissions reduction programs. Additionally, Energy Trust and utilities must continue to acquire savings in 2025 and beyond to meet the state's GHG reduction goals. Given that energy efficiency programs take well over a year to establish and ramp up, Staff also sees the budget increase as an outgrowth of clear policy guidance and necessary investments for utilities to meet State equity and rapid decarbonization goals.

Based on stakeholder feedback during budget discussions, Staff would like Energy Trust to consider changes that reflect a delay to the effective date of new utility tariffs for

[4] ORS 757.054(3)(a), https://oregon.public.law/statutes/ors_757.054.

2024 from January 1 to April 1, 2024. Utility bills in January and February are often the most expensive of the year due to heating needs. Staff supports CUB's recommendation and is pleased that Energy Trust plans to be flexible in its operations in order to accommodate this idea without impacting incentives or services.

While utilities expressed a shared vision of acceleration, they requested more detail to help contextualize the increase. Staff observed requests for more program level detail to understand the connection between cost increases and new savings. Utilities also inquired about the ability to see more than one budget scenario as the singular draft budget does not provide options. While Staff notes that the Energy Trust budgeting process is already complex and time-consuming, Staff would like Energy Trust to meet with utilities to explore whether or how Energy Trust may be able to include an alternate scenario in future budgets. Staff understands this may not be feasible or practicable given current systems and processes. Beyond that Staff also encourages Energy Trust and utilities to consider how to adopt a multi-year budgeting process that can remain flexible to changing resource needs.

Staff also heard competing visions of how the influx of complementary funding and programs for energy efficiency from local, state, and federal sources impacts Energy Trust's budget. To date, Staff has found Energy Trust to have been proactive about pursuing complementary funding and attempting to coordinate with other organizations. These sources include but are not limited to federal Inflation Reduction Act funding, Portland Clean Energy Community Benefits Fund, and Oregon's Climate Protection Program. PGE made comments, in its integrated resource plan and during budget conversations, that Energy Trust should wait to increase its budget until there is more clarity on these external funding mechanisms and detailed coordination between all key statewide parties.[5]

Staff sees the larger planning environment and the actions that Energy Trust is taking and draws a different conclusion than PGE. The successful rollout of complementary funding relies upon a robust and expanded energy efficiency market that does a better job alleviating energy burdens and focuses on efficiency first to meet decarbonization targets. Staff finds that Energy Trust's expanded programs and services serve to enable an expanded market infrastructure. This will not only help enable the success of Energy Trust programs in 2025 and beyond but have spillover to other organizations that are operating complementary programs. And given the known lag for efficiency programs, the investments should be made now to increase the capacity of contractors and

[5] *See* Docket No. LC 80, *Portland General Electric Company's 2023 Clean Energy Plan and Integrated Resource Plan Reply to Round 1 Comments*, p. 27, (Sep. 6, 2023), https://edocs.puc.state.or.us/efdocs/HAC/lc80hac131341.pdf.

community-based organizations. Stakeholders have expressed support for the 2024 budget in achieving these outcomes in order to enable a more prolific future.

Further, Staff recommends Energy Trust use 2024 to characterize the various ways in which external funding will interact with ratepayer funds. Staff notes that there are funding examples that acquire efficiency that Energy Trust does not currently pursue, but may consider, complement, or enable in the future. From a utility planning perspective, new efficiency opportunities increase the conservation potential in ways not currently captured in utility planning, as a type of multiplier effect. The Inflation Reduction Act's Home Electrification and Appliance Rebates program is one example, where individuals will be incented to purchase efficient electric appliances. Energy Trust may consider supporting such programs to help ensure that more efficient electric options reduce load growth impacts. Similarly, Energy Trust's role could help quantify the value to gas utilities in understanding dual fuel contribution to Climate Protection Program compliance.

Where external funding may overlap with existing Energy Trust programs and measures, Staff agrees with the utilities and requests Energy Trust work with Stakeholders to review and evaluate whether Energy Trust provides enabling funding, complementary funding, or reduces spend on certain measures when external funds are used to acquire energy efficiency. Energy Trust's ongoing task is to understand how external funds change the cost-effective, achievable potential and adjust strategy to ensure the organization continues to acquire all cost-effective energy efficiency, even if the volume and cost is more than current forecasts. Utilities' task is to understand how energy efficiency acquired outside Energy Trust impacts the system.

Staff recommends Energy Trust plan to report regularly on external funding strategies. Energy Trust should monitor if external programs cause unexpected market changes such as requiring less ratepayer co-investment to achieve savings.

Energy Efficiency Savings
In 2024, Energy Trust predicts acquiring 48.71 aMW of electric savings and 6.75 million therms of gas savings. These savings are higher than Energy Trust's 2023 budget and second quarter 2023 forecast. These savings are also an increase from 2022.

Table 4: Energy Savings

	2022 Actual	2023 Budget	2023 Forecast	2024 Budget
Electric savings (aMW)	46.75	45.17	45.77	48.71
Gas savings (MMth)	5.94	6.05	5.35	6.75

The increase in 2024 electric savings compared to the 2023 budgeted savings is 7.8 percent higher for electric and 11.6 percent higher for gas. Staff notes that these increases are smaller in magnitude than the percentage increases for expenditures in 2024. This is due to a business model change in 2024 to (a) acquire more savings at higher cost, by increasing incentives and targeting new populations (discussed below), and (b) building the programmatic infrastructure for greater future savings.

Staff highlights two additional factors with 2024 savings: gas transport customer savings and electric lighting savings. In the Staff memo for the 2023 Energy Trust budget, Staff supported and encouraged gas utilities to leverage Energy Trust's expertise and existing relationships with large commercial and industrial entities that are classified as gas transport customers. Avista and Northwest Natural started working with Energy Trust in 2023 to acquire energy efficiency savings for their gas transport customers. These savings are not reflected in the gas savings in Table 4 as they are not covered by the OPUC grant agreement. However, gas savings for transport customers help gas utilities comply with the Climate Protection Plan and reflect Energy Trust's role in helping utilities meet decarbonization goals. Energy Trust's budget includes 0.20 million therms of savings for gas transport customers in 2024, accelerating to 0.85 million therms in 2025.

In 2023, Oregon legislators passed HB 2531 which prohibits sales of fluorescent lighting products containing mercury. This law impacts Energy Trust because many lighting measures will be phased out as the prohibition takes effect in 2024. Looking ahead to 2025, Energy Trust predicts a 20 percent increase in non-lighting efficiency to compensate for forecasted savings reductions by the new lighting standards. Lighting is a prime example of how less expensive energy efficiency has been largely acquired, and Energy Trust must turn to more expensive measures. Staff highlights this to show that there is a significant increase in non-lighting efficiency that is masked by the decrease in claimable lighting savings.

Renewables Generation Acquisition
Energy Trust anticipates ongoing strong demand for small-scale solar with small amounts of other renewables. The anticipated decrease in renewable generation

supported by Energy Trust marks a continued shift away from market rate customers—due to ever decreasing distributed solar installation costs—and toward investments exclusively to support low- and moderate-income customers' installations, which have lagged market rate customers.

Table 5: Generation Supported by Energy Trust

	2022 Budget	2023 Budget	2024 Budget
Solar (aMW)	3.98	5.36	4.09
Other Renewables (aMW)	0.11	0.07	0.07

HB 3141 also requires that Energy Trust spend 25 percent of renewables funds on activities, resources, and technologies that serve low and moderate-income customers. Energy Trust's budget includes plans to meet this requirement and further expand access to these customers.[6] As noted above, Energy Trust's strategy in 2024 and beyond is the phase out of standard solar incentives for market-rate customers. Energy Trust found that market-rate incentives were no longer moving the market for customers who could afford solar, but that financing and upfront cost barriers remain for low- and moderate-income customers. Though Energy Trust will still support the entire market with upstream activities (e.g., operating a robust Trade Ally network), this continued shift will enable increased ability to invest in renewables for low- and moderate-income customers.

In 2024, Energy Trust expects 42 percent of OPUC renewables investments to serve low- and moderate-income customers by working with community-based organizations and developing low- and no-cost offers. OPUC equity metrics, which Staff discusses further in the section *Diversity, Equity, and Inclusion (DEI) Activities,* provide guidance for Energy Trust investments in solar plus storage activities in 2024. Energy Trust's strategy is also consistent with HB 3141 by continuing development of incentives for distribution system-connected technologies, including batteries and smart inverters. These strategies help low- and moderate-income customers and environmental justice communities invest in technologies that support reliability, resilience, and the integration of renewable energy sources.

In the Renewables sector, Energy Trust is pursuing meaningful collaboration and coordination to bring additional resources to customers. As included in the memo *Budget Assumptions for Draft 2024 Budget and 2024-2025 Action Plan* Energy Trust identifies a significant strategic partnership with Oregon Department of Energy to pursue an Environmental Protection Agency "Solar for All" grant of $139 million over

[6] ORS 757.612(2)(f); *Energy Trust's Draft 2024 Annual Budget and 2024-2025 Action Plans*, p.27.

five years with 78 percent of funding going to direct financial assistance for low- and moderate-income customers.[7] Staff only highlights this singular example, though others are showcased in Energy Trust's budget.

Diversity, Equity, and Inclusion (DEI) Activities
Energy Trust established an internal initiative for diversity, equity, and inclusion which aims to increase participation among currently underrepresented participants. Energy Trust is making a deliberate effort to incorporate DEI principles across the organization and its activities. The 2024 draft budget includes an increased focus on DEI initiatives and includes insight into how Energy Trust will meet the four equity metrics under House Bill 3141 adopted in Order No. 23-082.[8] These are listed below.

1. **Access to Support for Communities**: Increased support to nonprofit organizations with a purpose to serve environmental justice communities or to support nonprofit-led initiatives serving environmental justice communities. Increased support can be incentives, training, and funding for energy efficiency upgrades, solar, or solar-with-storage projects.
2. **Access to Information:** Increased funding to support targeted outreach to environmental justice communities, including funding for community ambassadors, education, and workshops.
3. **Energy Burden Reduction:** New and expanded low-cost and no-cost offers to reduce energy burden created and launched.
4. **Community Resilience:** Solar and solar-with-storage system projects supported for low and moderate-income residents in areas with limited infrastructure or high energy burden.

Energy Trust highlights $13.3 million in investments for new delivery approaches in 2024 that will help to meet these equity performance metrics and accelerate overall savings. This investment is broken down into four parts highlighted below.

- **$2.6 million to develop and expand the Trade Ally Network.** Energy Trust predicts that the pool of 1,000 active Trade allies must grow 30 to 60 percent to accelerate savings by 2030. This investment aims to increase access to contractors, but also improve the diversity of contractors. Staff notes that this investment will support the success of local, state, and federal programs and funding.

[7] *Budget Assumptions for Draft 2024 Budget and 2024-2025 Action Plan*, p. 11, https://www.energytrust.org/wp-content/uploads/2023/10/Supporting-Memos_2024-2025.pdf.
[8] Docket No. UM 1158, Order No. 23-082, *Energy Trust of Oregon, 2023 Performance Measure Recommendations,* (Mar. 10, 2023), https://apps.puc.state.or.us/orders/2023ords/23-082.pdf.

- **$2.3 million for workforce development.** This investment aims to support the creation of workforce development training centers, clean energy education and pre-apprenticeship programs, and youth energy assessments.
- **$5.0 million for partnerships with community-based organizations.** Staff notes the success to date that community-based organizations have shared their expertise and outreach to deliver energy savings and education to diverse communities. This year's investment marks an increase in the number and depth of partnerships.
- **$3.4 million for community engagement and support.** This investment will bolster Energy Trust's outreach and programs teams to deepen relationships with communities including tribes, rural communities, and communities of color.

Addressing Energy Burden
As part of its DEI strategy, Energy Trust highlights a new focus on no-cost, whole home retrofit services. Staff notes that both Inflation Reduction Act and Portland Clean Energy Community Benefits Fund programs share goals of completing home retrofits for low- and moderate-income households that do not have the resources to pay for upgrades. External programs that overlap with existing Energy Trust offers illustrate an area for ongoing strategic thinking and planning.

The machinery of well-funded programs with specific goals will reach new customers and present an opportunity for Energy Trust to strategically close funding gaps where those external sources are more rigid. In such examples, Energy Trust could be a key partner in ensuring external programs are successful. Simultaneously, Energy Trust may have an opportunity to invest less money than would have been needed to implement the program alone. In the years ahead, Energy Trust will be presented with many non-traditional opportunities to collaborate, and Staff has confidence in Energy Trust finding the right balance of ratepayer investment to unlock previously inaccessible savings.

In the past, no-cost home retrofit services have been challenged by two issues. First, scrutiny on individual measures being cost-effective limits the impact for customers and for programs overall. Second, enabling repair or upgrade work precludes the ability to complete the energy efficiency work.

Consider wall insulation; it is an expensive measure that results in significant savings and customer benefits like comfort and resiliency against extreme events. Due to cost, it can often be excluded for not meeting cost-effectiveness criteria. Due to deferred maintenance, exterior siding or electrical repairs may be needed prior to insulation. When programs opt against such measures, it represents a lost opportunity. The program's investment in staffing, contractors, marketing, and outreach to identify the

customer and savings is lost. From a planning perspective, that potential remains in the stock and is the reason that Northwest Energy Efficiency Alliance's Building Stock Assessments continue to show massive energy efficiency potential.

Staff is supportive of Energy Trust building the programming, staffing, and offers to support whole-home projects. It is unlikely that external funds and programs will support the entire project cost and it presents an opportunity for Energy Trust to acquire previously inaccessible savings. Staff views home retrofits as the greatest opportunity for delivering enduring reductions in energy burdens and could see Energy Trust's efforts evolve into a dedicated, HB 2475 program, that complements other efforts across the state.

Delivery Costs
Overall, a comparison to the 2023 budget indicates electric savings expenditures will increase by 43.1 percent and natural gas expenditures will increase by 19.4 percent.

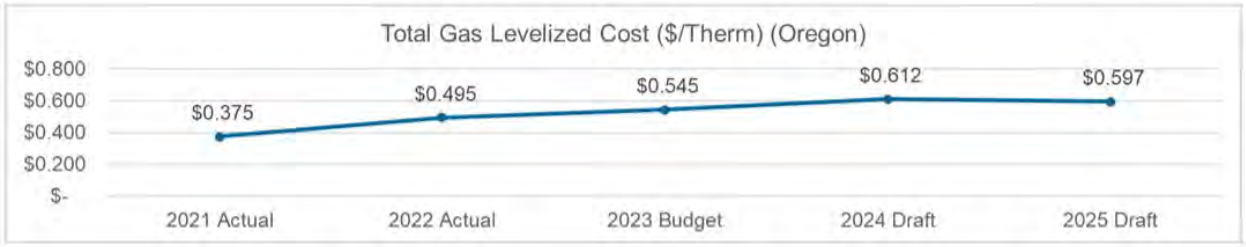
Table 6: Expenditures by Fuel

	2022 Actual	2023 Budget	2024 Budget
Electric costs	$123,302,646	$156,164,421	$223,478,330
Gas costs	$35,521,305	$42,744,957	$51,051,862

What is more indicative of costs is the average cost per therm and kWh. Levelized costs are the average dollars per unit saved amortized over the lifetime of the measures. In 2024, the estimated levelized cost for electric savings is expected to increase 32 percent compared to 2023 budget, and gas is expected to increase by 13 percent as demonstrated in Figure 1 and Figure 2 respectively.

Figure 1: Electric Levelized Costs[9]

Figure 2: Gas Levelized Costs[10]



The increases in levelized cost are an expected result of investments Energy Trust plans for 2024 to build capacity and infrastructure for future years. Staff also highlights that Energy Trust has predicted increasing levelized costs for gas for several years. The distinct uptick in 2024 for both gas and electric levelized cost includes a reflection of increased spending to acquire harder or more expensive savings and savings for populations who may not have been reached via prior programming. As discussed above, HB 2531 is an example of how low-cost lighting efficiency will be captured by a sales prohibition and thus requires Energy Trust to turn to more expensive measures to increase savings.

Levelized costs remain an important indicator of performance, though Staff emphasizes that levelized costs do not reflect the value of efficiency for reducing coincident peak demand, greenhouse gas emissions, customer energy burdens, or avoiding localized system needs. By contrast, the process of setting avoided costs for energy efficiency in Docket No. UM 1893 attempts to account for factors including some of the benefit streams and avoided impacts cited above. Staff anticipates avoided costs to rise in the short term as utility costs rise and over the next few years as utilities plan necessary investments to meet the state's carbon reduction goals. As avoided costs rise, the value of energy efficiency increases, and investments should increase accordingly. Staff believes that Energy Trust investments combined with new external sources of programming and funding should result in higher than forecasted savings in 2025 and

[9] *Energy Trust's Draft 2024 Annual Budget and 2024-2025 Action Plan*, p. 27, https://www.energytrust.org/wp-content/uploads/2023/10/Supporting-Memos_2024-2025.pdf.
[10] Ibid, p. 27.

beyond. Those activities and Energy Trust's experience in new markets should help reduce Energy Trust's levelized cost for acquiring efficiency going forward.

Avoided Costs

Staff highlights that current avoided costs used by Energy Trust do not reflect energy efficiency's value in the current policy environment given that electric and gas IRPs are calling for more energy efficiency than Energy Trust has identified as cost-effective in its IRP forecasts. Utility integrated resource plans revealed that the existing avoided costs calculated for use in Docket No. UM 1893 are not modernized to reflect Oregon's decarbonization policies. Therefore, the cost-effectiveness of Energy Trust's 2024 investments should be expected to increase once avoided costs are updated. Initial Energy Trust analysis found the values submitted by PacifiCorp in Docket No. LC 82 result in a 38 percent increase in avoided costs. Staff's analysis of PGE's avoided costs in Docket No. LC 80 found evidence of a minimum 60 percent increase in avoided costs.[11] Neither of these values should be interpreted as final but represent the expected order-of-magnitude avoided cost increase for electric utilities.

Staff appreciates Energy Trust's scenario analysis to forecast the cost-effectiveness of 2024 programs with and without avoided cost increases, complementary funding, or development of HB 2475-type programs. Figure 3 shows that without some of those updates, the residential and existing building programs are borderline cost-effective. However, Energy Trust's analysis also gave Staff confidence that updating avoided costs, leveraging complementary funding, and developing HB 2475 programs will improve the cost-effectiveness values.

Figure 3: Program and Portfolio View of Draft 2024 Cost-Effectiveness

2024 draft budget					2024 Program Forecast	
Program	Forecast UCT Test (ELE)	Forecast UCT Test (GAS)	Forecast TRC Test (ELE)	Forecast TRC Test (GAS)	Combined Fuel UCT	Combined Fuel TRC
Existing Buildings with MF	1.07	2.40	0.95	1.43	1.28	1.05
New Buildings	2.02	4.62			2.22	
Industry and Agriculture	1.84	2.60	2.30	3.34	1.93	2.38
Residential	0.86	2.61	0.93	2.54	1.42	1.43
Total Portfolio	**1.31**	**2.61**	**1.36**	**2.16**	**1.55**	**1.53**

[11] See Docket No. LC 80. *OPUC Staff Round 2 Comments and Recommendations,* p. 7, (Oct. 24, 2023), https://edocs.puc.state.or.us/efdocs/HAC/lc80hac145648.pdf.

Staff highlights that Energy Trust's budget as proposed is cost-effective at the portfolio level from both the utility and participant perspective. Staff views this portfolio approach to be valuable because it enables a higher volume of savings to be achieved while making sure Energy Trust's cumulative investments continue to have downward pressure on rates. The counterfactual circumstance, where less efficiency is pursued so that each individual measure or program is cost-effective, puts each utility in a more challenging compliance position for their respective decarbonization requirements. CUB has expressed support for a portfolio approach and Staff will continue exploring this issue with stakeholders in 2024.

Staffing Costs
Through 2022, Energy Trust experienced high turnover which resulted in 2023 budget impacts to address compensation structure and staff recruitment and retention. Although Energy Trust anticipates 2024 to accelerate in staffing investments, the organization noted 2023 successes in stabilizing staff turnover.

The proposed budget includes a 28.5 percent increase in staffing costs from 2023. Energy Trust cites three main priorities driving the increase: a) energy programs design and management to expand offerings; b) outreach and community engagement to reach new customers; and c) internal systems and support functions to support overall acceleration. OPUC Staff highlights that the proposed staffing increase in spending is lower than the overall growth rate of expenditures at 35.5 percent.

Table 7: Staffing Costs

	2022 Actual	2023 Budget	2024 Budget
Staffing Budget	$16,926,312	$20,058,105	$25,778,033
Annual Change $		$3,131,793	$5,719,928
Annual Change %		18.5%	28.5%

Energy Trust proposes to add 32 new full-time positions in 2024, most of which are intended to help Energy Trust acquire additional savings, particularly with historically underserved customers. New positions in community outreach and engagement indicate a shift toward high interaction and relational efforts to acquire energy efficiency. This intentional shift acknowledges that new methods are required to build networks to reach new customers and geographies.

In review of last year's Energy Trust budget, the magnitude of staffing cost increases was a point of dialogue and negotiation between Energy Trust and utilities. The 2024 draft budget marks another significant increase and utilities again sought to understand the drivers and actions Energy Trust is taking to stabilize growth. While Staff

acknowledges the consistency in themes between the two years, Staff notes that the 2024 budget is launching from a place of stability without the staffing turmoil of 2022. Staff finds the new investments in staffing necessary to achieve savings targets and to test the ability to reach new customers.

When Energy Trust started planning for growth in 2022, the Commission approved a waiver of the staffing performance measure in Order No. 23-082.[12] This immediately removed a cap on year-over-year actual increases that was impeding Energy Trust investments in staffing. In 2024, Staff will update the Commission on Energy Trust performance in Docket No. UM 1158. At that time, Staff will likely support a waiver of the performance measure that limits to 10 percent year-over-year actual increases in staffing costs. With expenditures increasing 35.5 percent, Staff finds Energy Trust's proposed staffing increase of 28.5 percent to be reasonable. As Energy Trust begins to consider multiyear planning and budgeting, Staff encourages Energy Trust to continue reporting on staffing needs and performance.

Administrative Costs
Administrative costs fall under the following categories if such expenses are not billed to program delivery:

- Employee Salaries & Fringe Benefits
- Agency Contractor Services
- Planning and Evaluation Services
- Advertising and Marketing Services
- Other Professional Services
- Travel, Meetings, Trainings, & Conferences
- Dues, Licenses, and Fees
- Software and Hardware
- Depreciation & Amortization
- Office Rent and Equipment
- Materials Postage and Telephone
- Miscellaneous Expenses

Administrative costs are projected to increase to 8.5 percent of revenues in 2024. Energy Trust notes that current consideration of administrative costs includes program support costs, and—in the future—Energy Trust proposes to move to the Generally

[12] Docket No. UM 1158, Order No. 23-082, *Energy Trust of Oregon, 2023 Performance Measure Recommendations*, (Issued Mar. 10, 2023), https://apps.puc.state.or.us/orders/2023ords/23-082.pdf.

Accepted Accounting Principles (GAAP) definition of administrative costs. Staff will consider this change in Docket No. UM 1158.

Table 8 reflects how the Commission currently evaluates Energy Trust's program delivery efficiency by comparing administrative costs to revenues. The performance measure states that administrative costs must be below eight percent of annual revenues and limited to 10 percent year-over-year actual increase. Staff notes that the Commission temporarily waived the administrative cost performance measure for 2023 due to administrative costs incurred to stabilize the workforce and provide flexibility for pursuing increased energy efficiency acquisition. In recommending a waiver, Staff wrote, "The administrative cost performance measure should not be a deterrent to Energy Trust adapting to serve customer needs at a time when the value of energy efficiency is increasing." [13]

Table 8: Administrative Costs

	2022 Actual	2023 Budget	2024 Budget
Administrative Costs	$14,083,859	$17,816,885	$22,803,607
Revenues	$202,296,131	$209,847,143	$267,240,179
Percent of Revenues	7.0%	8.5%	8.5%

In 2024, Staff will likely support a waiver of the administrative cost performance measure. With Energy Trust's overall expenditure increase of 35.5 percent, Staff expects administrative costs to increase more than 10 percent. Absent a waiver, Energy Trust's performance metric for administrative cost as a percentage of revenue is eight percent. Staff supports the 30 percent administrative cost increase proposed by Energy Trust for 2024 but will work with stakeholders and Energy Trust early in next year's budget process to limit year-over-year administrative costs growth.

In this year's budget, Energy Trust proposes to change how administrative cost performance is evaluated. The historical comparison to revenues can mask that Energy Trust varies how much is requested of utilities based upon the size of each utility's reserve account. Instead, Energy Trust proposes evaluating administrative cost performance against expenditures. Energy Trust notes that administrative expense as a percent of total cost is a common way in which non-profits are evaluated and allows Energy Trust to be benchmarked against peers. Staff supports this change and will address the topic in Docket No. UM 1158 in 2024.

[13] Order No. 23-082, p. 10.

Formal Utility Feedback
In addition to feedback discussed in the section *Joint Utility Action Plans*, Energy Trust received formal, written feedback from PGE and PacifiCorp and shared it with Staff. Both utilities acknowledged the importance of Energy Trust in the new planning environment and noted internal utility goals to acquire energy efficiency to meet decarbonization requirements. However as discussed earlier, both shared the concern of overall budget increases, sought additional information, and proposed changes to Energy Trust's usual process.

PGE Comments
PGE provided a thorough response to Energy Trust's budget in a short amount of time.[14] PGE made the following list of observations and/or requests:

- Reduce the spend on capacity building activities including community-based organization capacity and expanding trade ally network due to potential duplication of efforts with other organizations.
- Improve the visibility into savings from investments in 3rd party (e.g., trade ally, community-based organization) capacity.
- Remove all the new, no-cost measures from the budget and refrain from doubling residential HVAC incentives in 2024.
- Withhold $20 to $25 million from PGE's program reserves in the 2024 budget to use in 2025, so that the two entities may co-deploy flexible load and energy efficiency while leveraging external funding.
- Attribute proportional savings to Energy Trust and PGE from future programs and funds administered by other entities that Energy Trust supports with the 2024 infrastructure investments. Make budget approval conditional on this requirement.
- Collaborate for co-deployment of energy burden programs with HB 2475 in Docket No. UM 2211 and for co-deployment of flexible load measures with PGE's Flexible Load Plan, Docket No. UM 2141.
- Implement an "outcomes-based approach" for Energy Trust accountability in determining effectiveness of acceleration activities.
- Revise PGE's utility-specific action plan to include PGE's suggestions, some of which are included in this list.

[14] All public comments will be included in the 2024-2025 final proposed budget, posted on Energy Trust's website on December 8, 2023. https://www.energytrust.org/about/our-impact/budget-action-plan/.

PacifiCorp Comments
PacifiCorp also provided a thorough response to Energy Trust's budget during the open comment period.[15] PacifiCorp made the following requests:

- Clarify the connection between increased costs with specific savings and establish which investments do not lead to near-term savings.
- Propose alternative scenarios beside the single draft budget to evaluate methods for spreading out rate impact and to consider external funding.
- Detail ways PacifiCorp can best partner with Energy Trust to further shared goals in the budget, specifically community engagement, workforce development, peak reduction and supporting the grid.
- Delay the funding changes until sometime after the first quarter of 2024.

Staff Response
Staff was aware of the themes presented by both companies prior to reviewing the formal letters and appreciates the companies' diligent review of the Energy Trust draft budget. The significant budget increase deserves the scrutiny applied by both utilities and Staff recognizes the request to understand why costs increase without a commensurate savings increase. Staff finds that the answer is in the budget; upcoming energy efficiency opportunities are more expensive than the past. Considering the utilities' request, Staff encourages Energy Trust to keep making explicit connections between increased cost and savings, especially in 2025 and 2026 once new programs and infrastructure are in place.

While the budget is complex, there are many examples of specific programs and investments that Energy Trust makes in 2024. The $13.3 million highlighted in the *Diversity, Equity, and Inclusion Activities* section is an example of these. Staff supports these investments with the expectation that they will lead to future savings beyond what was included in the forecasts for the next two years. Many of the external funding sources have long timelines, so this scale up will serve beyond 2024.

Ultimately, for 2024, Energy Trust did produce a cost-effective budget that manages to increase savings despite lighting standards removing significant savings from Energy Trust's books. As PGE highlighted in published comments, ORS 757.054 directs utilities to "plan for and pursue all available energy efficiency resources that are cost-effective, reliable, and feasible".[16] Energy Trust's 2024 draft budget meets this requirement.

[15] All public comments will be included in the 2024-2025 final proposed budget, posted on Energy Trust's website on December 8, 2023. https://www.energytrust.org/about/our-impact/budget-action-plan/.
[16] ORS 757.054(3)(a)

Staff does not support PGE's proposal to withhold reserves because the benefits of doing so are unclear and Energy Trust's budget includes important 2024 investments. With regards to not deploying no-cost measures or expand residential HVAC incentives, Staff is surprised at PGE's position given how these programs form a keystone component of Energy Trust's strategy to use ratepayer resources more equitably. Further, encouraging more efficient heat pumps and no-cost measures like weatherization have important contributions to reducing peak load and are enablers of more effective flexible loads. By contrast, PacifiCorp requested additional focus on measures that save more during summer and winter peaks. Staff sees the future, external incentives that PGE cites as helpful, but insufficient alone for addressing the State's cumulative energy, equity, and decarbonization needs. Thus, Staff supports Energy Trust building the capacity to deliver these measures starting in 2024.

Staff agrees with PGE that Docket No. UM 2211, regarding the implementation of HB 2475, is the right venue for Energy Trust to address programs which reduce energy burdens. Staff includes a recommendation to Energy Trust to collaborate with utilities and Staff on the development of HB 2475 programs in. In addition, Energy Trust should participate in Docket No. UM 2211 activities and continue to collaborate with other entities like Oregon Department of Energy, Oregon Housing and Community Services and Portland Clean Energy Community Benefits Fund to avoid duplication of efforts and maximize leveraging of funding and expertise.

Staff hears the request from both PGE and PacifiCorp to incorporate more scenario analysis into the budgeting process. Staff recommends coordination between utilities and Energy Trust in the 2025 budget process to determine whether and what may be included.

Staff acknowledges that both PGE and PacifiCorp expressed interest in delaying customer revenue increases from the usual effective date of January 1. This aligns with CUB's request for an April 1 effective date to avoid further rate increases in the heating season. Staff supports an April 1 effective date due to this year's rate cases for certain utilities causing separate January 1 rate increases. However, Staff objects to later increases as compressing the change into fewer than nine months would apply additional unnecessary pressure on rates. Staff sees no reason for a potential delay in 2024 revenue changes to reoccur in 2025 and recommends utilities plan for a January 1 effective date in future years.

Staff Recommendations

- **Recommendation 1:** Document and report regularly on development activities related to large sources of non-ratepayer funding and characterize how existing programs and ratepayer funds interact.
- **Recommendation 2:** In response to utility feedback, develop guiding principles for considering rate pressure when coordinating management of external funding and report those prior to 2025 budget planning.
- **Recommendation 3:** With external funds driving new efficiency, consider dual fuel and electrification measures that can unlock additional efficiency, and which can be considered in the next round of utility integrated resource planning.
- **Recommendation 4:** Work with utilities and Staff to modernize avoided cost calculation methods to consider Oregon's decarbonization policy goals.
- **Recommendation 5:** Work with utilities and Staff to develop HB 2475 programs prior to 2025 budget planning. This should include developing targeted efforts to reduce energy burden based on utility data.

Conclusion

Acceleration is the underlying theme of Energy Trust's 2024 draft budget, punctuated by the overall increased investments in new delivery efforts. The need for acceleration is written across integrated resource plans developed to meet Oregon's new decarbonization policies for the first time. Staff is supportive of Energy Trust's 2024 draft budget which invests in building capacity and infrastructure to deliver an acceleration in energy efficiency. Staff appreciates the responsiveness of Energy Trust to utility and stakeholder feedback. The planning environment has changed and the 2024 budget was challenging to develop due to ongoing integrated resource planning discussions and a lag in updated avoided costs. Despite these challenges, Energy Trust prepared a cost-effective budget for 2024 that starts preparing the organization and the five utilities it serves to take advantage of the historic funding and incentives for efficiency and decarbonization available in the years ahead. Staff has several recommendations for Energy Trust to be intentional and proactive with new opportunities and to continue improving planning with utilities and stakeholders.

PROPOSED COMMISSION MOTION:

Adopt Staff's comments and recommendations on the Draft 2023 Budget and Draft 2023-2024 Action Plan for Energy Trust of Oregon

Portland General Electric
121 SW Salmon Street • Portland, OR 97204
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October 18, 2023

Energy Trust of Oregon
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Re: **Draft 2024/2025 Budget and Action Plans**

Executive Summary

Energy efficiency (EE) features prominently in PGE's Integrated Resource Plan (IRP) and Clean Energy Plan (CEP), filed in docket LC 80 earlier this year, as a valuable resource for achieving emissions targets. PGE acknowledges Energy Trust of Oregon's (ETO) role as statewide administrator, its two decades of experience designing, braiding, and tracking incentives as well as delivering a high savings realization rate via its implementers and trade ally network. PGE sees this role as important to ensuring streamlined delivery of local, state, federal and PGE ratepayer funded incentives and services. Given the magnitude of funding anticipated in Oregon and in our service territory, PGE also appreciates the role other agencies will play in efficiently deploying these dollars and supporting workforce development and community capacity building. We also recognize that there is a great deal of uncertainty with respect to the timing and multi-agency coordination required to deploy these dollars, especially given the intended benefits to be realized by our environmental justice communities inclusive of lower income customers.

PGE seeks a holistic, compassionate, and prudent approach to energy efficiency procurement and appreciates the efforts of ETO staff to approach the formulation of the 2024/2025 budget in the same way, despite considerable uncertainty. The budget as currently proposed provides a 13% increase in savings relative to 2023, however, forecasts flat energy savings for customers in 2024 and 2025, despite additional rate impacts. PGE offers the following observations and alternatives to the proposed 2024/2025 budget and action plans and looks forward to integrating this feedback into the upcoming funding conversation in early November.

- PGE recognizes the need for investment in program delivery to support community-based organization (CBO) capacity, trade ally expansion, and to aid in accelerating and enabling other sources of funding, but remains concerned about the size of the investment proposed for 2024/2025, given uncertainty over the potential future applicability of federal, state, or local funding to support capacity expansion efforts; and the lack of visibility into additional energy savings from the proposed investments in capacity.

- PGE does not see it as a prudent investment of ratepayer dollars to expand and deploy in 2024 no-cost measures beyond those with prior year measure exceptions, nor does PGE see it as prudent to double residential HVAC incentives, for end-uses that will realize sizeable taxpayer-funded rebates in 2025.
- Given the 37% and 47% increase in expenditures relative to the 2023 budget, in 2024 and 2025 budgets respectively, PGE favors withholding $20-25 million in program reserves "to mitigate risks, smooth out operations from year to year and reduce rate impacts."[1] PGE views this as prudent given the market uncertainty and opportunity to partner with ETO to implement a utility specific action plan that realizes operational efficiencies, takes a holistic and outcomes-based approach and serves to maximize the benefits for our shared customers.
- PGE favors approval of a one-year budget, for 2024 only, and views it as prudent to withhold reserves and not deploy the no-cost measures. Instead, maintaining the program reserve balance will afford ETO and PGE the flexibility to deploy ratepayer dollars that amplify taxpayer dollars in 2025 and further define:
    - Proportional savings attribution of incentives from other funding sources for which PGE ratepayers will support program delivery infrastructure. In the established ETO and PGE co-funding model both contribute to savings realized, kWh and kw, and both contribute to the cost to deliver. However, co-funding with IRA, for example, requires PGE to invest in ETO delivery to realize more kWh. PGE looks forward to participating in a multi-agency coordination meeting to arrive at an approach.
    - Co-deployment of EE and flex load or electric rates via key design element guidance in existing docket UM 2211 (Implementation of House Bill (HB) 2475), and applicable to UM 2141 (PGE Flexible Load Plan), such that the cost to deliver demand-side resources may be mitigated and customer participation outcomes specified.

Introduction

PGE's most recent IRP Action Plan includes ETO's forecast of all cost-effective energy efficiency, based on 2019 avoided cost inputs, 150MWa cumulative 2024-2028. This is the quantity of energy efficiency PGE anticipated seeing in ETO's proposed 2024/25 budget. Instead, ETO presented PGE with a proposed 2024/2025 budget predicated on ETO delivering some portion of ~50MWa of additional energy efficiency by 2030 that was not included in the Action Plan. However, PGE acknowledges the difference in procurement timelines and looks forward to engaging ETO in conversations around multi-year planning as a result. As such, these comments are intended to clarify PGE's staunch support for energy efficiency and outline the long-term partnership approach it seeks to take with the ETO to deliver energy efficiency and renewable energy to its shared customers.

Statutory Guidance

Historically, PGE has procured all cost-effective energy efficiency through partnership with the ETO, primarily funded through the public purpose charge. Beginning in 2023, all cost-

[1] Staff Report. ENERGY TRUST OF OREGON: Presentation of 2023 Draft Budget and 2023-24 Action Plan. Special Public Meeting (November 2, 2022)

effective energy efficiency procurement funding is recovered through customer rates. In 2023, PGE collected $87 million from customers for energy efficiency procurement. That value is included in the general rate case (GRC) for 2024. If PGE were to approve the now updated 2024 program year in the 2024/2025 budget the energy efficiency expenditure increases to $130 million.

Energy efficiency (EE) and demand response (DR) are two sides of the same coin and PGE grounds its demand-side investment decisions in the criteria as defined by statute.
Per ORS 757.054, related to, cost-effective energy efficiency resources and demand response resources, states "The Legislative Assembly finds and declares that: (a) Energy efficiency programs promote lower energy bills... Demand response resources result in more efficient use of existing resources and reduce the need for procuring new power generating resources, which, in turn, reduces energy bills." And continues, "Each electric company serving customers in this state shall: (a) Plan for and pursue all available energy efficiency resources that are **cost-effective, reliable and feasible**; and (b) As directed by the Public Utility Commission by rule or order, plan for and pursue the acquisition of available cost-effective demand response resources."

Cost-effective

The proposed 2024/2025 budget and associated action plans are not cost-effective at the program level. Per the ETO 202_Budget Assumptions memo "Energy Trust used current avoided costs to develop our 2024 budget, which are acknowledged to be out of date. Even with these current avoided costs, Energy Trust's budget is cost-effective at the portfolio level and for all programs except for Residential and Existing Buildings." To evaluate these programs differently represents a deviation from standard practice without formal guidance from the OPUC. PGE does not favor such a deviation, nor does it desire to see such an approach take precedent, however, PGE also recognizes the regulatory lag that exists between IRP/CEP (LC 80) and the Avoided Cost (UM 1893) dockets. PGE is committed to advancing its decarbonization goals and concedes that this criterion will not be met in this budget cycle.

Reliable

As provided in the IRP/CEP filing, ETO has a high historical savings realization rate. The five-year average (2018-2022) is 96.8%. PGE is therefore confident in ETO's ability to deliver savings to our shared customers.

Feasible

Lastly is the determination of whether this action plan can be implemented practically and with ease. PGE appreciates ETO's coordination with the Oregon Department of Energy (ODOE), Portland Clean Energy Community Benefits Fund (PCEF) and Department of Environmental Quality (DEQ) regarding its Climate Protection Program as well as its Community Climate Investment entity, Seeding Justice. PGE also understands that these conversations are evolving, that these agencies, given the complexity and magnitude of the funding, are at various levels of readiness and that the timing of these local, state, and federal

incentives and grants is likely 2025. Table 1 attempts to illustrate the number of agencies and associated funding by category. PGE understands that ETO will enter into a memorandum of understanding with PCEF to establish co-funding and division of labor protocols[2], streamlined applications and workforce development coordination. However, given the overlapping roles of these agencies and the uncertainty around deployment PGE is cautious to commit ratepayer dollars prematurely. As a result, PGE favors approval of a one-year budget for 2024 and will reflect this in its Funding Agreement.

In 2024, while PGE appreciates the need for ETO to build the program delivery infrastructure required to braid and deliver these dollars the cost of the investment is sizeable. The proposed 2024/2025 budget includes an ETO revenue adjustment of $25M and approximately $20M in program reserves. As provided in the ETO 203_Investments memo, $13M of this additional spend, in total from all utility funders, but for which PGE assumes the greater share, includes an expansion of its trade ally network, community capacity building and engagement and workforce development. The balance of the increase takes the form primarily of no-cost program delivery pilots (PDP), no-cost whole-home retrofit, a doubling of residential/multi-family HVAC incentives and an increase in staffing. PGE does not see it as prudent to double HVAC incentives nor provide no-cost whole-home retrofits in 2024 if HVAC rebates and whole-home retrofit rebates will be available in 2025.[3] For awareness, for single family homes and multifamily buildings, the Inflation Reduction Act (IRA) includes three major provisions: (1) tax credits up to 30% of the cost of specified high-efficiency equipment, insulation, and other measures; (2) Home Efficiency Rebates (HOMES) of $2,000–8,000 per home or apartment varying with energy savings and household income level; and (3) Home Electrification Rebates (HEERA) of up to $14,000 per home or apartment depending on the measures that are implemented and household income.

Additionally, while PGE appreciates ETO's support of workforce development and pre-apprenticeship via funding for the National Association of Minority Contractors (NAMC), Earth Advantage, Oregon Solar Energy Education Fund, Constructing Hope and Oregon Tradeswomen, it also acknowledges the need for statewide approaches to scale to meet the trades shortage. The need to significantly grow the workforce across the state in a short amount of time will require an all-hands-on-deck approach that is coordinated across the state. This need to scale quickly was one of the significant drivers for the creation of the Oregon Clean Energy Workforce Coalition (OCEWC) that PGE convened in 2022, of which ETO is an important participant. PGE is encouraged that there are millions of dollars being allocated to support these workforce efforts including $9 million to ODOE through federal and state dollars, $36 million for the PCEF, and anticipated funding for the OCEWC. PGE anticipates additional funding opportunities will be available over the next several years and favors a clearer articulation of ETO's role in this domain.

Strategies to Manage the Rate Impact

[2] Up to 30-50% of PCEF project funding can be used for health, safety, accessibility, or enabling repairs (aka. deferred maintenance) and serve to complement other funding sources like ETO incentives and state or federal dollars.
[3] Inflation Reduction Act, HOMES/HEERA

The proposed 2024/2025 budget provides flat savings in the associated program years despite the dramatic increase in investment. Such an increase represents a levelized cost of energy (LCOE) of $0.049 kWh in 2024, a doubling since 2018 and a 1-1.5% rate impact annually. This rate impact is in addition to the double-digit impact of other PGE investments in distribution and electrification infrastructure required to meet decarbonization goals. As a point of fact, the proposed 2024 budget exceeds the amount of PGE's multi-year flexible load plan, transportation electrification plan and annual income qualified bill discount expenditures combined.

While PGE recognizes that ETO will need to invest in capacity expansion to ready itself to deploy future funding for energy efficiency and reach historically harder to serve communities, it is unclear whether this investment will stabilize given the proposed budget represents only some portion of ~50MWa of additional energy efficiency potential by 2030. Program delivery expenditures (inclusive of program management, staffing, implementation (PDC/PMC), agency contractor services and other outsourced services) as a percentage of total expenditures peaked in 2023 at 47%. It is also unclear how ETO plans to utilize the additional federal, state, and local resources coming online to support its capacity expansion.

It is incumbent upon us to identify and pursue strategies for mitigating the rate impact of this investment. Below are several strategies that PGE requests be employed in preparation for the 2025/2026 budget.

- Braid local, state, and federal dollars to amplify participation and customer savings.
- Begin EE revenue collections in Spring 2024 and pro-rate for the balance of the year. This serves to delay, not mitigate, but may temporarily alleviate customer impact.
- Increase investment in lower cost market transformation via the Northwest Energy Efficiency Alliance (NEEA).
- Co-deploy programs via existing dockets as the appropriate venue for development and delivery of energy efficiency and both firm (e.g., thermostats) and non-firm (e.g., electric rates) demand response, for the benefit of our shared customers.
    - UM 2211, born out of HB 2475, serves to inform the key design elements for bundling these resources for our low-income customers. UM 2211 key design elements treat holistically the level of relief, tracking and accounting, bundling, outreach, engagement, and marketing of EE and income-qualified bill discount (IQBD). This docket is the appropriate venue for defining a holistic approach to alleviating energy burden in PGE's service territory.
    - UM 2141 serves as an opportunity to approach EE and DR holistically, to realize operational efficiencies, reduce cost to deliver and maximize value for customers.

Also given the dramatic increase in investment in program delivery infrastructure, to enable deployment of local, state, and federal funding, PGE sees it as imperative that proportional savings attribution be included. That is, if PGE ratepayers will fund the delivery infrastructure for Oregon's allocation of federal and state dollars in its service territory, then the savings realized from other sources of funding should be attributed to its customers via ETO. PGE

favors making approval of the 2024/2025 budget conditional upon this requirement.[4][5] In general, in order to roll out integrated programs quickly and as effectively as possible, simple procedures should be developed such as evaluating overlapping ETO and state programs as an integrated package and not separately, and agreeing upfront that ETO will receive credit for "x%" of the savings, A common approach for allocating credit for savings is to base savings allocations on relative expenditures by different program implementers.[6] ETO already tracks both utility and other incentives in the Program Participant Information (PPI) provided to utility partners so including new sources of funding is a logical next step and action that should be deemed within its scope and capability.

Outcomes-Based Approach

PGE appreciates ETO's responsiveness to feedback and the constructive dialogue in recent work sessions. PGE also appreciates the high-level goals put forth by ETO, however, the action plans represent a list of activities by sector and do not provide specific outcomes associated with those activities. Specific outcomes ground the collaboration and provide directional guidance to our respective staff. PGE looks forward to defining shared objectives and outcomes with ETO in the utility specific action planning process as well as sees an opportunity for a holistic approach to determining which investments serve the equity and decarbonization twin mandate and realize the greatest benefit for our shared customers. Table 2 serves to illustrate an outcomes-based approach.

PGE acknowledges the need to build the capacity of community-based organizations (CBO) as a trusted delivery partner to engage our hard-to-reach customers. This investment is necessary and it is also supported by sizeable IRA and Infrastructure Investment and Jobs Act (IIJA) federal dollars and PCEF grants. PGE's investment in ETO's capacity building efforts is made in addition to other utility investments such as the 20-30% bill discount afforded PGE's IQBD customers. PGE sees it as beneficial to view these investments holistically (e.g., HB 2475/ UM 2211) and evaluate their effectiveness via defined outcomes.

The ETO equity metrics[7], established the result of HB 3141 and formalized under UM 1158, include: 1) access to support for communities, 2) access to information, 3) energy burden

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[4] Regulators Can Encourage Utilities to Help Implement New Home Energy Rebates (October 2023), ACEEE. Retrieved from: https://www.aceee.org/blog-post/2023/10/regulators-can-encourage-utilities-help-implement-new-home-energy-rebates

[5] Claiming Savings from Income Qualified Weatherization Programs Where Multiple Entities Provide Funding
Settlement Stipulation (2018). Retrieved from: https://www.ilsag.info/wp-content/uploads/SAG_files/Landing_Page/Executed_IHWAP_Stipulation_on_Savings_Attribution_2019-01-24.pdf

[6] How Utility Energy Efficiency Programs Can Use New Federal Funding (July 2023). Retrieved from: https://www.aceee.org/policy-brief/2023/07/how-utility-energy-efficiency-programs-can-use-new-federal-funding

[7] Equity Metrics for Energy Trust of Oregon UM 1158 Docket Announcement (February 2023). Retrieved from: https://edocs.puc.state.or.us/efdocs/HAC/um1158hac16401.pdf

reduction, and 4) community reliability and resilience. These performance measures are laudable, however stop short of defining specific customer outcomes. Increasing staff, program offers and grants are beneficial, and yet it is unclear the extent to which one approach results in more participation than another, and no specific targets are set for program years 2024/2025.

Utility-Specific Action Plan (USAP)

In 2024, PGE is in favor of a broader conversation regarding co-deployment. With respect to low-income program design and delivery a holistic approach also includes utility bill discounts, direct install, and prescriptive incentives[8], and increased awareness and understanding[9] of the relevancy of programs. PGE's planned low income needs assessment (LINA) in 2024 will inform such an approach.

Additionally, PGE sees an opportunity to co-deploy as a strategy for mitigating rate impact and maximizing customer value. ETO and PGE have met with remarkable success in co-funding residential thermostats and in co-deploying resources in the Smart Grid Test Bed. These partnerships have been pursued on an ad hoc basis and PGE instead favors the design and development of a framework for EE + DR to be completed in 2024 for implementation in 2025. The outcomes of such a partnership are the realization of both kWh and kW savings and maximizing the value for our shared customers.

The following activities represent proposed additions to the draft utility specific action plan provided by ETO.

- Request that Energy Trust collaborate to combine IRA funds maximizing program incentives and to increase braiding and bundling of like and complementary programs, respectively, across PGE and Energy Trust to better meet needs of low-income customers.
- Request that a proportional savings attribution approach be defined.
- Request that Energy Trust prioritize onsite and virtual home energy audits given all HOMES and HEERA heating/cooling rebates require an assessment as a means for enabling savings from identified measures and partner with PGE to co-deploy energy efficiency and flexible load programs to customers for whom the audit deems them relevant.

[8]Consortium for Energy Efficiency, Inc. (CEE). Program Resources: Residential Low-Income. Retrieved from: https://cee1.org/93

[9] Recent market research in Massachusetts on more than 1,500 residential customers prioritized the "hardest-to-reach nonparticipants" and identified four principal barriers to their participation in available programs: (1) lack of knowledge, (2) perception of programs as not relevant, (3) mistrust of program legitimacy and providers, and (4) low prioritization of energy efficiency compared to other more basic needs. TOWARD MORE EQUITABLE ENERGY EFFICIENCY PROGRAMS FOR UNDERSERVED HOUSEHOLDS (May 2023), Schauer et al. 2022; Navigant, Illume, and Cadeo 2020, Retrieved from: https://www.aceee.org/sites/default/files/pdfs/B2301.pdf

- Request an effort to deliver an outcomes-based co-deployment framework in partnership with ETO that supports and aligns with existing dockets UM 2211 and UM 2141.
- Request a MOU with PCEF be formalized and socialized along with divisions of labor established between ETO and ODOE and/or DEQ.
- Request that Solarize campaigns be funded solely out of SALMON or Smart Grid Test Bed budgets and not included in the 2024/2025 Renewables budget.

Table 1: Funding Matrix
Below combines ETO's 202_Budget Assumptions memo list of funding with PGE's research and organizes categorically by incentive, grant and capacity building.

Funding Entity	Program	EE and RE Category	Allocation	Investment ($millions)
Inflation Reduction Act (FY 2022-2026)	Environmental and Climate Justice Community Change Grants	Build Community Capacity	National	$2000
Infrastructure Investment and Jobs Act (IIJA) (FY 2022-2026)	Advancing Equity Through Workforce Partnerships	Build Community Capacity	National	$10
Infrastructure Investment and Jobs Act (IIJA) (FY 2022-2026)	Career Skills Training Program	Build Community Capacity	National	$100
Infrastructure Investment and Jobs Act (IIJA) (FY 2022-2026)	Renew America's Nonprofits	Build Community Capacity	National	$50
Inflation Reduction Act (FY 2022-2026)	Green and Resilient Retrofit Program	Build Community Capacity	National	$250
Inflation Reduction Act (FY 2022-2026)	Greenhouse Gas Reduction Fund inclusive of EPA Solar for All	Build Community Capacity	Oregon	$130
Inflation Reduction Act (FY 2022-2026)	HOMES	Incentives (whole-house)	Oregon	$56
Inflation Reduction Act (FY 2022-2026)	HEERA	Incentives (electrification technology)	Oregon	$56
HB 3409/ ODOE	Commercial building performance standards (BPS) voluntary compliance (SB 869)	Incentives (existing w/ multi-family)	Oregon	$10
HB 3409/ ODOE	500,000 heat pumps by 2030 (SB 868)	Incentives	Oregon	n/a
HB 3630/ ODOE (through 2029)	Residential Solar and Storage Rebate Program Extension and Investment (HB 3418)	Incentives	Oregon	$10
HB 3630/ ODOE	Residential Heat Pump Program Extension (HB 3056)(SB 1536)	Incentives	Oregon	$25
DEQ Climate Protection Plan (CPP) (over 10 years)	Community Climate Investment (CCI)/ Seeding Justice	Build Community Capacity, Incentives	Oregon	$100-150
PCEF Climate Investment Plan (CIP) (over 5 years)	Strategic Programs and Community Responsive Grants Climate jobs, workforce, and contractor development: $41 million. Capacity building: $15 million. Nonprofit organizations focused on climate justice will access	Build Community Capacity, Grants	Portland	$400

	trainings, and staff support to more effectively meet community needs and build more climate-resilient neighborhoods.			
Energy Trust of Oregon (proposed 2024/2025 budget)	Expand Trade Ally Network via Contractor Development Pathway, Small Business Resource Network, LatinoBuilt and co-delivery with PCEF, BPA, ODOE, Community Action Partnership of Oregon and others	Other	Oregon - PGE	$2.6 in 2024 $2.8 in 2025
Energy Trust of Oregon (proposed 2024/2025 budget)	Invest in workforce development via training centers, clean energy education of pre-apprenticeships with Earth Advantage and Oregon Solar, and youth energy assessments	Other	Oregon - PGE	$2.3 in 2024 $2.2 in 2025
Energy Trust of Oregon (proposed 2024/2025 budget)	Invest in community-based organization (CBO) capacity building via Community Partner Funding, Solar Ambassadors and Working Together Grants	Build Community Capacity	Oregon - PGE	$5.0 in 2024 $6.0 in 2025
Energy Trust of Oregon (proposed 2024/2025 budget)	Invest in community engagement and support	Build Community Capacity	Oregon - PGE	$3.4 in 2024 $3.3 in 2025
Energy Trust of Oregon (proposed 2024/2025 budget)	Exceed established incentive ranges and offer no-cost measures and retrofits to income eligible residential customers	Incentives	Oregon - PGE	Information not provided

Table 2: Goals, Objectives and Outcomes

Goals	**Objectives**	**Outcomes**
broad, directional, scope, long-term ideal future	*measurable, timebound, activities in support of goals*	*benefit gained from achieving goal*
Maximize braiding of like program incentives and tax credits at the federal, state, and local level.	• Amplify value of multiple value streams for shared customers with ODOE/OHCS • Adhere to a funding hierarchy such that customer funds are deemed second in priority to taxpayer funds	• Increase number of program participants receiving both utility and other incentives
Maximize bundling of complementary programs and increase flexible load management potential as affordably as possible.	• Align targeted promotion and marketing efforts for Summer/Fall	• Increase number of participants in **both** PGE rates (#IQBD, Community Solar, peak time rebate) and/or flex programs (#Tstat, batteries) **and** complementary energy efficiency and renewable energy programs (Wx, HEA, DHP, batteries)
Pursue a portfolio approach to reaching our hard-to-reach customers in accordance with HB 2475 / UM 2211 guidance.	• Prioritize customers with the highest energy burden by streamlining eligibility and certification criteria and extending Wx services via Community	• # Zip code level or census-derived campaigns • # Municipal climate action plan stewardship campaigns

	Action Agencies (CAA) within 60 days of enrollment. • Partner with PGE flexible load management journey projects and services to build trade ally/delivery capacity	• # Community-partner-funded (CPF) programs deployed to augment CAAs (Community Action Agencies) • # PGE flexible load journey collaborations • See also UM 1158 Equity Metrics

PACIFIC POWER
A DIVISION OF PACIFICORP

825 NE Multnomah St
Portland, OR 97232

October 18, 2023

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

RE: PacifiCorp's Comments on Energy Trust's DRAFT 2024-2025 Budget and Action Plan

Dear Mike,

Thank you and the Energy Trust of Oregon (ETO) team for the budget and action plan discussions recently. Please note that the comments below are preliminary and require further collaborative discussions over the coming months.

Important context for these comments is an acknowledgement that we agree that energy efficiency is a key element to the energy future we have envisioned in our Clean Energy Plan. Our plan includes increased energy efficiency savings in the near term, and we appreciate the ongoing opportunity to consider elements of what ETO has proposed to help more fully align with PacifiCorp-specific needs. PacifiCorp also believes that it retains an obligation to review any significant proposed increase in customer funding to identify the correlation to anticipated benefits.

Comments below are organized into four key themes:

1. A request to tie increased costs to specific savings and better understand what budget items are not specific to near-term savings,
2. A request to provide alternative scenarios, including those that help flatten rate impacts to customers over the near-term years,
3. A request to provide additional detail on how we can best partner on elements of the budget that are focused on community engagement, workforce development, peak reduction and supporting the grid, and
4. An expectation that, like some past cycles, we anticipate requesting funding changes to begin sometime after Q1 2024.

Below is an overview of the prevalent themes observed within the action plans as we work to engage and finalize a PacifiCorp-specific budget and action plan.

Cost increases and related savings acquisition

The proposed $33 million budget increase in 2024 (with additional forecast increases in 2025 and 2026) and the resulting customer rate impact is substantial and reflects an approximately 76 percent increase in expected collections from current levels, to achieve a 9 percent increase in projected energy savings by 2026. As noted above, we acknowledge our current 2023 IRP (Integrated Resource Plan) calls for increased energy efficiency acquisition in the near-term years. However, it remains unclear to us how

the additional costs translate to savings and when those savings are anticipated. We understand that certain proposed action plan activities and related costs may not result in direct acquisition but are asking for additional transparency. A better understanding of this dynamic will help us analyze which actions are associated with increased efficiency savings acquisition and to what extent those investments are driving future levels of acquisition.

During a review of the draft budget and action plan, ETO staff highlighted actions related to continued expansion of community engagement and new workforce development efforts. While these activities are important to support as part of the clean energy transformation, they are often challenging to directly attribute to increased energy efficiency acquisition. Additionally, these activities are often supported by multiple organizations with similar goals. It would be helpful to better understand ETO's specific goals and scope in the expansion of these activities and how the appropriate amount of ratepayer funding in support of these activities was determined given that multiple organizations at the state and local level are engaged in similar efforts.

Developing alternative scenarios

The proposed $33 million budget increase in 2024 collections for energy efficiency encompasses the largest proportion of forecasted increases in ratepayer funding during 2024-2026. We do not yet fully understand what alternatives exist to minimize near term rate impacts or whether a more incremental approach to funding increases is warranted. This is particularly relevant given funding approved in the prior year often becomes the baseline for funding determinations in future years.

In addition, new funding sources are expected to become available in 2024 in support of energy efficiency including the Portland Clean Energy Fund, Federal Inflation Reduction Act funds, and other Oregon Department of Energy (ODOE) funds. We feel it is reasonable to evaluate scenarios that adapt budgets to accommodate these other sources of funding prior to increasing ratepayer collections at such a substantial rate.

Community engagement, workforce development, peak reduction and supporting the grid

We noted several action plan items that would benefit from further engagement and collaboration. One such item pertains to community engagement and community energy planning. There are already activities underway in support of these efforts. Clarity on the process by which a community initiates engagement with ETO or vice versa would be helpful to reduce confusion, effectively manage our respective organizations' resources and effectively communicate on programs. Additional clarity regarding how ETO collaborates with other entities such as ODOE in community energy planning would also be helpful to ensure alignment in approach and engagement with communities. The roles for community engagement around energy planning, community-based renewable energy opportunities, and potential community green tariffs will require close coordination and clarification of roles to best guide and support communities in their clean energy planning efforts.

Regarding workforce development, as stated earlier, additional funding sources are expected to become available in 2024 including the Portland Clean Energy Fund, Federal Inflation Reduction Act funds, and other Oregon Department of Energy (ODOE) funds. Additionally, PacifiCorp has been contacted by training centers, community colleges, school districts, and Tribes to partner and fund energy-related workforce development. We feel it is reasonable and necessary to evaluate and adapt budgets to accommodate these other activities and funding sources prior to increasing ratepayer collections.

Energy efficiency measures are selected in the 2023 IRP based on the cost of a measure and the timing of savings emphasizing an increasing need for energy efficiency savings that save more during summer and winter peak periods. We noted that in the draft action plan there were no activities designed to increase the acquisition of energy efficiency savings during these peak periods. Moving forward, we would like to better understand whether ETO has plans to increase adoption of measures that facilitate peak load reductions providing greater per kWh grid benefits.

Efforts to enhance coordination with renewables funding for grid support are crucial in our pursuit of a sustainable energy future. Coordinated funding initiatives can streamline investments, ensuring that renewable energy projects align with the needs of the grid. This not only maximizes the integration of clean energy sources but also fosters grid stability and resilience. As the demand for renewables continues to rise, collaborative approaches to implementation are essential for efficiently addressing the challenges of our evolving energy landscape.

Timing expectations for funding changes

As noted above, we have significant remaining questions regarding the draft budget and developing PacifiCorp-specific budget and action plan. Given the impacts, uncertainty, and timing of budget development, additional discussion is warranted. Consistent with the 2023 budget process we anticipate implementation of any new collections in spring of 2024. This timing will avoid winter peak customer heating bills, allow for further discussion, and ensure that all parties have had sufficient time determine impacts to rates and programs along with other utility activities funded through our System Benefits Charge.

Our comments presented here and within the action plan document represent our review of initial draft documents and require further collaborative discussion. We eagerly anticipate further review and refinement and the opportunity to enhance the clarity and effectiveness of our mutual endeavors.

Sincerely,

Kari Greer

From: Ralph, Laney <Delaney.Ralph@nwnatural.com>
Sent: Friday, October 20, 2023 8:47 AM
To: Elaine Prause <Elaine.Prause@energytrust.org>
Subject: RE: [External]Comments on draft budget?

Hi Elaine,

Thanks for the extension on public comment. We'd like to share the following:

NW Natural is supportive of Energy Trust's 2024 budget. It reflects feedback provided from the utility regarding accelerating the acquisition of energy efficiency. We anticipate increased administration budget will enable Energy Trust to grow capacity to meet increasing planning needs related to target load management and new pilot offerings.

Have a great weekend,
Laney

Laney Ralph
NW Natural – Energy Efficiency Program Manager
971.979.6241| nwnatural.com
My pronouns: She, her, hers

PORTLAND CLEAN ENERGY COMMUNITY BENEFITS FUND

Bureau of Planning and Sustainability

Date: October 18, 2023

To: Michael Colgrove, cc: Energy Trust of Oregon staff

From: Donnie Oliveira – BPS Director

Subject: Support for Energy Trust 2024 Budget Goals

Portland Bureau of Planning and Sustainability (BPS) staff appreciate the opportunity to review the Energy Trust of Oregon (Energy Trust) 2024-2025 Budget. BPS supports the draft budget priorities and action plan, including the goals for additional energy efficiency investments, focus on social equity-centered outcomes, and building capacity in the Trade Ally network and community-based organizations (CBOs). Especially in the years ahead with significant opportunities for transformational energy efficiency, renewable energy, and climate investments, Energy Trust's expanded coordination and capacity-building in communities around the state will be important to meeting our state climate and energy goals. These approaches and investments in people's homes and businesses will play a key role in reducing people's energy burden, increasing community resilience, and lowering carbon emissions.

At BPS, we are responsible for developing and tracking Portland's climate goals, and the implementation of the Portland Clean Energy Community Benefits Fund (PCEF). Over the past four years, PCEF has allocated over $150 million to non-profit organizations and City bureaus to implement projects that address climate change and social and racial equity. In September 2023, Portland City Council adopted the PCEF Climate Investment Plan, outlining grant opportunities and strategic programs for allocating $750 million over the next 5 years. The majority of these funds are directed towards programs that address residential and small business energy efficiency and access to renewable energy for our priority communities, including low-income people and communities of color. The launch of PCEF strategic programs will begin in 2024, with significant ramp up of deployment in 2025.

While PCEF will be deploying significant amounts of funding, the scale of the improvements needed to adequately address building energy efficiency in low-income communities is many times that, in the billions of dollars. Given the scale of need in our priority communities, it will be necessary to effectively weave together funding from Energy Trust, state, and federal programs in order to support low-income households, reach deep energy upgrades and meet decarbonization goals. This highlights the need for the additional investment in energy efficiency outlined in the 2024 Energy Trust budget, and deeper community engagement. Energy efficiency is a low-cost resource that reduces the need for buildout of additional generation, while providing direct comfort, livability and energy burden benefits to customers. Additionally, while PCEF's funds can only be spent within Portland, significant statewide

investments will be needed in order to meet the state and utility clean energy goals over the next decade.

The approaches in the 2024 Energy Trust budget for expanding workforce and contractor training on clean energy implementation are also aligned with the program offerings that PCEF will be launching. Collaboration with CBOs in Portland and statewide will ensure that people are getting accurate and timely information from trusted sources about program offerings, incentives, and rebates. Efforts to build a larger, more diverse and more active Trade Ally network throughout the state will serve to meet mutual goals. These actions need to start soon in order for that workforce, contractor and CBO infrastructure to be ready for higher volume of projects expected to effectively leverage new federal, state and local funds.

We also support and appreciate the efforts in aligning Energy Trust programs with the state of Oregon decarbonization policies, including opportunities for the Oregon Public Utility Commission to provide direction about investments in helping customers identify their most efficient choices to decarbonize energy consumption. These efforts towards decarbonization of buildings and transportation are complimentary to the approaches that PCEF is deploying in our grants and programs, and serve to improve public health and safety.

As our programs and policies work together, it will be important to have clear understanding of what elements can be funded by each program, what eligibility requirements apply, and how projects are tracked and measured. Energy Trust staff and PCEF staff are working together to formalize agreements of collaboration and are also engaging with state agencies and community partners to design program offerings over the coming year.

BPS staff look forward to working with leadership and staff at Energy Trust, along with stakeholders, to build programs that meet the needs of priority communities who have not previously had access to climate-focused programs and energy efficiency incentives. We can have greatest impact by all working together towards equitable decarbonization goals. Shared messaging, awareness and customer education will be important. We collectively have a lot of work together for the path ahead in building an equitable clean energy economy, and BPS supports the objectives and investments that Energy Trust is promoting in their 2024 budget.

Gratefully,

Donnie Oliveira
Director,
City of Portland Bureau of Planning and Sustainability

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October 18, 2023

Energy Trust of Oregon
Board of Directors
421 SW Oak St., Suite 300
Portland, Oregon 97204
info@energytrust.org

By email only*

RE: CUB's Comments on the Energy Trust of Oregon's proposed "Aligning with Oregon's Decarbonization Policies" policy and draft 2024 Budget

The Oregon Citizens' Utility Board (CUB) is a statewide, membership-based organization advocating for affordable energy for residential utility customers. CUB appreciates the opportunity to provide written comments in support of the Energy Trust of Oregon's (ETO) proposed "Aligning with Oregon's Decarbonization Policies" policy and draft 2024 Budget. These comments reflect CUB's oral comments made at the ETO Board meeting on October 11, 2023.

CUB agrees with the "Aligning with Oregon's Decarbonization Policies" statement that energy efficiency is the least cost and lowest risk resource for decarbonization. In order to meet Oregon's clean energy goals *and* to be able to do this as affordable as possible for residential customers, energy efficiency investments are imperative. By being able to pursue and receive other funding, this policy helps ETO increase resources to help Oregonians save money on their utility bills, and helps give ETO the capacity to grow its important work. CUB supports the proposed policy with the recommended changes.

ETO's draft 2024 Budget is reflective of the growing need for energy assistance. Most of the budget increase is to fund additional programs, incentives, and administrative support. CUB supports funding more positions and raising salaries at the ETO. ETO needs to be able to build capacity. ETO's work is critical to affordably meeting Oregon's decarbonization goals. Their capacity to do this work is critical to obtaining and retaining staff, as well as the need to fairly compensate their staff for the work. In particular, we are excited about ETO's no-cost, whole home retrofit service for low-to-moderate income, BIPOC, and rural customers in geographic areas that are not currently served through Community Partner Funding community-based organizations. We are also supportive of investments to expand the Trade Ally Network, which develops the energy efficiency workforce, which is better for customers.

In order to moderate the price increase, we recommend delaying the revenue increase for these programs until April 1st, rather than January 1st when other utility rate increases are expected to go into effect—one of the coldest months of the year. CUB also suggests the ETO Board consider developing multi-year budgets in the future. The ETO has historically had a 2-year budget cycle. CUB believes a 3-4 year budget cycle may be better for the organization, particularly given the aggressive timelines of Oregon's clean energy goals and the costs that come with meeting those goals, in addition to other ongoing utility costs like wildfire mitigation investment.

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CUB appreciates the thought and analysis that went into ETO's development of its draft budget. It is reasonable and forward-thinking. The CPP and HB 2021 have increased avoided cost, and we need to invest in the ETO now to help meet those goals in a least cost, least risk manner. Utility rates are increasing across all energy sectors. Meeting Oregon's aggressive clean energy goals is going to cost money, as are investments to mitigate wildfire risk. Energy efficiency is a way to defer the need for capital investments from utilities. Support for ETO is support for energy efficiency, which will help Oregonians better afford inevitable future rate increases. CUB supports ETO's draft 2024 Budget and the proposed Aligning with Oregon's Decarbonization Policies. Thank you again for the opportunity to provide comments.

Sincerely,

Jennifer Hill-Hart
Policy Manager
Oregon Citizens' Utility Board

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org

To ETO Board Members:

My name is Nikita Daryanani and I'm the Climate and Energy Policy Manager at the Coalition of Communities of Color. I apologize that this message is coming in after the comment deadline, but I hope it will still be considered.

I am emailing to express our support for the ETO's 2024-2025 budget and its approach. The proposed budget recognizes the importance of energy efficiency, which is a critical strategy that has many environmental, health, and community benefits. Focusing on those experiencing energy burden ensures nobody gets left behind as our state transitions to cleaner energy. And ETO has a uniquely important role to play in this transition.

Thank you for taking on this task. Please adopt this budget and its increased investments in energy efficiency.

Sincerely,
Nikita Daryanani

Comments on Energy Trust of Oregon
from NW Energy Coalition
on Proposed 2024-2025 Budget

submitted by Jeff Bissonnette
18 October 2023

To the members of Energy Trust of Oregon Board of Directors:

Thank you for the opportunity to add to my previous comments I've made at both the Conservation Advisory Council (CAC) and at your board meeting last week. To summarize those comments, I've noted that the passage of HB 2021 has put a focus on decarbonization and emissions reductions for the electric utilities that you work with. This new statutory requirement to drastically reduce emissions puts an emphasis on energy efficiency like never before. The scale and vision of the current proposed budget reflects that new focus and the need for increased energy efficiency to help utilities meet their new requirements.

I'd like to add two key points to the discussion as the budget development process continues.

First, energy efficiency is still the cheapest non-emitting resource that can be acquired, and energy efficiency acquired through ETO continues to be some of the lowest cost energy efficiency in the region. Right now, we need both our electric utilities and our gas utilities to get as much as they can as soon as they can because the electric utilities' first statutory compliance benchmark is 2030, a mere 6+ years away and the gas utilities compliance requirements under the Climate Protection Program starts next year. Additionally, the electric utilities have a statutory obligation to acquire all cost-effective energy efficiency first. Those two realities support a "no regrets" approach to acquiring energy efficiency. That is, we don't want to look back in five or six years and tell ourselves, "we should have acquired more energy efficiency when we had the chance." To avoid that outcome, we must plan now for the increased acquisition rate for energy efficiency. The proposed budget recognizes that need.

Second, concerns have been expressed about the rate impact of the proposed budget. By my calculations, the impact would have as much as a 1.5% rate impact. Some of that increase is to build ETO capacity to achieve the needed energy efficiency levels. While impact on customers should always be kept at the forefront of any planning, it is also important to remember that those customers are not well-served if the capacity to acquire the cheapest non-emitting resource is not in place. It is necessary to invest now in ETO's capacity to acquire energy efficiency in order to reduce the long-term costs of having a less efficient energy system.

Energy Trust stands in place of the utility as the entity that acquires that most valuable resource. If Energy Trust did not exist, the utility would be the entity trying to acquire efficiency and they would want the capacity to be able to successfully carry out either the dual statutory requirements of dramatic emissions reduction and energy efficiency acquisition first or achieve emissions reductions under the state's administrative framework. That need is no different with Energy Trust performing that role on behalf of the utility. The proposed budget recognizes the need to build the capacity required to fulfill the "no regrets" approach I noted earlier.

Thank you for this additional opportunity to comment on your proposed budget. I recognize that there are many discussions that are required between now and when you approve a final budget in December. NW Energy Coalition looks forward to continuing to be engaged in those discussions and to help achieve a budget that will enable Energy Trust to help the utilities meet the requirements that they have by law.

Oregon
Tina Kotek, Governor

OREGON DEPARTMENT OF ENERGY

550 Capitol St. NE
Salem, OR 97301
Phone: 503-378-4040
Toll Free: 1-800-221-8035
FAX: 503-373-7806
www.oregon.gov/energy

October 27, 2023

To: Executive Director Michael Colgrove and Energy Trust Board of Directors

From: Janine Benner, Director, Oregon Department of Energy

Re: Energy Trust of Oregon Draft 2024 Budget and 2024-2025 Action Plan

I appreciate the opportunity to provide comments on behalf of the Oregon Department of Energy (ODOE) on Energy Trust of Oregon's draft 2024 budget and 2024-2025 action plan. I serve on the Energy Trust Board of Directors as an ex officio member and many of our agency staff work with Energy Trust staff through the Conservation Advisory Committee, Renewables Advisory Committee, Diversity Advisory Committee, as well as through other coordination efforts.

ODOE is the state's energy agency with a mission to help Oregonians make informed decisions and maintain a resilient and affordable energy system. We advance solutions to shape an equitable clean energy transition, protect the environment and public health, and responsibly balance energy needs and impacts for current and future generations. On behalf of Oregonians across the state, we achieve our mission by providing: a central repository of energy data, information, and analysis; a venue for problem-solving Oregon's energy challenges; energy education and technical assistance; regulation and oversight; and energy programs and activities that save energy, support the state's decarbonization efforts, make communities more resilient, and position Oregon to lead by example.

We support the continued development of Energy Trust's budget to meet the mission of helping customers and communities. Energy Trust's budget will work to reduce community costs by saving energy and achieving additional benefits from renewable resources. It will also support the State of Oregon in leveraging and maximizing the benefits of federal funding.

ODOE will be deploying millions of dollars of state and federal funding through energy incentive programs as a result of recent actions by the Oregon Legislature and also the Bipartisan Infrastructure Law and Inflation Reduction Act passed by Congress. This includes the Home Efficiency Rebate programs, which will provide over $114 million to assist Oregon households in reducing their energy consumption, and in turn their energy bills and greenhouse gas emissions, through the installation of energy efficient technologies and weatherization measures. While this represents a historic federal investment in energy efficiency, it is only a fraction of what will be needed to reach Oregon's clean energy goals. Continued investment in efficiency programs like the ones outlined in Energy Trust's 2024 budget will be essential in positioning our state to meet these goals and ensuring consumers, particularly those in low-income and historically marginalized communities, experience the benefits of a clean energy transition. Our state cannot achieve the savings necessary to equitably meet our ambitious climate goals without broad participation by these communities in energy efficiency programs. We are highly supportive of Energy Trust's commitment to investing in programs that overcome barriers and engage these communities.

As part of House Bill 3049, ODOE has been tasked with developing a “one-stop-shop” to simplify how Oregon consumers find which energy efficiency investments are available to them. The success of this model relies in part on a continued investment in efficiency incentives within our state as well as close collaboration with entities like Energy Trust who administer those incentives. ODOE is supportive of the investments made in Energy Trust’s 2024 draft budget and we see Energy Trust’s work as critical to making the “one-stop-shop” successful. We also recognize the need to ensure that the multitude of programs and delivery systems are well coordinated, efficiently administered, and don’t duplicate efforts. ODOE looks forward to continuing to work closely with Energy Trust on this effort.

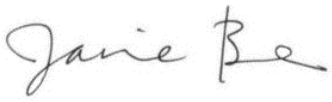
The success of energy efficiency work relies heavily on our community relationships. We know that underserved, marginalized, and vulnerable communities may feel untrusting of governmental organizations, and it is our responsibility to earn their trust. Building long-term and mutually beneficial relationships takes time, effort, and funding. A commitment to develop partnerships will provide opportunities to leverage investments and bring cost-effective energy savings for people and places that have historically been left out. Serving these customers will relieve their direct energy burden and ensure equitable distribution of benefits.

The up-front cost of this effort requires higher incentives to cover more or even all the costs of upgrades. We must develop new delivery strategies like partnerships with community-based organizations, community outreach, and more hands-on delivery models to serve these customers who may be reluctant to participate. Additionally, economic conditions such as labor turnover, supply chain issues, increasing costs, and long delivery times continue to present challenges to the commercial and industrial sectors.

Energy Trust has been a leader in building capacity to keep up with opportunities. Experience and labor shortages are issues for the energy efficiency industry, especially as new funding creates more opportunities. The challenge is not lack of funds, but rather how to distribute the new funding to individuals and communities. Energy Trust’s budget recognizes these challenges and allocates appropriate funding to help overcome these challenges.

ODOE appreciates Energy Trust’s work and partnership as we work to equitably transition to a clean energy future.

Sincerely,



Janine Benner, Director
Oregon Department of Energy

To: Energy Trust of Oregon via info@energytrust.org
From: Small Business Utility Advocates — Oregon ("SBUA")
Date: 10/18/23
Re: Draft 2024 Energy Trust Budget

Closer review by SBUA of the Energy Trust Budget indicates more work in 2025, especially, focusing on small business which is good/great and is appreciated. We remained concerned that small business customers of utilities, except multifamily dwellings, may not reap the benefits of their rate dollars paid to fund an Energy Trust where there is an increase of $30 million and more in 2025. We recall that in 2022 Energy Trust missed performance measure targets for 3 out of 5 utilities and we would ask if the budget for 2024 directly addresses these shortcomings from 2022. We see them as only partly addressed.

A few reminders:

- We remind decision makers that this budget is proposed In a context of double digit utility rate increases, huge legislation like HB 3409 (2023), the 2021 bills including decarbonization mandate, and post-COVID-19 pandemic conditions of difficult supply chains, labor market, and high inflation. Small commercial customers generally all over the state are certainly traditionally under represented in utility proceedings, which includes the ETO dockets.
  - "Commercial" is not broken down to any granularity in this budget.

https://www.energytrust.org/wp-content/uploads/2023/10/Financial-Reports_2024-2025.pdf

- Small commercial customers (e.g. Schedule 32 PGE, Schedule 23 PacifiCorp dba Pacific Power, and Schedule RS03 NW Natural for examples) are by far the second most numerous class of ratepayers of these utilities.
- Small business is not represented in the Conservation Advisory Committee, a key source of input on the Draft Energy Trust 2024 budget.

We understand and appreciate the focus on the residential customers especially in the environmental justice communities and those residential customers with historically underrepresented demographics such as those described as Black, Indigenous, and Peoples of Color ("BIPOC"). But we do not see that an easily available information metric is used to measure impact on small commercial customers including those who might be trade allies or other contractors with Energy Trust. See this state government page for example for an easily available data supported list of COBID certified businesses that are not included in the report:

Glad to see mention in 2024 Significant New Activities—-seems to be lighting:

- Increase outreach, delivery and marketing to accelerate lighting savings in 2024 and 2025 before compact fluorescents and linear fluorescent lights phase out. Efforts include increasing outreach staff, particularly in rural areas, streamlining project processes, and ramping up marketing campaigns focused on priority communities.

- Priority communities include small businesses, schools, rural communities, Black, Indigenous and communities of color and other underserved communities.

We are pleased to see more small business specific attention for 2025.
E.g. 2025 Expected Changes and New Initiatives

- Implement and refine new program strategies to accelerate savings across all program tracks such as no-cost offers, co-funding opportunities for small business and multifamily, and streamlining quick turn custom opportunities.

The ETO proposed significant increased staffing budget is a bit concerning and the Board questions on this were appreciated. We wonder with the moneys expected from the federal legislation and also the newer structure of the Energy Trust funding how the 4FTE going to equity metrics would be fair and reasonable for small commercial customers generally.

Not much money relatively speaking to existing buildings.
• The Existing Buildings program hosted a series of Small Business facilitated gatherings. The goal of these cohorts is to concrete culturally resonant and, as appropriate, in-language solutions with members of underserved communities.

We were unable to review the 2024 Utility specific plans.

Glad to learn about the increased Investments in community engagement and support such as the Working Together grant. Re community engagement we note Budget impact: $3.4 million in 2024, $3.3 million in 2025.

Regarding TRC and UTC cost effectiveness exceptions measures:
PUC Order No. 94-590 re Total Resource Cost (TRC) test and Utility Cost Test (UCT) to determine if energy efficiency measures and programs are cost-effective and exceptions to that would be helpful to learn how many and what kinds of exceptions existed for small commercial that were not multifamily.

Multi-year planning: It does make sense to have multiple year planning.
Please note that any time spend commenting either orally or in writing is uncompensated for many organizations and individuals. This time SBUA Oregon staff spends on these comments is valuable time spent to support obtaining fair and reasonable rates and terms of service for small commercial customers.

Sincerely,
Guillermo Castillo,
SBUA Oregon Technical Assistant
&
Diane Henkels
SBUA Oregon Legal Counsel

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Please adopt a budget that dramatically increases energy efficiency. You know the reasons to do and how important it is. Please take your leadership responsibilities seriously and take a long view on behalf of ourselves and our children.

Alan Vovolka
4311 SE 37th Ave Apt 4
Portland, OR 97202

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the important goals of this budget. It is so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely,

Alice Shapiro
2545 SW Terwilliger Blvd, Apt 1105
Portland, OR 97201

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Best,

Ana Molina

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Anahí Segovia Rodriguez
Energy Justice Coordinator at Verde
She/Her/Ella

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To the Energy Trust of Oregon Board Members:

I am writing to express Spark Northwest's strong support for the process of developing the ETO 2024-2025 budget and the direction in which it is headed.

Ramping up energy efficiency programs is critical to a just and equitable clean energy transition, and the proposed budget recognizes that importance. Increased investment in energy efficiency brings multiple benefits to Oregonians – it cuts GHG emissions, energy bills, and resource utilization, while also supporting meaningful and family-sustaining jobs throughout the Energy Trust's service territory.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Yours,

Andrea Axel

Andrea Axel (she/her), Executive Director
cell (206) 234-4781 | andrea@sparknorthwest.org
Join the clean energy movement at Spark Northwest
Subscribe to our newsletter

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

Please continue to support the ETO 2024-2025 budget in the direction it's headed. We need more energy efficiency as fast as possible and the proposed budget recognizes that. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely;
Ann Littlewood
2915 NE 21st Avenue
Portland, OR 97212

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I am writing to support the ETO 2024-2025 budget process and its focus on the importance of energy efficiency. We must decrease our current use of energy in order to reduce greenhouse gas emissions as well as creating capacity for clean energy strategies like EV's. While EV's emit no GHG's, they do require electricity for charging, increasing the load on the electrical grid. Increasing energy efficiency is imperative.

Please pass a budget that significantly increases energy efficiency.

Thank you,
Ann Turner
2007 NE Mason St.
Portland, OR 97211

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely;

Art Okada
3241 SW Spring Garden St
Portland, OR 97219

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

We can afford to burn less fossil fuel if we can expand green electricity AND if we use the electricity efficiently. One side of the equation alone is not the program we need. Please plan a budget for the ETO which has a strong energy efficiency component.

Bill Harris
NW Portland

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Dear Board Members —

I wanted to let you know that I enthusiastically support your proposed 2024 through 2025 budget with its potential 30% increased efficiency goals. As we transition to a more electrified economy we'll require energy conservation to counter the growing demands on our existing grid while ramping up additional grid capability over the coming years.

I appreciate your foresighted budget. This is something we need more of.

Sincerely,
Brett Baylor
Portland 97202

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Sincerely
Brian Romer

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

Please support dramatic increases in energy efficiency measures with the ETO 2024-25 budget. Its essential to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Brian Stewart

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. Energy efficiency is the cheapest, most effective carbon reductive strategy there is. Investments there are the most important, urgent investments we can make.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely;

Brian Wenzl
5115 SE 48th Ave
Portland OR 97206

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

My name is Candace Avalos, Executive Director of Verde, and I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

C
--
Candace Avalos (she/her)
Executive Director of Verde
4145 NE Cully Blvd, Portland, OR 97218
Cell: 541-728-7953

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

I support the efforts of Oregon Energy Trust to promote energy efficiency in its 2024-2025 budget proposal. Energy efficiency would reduce greenhouse gas emissions which may help our warming earth.

Carol Cherin
Milwaukie, OR

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Cheyenne Holliday (she/her)
Advocacy Manager, Verde

4145 NE Cully Blvd, Portland, OR 97218
Cell: (503) 545-7656

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Dear Energy Trust of Oregon Board Members,

I wanted to send a quick note supporting the process for developing Energy Trust of Oregon's 2024-2025 budget and the direction it is pointed towards.

It is vitally important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce greenhouse gas emissions and to make room for other clean energy strategies like electric vehicles which will reduce emissions but could increase load demand. Energy efficiency offers us the fastest and most cost-effective route towards maximizing nearterm greenhouse gas emissions reductions, and those near-term gains make the biggest difference in mitigating the long-term and ongoing impacts of climate change.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency. The Sierra Club's 73,000+ members in Oregon are united in supporting climate action and environmental justice at all levels, including through utilities and buildings.

Sincerely,

Damon Motz-Storey
Oregon Chapter Director
they/them/theirs

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Dear Energy Trust of Oregon Board Members:

As a steering committee member for Oregon Educators for Climate Education, OECE, I support your development of the ETO 2024-25 budget without compromises by industry lobbyists. Our students, our children, deserve our best efforts to stop climate change. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely,

Darin Henry

1916 Madison Street
Eugene, Oregon 97405

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Dear Energy Trust of Oregon Board Members,

I support the process for developing the ETO 2024-2025 budget and the direction it's headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely,

David Parker
1953 SE 20th Ave
Portland, OR 97214
503 236-0967

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely,
Dianne Ensign
11600 SW Lancaster Rd
Portland, OR 97219

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Board Members:

I am writing to voice my support for the proposed ETO 2024-2025 budget. It is critical to expand programs to increase energy efficiency in Oregon as rapidly as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs and building electrification which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency.

Best,

Dylan Plummer
Sierra Club

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

I live in the Portland area and support the efforts of Oregon Energy Trust to promote energy efficiency in its 2024-2025 budget

proposal. Energy efficiency would reduce greenhouse gas emissions and I am very concerned about climate change.

Elizabeth Olsen

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

Please resist pressure from those who do support the need to act decisively in order to secure a viable future for our children and theirs!

I am in favor of the ETO 2024-2025 budget and the direction it is headed. We must acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now, both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load. Thank you for your work. Please adopt a budget that dramatically increases energy efficiency!

Sincerely,

Emily Polanshek
3841 SW Canby St., Portland 97219

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

I am very supportive of increasing access to more energy efficiencies. I hope you will continue to provide opportunities to do just that. We need to act quickly to maximize the effect of lowering our energy footprint in order to slow the pace of climate change.

Gail Cordell
Oregon City OR

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

I am a retired biologist who has been following global climate change for decades. The gravity of the change is becoming more urgent. Please dramatically increase the budget for clean energy efficiency and dirty energy conservation now, not next time. Thank you.

Gail Sabbadini
Bend, Oregon

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Hello ETO Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Greg Norman

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Dear ETO Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely,

Hal Nelson, Ph.D., CFA (he/him)
Associate Professor
HNelson@pdx.edu | 503.236.6720 (m)
Graduate Certificate in Energy Policy & Management: http://bit.ly/PSU-Energy-Policy
Master's in Public Policy https://bit.ly/PSU-MPP

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

I am currently an instructor and advocate of energy efficient techniques and practices for underserved communities. This work not only creates healthier communities but creates jobs in the process.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

James Metoyer III

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's very important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We need to reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely;

Jeanette LeTourneux
3355 Humbug Creek Rd
Applegate, OR 97530

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Sincerely;
Joanne Delmonico
Portland, Or

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

I am writing in support of the process for developing the ETO 2024-2025 budget and of the direction it is headed. At this time of cascading climate catastrophes, it's crucially important to gain more energy efficiency as fast as possible. The proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Joseph Stenger MD
97211

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Sincerely,
Judy Arielle Fiestal
3587 SE Grant Street
Portland Oregon. 97214

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

When I first moved to Oregon I called Energy Trust to find a contractor for a home energy audit. Energy Trust was really helpful!

I support the process for developing the ETO 2024-2025 budget and the direction it's headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely;

Karen Harrington
25470 Swift Shore Dr, West Linn, OR 97068

Karen Harrington (she, her)
Volunteer
Climate Reality Project, Portland Chapter
Legislative Committee Chair
https://www.climaterealityproject.org
https://climaterealitypdx.com
1-510-833-0492
West Linn, OR, USA

"Believe in the power of your own voice. The more noise you make, the more accountability you demand from your leaders, the more our world will change for the better." Al Gore

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

KB Mercer
Managing Director

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it is headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

I want to underscore that energy efficiency is also called out in the Columbia River Inter-Tribal Fish Comission's Energy Vision for the Columbia Basin so a focus on this in ETO's budget is in good alignment with this vision.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Best wishes,

Kelly Campbell

--

Kelly Campbell (she/her) | Policy Director | Columbia Riverkeeper| 1125 SE Madison Suite 103A Portland 97214 | text or call 541.953.5475

New Newsletter: Read it now!

Salmon Unite Us: Join the Fight for Recovery

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the proposed ETO 2024-2025 budget and the direction its headed. It's most important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies, like EVs, which will also reduce emissions but could increase load.

Thank you for taking on this task. Please adopt a budget that dramatically and quickly increases energy efficiency!

Sincerely,

Laura Rogers
Address 2530 SE 26th Avenue #305
Portland, OR 97202

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Hi,

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Lenny Dee
Onward Oregon
Your Oregon Information Source
https://onwardoregon.org/

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. Now really IS the moment to be doing, literally, ALL we can. We need to be doing it AS FAST AS POSSIBLE. ALL OF US. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Sincerely;

Leslee Lewis
3908 N Concord Ave
Portland 97227

Shoulders easy, lift up your back and breathe

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To the ETO Board,

I understand that you are considering a budget that will significantly increase energy efficiency. Please persevere in doing this. What we are seeing of climate change terrifies me, and we need all possible incentives to reduce energy use and carbon emissions ASAP.

Thank you.

Linda Craig
Portland, OR

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I am a strong supporter of an energy efficiency focused budget for the ETO 2024-2025 budget. We need strong energy efficiency steps in Oregon and the proposed budget recognizes that need. We must reduce current energy usage now, especially methane gas, to reduce GHG emissions and to enable EVs to be added without a net load increase on our electric utilities.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely,

Linda Perrine
Lincoln City, OR 97367

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

I'm sending a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task, and please adopt a budget that dramatically increases energy efficiency!

Lindsay McClure

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I support the process for developing the ETO 2024-2025 budget and the direction it is headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce greenhouse gas emissions and to make room for other clean energy strategies, including electric vehicles and other forms of electrification, which will cut emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Best,

Lisa Cohn
3141 NW Greeenbriar Terr.
Portland, Oregon
97210

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance.

We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Sincerely;

Marian Dixon
6901 SE 65th Ave, Portland, OR 97206
Marian Wolfe Dixon, MA, LMT (#3902), NCTMB Approved CE Provider (#769)
Massage for Medically Complex People
(she, her)
marianwolfedixon@gmail.com

https://www.marianwolfedixon.com

www.massage-for-medically-complex-people.weebly.com

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Dear Energy Trust;

I support ETO's move towards greater energy efficiency through its 2024-2925 budget proposals. Greater efficiency would reduce greenhouse gas emissions, which us needed if we want to do something positive about climate change. Please continue with the energy efficiency strategy!

Marilyn Feldhaus

Portland, Oregon
97222

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance.

We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Sincerely;

Mark Darienzo
6923 NE Morris St
Portland, OR 97213

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

I support the efforts of Oregon Energy Trust to promote energy efficiency in its 2024-2025 budget proposal. Energy efficiency would reduce greenhouse gas emissions, about which I am very concerned about because of climate change.

Martha Dibblee

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I write to express my support for the process for developing the ETO 2024-2025 budget and the direction its headed. It's vital to achieve more energy efficiency as fast as possible, and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely,

Meg Bowman
3232 NE 27th Ave.
Portland, OR 97212

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I am writing in strong support of the process for developing the ETO 2024-2025 budget and I endorse the direction in which ETO is headed. I agree with the importance to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Sincerely;

Michael Heumann
4343 NE 49th Ave
Portland, OR 97218

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

Energy Trust of Oregon Board of Directors

I am writing in support of the proposed 2024 ETO budget.

With the passage of HB 2021, the Clean Energy Law, and the implantation of the Climate Protection Plan, the policy and economic environment for energy efficiency has been significantly enhanced. As a result, the Oregon Public Utility Commission requested that the Energy Trust find ways to expand access to efficiency and clean energy in order to benefit from lower energy bills and to stay safe and healthy during extreme weather and power outages. Unfortunately, inflation persists, and as project costs increase, ETO incentives need to increase both to maintain an appropriate share of total project costs and to account for increases in the level of cost-effective efficiency measures to higher avoided cost estimates.

Fortunately, there are unprecedented funding opportunities expected in near future years from the Inflation Reduction Act, the Portland Clean Energy Community Benefits Fund and the Community Climate Investments program, which is part of the Climate Protection Program.

The 2024 Energy Trust budget will help address market barriers to accelerating savings and maximizing impact of new funding opportunities. It will also help support workforce development and the expansion of contractors and community-based organizations as trade allies. Although the 2024 proposed revenue of $277.0 million is up 33% from the 2023 budget, these increases are needed to increase incentives to account for inflation, develop new approaches and delivery strategies, and support market infrastructure development, including expanding the Trade Ally Network, workforce development and support for Community-based organizations Projected benefits for Oregonians, include $785 million in future bill savings, opportunities for 1,600+ local businesses, and greater support for community-based organizations and investments in workforce development, as well as avoiding 3.9 million metric tons of carbon dioxide over time.

I urge you to fully support the proposed budget.

Best regards,

Dr. Pat DeLaquil
MCAT Steering Committee

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org

Energy Trust of Oregon Board Members:

Please know that I fully support the process for developing the ETO 2024-2025 budget and the direction that this budget indicates you are headed. We need to acquire more energy efficiency as fast as possible, and the proposed budget recognizes that importance.

It is absolutely essential that we reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies. For instance, EVs will reduce emissions but could increase load.

I am appreciative that you are taking on this task and ask that you adopt a budget that will lead to increased energy efficiency!

Sincerely;

Rand Schenck
2947 NE 31st Ave
Portland, Oregon 97212

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org

Energy Trust of Oregon Board,

I want to offer my support for your process developing the ETO 24-24' budget, and the direction you are headed.

We all know how important it is to build more energy efficiency as fast as we can, and your proposed budget seems to recognize that, reducing current energy usages across the board.

The big industry stakeholders will need to upgrade how they offer energy so that they can also support EV's and other uses, while not being a huge part of the problem.

Please do not allow yourselves to be railroaded by these corporations!

They are only interested in profits until the very end of our way of life.

Thank you for taking on this very important issue

Robin Bloomgarden
3690 Wood Ave
Eugene, OR 97402
541-688-182

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To ETO Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction its headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency!

Sasha Pollack

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

Please support the process for developing the ETO 2024-2025 budget in the direction it's headed. It's critical to acquire more energy efficiency as quickly as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increased energy efficiency.

Sincerely;

Susan Heath,
Albany, OR

To: **Energy Trust of Oregon**
Sent via email to info@energytrust.org.

To Energy Trust of Oregon Board Members:

I wanted to send a quick note supporting the process for developing the ETO 2024-2025 budget and the direction it's headed. It's so important to acquire more energy efficiency as fast as possible and the proposed budget recognizes that importance. We must reduce current energy usage now both to reduce GHG emissions and to make room for other clean energy strategies like EVs which will also reduce emissions but could increase load.

Thank you for taking on this task and please adopt a budget that dramatically increases energy efficiency!

Sincerely;

Taran Nadler
3116 SE 67th Ave
Portland, OR 97206

Greer Ryan, Climate Solutions
"Good afternoon. Thank you to the board, leadership and staff for the opportunity to comment here today. I showed up to the last meeting and shared some support for the fuel switching policy – I'm really glad to see that moving forward and grateful for all the work that ETO staff has done in thinking about how to take advantage right now of the fact that we have so much unprecedented once-in-a-generation federal funding coming through. Really doing this work not just through that kind of policy shift but also in developing this budget to think about how to best equip the Energy Trust to be able to apply for and support others in applying for the federal money as well as how to help get it out the door as equitably and efficiently as possible.

I agree largely with what Jeff [Bissonette, NW Energy Coalition] and Jennifer [Hill-Hart, CUB] have said so far – I really appreciate their comments. I will say, when I heard about this budget and got to learn a bit more about it, what was most exciting to me was how much thought was put into filling some gaps that we currently have. Thinking about who Energy Trust is best equipped to reach through incentive programs. And the truth is for lower income, or even moderate-income households, it's really hard to afford big changes, especially when you have multiple changes needed at once for older housing, even with existing incentives. So ramping up the amount of money that can be provided to these households to make something like switching to a heat pump work for them is really, really critical. And we keep hearing about the state policy level.

Something that we hear about from our community partners is the level of incentives just need to be ramped up a bit. I'm glad to see some of that as covered in the budget. I'm glad to see that [there is] an increase in funding to soften the workforce issues to support CBOs. All of that is exactly what we need right now. We have both state and federal dollars coming through, we have direction now and state statute, as Jeff laid out, for climate to be considered in energy efficiency programs. Energy Trust is one of the best places to be doing this work. And we're so grateful.

I'm just excited to see the thought that was put into this. I'm excited to see the additional support that this kind of money could bring to communities in Oregon, to set you all up for success to deliver this funding and to work with different agencies and different groups to get it out the door.

I'm going to share a personal anecdote. I just recently found out my gas furnace was red tagged. I was already excited to and planning on getting a heat pump. I told myself "I do this work, I know about the health benefits from having a heat pump". I was excited to have cooling in the summer and to save some money on my energy bills, but that that upfront cost isn't nothing, right? Even if you're replacing your furnace with another furnace, that costs some real money. If you're going from electric resistance heating to heat pump at all, it all costs money upfront and seeing the Energy Trust incentive as a line item in my estimate for what I'm going to be getting was really, really helpful. But sticker shock overall, was still kind of a scary thing. So I think the more that incentives can be stacked, the more that Energy Trust can help to train contractors up on what are ways to install these that make the most sense for the different types of housing, different types of ductwork, all of that so folks can save money and install these really amazing energy saving appliances, just without too much overhead cost up front, I think the

better we'll all be. I'm grateful for the opportunity to comment, grateful to all of you for the work that you do, and looking forward to staying engaged and seeing what's next. Thank you."

Jeff Bissonnette, Northwest Energy Coalition

"Thank you for your time, and thank you all for your service, to the Energy Trust and to the ratepayers and bill payers and utility customers of Oregon. My name is Jeff Bissonnette, I'm here today representing Northwest Energy Coalition, and wanted to talk about two main things on your agenda. And, you know, one is the budget, but I'm going to do that second. The other one is coming up during your committee discussions, and that is your consideration of the fuel switching policy, and I wanted to speak in favor of the proposed policy. I think that it is considered, it is targeted, and it is well thought through. Both this policy and the budget are recognizing a key element that was not present at the creation of the Energy Trust and really hasn't, or is only now started to be front and center in ETO's planning and thought processes and program development. And that is responding to climate. Yes, ETO was founded and continues to focus on the value of energy efficiency and small-scale renewables. That will continue to be the focus, as it should be. However, we have a new environment, it's not all that new, but one that requires urgent action, and that is a changing climate. And for the first time in the last several years, we have binding legislation that, in the ETO's case, requires the utilities to act. And so I think I see both the fuel switching policy and the budget discussion that is still ongoing as key parts of the requirements that utilities are under to meet pretty stringent emission reduction targets. And so, to conclude on the fuel switching, I urge the board to adopt the fuel switching budget, or sorry, yes, fuel switching policy. And, and as you vote on that, to remember that it's a key element of that policy, to consider changes. That policy hasn't changed very much in the last 20 years. But there's no reason as this policy is implemented, that there can't be adjustments and, you know, and changes made sooner than the next 20 years. But I think that is a good step in the right direction, to really make sure that ETO can help customers respond to sort of the climate crisis in the way that they want to and the way that's right for them.

Focusing on the budget, I am very excited about the budget. We see a time right now, where we cannot do business as usual. And this budget underscores that the ETO recognizes that. I think that as you know, the initial conversation about the budget came to the Conservation Advisory Council there was a hint that everything was being questioned actually more than a hand it was it was clear at that point that really everything was being questioned - and I think that is very appropriate. Again, ETO still focuses on energy efficiency, first and foremost, to help the utilities meet their statutory obligation to make sure that they get all cost effective conservation first and, as it happens, energy efficiency is also key to helping the utilities make their again stringent emissions reduction requirements. None of that can happen without energy efficiency. None of that can happen without more energy efficiency and not just a little more, a lot more. The Energy Trust has been monumentally successful over the past 20 years in acquiring more efficiency than anybody thought possible. The Energy Trust needs to step up again and do more than anybody thought possible/thinks possible, and this budget indicates that you're heading in that direction. I look forward to the next three months between now and when the budget is approved. But you're heading in a great direction. Thank you for your time.

Tim Miller, Oregon Business for Climate

"I wanted to first thank you and the rest of the board for opening up this opportunity for public comment. And I'll be as brief as I can. Thanks for this early opportunity. Again, my name is Tim Miller and I'm the director of Oregon Businesses for Climate. We're a group of businesses across the state who recognize both the imperative and the opportunities of addressing climate change. I'm also the former CEO of an organization called Clean Energy Works, which some of you remember also known as Enhabit. Over the 10 years that Enhabit was active, we partnered very closely with the Energy Trust, relying on Energy Trust's critical role in setting standards and providing measurement and the trade ally network and guidance and messaging, all as we worked to help 5,000 families across Oregon improve the energy efficiency of their homes and make other improvements in their homes. That gives me a particular lens on the role that Energy Trust can play as a partner in helping align other resources; at that time it was federal funds and state funds at that time aligning with Energy Trust resources.

The other perspective I'm bringing today is in my work with Oregon Businesses for Climate, including the work on the Green Bank opportunity, the Greenhouse Gas Reduction Fund, as part of the Inflation Reduction Act. For over a year, we've been working with dozens of stakeholders on this effort, and it's now getting much clearer what this opportunity is going to look like. Leaders like Craft3 and Energy Trust have come together to help make this opportunity clearer for businesses and it's really focused on underserved communities and delivering on the Justice40 goals of the Inflation Reduction Act. And in developing this federal opportunity, it's become really clear to me and to everyone else involved that these funds, these federal opportunities, are going to be braided with many other resources.

We need to layer these funds in a smart way and that includes layering with Energy Trust programs, with the Portland Clean Energy Fund, with ODOE's own work, and ODOE's work with federal funds from the IRA, with other federal funds that may or may not flow through ODOE but may flow directly to CBOs that will be standing up other programs, and perhaps most importantly, with the Community Climate Investments (through DEQ's CPP) that you mentioned. The Community Climate Investments are a potentially very significant fund upwards of $150 million a year managed by Seeding Justice. As noted in the Seeding Justice application, as I'm aware of directly, they are already in coordination with Energy Trust, and they're looking to Energy Trust to bring collaboration, infrastructure and capabilities to that program, both in launching the program and implementing the program in the long term.

At a program implementation level, nobody, no organization, no entity is positioned like Energy Trust to help align these initiatives for a synergistic impact. And that synergistic impact is completely aligned with Energy Trust - the objectives of capturing cost-effective energy efficiency and renewable energy generation. If we can align these things effectively, everyone benefits, including Energy Trust and its goals. But it's going to take systems and management and capacity and other infrastructure to make this successful. We have to maximize benefits delivered to underserved communities by getting that synergy to be as effective as possible. Also, that's going to be critical to help utilities reach their decarbonization goals.

Some might argue that these other funds mean Energy Trust can just kind of carry on as usual, and hope all this happens seamlessly. As my old manager at Intel told me, hope is a-- well, I can't use the word, but it's not a great strategy. We need to be intentional about aligning these resources. We know it's not true that we can just hope it works out. In that work, we'll need to be engaging new community-based organizations. We'll be ramping up new contractors, trade allies, and training and systems and tools. We'll be doing workforce development. In short, all these things that Energy Trust is good at.

As Oregon Businesses for Climate, we really appreciate Energy Trust's recognition that some of these investments at Energy Trust are going to help create opportunities for over 1,600 local businesses. These are businesses in every corner of the state, especially in Energy Trust territories, that are going to need extra support to get ramped up to do this work, along with greater support for community-based organizations and investments in workforce development. These investments that are envisioned in the Energy Trust budget to help make all this happen will also help our communities. Energy efficiency at sites that have been underserved in the past, including Oregon businesses of all sizes, but also renters and rural customers, low-income customers, customers of color, Oregonians throughout Energy Trust territory, that we can serve more and better and more deeply by braiding these resources in a smart way. That also includes providing stronger incentives to move projects, and the way to get these stronger incentives is by braiding these resources in an intelligent way. And that is going to require building out the infrastructure in the market to install these higher volumes; to execute the projects needed to absorb these federal, state and local funds, and to help meet the energy burden challenges of many Oregonians, especially our lower income and BIPOC communities and rural communities and, of course, to help Oregon reach its decarbonization goals.

Oregon Businesses for Climate strongly supports Energy Trust making investments needed to serve in this critical role that only Energy Trust can play in, collaborating and aligning as no other entity in the state can, to make all this work happen as effectively as possible. Thank you again for the time.

2021-2025 OPUC Efficiency Sector Summary of Costs and Savings

2024-25 Final Proposed

			Actual 2021	Actual 2022	Budget Approved Budget 2023	Year-end Forecast 2023	Budget 2024-25 Final Proposed 2024	Budget 2024-25 Final Proposed 2025
Fully Loaded Costs	Electric	Commercial Sector	59,539,713	54,988,659	77,469,320	74,675,427	107,971,759	109,570,028
		Industry and Agriculture Sector	30,922,378	31,400,734	37,153,904	40,295,558	53,959,372	59,733,601
		Residential Sector	37,167,531	36,913,253	41,541,197	46,383,149	60,527,806	65,496,883
		OPUC Efficiency	$ 127,629,622	$ 123,302,646	$ 156,164,421	$ 161,354,133	$ 222,458,936	$ 234,800,512
	Natural Gas	Commercial Sector	13,012,239	12,629,934	16,158,448	13,674,685	19,480,018	21,934,124
		Industry and Agriculture Sector	3,015,534	2,486,743	4,322,248	3,255,106	6,908,979	7,540,570
		Residential Sector	18,389,205	20,404,628	22,264,261	19,779,157	24,800,208	24,760,959
		OPUC Efficiency	$ 34,416,978	$ 35,521,305	$ 42,744,957	$ 36,708,947	$ 51,189,206	$ 54,235,653
Reportable Energy	Electric	Commercial Sector	177,105,942	142,467,350	194,988,063	193,298,445	186,721,772	210,509,333
		Industry and Agriculture Sector	132,069,787	178,361,407	126,772,719	149,992,716	150,057,420	150,059,511
		Residential Sector	76,161,357	88,709,944	73,912,743	77,265,700	83,308,669	90,255,855
		OPUC Efficiency Division	385,337,086	409,538,701	395,673,526	420,556,861	420,087,860	450,824,699
	Natural Gas	Commercial Sector	3,090,526	2,247,520	2,447,880	2,139,153	2,932,956	2,936,522
		Industry and Agriculture Sector	1,301,748	1,286,777	1,279,515	1,195,350	1,619,458	1,548,418
		Residential Sector	2,703,713	2,408,548	2,321,949	2,266,770	1,973,736	2,140,895
		OPUC Efficiency Division	7,095,988	5,942,844	6,049,345	5,601,273	6,526,151	6,625,834
Levelized Cost	Electric ($/kWh)	Commercial Sector	0.034	0.040	0.038	0.040	0.056	0.049
		Industry and Agriculture Sector	0.026	0.018	0.031	0.030	0.039	0.042
		Residential Sector	0.048	0.043	0.052	0.058	0.063	0.060
		OPUC Efficiency Division	$ 0.034	$ 0.031	$ 0.039	$ 0.040	$ 0.052	$ 0.049
	Natural Gas ($/Therm)	Commercial Sector	0.40	0.56	0.64	0.74	0.68	0.74
		Industry and Agriculture Sector	0.22	0.24	0.32	0.27	0.44	0.48
		Residential Sector	0.43	0.56	0.60	0.55	0.79	0.73
		OPUC Efficiency Division	$ 0.375	$ 0.495	$ 0.544	$ 0.525	$ 0.646	$ 0.658
Reportable WAML	Electric	Commercial Sector	13.34	13.05	14.32	12.82	14.17	14.88
		Industry and Agriculture Sector	12.07	12.92	12.65	11.73	12.26	12.60
		Residential Sector	13.75	13.05	15.08	14.35	16.87	18.02
		OPUC Efficiency Division	12.99	13.00	13.93	12.71	14.02	14.75
	Natural Gas	Commercial Sector	14.78	13.67	14.27	11.19	13.29	13.85
		Industry and Agriculture Sector	14.77	10.41	14.80	13.42	13.20	14.07
		Residential Sector	27.92	26.21	28.79	28.62	29.47	29.22
		OPUC Efficiency Division	19.79	18.05	19.96	18.72	18.16	18.87

			2020	2022	2023	2023	2024	2025
Discount Rate	PGE	Efficiency General	4.50%	4.60%	4.50%	4.50%	4.60%	4.60%
	PacificPower	Efficiency General	4.50%	4.60%	4.50%	4.50%	4.60%	4.60%
	NW Natural	Efficiency General	4.50%	4.60%	4.50%	4.50%	4.60%	4.60%
	Cascade Natural Gas	Efficiency General	4.50%	4.60%	4.50%	4.50%	4.60%	4.60%
	Avista Gas	Efficiency General	4.50%	4.60%	4.50%	4.50%	4.60%	4.60%

2021-2025 Washington Efficiency Sector Summary of Costs and Savings

2024-25 Final Proposed

			Actual 2021	Actual 2022	Budget Approved Budget 2023	Year-end Forecast 2023	Budget 2024-25 Final Proposed 2024	Budget 2024-25 Final Proposed 2025
Fully Loaded Costs	Washington	NEEA Commercial Washington						
		Commercial Washington	947,826	1,530,537	1,582,123	1,487,799	1,346,925	1,515,212
		NEEA Residential Washington						
		Residential Washington	2,121,485	1,784,927	1,670,983	1,701,098	2,117,068	2,176,277
		Washington	**$ 3,069,312**	**$ 3,315,463**	**$ 3,253,106**	**$ 3,188,898**	**$ 3,463,993**	**$ 3,691,489**
Reportable Energy	Washington	NEEA Commercial Washington						
		Commercial Washington	128,309	244,841	169,245	199,593	133,179	153,413
		NEEA Residential Washington						
		Residential Washington	217,013	150,873	112,663	106,215	111,060	118,002
		Washington Programs	**345,322**	**395,714**	**281,908**	**305,809**	**244,239**	**271,415**
Reportable WAML		NEEA Commercial Washington						
		Commercial Washington	18.74	16.03	15.74	13.60	12.41	12.03
		NEEA Residential Washington						
		Residential Washington	26.84	22.83	23.21	23.65	23.97	23.89
		Washington Programs	**23.83**	**18.62**	**18.73**	**17.09**	**17.67**	**17.19**
Levelized Cost	Natural Gas ($/Therm)	NEEA Commercial Washington	-	-	-	-	-	-
		Commercial Washington	0.602	0.528	0.800	0.712	1.012	1.013
		NEEA Residential Washington	-	-	-	-	-	-
		Residential Washington	0.648	0.784	0.973	1.039	1.174	1.139
		Washington Programs	$ 0.628	$ 0.636	$ 0.872	$ 0.841	$ 1.080	$ 1.057

			2020	2022	2023	2023	2024	2025
Discount Rate	NWN Washington	Washington General	4.70%	3.80%	3.80%	3.80%	3.39%	3.39%

Energy Trust of Oregon
Income Statement
Q3 Forecast for the period ending 2023

	Oregon OPUC Efficiency Funders								Oregon OPUC Renewables Funders			Other Funding Sources							
	PGE	Pacific Power	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	Total Oregon OPUC Efficiency	PGE	Pacific Power	Total Renewables	NW Natural Transport	Cascade Transport	Avista Transport	Washington	Grants & Contracts	Fund Development	Investments / Contingency	TOTAL
Net Assets Beginning of Year	31,116,141	16,190,547	2,524,102	3,571,721	3,310,064	2,788,257	-	59,500,832	11,194,920	6,872,162	18,067,082	-	-	-	382,226	635,543	384,242	10,340,262	89,310,187
Revenue	88,879,480	59,403,752	7,231,588	33,452,089	3,771,531	2,193,292	310,002	195,241,733	11,224,471	7,348,846	18,573,317			250,000	3,160,185	1,295,899	12,638	2,827,806	221,361,578
Incentives	46,319,290	35,474,125	3,269,221	11,313,418	1,689,961	1,951,949	23,882	100,041,847	7,413,279	4,096,329	11,509,607				1,453,920	311,141			113,316,516
Program Delivery Contractors	33,463,326	21,665,205	921,584	8,665,493	1,586,098	1,650,852	93,599	68,046,159	969,613	626,463	1,596,076		-	25,000	941,295	106,800			70,715,330
Employee Salaries & Fringe Benefits	7,848,852	5,618,287	385,475	1,963,899	312,549	352,068	10,340	16,491,471	1,982,160	1,251,623	3,233,784				526,596	771,268	173,133		21,343,081
Internal Costs	6,366,558	4,598,489	304,211	1,663,057	255,644	287,047	8,598	13,483,604	1,463,852	899,863	2,363,715				267,087	549,839	18,433		16,682,677
Expenditures	93,998,026	67,356,107	4,880,492	23,605,867	3,844,252	4,241,917	136,420	198,063,080	11,828,904	6,874,278	18,703,182		-	25,000	3,188,898	1,739,048	191,566		222,057,603
Operating Net Income	(5,118,547)	(7,952,355)	2,351,096	9,846,222	(72,721)	(2,048,625)	173,582	(2,821,348)	(604,433)	474,568	(129,865)	-	-	225,000	(28,713)	(443,149)	(178,927)	2,827,806	(696,026)
Interest Income Distribution	922,386	394,524	119,499	274,383	105,741	56,975	2,803	1,876,310	351,834	229,635	581,469			3,634	11,882	13,371	8,623	(2,496,179)	(890)
Transfer Between FS									(100,653)		(100,653)					(307,764)	408,417		-
Net Assets	26,919,980	8,632,716	4,994,697	13,692,325	3,343,084	796,608	176,385	58,555,795	10,841,667	7,576,365	18,418,032	-	-	228,634	365,396	(101,999)	622,355	10,671,889	88,613,272
less:Renewables Dedicated									(2,101,770)	(1,090,922)	(3,192,692)								
Renewables funds yet to be dedicated for future periods									8,739,897	6,485,443	15,225,340								

	PGE	Pacific Power	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	Total Oregon OPUC Efficiency	PGE	Pacific Power	Total Renewables	NW Natural Transport	Cascade Transport	Avista Transport	Washington	Grants & Contracts	Fund Development	Investments / Contingency	TOTAL
Reportable Energy	236,399,358	184,157,503	1,574,917	2,986,844	527,374	490,419	21,719		35,610,568	22,535,296	58,145,863				305,809				

Energy Trust of Oregon
Income Statement
2024-25 Final Proposed for the period ending 2024

	Oregon OPUC Efficiency Funders								Oregon OPUC Renewables Funders			Other Funding Sources							
	PGE	Pacific Power	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	Total Oregon OPUC Efficiency	PGE	Pacific Power	Total Renewables	NW Natural Transport	Cascade Transport	Avista Transport	Washington	Grants & Contracts	Fund Development	Investments / Contingency	TOTAL
Net Assets Beginning of Year	26,919,980	8,632,716	4,994,697	13,692,325	3,343,084	796,608	176,385	58,555,795	10,841,667	7,576,365	18,418,032	-	-	228,634	365,396	(101,999)	622,355	10,671,889	88,613,272
Revenue	105,775,482	85,987,358	9,331,588	28,021,754	3,392,891	3,304,186	360,550	236,173,809	12,000,000	8,051,622	20,051,622	1,417,227	-	296,850	3,433,935	2,409,804		1,500,000	265,283,247
Incentives	68,701,340	49,275,709	6,352,019	14,804,426	2,461,954	1,827,636	260,987	143,684,070	8,906,954	5,948,250	14,855,204	257,500		220,362	1,580,200	848,468			161,445,804
Program Delivery Contractors	41,325,678	28,403,281	3,603,444	10,623,366	1,861,373	1,334,395	122,220	87,273,756	1,085,135	678,012	1,763,147	126,420		155,710	963,446	145,417			90,427,897
Employee Salaries & Fringe Benefits	10,120,157	7,058,803	862,918	2,408,247	385,834	299,169	33,377	21,168,505	2,603,927	1,723,042	4,326,969	35,573		33,990	540,814	791,517	38,515		26,935,883
Internal Costs	10,300,475	7,273,495	850,443	2,388,925	384,085	291,630	32,758	21,521,811	2,521,145	1,792,165	4,313,310	33,126		32,561	379,533	551,382	6,538		26,838,260
Expenditures	130,447,648	92,011,288	11,668,824	30,224,964	5,093,246	3,752,830	449,341	273,648,142	15,117,161	10,141,469	25,258,630	452,619		442,623	3,463,993	2,336,784	45,053		305,647,844
Operating Net Income	(24,672,166)	(6,023,930)	(2,337,236)	(2,203,210)	(1,700,355)	(448,644)	(88,791)	(37,474,333)	(3,117,161)	(2,089,847)	(5,207,008)	964,608	-	(145,773)	(30,058)	73,020	(45,053)	1,500,000	(40,364,597)
Interest Income Distribution	323,220	124,572	84,797	279,046	55,250	12,683	2,925	882,492	205,739	144,755	350,494	10,689		3,452	7,765	(1,451)	13,308	(1,266,749)	0
Transfer Between FS																-			
Net Assets	2,571,034	2,733,358	2,742,258	11,768,161	1,697,979	360,647	90,519	21,963,954	7,930,246	5,631,273	13,561,519	975,297	-	86,313	343,103	(30,430)	590,610	10,905,140	48,248,675
less:Renewables Dedicated									(253,540)	(259,150)	(512,690)								
Renewables funds yet to be dedicated for future periods									7,676,706	5,372,123	13,048,829								

	PGE	Pacific Power	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	Total Oregon OPUC Efficiency	PGE	Pacific Power	Total Renewables	NW Natural Transport	Cascade Transport	Avista Transport	Washington	Grants & Contracts	Fund Development	Investments / Contingency	TOTAL
Reportable Energy	250,777,124	169,310,737	2,311,687	3,147,419	600,465	370,133	96,446		22,136,475	18,141,850	40,278,325	96,066		81,049	244,239				

Energy Trust of Oregon
Income Statement
2024-25 Final Proposed for the period ending 2025

	Oregon OPUC Efficiency Funders								Oregon OPUC Renewables Funders			Other Funding Sources							
	PGE	Pacific Power	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	Total Oregon OPUC Efficiency	PGE	Pacific Power	Total Renewables	NW Natural Transport	Cascade Transport	Avista Transport	Washington	Grants & Contracts	Fund Development	Investments / Contingency	TOTAL
Net Assets Beginning of Year	2,571,034	2,733,358	2,742,258	11,768,161	1,697,979	360,647	90,519	21,963,954	7,930,246	5,631,273	13,561,519	975,297	-	86,313	343,103	(30,430)	590,610	10,905,140	48,248,675
Revenue	139,306,060	95,377,691	11,335,588	28,021,754	4,959,352	3,732,041	481,385	283,213,871	12,000,000	8,051,622	20,051,622	2,528,927	-	603,310	3,686,218	1,774,946		1,500,000	313,358,894
Incentives	70,660,787	49,237,457	6,883,626	15,148,451	2,517,181	1,791,947	275,251	146,514,699	11,301,290	8,358,250	19,659,540	1,858,286		295,098	1,689,479	510,846			170,527,948
Program Delivery Contractors	45,853,929	30,666,220	3,889,753	11,375,736	2,038,812	1,388,306	129,157	95,341,912	1,011,657	629,949	1,641,606	859,337		200,227	912,836	56,600			99,012,517
Employee Salaries & Fringe Benefits	12,007,960	8,183,661	1,042,996	2,798,863	454,744	331,627	39,167	24,859,017	3,147,346	2,140,129	5,287,475	265,679		49,025	634,836	834,709	40,163		31,970,904
Internal Costs	10,802,240	7,388,258	877,078	2,526,508	399,015	294,398	33,039	22,320,536	2,746,426	1,978,087	4,724,513	221,546		40,996	454,339	265,366	6,619		28,033,914
Expenditures	139,324,916	95,475,595	12,693,453	31,849,557	5,409,752	3,806,278	476,613	289,036,164	18,206,719	13,106,416	31,313,134	3,204,846		585,346	3,691,489	1,667,521	46,782		329,545,283
Operating Net Income	(18,856)	(97,904)	(1,357,865)	(3,827,803)	(450,400)	(74,237)	4,772	(5,822,293)	(6,206,719)	(5,054,794)	(11,261,512)	(675,919)	-	17,964	(5,271)	107,425	(46,782)	1,500,000	(16,186,389)
Interest Income Distribution	97,509	102,184	78,542	375,110	56,062	12,315	3,536	725,260	183,739	118,151	301,891	24,261		3,627	12,960	886	21,615	(1,090,500)	(0)
Transfer Between FS																-			
Net Assets	2,649,687	2,737,637	1,462,935	8,315,468	1,303,641	298,725	98,827	16,866,921	1,907,266	694,631	2,601,897	323,638	-	107,904	350,792	77,881	565,443	11,314,640	32,062,286
less:Renewables Dedicated									(15,000)	(100,000)	(115,000)								
Renewables funds yet to be dedicated for future periods									1,892,266	594,631	2,486,897								

	PGE	Pacific Power	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	Total Oregon OPUC Efficiency	PGE	Pacific Power	Total Renewables	NW Natural Transport	Cascade Transport	Avista Transport	Washington	Grants & Contracts	Fund Development	Investments / Contingency	TOTAL
Reportable Energy	254,088,116	196,736,584	2,116,282	3,361,910	624,494	430,017	93,130		17,529,225	13,874,150	31,403,375	787,902		107,166	271,415				

2022-2025 Detailed Income Statement

	2022		2023		2024		2025
	Approved Budget	Actual	Approved Budget	Year-end Forecast	Approved Budget	2024-25 Final Proposed	2024-25 Final Proposed
(41000) Revenue from Utilities	202,906,807	205,447,005	213,324,418	217,225,235	216,246,144	261,373,443	310,083,948
(42000) Contract Revenue	1,216,686	1,306,116	2,563,044	1,296,366	2,059,954	2,403,804	1,774,946
(43000) Grant Revenue		3,509	6,366	10,276	6,763	6,000	
(45000) Contributed Income				1,896			
(48000) Investment Income	208,000	420,345	249,996	2,827,806	249,996	1,500,000	1,500,000
(40000) Revenue	204,331,493	207,176,975	216,143,824	221,361,578	218,562,857	265,283,247	313,358,894
(71000) Incentives	121,453,704	94,052,587	112,336,058	113,316,516	125,255,590	161,445,804	170,527,948
(7010) Program Management	2,722,645	4,549,355	4,463,939	4,845,715	4,842,518	8,455,018	8,861,860
(7034) PMC Performance Compensation	645,000	(668,339)	571,000	571,000	571,000	941,000	838,000
(7040) Program Delivery	53,547,986	48,846,561	61,435,523	60,278,167	66,038,422	75,090,145	82,899,501
(7044) PMC Marketing	3,407,910	3,347,685	4,600,447	5,020,448	4,645,135	5,941,734	6,413,156
(72000) Program Delivery Contractors	60,323,540	56,075,263	71,070,909	70,715,330	76,097,076	90,427,897	99,012,517
(72100) Salaries	13,714,090	13,447,590	16,157,107	16,007,301	18,106,359	20,153,486	23,800,812
(7220) Payroll Taxes	1,124,555	1,007,883	1,244,097	1,231,448	1,394,190	1,555,735	1,837,288
(7230) Benefits	2,476,446	2,451,044	2,988,857	2,910,708	3,381,919	3,387,380	4,569,747
(7231) 401k Expense	815,265	788,375	969,426	920,250	1,086,382	1,216,591	1,435,715
(7234) Benefit Administrative Fees	82,425	88,692	86,546	86,546	95,000	95,000	95,000
(7235) Vacation Expense	69,617	35,930	104,589	149,828	133,123	487,690	192,341
(7270) Employee Recognition/Acknowledgment	25,500	18,974	37,000	37,000	32,000	40,000	40,000
(73000) Employee Salaries & Fringe Benefits	18,307,899	17,838,489	21,587,623	21,343,081	24,228,973	26,935,883	31,970,904
(78010) Agency Contractor Services	2,693,463	1,416,764	2,097,171	1,460,435	2,187,731	2,127,692	1,460,508
(7450) Evaluation Services	3,470,348	2,743,959	3,378,573	1,841,959	3,779,317	3,539,288	3,935,010
(7455) Planning Services	620,748	535,910	571,302	521,302	612,000	622,000	682,926
(78020) Planning and Evaluation Services	4,091,096	3,279,869	3,949,875	2,363,261	4,391,317	4,161,288	4,617,936
(7560) Website Design & Maintenance	467,000	343,855	401,000	416,000	421,000	625,000	455,000
(7570) Public Relations	480,000	494,397	632,000	632,000	658,000	997,000	1,101,000
(7575) Creative Services	379,000	370,445	715,000	470,000	470,300	753,000	778,000
(7580) Media Advertising	1,637,000	1,452,951	1,549,000	1,549,000	1,540,300	1,400,000	1,707,000
(7582) Printed Collateral	82,000	138,190	151,000	194,538	145,000	240,000	243,000
(7585) Coop Marketing	173,000	69,241	165,000	85,000	165,000	165,000	165,000
(7590) Events Co-Sponsorship	373,000	257,557	393,000	382,001	381,000	561,000	588,400
(7600) Market Development/Research	151,000		150,000	25,000	130,000	155,000	160,000
(78030) Advertising and Marketing Services	3,742,000	3,126,636	4,156,000	3,753,539	3,910,600	4,896,000	5,197,400
(7039) Community Grants	250,000	125,177	150,000	150,000	300,000	20,000	200,000
(7250) Hiring Expenses	28,350	125,443	161,155	161,155	37,300	322,100	322,100
(7510) Accounting Services	68,500	59,325	70,000	85,000	94,710	75,000	102,000
(7530) Legal Services	38,000	39,414	34,000	4,000	38,000	63,000	48,000
(7550) Other Professional Services	5,310,628	3,323,820	6,405,404	4,771,657	5,878,371	9,624,829	10,124,096
(8425) Call Center	267,173	176,612	328,400	283,332	321,400	430,000	497,000
(78040) Other Professional Services	5,962,651	3,849,789	7,148,959	5,455,144	6,669,781	10,534,929	11,293,196
(8310) Travel	137,220	87,855	288,398	261,552	322,353	446,990	461,000
(8315) Travel Per Diem		3,567		4,177		21,916	23,991
(8510) Business Meetings	76,470	39,827	158,720	123,733	186,155	150,340	156,658
(8520) Conferences & Training	132,480	73,993	274,260	230,767	273,913	414,510	448,895
(78050) Travel, Meetings, Trainings & Conferences	346,170	205,241	721,378	620,229	782,421	1,033,756	1,090,544
(8910) Subscriptions & Memberships	223,347	209,796	275,439	260,457	282,013	317,335	339,915
(8920) Licenses and Fees	54,550	59,704	60,575	60,575	62,700	168,825	168,880
(78060) Dues, Licenses and Fees	277,897	269,500	336,014	321,032	344,713	486,160	508,795
(8110) Computer Equipment	118,350	9,834	87,820	115,120	77,361	136,220	129,502
(8115) Software	660,320	556,046	705,753	606,266	776,710	963,937	1,278,226
(8116) Software maintenance	71,680	48,368	98,230	91,430	116,204	475,208	429,589
(78070) Software and Hardware	850,350	614,249	891,803	812,816	970,275	1,575,365	1,837,317
(8150) Depreciation Expense	246,408	340,254	279,944	377,171	222,301	459,373	485,147
(78080) Depreciation & Amortization	246,408	340,254	279,944	377,171	222,301	459,373	485,147
(8010) Rent	876,896	904,064	1,106,000	1,106,000	1,140,000	1,136,707	1,169,160
(8020) Bldg Repair & Maintenance	40,000	26,248	20,000	20,000	30,000	30,000	30,000
(8030) Utilities	5,250	4,220	5,250	5,250	5,250	5,250	5,250
(8120) Equipment Maintenance	34,000	23,206	42,300	44,000	43,690	49,750	53,537
(8130) Office Equipment	11,000		11,000	11,000	11,000	11,000	11,000
(8710) Business Insurance	133,000	138,447	133,000	133,000	133,000	133,000	133,000
(78090) Office Rent and Equipment	1,100,146	1,096,185	1,317,550	1,319,250	1,362,940	1,365,707	1,401,947
(7710) Supplies	27,200	11,725	25,900	24,450	25,725	96,750	26,350
(7810) Telephone	28,200	21,241	27,400	27,400	28,700	31,400	31,780
(7830) Internet Services	25,200	19,697	29,000	29,000	30,400	30,400	31,164
(7910) Postage	33,600	7,571	27,500	12,800	27,340	14,870	26,900
(8210) Printing	16,550	7,350	14,050	13,300	14,050	12,800	12,900
(78100) Materials Postage and Telephone	130,750	67,583	123,850	106,950	126,215	186,220	129,094
(8620) Bank Fees	7,500	9,978	10,500	10,700	7,500	7,750	8,000
(8830) Miscellaneous Project Expense	4,000	8,214	4,000	4,000	4,000	4,020	4,030
(78110) Miscellaneous Expenses	11,500	18,192	14,500	14,700	11,500	11,770	12,030
(78000) Internal Costs	19,452,431	14,284,262	21,037,044	16,604,527	20,979,794	26,838,260	28,033,914
(70000) Expenditures	219,537,574	182,250,602	226,031,634	221,979,453	246,561,433	305,647,844	329,545,283
(40) Net Income	(15,206,080)	24,926,373	(9,887,810)	(618,765)	(27,998,576)	(40,364,597)	(16,186,389)

Energy Trust of Oregon
Administrative Cost Organization Wide vs. Subject to OPUC Performance Measure - 2024
Year 2024

		2024 2024-25 Final Proposed		2023 Year-end Forecast		2023 Approved Budget	
		OPUC Programs	Total Company	OPUC Programs	Total Company	OPUC Programs	Total Company
1	Incentives	158,539,274	161,445,804	111,551,454	113,316,516	109,633,852	112,336,058
2	Program Delivery Contractors	89,036,903	90,427,897	69,642,235	70,715,330	69,858,008	71,070,909
3	Employee Salaries & Fringe Benefits	12,581,927	13,580,312	9,147,737	10,333,452	9,296,684	10,364,356
4	Services	15,937,523	16,559,789	9,486,823	9,976,610	13,099,079	13,590,575
5	Total Program Direct Costs	276,095,628	282,013,802	199,828,249	204,341,908	201,887,623	207,361,898
6	Program Support (under GAAP, program / under OPUC, support)	6,007,342	6,453,807	4,177,984	4,587,464	4,674,033	5,163,473
7	Communications and General Outreach	6,656,786	6,805,909	5,248,561	5,367,868	5,074,019	5,214,320
8	Management & General	10,147,015	10,374,326	7,511,469	7,682,214	8,068,833	8,291,943
9	Total Administrative	16,803,801	17,180,235	12,760,030	13,050,082	13,142,852	13,506,263
10	Total Administrative and Program Support	22,811,144	23,634,042	16,938,013	17,637,546	17,816,885	18,669,736
11	Total Expenditures	298,906,772	305,647,844	216,766,262	221,979,453	219,704,508	226,031,634
12	Total Revenue	256,225,431	265,283,247	213,815,050	221,361,578	209,847,143	216,143,824

For Organization wide "GAAP" reporting, comparison to other non-profits			
Programs (rows 5 + 6)	288,467,609	208,929,371	212,525,371
Administration (row 9)	17,180,235	13,050,082	13,506,263
Administrative percent of total Expenditure	5.6%	5.9%	6.0%

For Oregon Performance Measure, comparison to measure and other 1149-funded programs			
Programs (row 5)	276,095,628	199,828,249	201,887,623
Administrative and Program Support (rows 6+9)	22,811,144	16,938,013	17,816,885
Administrative and Program Support percent of Revenue	8.90%	7.92%	8.49%
Administrative and Program Support Year over Year Increase	34.67%		

Energy Trust of Oregon
Administrative Cost Organization Wide vs. Subject to OPUC Performance Measure - 2025
Year 2025

		2025 2024-25 Final Proposed		2024 2024-25 Final Proposed	
		OPUC Programs	Total Company	OPUC Programs	Total Company
1	Incentives	166,174,239	170,527,948	158,539,274	161,445,804
2	Program Delivery Contractors	96,983,518	99,012,517	89,036,903	90,427,897
3	Employee Salaries & Fringe Benefits	14,652,560	15,870,130	12,581,927	13,580,312
4	Services	17,060,142	17,593,627	15,937,523	16,559,789
5	Total Program Direct Costs	294,870,460	303,004,222	276,095,628	282,013,802
6	Program Support (under GAAP, program / under OPUC, support)	6,589,550	7,112,294	6,007,342	6,453,807
7	Communications and General Outreach	7,808,226	8,031,229	6,656,786	6,805,909
8	Management & General	11,081,063	11,397,539	10,147,015	10,374,326
9	Total Administrative	18,889,288	19,428,768	16,803,801	17,180,235
10	Total Administrative and Program Support	25,478,839	26,541,062	22,811,144	23,634,042
11	Total Expenditures	320,349,299	329,545,283	298,906,772	305,647,844
12	Total Revenue	303,265,493	313,358,894	256,225,431	265,283,247

For Organization wide "GAAP" reporting, comparison to other non-profits				
Programs (rows 5 + 6)		310,116,515		288,467,609
Administration (row 9)		19,428,768		17,180,235
Administrative percent of total Expenditure		5.9%		5.6%
For Oregon Performance Measure, comparison to measure and other 1149-funded programs				
Programs (row 5)	294,870,460		276,095,628	
Administrative and Program Support (rows 6+9)	25,478,839		22,811,144	
Administrative and Program Support percent of Revenue	8.40%		8.90%	
Administrative and Program Support Year over Year Increase	11.69%			

Expenditures by Major Program and Utility

2024-25 Final Proposed

2023 Q3 Year-end Forecast

		Electric	Natural Gas	PGE	PGE LMI	Pacific Power	Pacific Power LMI	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	OPUC	Cascade Transport	Avista Transport	Washington	All Funding Sources
Expenditures	Existing Buildings with MF	57,256,980	12,114,398	33,808,249		23,448,731		3,336,770	5,942,049	1,472,065	1,249,262	114,250	69,371,378				$ 69,371,378
	New Buildings	14,148,536	1,071,026	8,798,559		5,349,977		49,583	756,565	138,935	125,943		15,219,562				$ 15,219,562
	NEEA Commercial	3,269,911	489,261	1,896,548		1,373,363			334,489	95,327	59,445		3,759,171				$ 3,759,171
	Industry and Agriculture	40,295,558	3,255,106	22,781,241		17,514,316		1,494,138	818,703	438,978	481,116	22,170	43,550,663	-	25,000		$ 43,575,663
	NEEA - Industrial	(0)		0		(0)							(0)				$ (0)
	Residential	42,855,724	19,512,296	24,667,522		18,188,202			15,571,618	1,646,952	2,293,726		62,368,020				$ 62,368,020
	NEEA Residential	3,527,425	266,861	2,045,906		1,481,518			182,442	51,995	32,423		3,794,285				$ 3,794,285
	OPUC Efficiency	**161,354,133**	**36,708,947**	**93,998,026**		**67,356,107**		**4,880,492**	**23,605,867**	**3,844,252**	**4,241,917**	**136,420**	**198,063,080**	**-**	**25,000**		**$ 198,088,080**
	OPUC Renewables	**18,703,182**		**7,415,491**	**4,413,413**	**4,774,402**	**2,099,876**						**18,703,182**				**$ 18,703,182**
	Commercial Washington															1,487,799	$ 1,487,799
	Residential Washington															1,701,098	$ 1,701,098
	Washington															**3,188,898**	**$ 3,188,898**
	Solar with Justice (USDOE)																$ 12,033
	Oregon Community Solar Program																$ 292,299
	PGE Smart Battery Pilot																$ 173,166
	NWN Geo TLM Phase 3																$ 29,958
	Solar Ambassadors (NREL)																$ 235,335
	Smart Grid Test Bed Collaboration (USDOE)																$ 364,854
	SERV (FEMA)																$ 3,036
	PGE Smart Solar Stufy																$ 37,058
	Landlord Provided Cooling (ODOE)																$ 423,563
	PGE Flexible Feeder																$ 167,746
	Programs	**180,057,315**	**36,708,947**	**101,413,517**	**4,413,413**	**72,130,509**	**2,099,876**	**4,880,492**	**23,605,867**	**3,844,252**	**4,241,917**	**136,420**	**216,766,262**	**-**	**25,000**	**3,188,898**	**$ 221,719,208**
	Functional Activities	-	-	-					-				-				$ 191,566
	Total Company	**$ 180,057,315**	**$ 36,708,947**	**$ 101,413,517**	**$ 4,413,413**	**$ 72,130,509**	**$ 2,099,876**	**$ 4,880,492**	**$ 23,605,867**	**$ 3,844,252**	**$ 4,241,917**	**$ 136,420**	**$ 216,766,262**	**$ -**	**$ 25,000**	**$ 3,188,898**	**$ 222,057,603**
Incentives	Existing Buildings with MF	28,052,301	4,983,185	15,321,931		12,730,370		2,077,222	1,985,761	491,129	416,795	12,278	33,035,486				$ 33,035,486
	New Buildings	4,988,942	370,312	3,111,687		1,877,254		12,720	264,832	48,655	44,105		5,359,253				$ 5,359,253
	Industry and Agriculture	23,621,472	2,075,724	12,923,586		10,697,886		1,179,279	416,623	223,388	244,831	11,604	25,697,196				$ 25,697,196
	Residential	25,130,701	10,819,211	14,962,086		10,168,615			8,646,203	926,790	1,246,219		35,949,912				$ 35,949,912
	OPUC Efficiency	**81,793,415**	**18,248,432**	**46,319,290**		**35,474,125**		**3,269,221**	**11,313,418**	**1,689,961**	**1,951,949**	**23,882**	**100,041,847**				**$ 100,041,847**
	OPUC Renewables	**11,509,607**		**4,382,612**	**3,030,667**	**2,658,269**	**1,438,060**						**11,509,607**				**$ 11,509,607**
	Commercial Washington															601,031	$ 601,031
	Residential Washington															852,889	$ 852,889
	Washington															**1,453,920**	**$ 1,453,920**
	PGE Smart Battery Pilot																$ 80,000
	PGE Smart Solar Study																$ 9,500
	Landlord Provided Cooling (ODOE)																$ 221,641
	Programs	**93,303,022**	**18,248,432**	**50,701,902**	**3,030,667**	**38,132,394**	**1,438,060**	**3,269,221**	**11,313,418**	**1,689,961**	**1,951,949**	**23,882**	**111,551,454**			**1,453,920**	**$ 113,316,516**
	Total Company	**$ 93,303,022**	**$ 18,248,432**	**$ 50,701,902**	**$ 3,030,667**	**$ 38,132,394**	**$ 1,438,060**	**$ 3,269,221**	**$ 11,313,418**	**$ 1,689,961**	**$ 1,951,949**	**$ 23,882**	**$ 111,551,454**			**$ 1,453,920**	**$ 113,316,516**
Program Delivery Contractors																	
	Existing Buildings with MF	21,304,442	5,471,931	13,821,434		7,483,007		802,549	3,142,363	779,324	661,370	86,324	26,776,372				$ 26,776,372
	New Buildings	6,289,224	465,410	3,901,855		2,387,370		25,981	325,441	59,789	54,199		6,754,634				$ 6,754,634
	NEEA Commercial	3,032,386	453,721	1,758,784		1,273,602			310,191	88,403	55,127		3,486,107				$ 3,486,107
	Industry and Agriculture	10,580,006	696,161	6,412,346		4,167,661		93,054	280,544	150,424	164,864	7,275	11,276,168	-	25,000		$ 11,301,168
	NEEA - Industrial	-		0		(0)							-				$ -
	Residential	10,662,871	5,583,805	5,678,338		4,984,533			4,438,363	460,111	685,331		16,246,676				$ 16,246,676
	NEEA Residential	3,259,603	246,599	1,890,570		1,369,033			168,590	48,047	29,962		3,506,202				$ 3,506,202
	OPUC Efficiency	**55,128,532**	**12,917,627**	**33,463,326**		**21,665,205**		**921,584**	**8,665,493**	**1,586,098**	**1,650,852**	**93,599**	**68,046,159**	**-**	**25,000**		**$ 68,071,159**
	OPUC Renewables	**1,596,076**		**766,629**	**202,984**	**525,971**	**100,492**						**1,596,076**				**$ 1,596,076**
	Commercial Washington															549,254	$ 549,254
	Residential Washington															392,041	$ 392,041
	Washington															**941,295**	**$ 941,295**
	PGE Smart Battery Pilot																$ 31,800
	Landlord Provided Cooling (ODOE)																$ 75,000
	Programs	**56,724,608**	**12,917,627**	**34,229,956**	**202,984**	**22,191,176**	**100,492**	**921,584**	**8,665,493**	**1,586,098**	**1,650,852**	**93,599**	**69,642,235**	**-**	**25,000**	**941,295**	**$ 70,715,330**
	Total Company	**$ 56,724,608**	**$ 12,917,627**	**$ 34,229,956**	**$ 202,984**	**$ 22,191,176**	**$ 100,492**	**$ 921,584**	**$ 8,665,493**	**$ 1,586,098**	**$ 1,650,852**	**$ 93,599**	**$ 69,642,235**	**$ -**	**$ 25,000**	**$ 941,295**	**$ 70,715,330**

Expenditures by Major Program and Utility

2024-25 Final Proposed

2023 Q3 Year-end Forecast

		Electric	Natural Gas	PGE	PGE LMI	Pacific Power	Pacific Power LMI	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	OPUC	Cascade Transport	Avista Transport	Washington	All Funding Sources
Internal Costs	Existing Buildings with MF	3,745,393	779,765	2,211,524		1,533,869		214,747	382,527	94,739	80,400	7,353	4,525,158				$ 4,525,158
	New Buildings	1,319,734	119,491	820,704		499,030		5,520	84,483	15,467	14,021		1,439,224				$ 1,439,224
	NEEA Commercial	74,366	11,127	43,132		31,234			7,607	2,168	1,352		85,493				$ 85,493
	Industry and Agriculture	2,383,057	182,879	1,347,270		1,035,787		83,944	45,997	24,663	27,030	1,246	2,565,936				$ 2,565,936
	NEEA - Industrial	(0)		(0)		0							(0)				$ (0)
	Residential	3,359,474	1,419,014	1,895,775		1,463,699			1,138,150	117,383	163,481		4,778,488				$ 4,778,488
	NEEA Residential	83,024	6,281	48,154		34,870			4,294	1,224	763		89,306				$ 89,306
	OPUC Efficiency	**10,965,047**	**2,518,557**	**6,366,558**		**4,598,489**		**304,211**	**1,663,057**	**255,644**	**287,047**	**8,598**	**13,483,604**				**$ 13,483,604**
	OPUC Renewables	**2,363,715**		**978,496**	**485,356**	**668,933**	**230,930**						**2,363,715**				**$ 2,363,715**
	Commercial Washington															108,964	$ 108,964
	Residential Washington															158,123	$ 158,123
	Washington															**267,087**	**$ 267,087**
	Solar with Justice (USDOE)																$ 1,586
	Oregon Community Solar Program																$ 78,364
	PGE Smart Battery Pilot																$ 32,564
	NWN Geo TLM Phase 3																$ 6,530
	Solar Ambassadors (NREL)																$ 181,499
	Smart Grid Test Bed Collaboration (USDOE)																$ 91,584
	SERV (FEMA)																$ 307
	PGE Smart Solar Stufy																$ 8,391
	Landlord Provided Cooling (ODOE)																$ 21,185
	PGE Flexible Feeder																$ 127,828
	Programs	**13,328,762**	**2,518,557**	**7,345,054**	**485,356**	**5,267,422**	**230,930**	**304,211**	**1,663,057**	**255,644**	**287,047**	**8,598**	**15,847,318**			**267,087**	**$ 16,664,244**
	Functional Activities		-						-				-				$ 18,433
	Total Company	**$ 13,328,762**	**$ 2,518,557**	**$ 7,345,054**	**$ 485,356**	**$ 5,267,422**	**$ 230,930**	**$ 304,211**	**$ 1,663,057**	**$ 255,644**	**$ 287,047**	**$ 8,598**	**$ 15,847,318**			**$ 267,087**	**$ 16,682,677**
Employee Salaries & Fringe Benefits	Existing Buildings with MF	4,154,845	879,517	2,453,360		1,701,485		242,253	431,399	106,873	90,698	8,295	5,034,362				$ 5,034,362
	New Buildings	1,550,636	115,814	964,313		586,323		5,362	81,810	15,024	13,619		1,666,450				$ 1,666,450
	NEEA Commercial	163,160	24,413	94,633		68,527			16,690	4,757	2,966		187,572				$ 187,572
	Industry and Agriculture	3,711,023	300,341	2,098,040		1,612,982		137,861	75,540	40,504	44,391	2,046	4,011,364				$ 4,011,364
	NEEA - Industrial	(0)		(0)		(0)							(0)				$ (0)
	Residential	3,702,678	1,690,266	2,131,323		1,571,355			1,348,902	142,668	198,696		5,392,945				$ 5,392,945
	NEEA Residential	184,797	13,980	107,182		77,615			9,558	2,724	1,699		198,777				$ 198,777
	OPUC Efficiency	**13,467,139**	**3,024,332**	**7,848,852**		**5,618,287**		**385,475**	**1,963,899**	**312,549**	**352,068**	**10,340**	**16,491,471**				**$ 16,491,471**
	OPUC Renewables	**3,233,784**		**1,287,754**	**694,406**	**921,229**	**330,394**						**3,233,784**				**$ 3,233,784**
	Commercial Washington															228,550	$ 228,550
	Residential Washington															298,046	$ 298,046
	Washington															**526,596**	**$ 526,596**
	Solar with Justice (USDOE)																$ 10,446
	Oregon Community Solar Program																$ 213,935
	PGE Smart Battery Pilot																$ 28,802
	NWN Geo TLM Phase 3																$ 23,428
	Solar Ambassadors (NREL)																$ 53,836
	Smart Grid Test Bed Collaboration (USDOE)																$ 273,271
	SERV (FEMA)																$ 2,729
	PGE Smart Solar Stufy																$ 19,167
	Landlord Provided Cooling (ODOE)																$ 105,737
	PGE Flexible Feeder																$ 39,917
	Programs	**16,700,923**	**3,024,332**	**9,136,606**	**694,406**	**6,539,516**	**330,394**	**385,475**	**1,963,899**	**312,549**	**352,068**	**10,340**	**19,725,255**			**526,596**	**$ 21,023,119**
	Functional Activities		-		-								-				$ 319,963
	Total Company	**$ 16,700,923**	**$ 3,024,332**	**$ 9,136,606**	**$ 694,406**	**$ 6,539,516**	**$ 330,394**	**$ 385,475**	**$ 1,963,899**	**$ 312,549**	**$ 352,068**	**$ 10,340**	**$ 19,725,255**			**$ 526,596**	**$ 21,343,081**

Expenditures by Major Program and Utility

2024-25 Final Proposed

2024

		Electric	Natural Gas	PGE	PGE LMI	Pacific Power	Pacific Power LMI	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	OPUC	NW Natural Transport	Avista Transport	Washington	All Funding Sources
Expenditures	Existing Buildings with MF	85,099,632	16,950,442	45,284,845	3,825,843	31,726,922	4,262,022	6,223,120	7,365,562	2,298,275	834,350	229,136	102,050,073	92,715	153,967		$ 102,296,755
	New Buildings	18,843,715	1,573,687	13,059,376		5,784,340		107,142	1,211,578	140,768	110,386	3,812	20,417,402		7,364		$ 20,424,766
	NEEA Commercial	4,028,412	955,890	2,336,479		1,691,933			754,324	97,732	103,834		4,984,302				$ 4,984,302
	Industry and Agriculture	53,878,740	6,908,979	31,483,884		22,394,857		5,338,562	719,812	527,482	106,730	216,394	60,787,720	359,904	281,292		$ 61,428,916
	NEEA - Industrial	80,631		46,766		33,865							80,631				$ 80,631
	Residential	56,769,270	23,959,319	21,955,464	10,275,041	9,871,083	14,667,682		19,510,115	1,943,014	2,506,189		80,728,588				$ 80,728,588
	NEEA Residential	3,758,536	840,889	2,179,951		1,578,585			663,573	85,974	91,342		4,599,425				$ 4,599,425
	OPUC Efficiency	**222,458,936**	**51,189,206**	**116,346,764**	**14,100,884**	**73,081,584**	**18,929,704**	**11,668,824**	**30,224,964**	**5,093,246**	**3,752,830**	**449,341**	**273,648,142**	**452,619**	**442,623**		**$ 274,543,384**
	OPUC Renewables	**25,258,630**		**8,418,617**	**6,698,544**	**6,578,429**	**3,563,040**						**25,258,630**				**$ 25,258,630**
	Commercial Washington															1,346,925	$ 1,346,925
	Residential Washington															2,117,068	$ 2,117,068
	Washington															**3,463,993**	**$ 3,463,993**
	Oregon Community Solar Program																$ 361,994
	PGE Smart Battery Pilot																$ 414,499
	Smart Grid Test Bed Collaboration (USDOE)																$ 529,730
	PGE Smart Solar Study																$ 50,106
	Landlord Provided Cooling (ODOE)																$ 668,761
	PGE Flexible Feeder																$ 311,693
	Programs	**247,717,566**	**51,189,206**	**124,765,381**	**20,799,428**	**79,660,013**	**22,492,744**	**11,668,824**	**30,224,964**	**5,093,246**	**3,752,830**	**449,341**	**298,906,772**	**452,619**	**442,623**	**3,463,993**	**$ 305,602,791**
	Functional Activities																$ 45,053
	Total Company	**$ 247,717,566**	**$ 51,189,206**	**$ 124,765,381**	**$ 20,799,428**	**$ 79,660,013**	**$ 22,492,744**	**$ 11,668,824**	**$ 30,224,964**	**$ 5,093,246**	**$ 3,752,830**	**$ 449,341**	**$ 298,906,772**	**$ 452,619**	**$ 442,623**	**$ 3,463,993**	**$ 305,647,844**
Incentives	Existing Buildings with MF	44,086,228	7,664,557	23,245,526	1,750,876	17,139,335	1,950,491	2,754,600	3,376,322	1,053,513	382,460	97,662	51,750,785	42,500	41,277		$ 51,834,562
	New Buildings	7,739,801	656,326	5,368,708		2,371,093		57,440	493,571	57,346	44,969	3,000	8,396,127		3,000		$ 8,399,127
	Industry and Agriculture	33,768,460	4,551,963	19,356,834		14,411,626		3,539,979	476,694	302,980	71,985	160,325	38,320,422	215,000	176,085		$ 38,711,507
	Residential	32,382,560	12,834,176	13,642,716	5,336,680	5,785,022	7,618,142		10,457,839	1,048,115	1,328,222		45,216,736				$ 45,216,736
	OPUC Efficiency	**117,977,049**	**25,707,022**	**61,613,784**	**7,087,556**	**39,707,076**	**9,568,633**	**6,352,019**	**14,804,426**	**2,461,954**	**1,827,636**	**260,987**	**143,684,070**	**257,500**	**220,362**		**$ 144,161,932**
	OPUC Renewables	**14,855,204**		**4,906,954**	**4,000,000**	**3,813,250**	**2,135,000**						**14,855,204**				**$ 14,855,204**
	Commercial Washington															408,943	$ 408,943
	Residential Washington															1,171,257	$ 1,171,257
	Washington															**1,580,200**	**$ 1,580,200**
	PGE Smart Battery Pilot																$ 311,040
	PGE Smart Solar Study																$ 25,000
	Landlord Provided Cooling (ODOE)																$ 360,000
	PGE Flexible Feeder																$ 152,428
	Programs	**132,832,253**	**25,707,022**	**66,520,738**	**11,087,556**	**43,520,326**	**11,703,633**	**6,352,019**	**14,804,426**	**2,461,954**	**1,827,636**	**260,987**	**158,539,274**	**257,500**	**220,362**	**1,580,200**	**$ 161,445,804**
	Total Company	**$ 132,832,253**	**$ 25,707,022**	**$ 66,520,738**	**$ 11,087,556**	**$ 43,520,326**	**$ 11,703,633**	**$ 6,352,019**	**$ 14,804,426**	**$ 2,461,954**	**$ 1,827,636**	**$ 260,987**	**$ 158,539,274**	**$ 257,500**	**$ 220,362**	**$ 1,580,200**	**$ 161,445,804**
Program Delivery Contractors																	
	Existing Buildings with MF	29,105,816	6,937,934	15,702,826	1,539,635	10,148,189	1,715,166	2,606,502	2,968,972	926,408	336,317	99,735	36,043,749	37,372	91,362		$ 36,172,484
	New Buildings	7,302,602	582,299	5,056,221		2,246,381		26,890	460,044	53,451	41,914		7,884,901		2,796		$ 7,887,697
	NEEA Commercial	3,737,792	886,930	2,167,920		1,569,873			699,905	90,682	96,343		4,624,722				$ 4,624,722
	Industry and Agriculture	11,618,580	1,284,761	7,164,950		4,453,630		970,052	131,405	142,638	18,180	22,485	12,903,341	89,048	61,551		$ 13,053,941
	NEEA - Industrial	76,098		44,137		31,961							76,098				$ 76,098
	Residential	14,405,692	7,073,770	4,473,583	3,156,628	2,269,376	4,506,105		5,748,222	568,537	757,010		21,479,462				$ 21,479,462
	NEEA Residential	3,482,377	779,105	2,019,779		1,462,599			614,817	79,657	84,631		4,261,482				$ 4,261,482
	OPUC Efficiency	**69,728,958**	**17,544,798**	**36,629,415**	**4,696,263**	**22,182,009**	**6,221,271**	**3,603,444**	**10,623,366**	**1,861,373**	**1,334,395**	**122,220**	**87,273,756**	**126,420**	**155,710**		**$ 87,555,887**
	OPUC Renewables	**1,763,147**		**887,397**	**197,738**	**580,182**	**97,830**						**1,763,147**				**$ 1,763,147**
	Commercial Washington															573,729	$ 573,729
	Residential Washington															389,716	$ 389,716
	Washington															**963,446**	**$ 963,446**
	PGE Smart Battery Pilot																$ 36,000
	Landlord Provided Cooling (ODOE)																$ 75,000
	PGE Flexible Feeder																$ 34,417
	Programs	**71,492,105**	**17,544,798**	**37,516,812**	**4,894,001**	**22,762,191**	**6,319,101**	**3,603,444**	**10,623,366**	**1,861,373**	**1,334,395**	**122,220**	**89,036,903**	**126,420**	**155,710**	**963,446**	**$ 90,427,897**
	Total Company	**$ 71,492,105**	**$ 17,544,798**	**$ 37,516,812**	**$ 4,894,001**	**$ 22,762,191**	**$ 6,319,101**	**$ 3,603,444**	**$ 10,623,366**	**$ 1,861,373**	**$ 1,334,395**	**$ 122,220**	**$ 89,036,903**	**$ 126,420**	**$ 155,710**	**$ 963,446**	**$ 90,427,897**

Expenditures by Major Program and Utility

2024-25 Final Proposed

2024

		Electric	Natural Gas	PGE	PGE LMI	Pacific Power	Pacific Power LMI	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	OPUC	NW Natural Transport	Avista Transport	Washington	All Funding Sources
Internal Costs	Existing Buildings with MF	6,213,315	1,212,854	3,306,348	279,333	2,316,454	311,180	445,283	527,028	164,448	59,700	16,395	7,426,169	6,634	11,017		$ 7,443,820
	New Buildings	1,916,293	179,079	1,328,060		588,233		12,192	137,872	16,019	12,561	434	2,095,372		838		$ 2,096,210
	NEEA Commercial	99,978	23,724	57,987		41,991			18,721	2,426	2,577		123,702				$ 123,702
	Industry and Agriculture	4,103,040	508,566	2,397,599		1,705,441		392,968	52,985	38,828	7,856	15,929	4,611,606	26,492	20,706		$ 4,658,804
	NEEA - Industrial	1,731		1,004		727							1,731				$ 1,731
	Residential	5,145,279	2,002,513	1,968,947	906,481	975,843	1,294,007		1,635,664	160,207	206,642		7,147,792				$ 7,147,792
	NEEA Residential	94,334	21,105	54,714		39,620			16,655	2,158	2,293		115,439				$ 115,439
	OPUC Efficiency	**17,573,970**	**3,947,841**	**9,114,660**	**1,185,814**	**5,668,308**	**1,605,187**	**850,443**	**2,388,925**	**384,085**	**291,630**	**32,758**	**21,521,811**	**33,126**	**32,561**		**$ 21,587,498**
	OPUC Renewables	**4,313,310**		**1,305,623**	**1,215,522**	**1,145,613**	**646,552**						**4,313,310**				**$ 4,313,310**
	Commercial Washington															139,878	$ 139,878
	Residential Washington															239,655	$ 239,655
	Washington															**379,533**	**$ 379,533**
	Oregon Community Solar Program																$ 132,171
	PGE Smart Battery Pilot																$ 21,741
	Smart Grid Test Bed Collaboration (USDOE)																$ 194,627
	PGE Smart Solar Study																$ 5,356
	Landlord Provided Cooling (ODOE)																$ 121,986
	PGE Flexible Feeder																$ 75,501
	Programs	**21,887,280**	**3,947,841**	**10,420,283**	**2,401,336**	**6,813,922**	**2,251,738**	**850,443**	**2,388,925**	**384,085**	**291,630**	**32,758**	**25,835,121**	**33,126**	**32,561**	**379,533**	**$ 26,831,722**
	Functional Activities																$ 6,538
	Total Company	**$ 21,887,280**	**$ 3,947,841**	**$ 10,420,283**	**$ 2,401,336**	**$ 6,813,922**	**$ 2,251,738**	**$ 850,443**	**$ 2,388,925**	**$ 384,085**	**$ 291,630**	**$ 32,758**	**$ 25,835,121**	**$ 33,126**	**$ 32,561**	**$ 379,533**	**$ 26,838,260**
Employee Salaries & Fringe Benefits	Existing Buildings with MF	5,694,273	1,135,097	3,030,145	255,999	2,122,944	285,185	416,735	493,239	153,905	55,873	15,344	6,829,370	6,209	10,310		$ 6,845,889
	New Buildings	1,885,019	155,983	1,306,387		578,633		10,620	120,091	13,953	10,941	378	2,041,003		730		$ 2,041,732
	NEEA Commercial	190,641	45,237	110,572		80,069			35,698	4,625	4,914		235,878				$ 235,878
	Industry and Agriculture	4,388,660	563,690	2,564,501		1,824,159		435,563	58,728	43,036	8,708	17,655	4,952,350	29,364	22,950		$ 5,004,664
	NEEA - Industrial	2,802		1,625		1,177							2,802				$ 2,802
	Residential	4,835,739	2,048,859	1,870,218	875,252	840,842	1,249,427		1,668,389	166,155	214,314		6,884,598				$ 6,884,598
	NEEA Residential	181,825	40,679	105,458		76,366			32,101	4,159	4,419		222,504				$ 222,504
	OPUC Efficiency	**17,178,960**	**3,989,545**	**8,988,906**	**1,131,251**	**5,524,191**	**1,534,612**	**862,918**	**2,408,247**	**385,834**	**299,169**	**33,377**	**21,168,505**	**35,573**	**33,990**		**$ 21,238,068**
	OPUC Renewables	**4,326,969**		**1,318,643**	**1,285,284**	**1,039,383**	**683,659**						**4,326,969**				**$ 4,326,969**
	Commercial Washington															224,375	$ 224,375
	Residential Washington															316,440	$ 316,440
	Washington															**540,814**	**$ 540,814**
	Oregon Community Solar Program																$ 229,823
	PGE Smart Battery Pilot																$ 45,718
	Smart Grid Test Bed Collaboration (USDOE)																$ 335,103
	PGE Smart Solar Study																$ 19,751
	Landlord Provided Cooling (ODOE)																$ 111,775
	PGE Flexible Feeder																$ 49,347
	Programs	**21,505,929**	**3,989,545**	**10,307,549**	**2,416,535**	**6,563,574**	**2,218,271**	**862,918**	**2,408,247**	**385,834**	**299,169**	**33,377**	**25,495,474**	**35,573**	**33,990**	**540,814**	**$ 26,897,368**
	Functional Activities																$ 38,515
	Total Company	**$ 21,505,929**	**$ 3,989,545**	**$ 10,307,549**	**$ 2,416,535**	**$ 6,563,574**	**$ 2,218,271**	**$ 862,918**	**$ 2,408,247**	**$ 385,834**	**$ 299,169**	**$ 33,377**	**$ 25,495,474**	**$ 35,573**	**$ 33,990**	**$ 540,814**	**$ 26,935,883**

Expenditures by Major Program and Utility

2024-25 Final Proposed

2025

		Electric	Natural Gas	PGE	PGE LMI	Pacific Power	Pacific Power LMI	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	OPUC	NW Natural Transport	Avista Transport	Washington	All Funding Sources
Expenditures	Existing Buildings with MF	81,456,100	19,290,625	45,596,713	2,802,033	30,610,469	2,446,885	6,774,043	8,534,163	2,636,825	1,086,743	258,852	100,746,725	1,438,980	228,886		$ 102,414,591
	New Buildings	23,601,181	1,797,440	16,963,658		6,637,523		80,349	1,344,878	233,373	132,521	6,318	25,398,621		11,758		$ 25,410,379
	NEEA Commercial	4,512,747	846,059	2,617,393		1,895,354			667,653	86,503	91,904		5,358,806				$ 5,358,806
	Industry and Agriculture	59,626,234	7,540,570	35,634,884		23,991,350		5,839,061	786,944	584,879	118,242	211,443	67,166,804	1,765,866	344,702		$ 69,277,372
	NEEA - Industrial	107,367		62,273		45,094							107,367				$ 107,367
	Residential	61,745,508	23,359,843	20,959,053	12,513,112	9,952,611	18,320,732		19,410,255	1,724,918	2,224,671		85,105,352				$ 85,105,352
	NEEA Residential	3,751,375	1,401,115	2,175,797		1,575,577			1,105,665	143,253	152,197		5,152,490				$ 5,152,490
	OPUC Efficiency	**234,800,512**	**54,235,653**	**124,009,772**	**15,315,145**	**74,707,978**	**20,767,617**	**12,693,453**	**31,849,557**	**5,409,752**	**3,806,278**	**476,613**	**289,036,164**	**3,204,846**	**585,346**		**$ 292,826,357**
	OPUC Renewables	**31,313,134**		**10,972,399**	**7,234,320**	**8,688,848**	**4,417,567**						**31,313,134**				**$ 31,313,134**
	Commercial Washington															1,515,212	$ 1,515,212
	Residential Washington															2,176,277	$ 2,176,277
	Washington															**3,691,489**	**$ 3,691,489**
	Oregon Community Solar Program																$ 392,078
	PGE Smart Battery Pilot																$ 129,295
	Smart Grid Test Bed Collaboration (USDOE)																$ 405,397
	PGE Smart Solar Study																$ 24,897
	Landlord Provided Cooling (ODOE)																$ 427,745
	PGE Flexible Feeder																$ 288,109
	Programs	**266,113,646**	**54,235,653**	**134,982,171**	**22,549,464**	**83,396,827**	**25,185,184**	**12,693,453**	**31,849,557**	**5,409,752**	**3,806,278**	**476,613**	**320,349,299**	**3,204,846**	**585,346**	**3,691,489**	**$ 329,498,501**
	Functional Activities																$ 46,782
	Total Company	**$ 266,113,646**	**$ 54,235,653**	**$ 134,982,171**	**$ 22,549,464**	**$ 83,396,827**	**$ 25,185,184**	**$ 12,693,453**	**$ 31,849,557**	**$ 5,409,752**	**$ 3,806,278**	**$ 476,613**	**$ 320,349,299**	**$ 3,204,846**	**$ 585,346**	**$ 3,691,489**	**$ 329,545,283**
Incentives	Existing Buildings with MF	39,650,746	8,477,526	22,042,286	1,217,461	15,327,847	1,063,152	3,025,144	3,715,863	1,148,101	473,179	115,239	48,128,272	626,547	69,659		$ 48,824,478
	New Buildings	10,123,193	768,236	7,281,860		2,841,333		35,752	571,892	99,239	56,353	5,000	10,891,429		5,000		$ 10,896,429
	Industry and Agriculture	36,575,649	4,928,942	21,531,242		15,044,407		3,822,730	524,079	346,198	80,923	155,012	41,504,591	1,231,739	220,439		$ 42,956,768
	Residential	33,548,656	12,441,752	12,047,307	6,540,631	5,384,431	9,576,287		10,336,617	923,643	1,181,492		45,990,408				$ 45,990,408
	OPUC Efficiency	**119,898,244**	**26,616,456**	**62,902,695**	**7,758,092**	**38,598,018**	**10,639,439**	**6,883,626**	**15,148,451**	**2,517,181**	**1,791,947**	**275,251**	**146,514,699**	**1,858,286**	**295,098**		**$ 148,668,083**
	OPUC Renewables	**19,659,540**		**6,876,290**	**4,425,000**	**5,633,250**	**2,725,000**						**19,659,540**				**$ 19,659,540**
	Commercial Washington															489,926	$ 489,926
	Residential Washington															1,199,553	$ 1,199,553
	Washington															**1,689,479**	**$ 1,689,479**
	PGE Smart Battery Pilot																$ 77,760
	Landlord Provided Cooling (ODOE)																$ 205,000
	PGE Flexible Feeder																$ 228,086
	Programs	**139,557,784**	**26,616,456**	**69,778,985**	**12,183,092**	**44,231,268**	**13,364,439**	**6,883,626**	**15,148,451**	**2,517,181**	**1,791,947**	**275,251**	**166,174,239**	**1,858,286**	**295,098**	**1,689,479**	**$ 170,527,948**
	Total Company	**$ 139,557,784**	**$ 26,616,456**	**$ 69,778,985**	**$ 12,183,092**	**$ 44,231,268**	**$ 13,364,439**	**$ 6,883,626**	**$ 15,148,451**	**$ 2,517,181**	**$ 1,791,947**	**$ 275,251**	**$ 166,174,239**	**$ 1,858,286**	**$ 295,098**	**$ 1,689,479**	**$ 170,527,948**
Program Delivery Contractors																	
	Existing Buildings with MF	29,849,786	8,016,540	16,862,054	1,173,309	10,789,828	1,024,596	2,766,867	3,581,104	1,106,464	456,019	106,087	37,866,327	603,825	126,045		$ 38,596,197
	New Buildings	8,797,336	654,158	6,317,518		2,479,818		27,832	492,369	85,440	48,517		9,451,494		4,305		$ 9,455,799
	NEEA Commercial	4,159,663	779,863	2,412,605		1,747,059			615,415	79,735	84,713		4,939,526				$ 4,939,526
	Industry and Agriculture	13,641,583	1,421,890	8,480,468		5,161,115		1,095,054	138,703	146,400	18,663	23,070	15,063,473	255,512	69,876		$ 15,388,861
	NEEA - Industrial	101,036		58,601		42,435							101,036				$ 101,036
	Residential	16,515,778	6,658,904	4,930,325	3,615,168	2,677,234	5,293,051		5,529,842	488,839	640,223		23,174,682				$ 23,174,682
	NEEA Residential	3,454,966	1,290,408	2,003,880		1,451,086			1,018,303	131,934	140,171		4,745,375				$ 4,745,375
	OPUC Efficiency	**76,520,150**	**18,821,763**	**41,065,452**	**4,788,477**	**24,348,574**	**6,317,646**	**3,889,753**	**11,375,736**	**2,038,812**	**1,388,306**	**129,157**	**95,341,912**	**859,337**	**200,227**		**$ 96,401,475**
	OPUC Renewables	**1,641,606**		**813,919**	**197,738**	**532,119**	**97,830**						**1,641,606**				**$ 1,641,606**
	Commercial Washington															585,004	$ 585,004
	Residential Washington															327,832	$ 327,832
	Washington															**912,836**	**$ 912,836**
	PGE Smart Battery Pilot																$ 6,600
	Landlord Provided Cooling (ODOE)																$ 50,000
	Programs	**78,161,756**	**18,821,763**	**41,879,371**	**4,986,215**	**24,880,693**	**6,415,476**	**3,889,753**	**11,375,736**	**2,038,812**	**1,388,306**	**129,157**	**96,983,518**	**859,337**	**200,227**	**912,836**	**$ 99,012,517**
	Total Company	**$ 78,161,756**	**$ 18,821,763**	**$ 41,879,371**	**$ 4,986,215**	**$ 24,880,693**	**$ 6,415,476**	**$ 3,889,753**	**$ 11,375,736**	**$ 2,038,812**	**$ 1,388,306**	**$ 129,157**	**$ 96,983,518**	**$ 859,337**	**$ 200,227**	**$ 912,836**	**$ 99,012,517**

Expenditures by Major Program and Utility

2024-25 Final Proposed

2025

		Electric	Natural Gas	PGE	PGE LMI	Pacific Power	Pacific Power LMI	NW Natural Industrial	NW Natural	Cascade	Avista	Avista Interruptible	OPUC	NW Natural Transport	Avista Transport	Washington	All Funding Sources
Internal Costs	Existing Buildings with MF	5,645,685	1,300,696	3,160,287	194,208	2,121,597	169,592	456,749	575,427	177,791	73,275	17,453	6,946,380	97,025	15,433		$ 7,058,838
	New Buildings	2,259,131	192,084	1,623,780		635,351		8,587	143,721	24,939	14,162	675	2,451,214		1,257		$ 2,452,471
	NEEA Commercial	114,800	21,523	66,584		48,216			16,984	2,201	2,338		136,323				$ 136,323
	Industry and Agriculture	4,205,904	531,725	2,513,607		1,692,297		411,743	55,492	41,243	8,338	14,910	4,737,630	124,520	24,307		$ 4,886,457
	NEEA - Industrial	2,074		1,203		871							2,074				$ 2,074
	Residential	5,866,554	2,048,024	2,007,725	1,178,963	953,718	1,726,147		1,706,487	149,161	192,377		7,914,578				$ 7,914,578
	NEEA Residential	96,351	35,986	55,883		40,467			28,398	3,679	3,909		132,337				$ 132,337
	OPUC Efficiency	**18,190,498**	**4,130,038**	**9,429,069**	**1,373,171**	**5,492,518**	**1,895,740**	**877,078**	**2,526,508**	**399,015**	**294,398**	**33,039**	**22,320,536**	**221,546**	**40,996**		**$ 22,583,077**
	OPUC Renewables	**4,724,513**		**1,537,995**	**1,208,431**	**1,240,170**	**737,917**						**4,724,513**				**$ 4,724,513**
	Commercial Washington															173,560	$ 173,560
	Residential Washington															280,779	$ 280,779
	Washington															**454,339**	**$ 454,339**
	Oregon Community Solar Program																$ 135,413
	PGE Smart Battery Pilot																$ 6,558
	Smart Grid Test Bed Collaboration (USDOE)																$ 53,495
	PGE Smart Solar Study																$ 3,121
	Landlord Provided Cooling (ODOE)																$ 56,994
	PGE Flexible Feeder																$ 9,786
	Programs	**22,915,011**	**4,130,038**	**10,967,064**	**2,581,602**	**6,732,688**	**2,633,657**	**877,078**	**2,526,508**	**399,015**	**294,398**	**33,039**	**27,045,049**	**221,546**	**40,996**	**454,339**	**$ 28,027,296**
	Functional Activities																$ 6,619
	Total Company	**$ 22,915,011**	**$ 4,130,038**	**$ 10,967,064**	**$ 2,581,602**	**$ 6,732,688**	**$ 2,633,657**	**$ 877,078**	**$ 2,526,508**	**$ 399,015**	**$ 294,398**	**$ 33,039**	**$ 27,045,049**	**$ 221,546**	**$ 40,996**	**$ 454,339**	**$ 28,033,914**
Employee Salaries & Fringe Benefits	Existing Buildings with MF	6,309,883	1,495,863	3,532,086	217,056	2,371,197	189,545	525,283	661,769	204,469	84,270	20,072	7,805,746	111,584	17,749		$ 7,935,078
	New Buildings	2,421,522	182,962	1,740,500		681,021		8,179	136,895	23,755	13,489	643	2,604,483		1,197		$ 2,605,680
	NEEA Commercial	238,284	44,674	138,205		100,079			35,254	4,568	4,853		282,958				$ 282,958
	Industry and Agriculture	5,203,097	658,013	3,109,567		2,093,530		509,534	68,671	51,038	10,318	18,451	5,861,111	154,095	30,080		$ 6,045,285
	NEEA - Industrial	4,257		2,469		1,788							4,257				$ 4,257
	Residential	5,814,521	2,211,164	1,973,696	1,178,349	937,229	1,725,247		1,837,309	163,275	210,580		8,025,684				$ 8,025,684
	NEEA Residential	200,058	74,720	116,033		84,024			58,964	7,640	8,117		274,778				$ 274,778
	OPUC Efficiency	**20,191,620**	**4,667,396**	**10,612,556**	**1,395,404**	**6,268,869**	**1,914,792**	**1,042,996**	**2,798,863**	**454,744**	**331,627**	**39,167**	**24,859,017**	**265,679**	**49,025**		**$ 25,173,721**
	OPUC Renewables	**5,287,475**		**1,744,195**	**1,403,151**	**1,283,309**	**856,820**						**5,287,475**				**$ 5,287,475**
	Commercial Washington															266,722	$ 266,722
	Residential Washington															368,114	$ 368,114
	Washington															**634,836**	**$ 634,836**
	Oregon Community Solar Program																$ 256,665
	PGE Smart Battery Pilot																$ 38,377
	Smart Grid Test Bed Collaboration (USDOE)																$ 351,902
	PGE Smart Solar Study																$ 21,777
	Landlord Provided Cooling (ODOE)																$ 115,751
	PGE Flexible Feeder																$ 50,236
	Programs	**25,479,096**	**4,667,396**	**12,356,751**	**2,798,555**	**7,552,178**	**2,771,612**	**1,042,996**	**2,798,863**	**454,744**	**331,627**	**39,167**	**30,146,492**	**265,679**	**49,025**	**634,836**	**$ 31,930,741**
	Functional Activities																$ 40,163
	Total Company	**$ 25,479,096**	**$ 4,667,396**	**$ 12,356,751**	**$ 2,798,555**	**$ 7,552,178**	**$ 2,771,612**	**$ 1,042,996**	**$ 2,798,863**	**$ 454,744**	**$ 331,627**	**$ 39,167**	**$ 30,146,492**	**$ 265,679**	**$ 49,025**	**$ 634,836**	**$ 31,970,904**

Capital Expenditure Budget

Description	Useful Lives / Depreciation Policy	2024	2025
Information Systems			
Servers and Storage	3 years	247,400	134,400
Computer Equipment	3 years	372,000	174,000
Leashold Improvements			
none			
TOTAL CAPITAL PURCHASES		619,400	308,400

Executive Summary

Energy Trust's 2024-2025 Action Plan highlights strategies and activities for all programs, program support groups and general management to accomplish the following 2024 goals and associated energy savings and generation.

Goal 1: Customers will save and generate energy and reduce costs in 2024 and beyond as a result of investments in clean energy programs, including those designed to meet the needs of customers the organization has historically underserved.

Goal 2: Customers will gain access to a broader and more diverse network of qualified contractors who can install clean energy upgrades in their communities, and potential trades people will gain skills and opportunities in the energy efficiency and solar industries.

Goal 3: Community-based organizations will have opportunities to bring clean energy benefits to their communities by partnering with Energy Trust to deliver programs and accessing small grants, training, mentorship and connections.

Goal 4: Customers, partners and stakeholders will benefit from Energy Trust's ability to achieve long-term goals by shifting to a multiyear budgeting and planning process for future years.

In each action plan, we highlight the program or function's significant new activities for 2024 and expected changes for 2025.

Context

Energy Trust expects 2024 to be a year of growth and change as the organization navigates market challenges and opportunities.

Many of today's market challenges will likely persist into next year. People and businesses will be managing the impacts of inflation as costs increase for energy, goods, services and borrowing. Affordability, especially housing affordability, will continue to be a challenge for people and communities. Many industries will continue to grapple with supply chain issues and staffing shortages that make it challenging for businesses to participate in clean energy programs and challenging for trade ally contractors to complete projects. Economists forecast a possible recession. Impacts from climate change have put a greater emphasis on resilient buildings and made cooling essential for many people to stay safe.

At the same time, our utility partners are required to meet ambitious decarbonization targets set by the state while continuing to provide safe, reliable energy to customers. Energy efficiency is a low cost, reliable energy resource, and Energy Trust will seek to achieve as much energy savings as possible in the coming years to help utilities meet their 2030 targets. Distributed energy resources like solar, hydropower and biopower are also critical to a decarbonizing energy system, especially when paired with battery systems. We will coordinate closely with utilities in areas that intersect with our work, such as load flexibility, decarbonization, demand side management, distribution system planning and equity.

To deliver additional energy efficiency by 2030, Energy Trust must expand and evolve programs, build out necessary market infrastructure and invest in relationships with partners in 2024. These investments will pay off with much greater energy savings in future years.

Reaching customers we have historically underserved is essential to saving energy and supporting the state's decarbonization goals. There is significant energy-saving potential in the homes of people experiencing low incomes, people in rural areas, renters and people of color. Savings from large commercial and industrial customers are also critical, yet we can't accelerate energy savings without serving underserved customers. We will develop new engagement approaches to build trust, including working in partnership with community-based organizations to reach and serve community members and, in some cases, to co-develop new approaches.

Our 2024 budget focuses on making bigger impacts, increasing the scale of what we can accomplish and seeking opportunities to expand funding. This requires multiyear planning, not just focusing on the coming fiscal year. Our plans need to be aggressive and proactive, building our Trade Ally Network and increasing workforce development to adapt to emerging needs.

Action Plan Table of Contents

General Management

Key Contact: Michael Colgrove, Executive Director

Programs

Key Contact: Tracy Scott, Director of Energy Programs

Program Support Groups

General Management

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

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Some funding associated with recent federal and state legislation is expected to become available in 2024, with more in 2025.
- As 2024 is the last year of Energy Trust's current strategic plan, the Energy Trust Board will be developing the next multi-year strategic plan.

2024 Significant New Activities

- Pursue new federal funding, in coordination with Oregon Department of Energy and others, to maximize savings, generation and benefits for low- and moderate-income customers and rural communities.
- Collaborate with other agencies and organizations that are administering complementary funding programs to braid federal, state and local funding with ratepayer programs. Integrate new funding sources and requirements into our existing program and incentive administration infrastructure to help efficiently deliver complementary funds to customers in conjunction with ratepayer incentives.
- Support the board of directors in developing the next Energy Trust strategic plan.
- Develop a framework for transitioning to a multi-year business planning approach for achieving clean energy goals by the end of 2030, in alignment with the next Energy Trust strategic plan, state energy policy and utility goals.
- Establish goals to support utilities in delivering as much cost-effective clean energy to customers as possible by 2030. These long-range goals will serve as the foundation for creating a multi-year business plan in 2025.
- To gain efficiency and support organizational growth, select and implement project management software that will help standardize projects and allow real time status reporting. In addition, standardize project management methodologies across all projects.
- Collaborate with the Oregon Public Utility Commission (OPUC) to update the Energy Trust and OPUC Grant Agreement.
- Implement new software to make meetings and the support work for the board more efficient.
- Review organizational needs and market opportunities to identify a new office space lease.
- Recruit and onboard 36.5 additional employees into the organization to enable Energy Trust to reach ambitious savings and generation goals.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- A new strategic plan will require staff to understand strategic priorities and metrics and incorporate them into action plans.
- Energy Trust will shift to a multi-year business plan and budget to achieve ambitious 2030 clean energy goals.
- Energy Trust will implement a people management platform and applicant tracking system to identify and attract key talent in a complex labor market, support an increase in communication and collaboration across staff, facilitate learning and development opportunities in alignment with Energy Trust's career development program and enable operational efficiencies in staff management processes.

How Stakeholder Feedback Was Incorporated

- Engagement with the board, OPUC and utility partners has focused on the need for infrastructure building to expand our savings and generation opportunities through 2030. This need is reflected in increased investment in delivery capacity by working with more trade allies and deepening relationships with community-based organizations. It also includes increased support for existing and new workforce development efforts. These were significant recommendations shared by stakeholders.

Budgeted Expenditures

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$7.9	$9.9	$10.5

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

Diversity, Equity and Inclusion

Energy Trust's Diversity, Equity and Inclusion (DEI) Services team supports organization-wide efforts to better serve customer groups we have historically underserved through our efficiency and renewable energy programs by promoting diversity, equity and inclusion. These efforts extend beyond program changes to include staff development and training, creating more cultural awareness and using community engagement more extensively to better understand and partner with priority customers, who are communities of color, rural customers, customers experiencing low- to moderate-incomes, women-owned businesses and businesses owned by people of color. To develop trusting relationships with customers, Energy Trust must build its capability to approach and pursue relationships in ways that demonstrate its commitment and support engagement in clean energy solutions.

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.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- New sources of federal and state funding that support customers experiencing low- to moderate-incomes will increasingly become available.
- Demands for greater energy efficiency and renewable energy resources through 2030 will require new partners to reach and serve customers. Many of these partners will be culturally specific community-based organizations.
- Additionally, this greater demand will require the engagement of new customers and customer segments in the clean energy market as well as the deepening of current customer participation.

2024 Significant New Activities

- Establish and manage a comprehensive, strategic framework for Energy Trust's diversity, equity and inclusion initiative to better serve our historically underserved customers.
- Develop and implement a training and development program for staff to support their growth in cultural awareness as we engage new customers.
- Create additional support and structure to the Diversity Advisory Council to better develop the council's ability to advise the organization on working with customers we have historically underserved.
- Continue to provide internal consulting services to staff as they work to apply an equity approach to their day-to-day work.
- Partner with the Communities and New Initiatives Team, Information Technology, the DEI Committee and others as needed to create a system that will track, summarize and disseminate the input and feedback we receive through our community engagement efforts to ensure that information is shaping our current and future offerings.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- Continue to expand the DEI Services team to support the increased needs of the organization by adding at least a third staff member.
- Continue to evolve the DEI Plan and community engagement activities to ensure communities are involved in the acceleration and expansion of our efforts to achieve greater savings and generation in response to decarbonization goals.
- Produce results in building new capacity within the market through workforce efforts implemented in 2024. DEI Services will work with our internal workforce development working group to help develop a comprehensive strategy that bolsters current workforce development efforts.

How Stakeholder Feedback Was Incorporated

- A significant amount of feedback reflected the need for Energy Trust to expand its delivery network to include more community-based organizations. To accomplish this goal, we must increase our cultural awareness and sensitivity to ensure we are effective partners with a greater variety of communities.
- Feedback included a number of observations related to workforce development. DEI Services will join the current internal workforce development working group to better assess current efforts and gaps in the market.

Budgeted Expenditures

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)* DEI action plan activities only	$0.4	$0.5	$0.9

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

General Marketing, Communications and Customer Service

The marketing and communications team creates and strengthens customer and stakeholder awareness of Energy Trust.

The communications team informs stakeholders and the public of the value of clean energy and Energy Trust's activities through content development and public relations, demonstrates transparency and accountability through public reporting and responding to requests for information, supports staff engagement through internal communications, and communicates progress toward diversity, equity and inclusion objectives.

The marketing and creative services team increases customer access to information and incentives through management of our website, social media, forms and translation services and expands the organization's reach to new customers through brand campaigns and the production of materials supporting targeted outreach.

The customer service and trade ally team supports a consistent, positive customer experience and ensures contractor access to offers, training and customer leads with a focus on greater engagement with contractors of color and women contractors. Staff manage Energy Trust's contracted customer call center, including complaint resolution and quality control standards. Trade Ally Network support includes enrollment, business development fund processing, trade ally benefits and resources and online tools.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- In 2024, development of Energy Trust's next strategic plan will require communications support and also create opportunities for stakeholder engagement and public relations.
- The Innovation and Development Team's pursuit of new funding will create new and more complex reporting obligations and require customer experience and brand marketing support to ensure a consistent and effective customer experience across new offers.
- As the organization's programs accelerate reach to underserved customer groups, marketing, communications and customer service teams help the organization articulate these changes to stakeholders and customers. To support acceleration of savings, Energy Trust will need to invest in building a pipeline of new trade ally contractors and build capacity within existing trade allies, especially in rural areas.

2024 Significant New Activities

- Create new reports and centralize reporting processes for new contract- and grant-funded programs and activities.
- Develop and manage a more comprehensive internal communications program to inform and engage staff in a remote environment as the organization onboards new staff and expands operations and programs.
- Create a unified brand experience for customers and contractors across all Energy Trust activities through training; staff culture enhancements; alignment and increase of public relations, social media and targeted advertising activities; and an enhanced and coordinated in-person event experience.
- Implement a new integrated brand marketing plan and fully integrate Energy Trust marketing and communications activities across functional teams through partnership with program marketing and outreach teams. Integration of resources and strategy will achieve a more efficient and flexible delivery of marketing support for the organization's acceleration and expansion of services, allowing staff to approach the customer's journey from a more holistic standpoint and present the brand as a unified and simplified Energy Trust that can help them navigate any energy challenge.
- Hire a workforce development manager that will work with local communities and organizations to support, develop and implement energy efficiency trades workforce development programs with a focus on rural Oregon. This position will also continue growing Energy Trust's Contractor Development Pathway initiatives that support existing trade allies in getting involved in our residential and commercial programs.
- Enhance the website user experience for community-based organizations by launching an updated "Communities" website segment. Make the homepage more effective by optimizing for organic and brand campaign traffic and enable customized program information pathways through new tools and user experience updates.

- Lead development of a new customer sentiment monitoring approach. Customer sentiment monitoring will inform the organization's progress towards creating a consistent and positive customer experience, which is especially important as programs accelerate savings and launch new offers and partnerships. Implement a system to address online reputation management and support communication of positive customer experiences.
- Increase our ability to provide bi-lingual customer service across all programs by adding one new Spanish speaking representative to the main call center.

2025 Expected Changes and New Initiatives

- Conduct a competitive solicitation for a digital media agency to advise and perform social media activities.
- Explore streamlining and standardization of engagement pathways, capacity building opportunities and communications with community-based organizations, in collaboration with the Communities & New Initiatives sector.
- Develop Community Based Organization network and support structure to help build capacity.

How Stakeholder Feedback Was Incorporated

- Diversity Advisory Council provided feedback about the need to prioritize understanding of workforce gaps, helping workers navigate trade apprenticeships, and develop and measure metrics such as how many people have been placed in programs.
- Conservation Advisory Council provided feedback that Energy Trust should be a leader in the workforce development space. This feedback is incorporated into action plan items, including hiring a new workforce development manager.
- Feedback from advisory councils on the need to help customers, contractors and stakeholders navigate the increasingly complex array of programs and funds in the market is incorporated into action plan items related to integrated brand marketing work, website enhancements and customer experience projects.

Budgeted Expenditures

Total Expenditures (millions)*	2023 Budget	2024 Budget	2025 Projection
General Marketing and Communications	$2.9	$3.6	$4.1
Customer Service/Trade Ally	$1.2	$1.5	$1.7

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

Outreach and Policy Services

Outreach and Policy Services staff serve and engage customers, communities, tribes, stakeholders and policymakers across the state and enable effective coordination with the Oregon Public Utility Commission (OPUC) and utility partners.

Community-based staff support the organization in reaching all utility customers, especially those in communities of color, customers with low incomes and people living in rural areas. Staff develop partnerships and community-based organization relationships, identify barriers to services and provide general clean energy information, opportunities to receive technical support and incentives, support for accessing clean energy rebuilding and community resiliency solutions, and connections to local organizations and contractors that can serve them.

Within our non-advocacy role, staff serve as a resource for policymakers, implementers and stakeholders working at local, state and national levels. This includes monitoring policy discussions and providing information about how energy efficiency and renewable energy can contribute to efforts to reduce greenhouse gas emissions, lower customer bills and energy burdens, improve health outcomes and improve community resiliency.

The community services budget provides resources to work with community-based organizations and communities to expand customer participation in programs and inform program design. Additionally, staff coordinate with communities to support the creation and implementation of community-specific energy, sustainability and resiliency plans while helping identify energy efficiency and renewable energy opportunities within those plans.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Community-based organizations and municipalities will be critical in expanding awareness and participation in their communities.
- Staff expect continued requests for information and discussion on roles and coordination on how energy efficiency and small-scale renewable power investments support the state and partner utilities in meeting ambitious greenhouse gas emissions reductions requirements.
- State agencies, utilities and Energy Trust will increase focus on convening and gathering input from diverse community members and stakeholders on implementing and navigating multiple new federal and state energy efficiency, solar and resiliency programs and funding.

2024 Significant New Activities

- Expand relationships, regional coordination and community partnerships across Energy Trust service area with regionally based outreach staff in Eastern Oregon, Central Oregon and Southern Oregon. These staff serve as relationship managers for hundreds of relationships and generate new relationships from outreach engagements.
- Hire a tribal outreach manager to coordinate services to tribal governments, facilitate a tribal working group, and lead informed and comprehensive outreach to tribal governments guided by outreach plans developed with the tribal working group. Increase presence by attending tribal events and through memberships and sponsorships.
- Continue quarterly community-based organization meet and greets and explore ways to make training and information about Energy Trust more accessible, both on-demand and through presentations.
- Maintain support for nonprofit organizations through implementation of grants and additional support and resources so that more organizations are able to expand their capability to reach and serve diverse customers with clean energy solutions; determine approaches to sustain and further expand offers.
- Identify community-based organizations interested in serving as program delivery partners and support them through cohorts, mentorship, connections with other organizations, or training and information.
- Lead approaches to convene communities, customers and community-based organizations to learn about their energy needs and bring insights to Energy Trust staff and Communities and New Initiatives sector to inform strategic plan, budget and action planning and program design.
- Engage stakeholders, economic development organizations and organizations supporting small businesses with information on Energy Trust's mission, programs and areas of change, seek feedback, and inform staff of areas of

interest. Build relationships with municipal governments, particularly those communities with active energy or climate planning efforts.

- Monitor and respond to requests from policymakers and stakeholders during the 2024 Oregon legislative session and expand monitoring to the Washington legislature given some parallel policy trends. Monitor and participate as requested in OPUC dockets regarding Energy Trust performance measures; programs and parameters; utility energy, emissions and distribution system planning; and low-income customer assistance.
- Participate in state agency rulemakings and workshops, including implementation of the 2023 Climate Resilience Package provisions of a statewide energy strategy, one-stop-shop resource for consumers, residential rebate programs, commercial building performance standard and accelerated adoption of heat pump technologies.
- Continue to develop the policy services team's expertise and systems to effectively operate and share information in an expanded and dynamic policy landscape. As determined by the board, support the development of the next strategic plan and provide information and background on past, current and future policy discussions.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- Multiple new state and local programs will have recently launched or will be ramping up investments, driving customer demand and requiring coordination for outreach and policy staff with administering entities, including related to federal funding from the Inflation Reduction Act and Bipartisan Infrastructure Law, Department of Environmental Quality's Climate Protection Program, the Portland Clean Energy Community Benefits Fund and others.
- The next strategic plan will be approved by the board and may require areas of change for this team.

How Stakeholder Feedback Was Incorporated

- Listening sessions with community-based organizations, advisory councils and outreach throughout the year supported activities in this budget to expand community presence, allocate increased time and resources to support long-term relationship development and awareness of Energy Trust, and build capacity of communities and community-based organizations to engage in clean energy programs and opportunities.
- Coordination with community and utility partners was emphasized and this budget reflects that as a focus.
- Feedback assumed greater need for convening communities and stakeholders and navigating funding and clean energy broadly; this need is reflected in outreach and policy services team staff hours, relationships and events.

Budgeted Expenditures

Total Expenditures (millions)*	2023 Budget	2024 Budget	2025 Projection
Outreach and Policy Services	$1.5	$2.3	$2.8
Community Services	$0.6	$0.4	$0.6

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

Existing Buildings

The Existing Buildings program serves existing commercial buildings and existing multifamily properties with incentives, tools, training and technical assistance for customers who complete energy-efficiency projects and implement behavioral and operational improvements. Existing Buildings serves customers through three primary delivery tracks:

1. Standard incentives for equipment that is installed by a contractor or sold through a vendor.
2. Custom incentives for system upgrades that are based on technical studies to estimate energy savings.
3. Energy performance management services and incentives for whole-building energy savings gained through improvements to building operations and maintenance practices.

Priority customers benefit from the program through various channels, including specialized offerings like Community Partner Funding, Savings by Design, and the Small Business offering.

Additionally, the program places a strong emphasis on workforce development by establishing a Contractor Development Pathway and offering opportunities for internships and education.

The program is committed to expanding its outreach and accessibility to customers by employing culturally responsive marketing collateral, revised customer forms, and targeted field outreach activities.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Economic conditions such as labor turnover, cost increases, and shortages, equipment price increases and long delivery times continue to present challenges.
- The following offers, launched in the last year, continue to mature and support priority customers: community partner funding, contractor development pathway, and the small business offering.
- The program is modifying current and new offerings to respond to future cost-effectiveness changes.

2024 Significant New Activities

- Seek additional co-funding sources to support customer energy upgrades and integrate them into program offerings to improve program participation.
- Conduct focused research to understand and address the needs of expiring measures, support small businesses, adapt to code changes, develop new ways of identifying savings opportunities with customers through use of advanced metering infrastructure (AMI) utility data and more flexible retrocommissoning offerings, and explore the potential to develop packages of measures tailored to specific market segments, which include, but are not limited to multifamily and small businesses.
- Increase incentives and project caps for custom projects and increase to allowable maximum incentives for standard measures to motivate customer participation and attract larger projects.
- Lay the groundwork to scale electric savings to support acceleration efforts through strategies such as:
    - Expanding workforce development by funding internships, apprenticeships, educational opportunities, and contractor development related to energy efficiency.
    - Providing new tools and resources to improve customer project management support of energy efficiency projects.
    - Evaluating and updating measures to adjust for cost-effectiveness changes (including avoided costs).
- Streamline the customer experience by developing new processes and innovative offerings and leveraging new methods and resources (e.g., using utility data, learning resource platforms, language access, etc.).
- Integrating the customer-facing downstream lighting offering into the Existing Buildings program.
- Develop and deliver program enhancements to drive deeper savings and expand educational opportunities within Energy Performance Management including:
    - Expanding the Strategic Energy Management (SEM) participant engagement hub with additional technical recordings.

- Focus on promotion of non-English offerings for multifamily SEM residents.
- Leveraging data analytics to expand savings at SEM organizations.
- Continue to contract with Cascade Energy for the licensing of the Energy Performance Platform for Commercial and Industrial SEM offerings.
- Work with the in-house retrocommissioning team to develop additional no- and low-cost opportunities for customers.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- Implement and refine new program strategies to accelerate savings across all program tracks such as no-cost offers, co-funding opportunities for small business and multifamily, and streamlining quick turn custom opportunities.
- Continually adapt program approaches to reach small businesses, rural areas, businesses owned by priority community populations, and expand workforce development opportunities based on community engagement and lessons learned from prior program activities (i.e., small business focus groups).

How Stakeholder Feedback Was Incorporated

- Energy Trust's Conservation and Diversity Advisory Councils feedback on taking intentional steps to serve priority communities through culturally sensitive methods and support workforce development within the energy industry were primary factors in the development of 2024 activities.
- The Existing Buildings program has hosted a series of small business facilitated gatherings. The goal of these gatherings is to co-create culturally meaningful and, as appropriate, in-language offerings with members of the community.

Budgeted Expenditures and Savings

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$71.2	$102.3	$102.4
Gas Savings (therms)	2,109,310	2,474,853	2,453,220
Electric Savings (aMW)	12.2	13.8	11.8

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

New Buildings Program

The New Buildings program supports design and construction of high-performance commercial buildings and major renovations of all sizes and building types. Commercial buildings served by this program include office, retail, multifamily, data centers, hospitals, lodging, schools and government buildings. Multifamily and data center buildings have provided the most savings in recent years.

This is a high-touch program with outreach staff playing a critical role in building relationships and offering technical information. Staff engage early in the design process with building owners, developers and design professionals to influence decisions that maximize efficiency through custom, whole-building incentives, market solutions for multifamily, and standard incentives.

The program invests in training, education and grants to help build the network of design professionals who can deliver net-zero and high-performance buildings. The program also invests in net-zero research to address design, cost and construction barriers.

Early design assistance opens the door for design teams to establish energy goals and determine the team's path to leveraging program resources. Whole-building incentives represent the majority of project savings and support the use of energy modeling to consider integrated design and systems to achieve efficiencies significantly beyond code. Many projects take advantage of technical assistance in addition to incentives for modeled savings.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- The program will continue to offer incentives for whole building projects if the Oregon Public Utility Commission (OPUC) supports this work without using measure-level Total Resource Cost.
- Data center participation continues to fluctuate year-over-year, significantly impacting savings estimates.
- Supply chain delays and labor constraints among skilled trades continue to impact new construction significantly, as a delay for one contractor can have a domino effect on subsequent contractors engaged in the project.
- Code updates will continue at a fast pace, with the recent American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) 90.1-2023 going into effect mid-2024.

2024 Significant New Activities

- Energy Trust will conduct open solicitation for New Buildings Program Management Contract to begin in 2025.
- The program will use the Simplified Performance Rating Method (S-PRM) to provide greater access to whole-building energy modeling.
- Program staff will expand outreach efforts to enroll more multifamily projects and work with other programs to engage more customers in rural areas.
- The existing OPUC exception will expire end of March 2024. With stakeholder support, program staff are seeking support for the whole building approach.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- The program will enter a new contract for program management services in 2025, which, if supported by the OPUC, will result in an increased focus on whole-building strategies.

How Stakeholder Feedback Was Incorporated

- Stakeholder meetings and presentations to Energy Trust advisory committees demonstrated broad support for the shift to a whole-building focus and signaled that a simplified whole-building method for smaller, potentially rural projects would be a welcome update to the program.

Budgeted Expenditures and Savings

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$18.6	$20.4	$25.4.
Gas Savings (therms)	336,822	300,304	315,502
Electric Savings (aMW)	7.9	5.4	9.8

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

Commercial and Industrial Lighting Offers

Energy Trust delivers the majority of its lighting offers to commercial and industrial businesses through a single Program Delivery Contractor (PDC). In 2024 Business Lighting will have three delivery offers:

- Midstream: Incentives for energy-efficient lighting products that are provided at point of purchase through a participating lighting distributor.
- Direct installation of no-cost lighting: Lighting upgrades for small and medium businesses and multifamily properties provided at no cost to the customer.
- Trade ally pathway: This offering will be managed by the Commercial and Industrial Program Management Contractors (PMC) and supported by the Business Lighting PDC.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- The lighting program continues to evolve due to new state and federal policies. In 2023, the Oregon Legislature passed HB 2531, a bill phasing out certain compact fluorescents starting January 2024 and linear fluorescent lights by January 2025.

2024 Significant New Activities

- Increase outreach, delivery and marketing to accelerate lighting savings in 2024 and 2025 before compact fluorescents and linear fluorescent lights phase out. Efforts include increasing outreach staff, particularly in rural areas, streamlining project processes, and ramping up marketing campaigns focused on priority communities. Priority communities include small businesses, schools, rural communities, Black, Indigenous and communities of color and other underserved communities.
- Increase incentives where needed to maximize savings before compact and linear fluorescent lights phase out in 2024 and 2025.
- Build on the 2023 successes within the midstream offering in rural communities by streamlining the approach for customers and trade allies.
- Support the Business Lighting Trade Ally network with support, technical services and training delivered through the Program Delivery Contractor.
- Enhance diversity, equity and inclusion efforts through the small business no-cost lighting offer by increasing engagement with community-based organizations (CBOs) and community-led rural main street projects.
- Work with CBOs and contractor partners on workforce development opportunities that support trade allies interested in participating in the business lighting program in coordination with the Communities and New Initiatives team.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- Evolve program design and incentive strategies to focus more on process lighting for cannabis, exterior lighting, high bay lighting, and advanced controls as compact fluorescent lamps (CFLs), tubular LEDs (TLEDs) and interior LED lighting measures will phase out with the passing of HB 2531. Measure sunset dates to be determined pending Oregon Public Utility Commission approval and market analysis.

How Stakeholder Feedback Was Incorporated

- Program staff incorporated input from the Conservation Advisory Council (CAC) and the Diversity Advisory Council (DAC) on increasing participation in program design with priority communities through CBO partners that serve those communities. Collaboration includes targeted outreach to CBOs and their communities, increased presence at key community events and meetings, and education of CBOs and their stakeholders on program offerings.

- The 2024 plans reflect CAC and DAC feedback on the importance of providing workforce development support for diverse trade allies and contractors.
- Program staff received feedback during the joint utility meetings to support as many small businesses installing more efficient lighting as possible before CFLs and linear fluorescents are phased out of the program with the passage of HB 2531.

Budgeted Expenditures and Savings

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$20.8	$29.2	$24.7
Electric Savings (aMW)	8.8	7.7	5.6

**Expenditure details are provided under budget details tab in the budget binder, included in Existing Buildings and Industry and Agriculture programs. This detail includes lighting incentives for 2023, and lighting incentives and delivery for 2024 and 2025. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Southwest Washington Commercial Program

Energy Trust provides incentives and technical support to business customers in Southwest Washington on qualifying NW Natural commercial firm or interruptible rate schedules. Offers include incentives for energy-efficient equipment purchased through trade allies or vendors, incentives for operations and maintenance improvements, and no-cost technical studies to estimate energy savings and incentives for retrocommissioning. The program also provides incentives for the Building Operator Certification course. 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.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- The program continues to navigate socioeconomic trends such as high labor turnover and shortages, equipment price increases, and long delivery timeframes.
- Current large bond capital new construction projects for Vancouver and Evergreen school districts are nearing completion in the next twelve months.
- Budget constraints continue to impact retrofit projects in certain sectors, such as K-12 and large retail.
- Washington commercial building code has banned gas in new buildings permitted after July 2023. The program does not expect many custom new construction projects in 2024 and a limited number of standard projects.

2024 Significant New Activities

- Increase outreach to local chambers, Vancouver Business Journal, Hispanic/Latino-owned businesses, the Downtown Business Association and others to increase program awareness.
- Host quarterly targeted outreach campaigns to active and new Trade Allies in Southwest Washington to review program updates and educate allies on the project submission process.
- Promote Building Operator Certification program participation to non-strategic energy management (SEM) participants through specific customer contact.
- Deliver targeted marketing campaigns to small business customers in rural areas that promote insulation and HVAC measures.
- Create and leverage a simple step-by-step help guide for participants to navigate the custom project submission process.
- Increase Strategic Energy Management (SEM) program participation through the existing partnership with Clark Public Utilities and Energy Trust Southwest Washington customer sites and increased effort to offer the Building Operator Certificate training.
- Expand lead generation and communications to support NW Natural's Major Account Managers.
- Meet with Clark Public Utilities' Commercial Account Manager(s) quarterly to discuss customer trends, needs and leads for potential project acquisition and partnership.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- Conduct focused research and development to address the impacts of expiring measures, support small businesses, adapt to code changes, develop new ways of identifying savings opportunities with customers, and research the ability to develop packages of measures tailored to specific market segments.

- Apply findings from community engagement and past research efforts to adapt program approaches to better serve small businesses, rural areas, and historically underserved customers, as well as to support workforce development.

How Stakeholder Feedback Was Incorporated

- The Conservation Advisory Council and Diversity Advisory Council provided feedback for Energy Trust to take intentional steps to serve priority customers. This feedback validated the program's work on culturally sensitive outreach and marketing activities and support of workforce development through the contractor development pathway within the energy industry.
- The Existing Buildings program hosted a series of Small Business facilitated gatherings. The goal of these cohorts is to cocreate culturally resonant and, as appropriate, in-language solutions with members of underserved communities.

Budgeted Expenditures and Savings

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$1.6	$1.3	$1.5
Gas Savings (therms)	169,245	133,179	153,413

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

Production Efficiency

The Production Efficiency program provides energy-efficient solutions for all sizes and types of eligible industrial, agricultural, municipal water and wastewater customers. The program consists of three tracks:

- Standard incentives for equipment delivered through trade allies and vendors,
- Custom incentives for projects that require technical studies to estimate energy savings, and
- Energy performance management for Strategic Energy Management (SEM) engagements and other offers that help customers build their internal capacity to save energy.

In 2024, downstream lighting delivery will be integrated into the Production Efficiency program to provide a more comprehensive and streamlined experience for customers.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Industrial businesses consider many factors when deciding to implement energy efficiency upgrades. Project return on investment (ROI) is not always the most influential factor. Production of goods and avoiding system downtime may outweigh the benefits and cost savings associated with an energy efficiency project. Conversely, some industrial businesses are beginning to prioritize decarbonization or “carbon efficiency” in their operations and may opt to implement energy efficiency projects to meet carbon reduction goals.

2024 Significant New Activities

- Significantly increase incentives and project caps for Custom, SEM and Standard calculated projects to motivate customers and incentivize larger projects to accelerate savings.
- Explore and develop new program strategies to accelerate savings. Strategies will be informed by and prioritized based on interviews with large customer that were conducted in 2023 as well as ongoing engagement with vendors, trade allies and other market actors. Initial concepts include, but are not limited to:
  - Enhance customers’ ability to complete projects with additional project support from program staff.
  - Engage with prospective customers in earlier phases of project development.
  - Reward trade allies for increasing their participation in the program.
- Integrate customer-facing downstream lighting offer into the Production Efficiency program management contract.
- Develop a Contractor Development Pathway to provide workforce development opportunities for diverse industrial trade allies.
- Identify and implement changes to program processes that will make it easier for customers to participate in the program (e.g., streamlining incentive application forms and processes).
- Expand coordination with community-based organizations and government agencies to leverage funding and support customer projects, especially in rural areas.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- Implement and refine new program strategies to accelerate savings across all program tracks.
- Continually adapt program approaches to reach small industrial and agricultural businesses in rural areas and businesses that are Black, Indigenous and/or persons of color (BIPOC)/woman-owned, based on community input and lessons learned from prior activities.

How Stakeholder Feedback Was Incorporated

- Input from the Conservation Advisory Council and Diversity Advisory Council validates the program's understanding that the trade ally network and contractors/vendors in general lack capacity and need workforce development and training to deliver on increasing goals for energy efficiency. Additionally, workforce development organizations have noted that there are contractors and individuals who want to enter the clean energy space but need resources and support to be successful. Creating a contractor development pathway is meant to help address these issues.
- Results from 2022 focus groups with small BIPOC-owned, women-owned and rural businesses informed the program's community engagement approach and strategies to reach these customers. For example, the Program Management Contractor is developing culturally responsive engagement and communication strategies to better serve Spanish-speaking customers. By presenting outreach events and materials in Spanish, we will be more successful in building relationships with these customers.

Budgeted Expenditures and Savings

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$41.6	$61.4	$69.3
Gas Savings (therms)	1,279,515	1,619,458	1,548,418
Electric Savings (aMW)	13.7	16.4	16.4

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

Residential Program

The Residential program provides electric and gas energy-efficiency solutions for owners and renters living in single-family, manufactured and newly constructed homes. In 2024, the program will be delivered by a Program Management Contractor (PMC), two Program Delivery Contractors (PDC) supporting midstream promotions and EPS™ new construction offers, and community-based organizations (CBOs). Incentives are available for smart thermostats, energy-efficient HVAC and water heating equipment, lighting, appliances, weatherization upgrades and whole-home improvements in new construction.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- There is growing consumer demand for more efficient heating and cooling systems, driven by local, state, and federal policies and incentives, as well as evolving consumer environmental goals.
- HVAC contractors are responding to market demand by restructuring their business operations through consolidation of services (e.g., combining heating/cooling, electrical and plumbing services), increasing prices due to labor constraints, and adjusting stocking and staffing in response to growth in heat pump demand.
- CBOs are becoming increasingly important partners in delivering energy-efficiency benefits and reducing carbon emissions to customers in their communities.
- The supply chain has mostly normalized, but labor shortages remain a challenge, especially in the electrical, HVAC and plumbing trades.

2024 Significant New Activities

- Drive higher volume of market-rate HVAC, water heating, and insulation improvements through increased incentives.
- Expand trade ally awareness of extended capacity heat pump requirements through outreach and workshops; focus on regions with lower rates of participation and higher use of bulk fuels.
- Train and prepare EPS™ new construction trade allies for implementation of the 2023 Residential energy code requirements to maintain a strong market presence and support the state's efforts to advance the residential energy code.
- Expand access for underserved customers by establishing new program delivery models to learn how to effectively reduce energy burdens and grow long term savings.
    - Develop new products and services and maximize incentive levels to better meet the needs of low- and moderate-income customers, rental properties and other underserved segments.
    - Accelerate promotions that deliver discounted heat pumps to customers with electric furnaces in existing manufactured homes by aligning requirements with additional funding opportunities available through the Oregon Department of Energy's (ODOE) rental heat pump program, as well as the Inflation Reduction Act.
    - Deliver a no-cost, whole-home retrofit program that grows the volume of measures delivered to priority customers – low-and-moderate income customers, rural customers, and communities of color – not currently served through CBOs.
    - Develop delivery infrastructure within two or more underserved communities to support a no-cost whole-home retrofit program that includes resources to perform home assessments, ensures contractor capacity and provides project management and customer navigation support.
    - Extend implementation of a pilot to evaluate the benefits of heat pump systems installed with gas furnaces in existing gas heated homes.
    - Expand special regional offers currently available in Eastern Oregon to Klamath and Lake Counties, as well as other parts of Southern Oregon.
- Grow CBO capacity to deliver Community Partner Funding (CPF) offers.

  - Increase investments in partner organizations by establishing direct funding agreements, providing technical training to increase competency of existing staff and growing the pool of qualified service providers.
  - Create more robust, effective, and streamlined recruiting, onboarding and support resources.
  - Actively facilitate networking across organizations, support referrals across organizations and host coordination opportunities.
- Initiate a technical training resource to support contractor competency and skills development in residential building science and HVAC concepts.
- Invest in contractor development pathways to support minority, women/veteran owned, emerging and small business owners to grow their capacity to delivery energy measures.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- Increased emphasis on whole-home approaches and contractor development.
- Further alignment of Energy Trust's online home energy assessment experience with CBO/program-delivered in-home services
- Stronger connections to related programs and services such as home health and safety, Inflation Reduction Act programs, ODOE programs and more.
- Grow the program delivered in-home services model to further expand services for low-and moderate-income customers. Leverage complimentary funding sources to help support growth.

How Stakeholder Feedback Was Incorporated

- Program staff utilized feedback from CBOs participating in Community Partner Funding (e.g., Community Energy Project, Verde, EUVALCREE, and others) to identify opportunities to enhance CPF offers by streamlining processes, adding new marketing and training resources and increasing incentives.
- Program staff received support from Conservation Advisory Council, Diversity Advisory Council, and utilities to continue to focus program designs on expanding participation of low- and moderate-income customers, rural customers, and communities of color.

Budgeted Expenditures and Savings

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$59.7	$80.7	$85.1
Gas Savings (therms)	2,321,949	1,973,736	2,140,895
Electric Savings (aMW)	4.7	6.3	6.0

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

Southwest Washington Residential Program

Energy Trust helps single-family homeowners and small multifamily property owners served by NW Natural in Southwest Washington save energy through cash incentives for efficient space heating and controls, smart thermostats, water heating, insulation, windows and education. Energy Trust also offers 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. This work ensures NW Natural has all the needed information requested by the Washington Utilities and Transportation Commissions.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- 2024 is the first year of a two-year savings goal.
- The single-family rental and small multifamily markets in Southwest Washington remain strong with steady year-over-year participation, particularly where incentives are higher for property ownership groups.
- EPS™ new construction will be phased out by the end of 2024 due to a new Washington Residential Energy Building code.

2024 Significant New Activities

- Increase engagement with single-family and rural customers in Southwest Washington through expanded trade ally recruitment, targeted marketing initiatives and community events.
- Prepare to reintroduce bonus incentives for gas furnaces or other high-cost measures. Bonus incentives will act as a tool for trade ally reengagement and recruitment. COVID-19-related bonuses in 2020 and 2021 generated high participation rates from a wide roster of trade allies; however, participation has dropped since the reinstatement of standard incentives.
- Expand marketing investments and develop marketing campaigns to both reengage past participants and acquire new customers, as well as to support the launch of incentive bonuses.
- Expand engagement and recruitment of insulation installers into the trade ally network to increase insulation project and savings volumes.
- Explore collaborating with Clark County's Planet Clark and Clark Public Utilities on trade ally education, recruitment and community events.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- The 2025 program year will be the first in which Energy Trust will no longer deliver a whole-home offering for residential new construction in Southwest Washington.

How Stakeholder Feedback Was Incorporated

- NW Natural has expressed concern over the Washington Residential portfolio's exponential year-over-year reliance on HVAC controls savings to meet program goals. Starting in 2024, program staff will focus investments on trade ally recruitment and marketing opportunities focused on insulation and home improvement measures outside of smart thermostats.
- NW Natural is interested in continuing to engage Washington customers located in Skamania and Klickitat. In 2024, program staff will build on customer engagement activities launched in 2023 to better serve this rural customer base.

- The Washington program will look to the Conservation Potential Assessment to guide 2024 program development and direction.
- The Washington Program will continue to coordinate with NEEA and NW Natural in efforts to track on the opportunity related to natural gas heat pumps, and their viability in our program offerings.

Budgeted Expenditures and Savings

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$1.7	$2.1	$2.2
Gas Savings (therms)	112,663	111,060	118,002

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

Northwest Energy Efficiency Alliance

Energy Trust has worked with the Northwest Energy Efficiency Alliance (NEEA) since 2002 to increase the availability and adoption of electric energy-efficient products and practices. In 2015, NEEA added natural gas equipment to its portfolio. By pooling regional resources, NEEA works upstream with manufacturers, distributors and retailers to accelerate the development, testing and distribution of emerging energy-saving technologies and identifies and removes barriers to their adoption. This market transformation approach enables energy savings to occur faster and to a greater degree than would have otherwise been possible. Once products are available, Energy Trust creates and implements programs to support broad market adoption in Oregon.

The NEEA pipeline of emerging energy efficiency technologies contains more than 30 emerging opportunities that NEEA is testing and vetting as potential energy saving opportunties for the region. NEEA also manages a portfolio of electric, natural gas and dual-fuel programs in the residential, commercial and industrial sectors. These programs are focused on the building envelope, consumer products, HVAC, motor-driven products and water heating markets. In addition to its market transformation programs, NEEA conducts assessments of the residential and commercial building stock in Oregon to identify opportunities for energy efficiency and works to influence the adoption of progressively more efficient building codes and equipment standards.

NEEA produces its 2024 forecast of savings after Energy Trust publishes its draft budget, so the savings estimates below are based on projections that were developed by NEEA in the first quarter of 2023. All activities outlined below are pending approval of NEEA's 2024 Operations Plan and 2025-2029 Business Plan in December 2023.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- NEEA is funded in five-year business cycles; 2024 is the last year of the current business cycle.
- NEEA Board of Directors is in the final stages of planning for the organization’s next business cycle, which will run from 2025 through 2029. The 2025-2029 Business Plan will be presented to the Board for a vote in December 2023.
- The budgets provided below are estimates, pending Board approval of the draft 2025-2029 Business Plan.

2024 Significant New Activities

- NEEA’s Advanced Heat Pump Program (AHP), formerly the Variable Speed Heat Pump Program, will enter market development in late 2023 and 2024 will be the first full calendar year of this program in market development. Manufacturers are defining marketing strategies for significant product line updates in 2025, creating an opportunity to simultaneously include NEEA-identified improvements in their go-to-market strategies. The leading improvements NEEA will primarily focus on in 2024 include low load efficiency (LLE), cold climate capability (CCC) and connected commissioning (CCX).
- NEEA is exploring the feasibility of expanding the scope of its Luminaire Level Lighting Controls (LLLC) program to include exterior LLLC in outdoor parking lots (non-municipal applications) and plans to submit a change request to the Regional Portfolio Advisory Committee in 2024. This will enable the program to leverage most current interventions to add momentum to adoption of exterior LLLC products in the next business cycle. If a change request were approved, efforts on exterior LLLC would be small scale and opportunistic in 2024 and then be more fully developed and rolled out in 2025.

2025 Expected Changes and New Initiatives

- NEEA’s draft Cycle 7 Business Plan introduces four strategic goals, which NEEA will begin to pursue in 2025:
    1. Transform markets for energy efficiency.
    2. Accelerate the adoption of grid-enabled end-use technologies through market transformation.
    3. Advance strategies to reduce greenhouse gas emissions through market transformation.
    4. Advance the equitable delivery of energy efficiency benefits to Northwest consumers through market transformation.

- The draft plan includes funding for:
  - Emerging technology scanning and product development to ensure a robust pipeline of future energy efficiency opportunities for the region.
  - The continuation of NEEA's current portfolio of electric market transformation programs and budget for two new initiatives, most likely in the HVAC and water heating markets to support peak load reduction.
  - Expanded engagement in faster-moving, higher-volume markets to accelerate market change leading to near-term energy savings opportunities.
  - Technology and market development activities for dual-fuel (electric and gas) HVAC systems, gas heat pumps and efficient gas equipment.
  - Residential (including multifamily), commercial and motor products stock assessments.
  - Support for more efficient codes and standards.
  - Research to identify customer segments that are not directly benefitting from NEEA market transformation activities and strategies to accelerate the equitable delivery of energy efficiency benefits to more Northwest consumers.

Budgeted Expenditures and Savings

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)	$8.1	$9.7	$10.6
Gas Savings (therms)	1,748	157,800	167,799
Electric Savings (aMW)	6.6	6.0	7.4

Renewable Energy Sector

The Renewable Energy Sector supports a portfolio of renewable energy projects that generate and store electricity using solar, biopower, hydropower, battery storage and other related technologies. The sector provides prescriptive and custom incentives to lower the cost of developing and installing renewable energy systems that reduce energy burdens for customers, support community energy resilience and create a flexible grid resource. The sector also addresses institutional and market barriers to renewable energy, partners with community-based organizations (CBOs) to reach customers that Energy Trust has underserved, provides consumer education and manages and grows a network of vetted solar trade ally contractors. Under House Bill 3141, the sector is mandated to spend at least 25% of funds collected to benefit customers with low- and moderate-incomes.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Energy Trust continues to transition its focus as required by House Bill 3141, including:
    - Investing at least 25% of renewable energy funds to benefit customers experiencing low or moderate incomes.
    - Supporting “customer investments in distribution system-connected technologies that support reliability, resilience, and the integration of renewable energy resources.” The technology must be connected to the distribution grid at the customer’s site and installed for use by the customer. The technology is preliminarily defined by the Oregon Public Utility Commission (OPUC) as:
        - A smart inverter that is part of a solar generation system and is capable of providing grid support, or
        - A battery energy storage system with a smart inverter and/or integrated controls capable of providing grid support.
- Significant new sources of state and federal funding are available for distributed renewable energy projects, including resources available from the Inflation Reduction Act and Oregon’s Community Renewable Energy Program offering. Helping tribes and public, private and non-profit customers access these funding streams is a critical need.
- Rising construction material costs and interest rates have made renewable energy projects less affordable for both residential and business customers. This has been partially offset by new federal and state funding sources.
- Despite project delays and cost increases, residential solar activity remains strong with high customer interest, an increasing prevalence of low-barrier financing mechanisms, and expanded external funding sources noted above.

2024 Significant New Activities

- Phase out standard solar incentives for market-rate residential customers. Expand upstream solar market support through non-incentive spending with increased marketing, customer education, customer leads and trade ally business development.
- Establish a strategic approach to address residential solar financing in the market. Build new partnerships to develop a residential financing product and consumer protection best practices to support of equity- and geographically-focused offers and the broader market.
- Leverage federal and state funds to increase access for customers with low incomes to community solar subscriptions and Solar Within Reach incentives.
- Expand battery storage incentives to support small commercial customers. Develop a community resilience strategy and implement a suite of planning and installation offers for communities, municipalities and tribes pursuing renewable energy with storage projects for energy resilience.
- Use the lessons learned from the Solar Ambassadors pilot completed in 2023 to continue partnering with CBOs to build an educational outreach and energy technology acquisition network for Black, Indigenous, and people of color (BIPOC) households interested in solar and storage installations and other home energy improvements.

- Collaborate with the Oregon Department of Energy (ODOE) to support its funding opportunities for customers by providing information, development assistance and project funding to projects that have received grants from ODOE and need additional help.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- By 2025, significant new funds from the federal government's Inflation Reduction Act may be entering the Oregon market to support solar for income-qualified households, community resilience projects and related energy projects.
- As the renewable energy sector continues its shift toward supporting more resilience and equity projects, measures of success will expand beyond generation achieved.

How Stakeholder Feedback Was Incorporated

- Solar Ambassadors and community-based organizations stated that, while homeowners were interested in solar because of its environmental and financial benefits, the costs and lack of suitable financing options made it unattainable for many. This has led program staff to explore ways to close the gap, such as creating a financing product and increasing incentives for people who need additional assistance to make solar affordable.
- The Renewable Energy Advisory Council identified a community resilience offer as a high priority. Staff will expand funding for that as a result.

Budgeted Expenditures and Savings

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$20.8	$25.3	$31.3
Generation (aMW)	5.4	4.6	3.6

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

Communities and New Initiatives Sector

In 2023, Energy Trust launched a sector focused on communities and new initiatives that cross multiple efficiency and renewable energy programs and involve outreach and customer services. The communities and new initiatives sector leads community-centered and/or geographically targeted, cross-sector strategies and initiatives designed to maximize the benefits of current and emerging distributed energy resources for customers throughout Energy Trust service area. The sector also focuses on assessing community benefits and impacts of energy programs to help measure progress towards the Oregon Public Utility Commission (OPUC) equity metrics and Energy Trust's Diversity, Equity and Inclusion Plan metrics.

The community and new initiatives sector's actions contribute to energy savings and generation in the residential, commercial, industrial and renewable energy sectors by providing overall strategic direction, program planning and building capacity in communities throughout the service area. The sector will not have discrete savings or generation goals in 2024-2025. Targeted Load Management energy savings and generation goals will be embedded with each specific program.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- More communities, community-based organizations and customers want education and services to support clean energy projects, clean energy planning and workforce development opportunities. More work with community-based organizations requires Energy Trust to ensure we have consistent and equitable experiences collaborating and contracting with CBOs and serving their communities.
- Utility partners are actively engaging communities to identify grid needs and potential opportunities for Energy Trust's programs and services (i.e., energy efficiency and small-scale distributed generation and energy storage) to deliver utility grid and community benefits and resilience to areas with specific grid needs.

2024 Significant New Activities

- Convene cross-program and cross-functional work groups to collaboratively develop strategies for cross-functional areas, including communities, workforce development, energy resilience, municipal energy planning, and Portland Clean Energy Community Benefits Fund (PCEF) collaborative program designs. Ensure teams are effectively resourced and organized to execute these strategies.
- Work with CBOs, programs and Energy Trust's Communications and Customer Service (CCS) outreach team to develop additional partnership models, including expanding Solar Ambassadors to include energy efficiency and exploring additional ways of collaborating to build relationships and capacities across the service area (e.g., cohort models).
- Lead measure development across programs in collaboration with Planning and Evaluation. Provide guidance and best practices to explore new measures and offers and delivery partnerships that cross programs and technologies, including CBO delivery partnerships and midstream offers.
- Develop a holistic, customer- and community-centered product development approach for Energy Trust's programs and services that can be incorporated into our existing program design and measure development processes.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- Further develop of cross-organization workgroups to identify and incorporate more community and customer needs into program planning and services.

- Continue to expand work with CBOs across programs and use lessons learned in 2024 to further understand community needs and how these can be translated into more holistic program designs, services and customer experiences. With this insight, expand the customer- and community-centered product development approach that will be explored in 2024.
- Explore additional opportunities to partner with utilities to develop locational clean energy solutions to meet grid and community needs and support climate resilience.

How Stakeholder Feedback Was Incorporated

- Listening sessions and feedback from CBOs, advisory councils and customer outreach indicated a growing need for education around clean energy projects, energy planning and clean energy workforce planning. Stakeholders are keenly interested in how new funding sources can be accessed by customers, in particular customers historically underserved by clean energy programs, and want to ensure customers have a consistent experience and to avoid market confusion. A cross-functional work group focused on expanding our strategies with communities and CBOs will take these insights and propose actions, such as improvements to our offers and services, that will be vetted and, ideally, co-created with interested stakeholders.
- Utility partners and community stakeholders emphasized the importance of increased collaboration, and our budget and action plans reflect this feedback.
- Stakeholders want to know how our increased staffing and financial investments in communities, CBOs and workforce development are leading to impacts and results over time. This sector's work over the next two years is keenly focused on developing ways to track and report (through the DEI Plan Metrics and OPUC Equity Metrics) how investments in CBO capacity building will result in more customer awareness and completed projects.

Budgeted Expenditures

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	N/A	$5.9	$7.5

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

Contracted and Grant-Funded Initiatives

Energy Trust contracts with governments, utilities and other entities to deliver programs and services that align with our mission, advance our strategic plan focus areas and support our core energy savings and generation work. This action plan summarizes planned activities funded through contracts and grants that are beyond Energy Trust's core electric and gas efficiency and renewable energy programs under our grant agreement with the Oregon Public Utility Commission (OPUC).

Contracted Initiatives

Landlord-provided Cooling Spaces Initiative

- This initiative provides funding to landlords to install cooling equipment in multifamily property common areas or common buildings in manufactured home parks anywhere in Oregon. Funding comes from the State of Oregon, and Energy Trust administers the initiative under a contract with Oregon Department of Energy (ODOE).
- Administering this program supports state policy and addresses an urgent customer need for cooling. The program focuses on environmental justice communities and heat-vulnerable citizens, in particular seniors, people living with disabilities and people experiencing income barriers.
- Implementation began in 2022 and is expected to conclude by 2024.

Portland General Electric Smart Battery Pilot

- The Portland General Electric (PGE) Smart Battery pilot program incentivizes customers with qualifying residential battery storage systems in PGE's service area to allow the utility to dispatch their system in support of Peak Time Events. Energy Trust has a contract with PGE to provide support for customer outreach, contractor training, quality management and incentive processing.
- This pilot helps PGE learn about the grid benefits and value of smart battery storage and it also complements core Energy Trust offers for solar + storage and supports participating customers interested in energy resilience allowing them to receive some additional bill savings. Working together and leveraging Energy Trust's existing infrastructure and expertise makes the project less costly for ratepayers.
- Implementation began in 2020 and the Pilot is expected to conclude in June 2025.

Oregon Community Solar Program

- The Oregon Community Solar Program seeks to expand the state's renewable energy portfolio and extend the benefits of solar energy to customers who previously did not have access, including customers with low incomes. Funding for this program comes from the ratepayers of PGE, Pacific Power and Idaho Power. The OPUC is responsible for the program and Energy Trust provides administration services under a subcontract with the primary program administrator, Energy Solutions.
- The program aligns with Energy Trust's goals around increasing access to renewable energy opportunities for customers it has historically underserved. The current program administration contract began in 2019 and concludes in March 2024. An extension of that contract is possible but unknown at this time.

Smart Grid Test Bed Collaboration

- The Smart Grid Test Bed Collaboration (formerly called Smart Grid Advanced Load Management & Optimized Neighborhoods, or SALMON) will retrofit approximately 580 buildings in North Portland with distributed energy resources (DERs) such as smart thermostats, smart water heaters, solar with smart inverters, storage, and managed electric vehicle charging. The project will demonstrate how DERs can support utility planning and operations.
- Collaboration partners include PGE, National Renewable Energy Laboratory, Community Energy Project and the Northwest Energy Efficiency Alliance. The initiative is a study funded by the U.S. Department of Energy through the Connected Communities funding program. Energy Trust has a subcontract with PGE to support planning and implementation of the initiative.

- The project will result in at least 10% savings for the portfolio of participating sites, reduce customer bills and increase comfort. The project will prioritize customers with high energy burdens, and additional funding will improve cost-effectiveness and make improvements more affordable for customers. The project will help PGE manage loads during periods of high demand, as an alternative to building new distribution and generation infrastructure.
- Implementation began in 2022, with a year of program development. Energy Trust provided market data and forecasted energy efficiency, solar + storage and electric equipment upgrades. Prioritized measures will include smart thermostats, heat pump water heaters and attic insulation.
- PGE's Flex Load program participation will be critical to successfully meeting the grant's ambitious energy goals, so additional resource planning for the program will prioritize solar + storage, contractor training and homeowner engagement to support the transition to new technologies.
- The program will promote residential, multi-family and commercial offers in the market from November 2023 through August 2026. In the final program year, September 2026 through August 2027, the team will continue evaluation and share learnings with regional and national partners.

Flexible Feeder Initiative

- Flexible Feeder is an initiative within the PGE Smart Grid Test Bed. Energy Trust has a contract with PGE to develop new energy efficiency measures with a flex load value. This project complements the objectives of the Smart Grid Test Bed Collaboration and will help Energy Trust and regional utilities quantify the value and cumulative benefits of a suite of DERs.
- Understanding more about how best to integrate efficiency with other DERs in the planning, forecasting and design of demand-side management programs will benefit PGE's distribution planning efforts. Ultimately, the Flexible Feeder initiative will help PGE manage loads during periods of high demand, as an alternative to building new distribution and generation infrastructure.
- Implementation of the Flexible Feeder measure development contract began in late 2022 and is expected to conclude in June 2024. Eight new measures are currently being scoped. Based on the results of the pending energy analysis, up to eight measures will be published in 2024.

Solar with Justice

- This project facilitates the dissemination of knowledge among energy and community-based organizations so that solar can be developed equitably and efficiently in communities where people are experiencing income barriers. Funding for this project comes from the U.S. Department of Energy. Energy Trust provides expert advice and facilitation support under a subcontract with the primary grant recipient, Clean Energy States Alliance.
- This project helps Energy Trust and others develop more effective ways of working with community-based organizations to deploy clean energy in communities experiencing income barriers.
- Implementation began in 2021 and is expected to conclude in 2024.

PGE Smart Solar Study

- The Smart Solar Study, previously called the Smart Inverter Demonstration Project, is part of PGE's Smart Grid Test Bed and will engage up to 300 solar customers located on three feeders to help PGE study how solar smart inverters can provide additional grid benefits that support utility distribution planning and operations. Energy Trust has a contract with PGE to support implementation, trade ally engagement and customer enrollment.
- This project complements core Energy Trust offers for solar and helps PGE learn how inverter-based renewables can deliver distribution operations value and address hosting capacity issues. Leveraging Energy Trust's existing infrastructure and expertise makes the project replicable and less costly for ratepayers.
- Project implementation began in 2023 and the Smart Solar Study will wrap up in 2025.

Budgeted Revenue (all contracts)

	2023 Budget	2024 Budget	2025 Projection
Total Revenue ($ Million)	$2.6	$2.4	$1.8

Planning and Evaluation

The planning and evaluation group includes the planning team and the evaluation and engineering team.

The planning team develops long-range energy savings and cost forecasts and manages savings and cost-effectiveness analysis tools and reporting. It works with utilities on resource planning for the utility systems as a whole and for local projects.

The evaluation and engineering team assesses the effectiveness of efficiency and renewable energy program delivery and updates estimates of savings and generation by studying energy use. It performs evaluations and market research, serves as the owner of third-party spatial and utility customer information, helps other teams effectively use data and participates in regional and national research projects. Additionally, the team reviews and supports development of new and updated efficiency measures and helps Energy Trust incorporate new efficiency technologies into programs.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Carbon is now a key driver of state policy and utility regulation and of Energy Trust program actions.
- We cannot yet predict the degree to which funding from complimentary sources will interact with Energy Trust programs, reducing ratepayer costs and accelerating market penetration, or operate in parallel to Energy Trust.
- Official estimates of electric avoided costs are outdated, and hopefully will be updated in 2024.
- Programs are rapidly changing to accelerate energy savings and address groups of customers that Energy Trust has underserved. In this context, more frequent evaluation is needed.

2024 Significant New Activities

- Help the business lighting team assess and respond to the impacts of and adjust to the new state lighting efficiency standard (HB 2531).
- Conduct qualitative research to identify opportunities for new measures or program strategies for small businesses and residential customers, with a focus on groups of customers that have been underserved by Energy Trust.
- Evaluate residential no-cost offers (ductless and ducted heat pumps, heat pump water heaters) to help refine program approaches.
- Begin evaluation of a hybrid HVAC (gas furnace and electric heat pump) pilot.
- Scope a study to characterize diverse small businesses in Oregon.
- Use the tool built by staff in 2022-2023 to analyze energy usage data from utilities to evaluate several residential efficiency measures.
- As data become available from utilities, collaborate with the Oregon Public Utility Commission and utilities to revise avoided costs, refine estimates of capacity value, and refine the value of carbon in avoided costs. Incorporate updated estimates into measure development and results reporting.
- Support strategic plan development through quantitative analyses, development of new metrics and scales around revised goals, and strategy development.
- Refine and expedite local energy efficiency forecasting to identify opportunities for enhanced program implementation to defer utility distribution system investments in an expanded number of sites.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- Many of the new initiatives for acceleration and equity will reach a stage of maturity such that evaluations will be useful in assessing how to refine to meet goals.

Budgeted Expenditures

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$6.3	$6.9	$7.7

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

Program Marketing

The program marketing team develops and delivers marketing that drives participation in efficiency and renewable energy programs, helps achieve savings and generation goals, and supports Energy Trust's overall organizational goals. The team sets the overarching, portfolio-level marketing strategies for each sector to ensure they align with business objectives. It also manages the marketing activities of Program Management Contractors (PMC) and Program Delivery Contractors (PDC) and scopes, directs, and manages the work of public relations, creative agencies and other vendors to support program customer awareness and engagement across diverse audiences.

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Increasingly aggressive savings goals will require new, innovative, fully integrated and customized marketing campaigns to retain, deepen engagement with, and expand participation among past participants, as well as to raise awareness and encourage participation among new customers.
- Evolving ethnographic, social, behavioral, environmental, economic and marketing trends necessitate further investment in inclusive and multicultural marketing to ensure marketing campaigns are culturally respectful and resonate with an increasingly diverse customer base.
- There will be an increasing need to provide consumers and businesses with information, education and resources that help them navigate new programs and services from Energy Trust, utility partners, and other entities and ensure they can make informed investments in energy efficiency that meet their needs and priorities.

2024 Significant New Activities

- Direct, develop and manage new marketing campaigns to support direct installation and midstream offers in the residential and commercial sectors.
- Provide marketing support for targeted load management initiatives and other community-centered programs and services led by Energy Trust's Communities and New Initiatives sector, including hiring and onboarding of a new program marketing team staff member who will focus specifically on these efforts.
- Expand and evolve current program marketing, public relations and community engagement campaigns for Latino/Hispanic, Black/African American, tribal and rural communities, including aligning program marketing and brand approaches for raising awareness and engagement and better serving these audiences.
- Expand Do-It-Yourself (DIY), educational and informational content and campaigns for consumers and businesses.
- Develop new and expand current marketing and communications efforts that support trade ally engagement, workforce development, and continuing education programs and services.
- Conduct data-driven campaigns to better target past participants, encourage further participation among high-adopters and early majority segments, and support more aggressive savings goals.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- There will be more expansive integrated marketing, public relations and community engagement campaigns for Black/African American, tribal and rural communities to promote equity.
- Marketing and communications will support anticipated sunset of lighting direct install programs in response to HB 2531.
- New and/or more expansive marketing and communications will empower consumer and business customers with information and education that helps them navigate new programs and services from Energy Trust or other organizations.

How Stakeholder Feedback Was Incorporated

- The team considered and incorporated feedback from ongoing, recurring check-ins with utility marketing partners and program staff focused on cooperative marketing strategies, emerging policies, increasing utility savings objectives, general utility brand and business growth strategies, and plans for targeted load management programming.
- Program marketing gathered and incorporated feedback from internal outreach teams and community-based organization relationship managers to assess the increasing need for and interest in marketing and public relations support for community-based organization partners, rural areas, communities of color and customers with low to moderate incomes.

Budgeted Expenditures

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$3.7	$4.1	$4.6

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Operations Support

The operations support group provides leadership and support for business systems, operations, and analysis and reporting. The group manages projects and processes across all groups and programs to promote standardization, replicability, alignment of priorities and best practices. Staff ensures 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 project processing activities across all efficiency programs in collaboration with Finance and provides mentorship and oversight to external implementers, including Program Management Contractors (PMCs).

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Possible PMC transitions in the commercial sector will be coupled with changes to the implementation and contracting model within lighting programs.
- The team will expand and adapt to support changes to programs and structures.
- Large initiatives and shifts in the underlying business structure may uncover systems, data and process enhancements not visible to us at the time of budgeting.

2024 Significant New Activities

- Lead enhancements to core systems necessary to process program activity associated with new streams of funding, such as transport gas, from existing utility partners serving new customer segments.
- Lead the effort to create a data system for programs and support group staff to track targets and metrics related to program activity and achievement beneath the level we budget, such as Oregon Public Utility Commission equity metrics and internal diversity, equity and inclusion targets.
- Standardize and streamline the request for proposals and PMC contracting processes with a focus on developing best practices.
- Evolve and expand the development and use of self-service reporting tools that enable staff and stakeholders to analyze and use information in program design, day-to-day decision making and project and payment processing.
- Lead the enhancement of systems, processes and reporting tools to support changes to program structure, implementation contractors, program design and delivery channels.
- Support ongoing system enhancements to project and customer tracking systems to accommodate cross-sector and community-based program activities and emerging diversity, equity and inclusion strategies.
- Support the development of requirements to the enterprise financial system to ensure upstream impacts to customer relationship management system (CRM) and Project Tracker (PT) are considered in vendor selection and implementation planning.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- A large system enhancement to project and customer tracking systems may be needed to accommodate upstream changes from the replacement of the financial and contracting systems.
- Possible changes to organizational reporting metrics, driven by policy changes, may require updates to current tools for budgeting, forecasting and organizational reporting.

Budgeted Expenditures

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$1.4	$1.8	$2.0

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Information Technology

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

2024 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- The IT group will continue to prioritize support for a hybrid remote Energy Trust workforce.
- Program offers and delivery approaches are becoming more complex and changing significantly in response to acceleration requirements. Energy Trust is working with a broader set of stakeholders. Operating programs efficiently in this environment requires information systems enhancements to build the needed infrastructure to support programs.
- Opportunities presented by potential new funding sources require flexibility in information systems.

2024 Significant New Activities

- Support the implementation of a new Enterprise Financial System through the design, development and testing of integrations to customer relationship management system (CRM) and Project Tracker.
- Create systems enhancements to incorporate data and processing of program offers for transport gas customers of NW Natural and Avista.
- Enhance Project Tracker to accommodate the growing number of funding sources. Add the ability to combine new funding sources more easily on a participant's energy project.
- Plan for a potential office move, using this opportunity to make the most efficient use of space for IT needs and to investigate colocation of servers for better redundancy of power and internet connectivity.
- Develop an organizational data strategy and begin implementation activities.

2024 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

2025 Expected Changes and New Initiatives

- Energy Trust will launch a new Enterprise Financial System.
- Staff will conduct potentially significant rearchitecting of Project Tracker to accommodate program changes.

How Stakeholder Feedback Was Incorporated

- Implementing systems changes for processing projects with gas transport customers contributes to the acceleration of efficiency acquisition requested by the gas companies.

Budgeted Expenditures

	2023 Budget	2024 Budget	2025 Projection
Total Expenditures (millions)*	$4.5	$5.4	$6.3

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

Introduction

Energy Trust's 2024-2025 Utility-Specific Action Plans provide an at-a-glance summary of strategies and activities developed that are unique to customers of each of our five utility partners. These action plans include contents developed by Energy Trust, contents developed by each utility partner and contents that have been jointly developed.

The template for these action plans was developed and approved by all participants in the HB 3141 agreement work sessions held in the Spring of 2022. The template includes:

Engagement approach for community, customer and stakeholder outreach: This section has been discussed in utility coordination meetings and includes activities that are utility-led, Energy Trust led and those that will be jointly led.

Community and stakeholder representative feedback: Community and stakeholder representative feedback was solicited during interactions that were utility-led, Energy Trust led and jointly led.

Utility-specific key activities for the budget year: These activities have been jointly agreed upon by Energy Trust and our utility partners and include outreach, community engagement, marketing program-level activities and targeted initiatives.

Utility-specific budget tables for the upcoming budget year and the following year: Budget tables include utility-specific financials and energy savings and/or generation including goals, Integrated Resource Planning targets, levelized cost and carbon dioxide emissions avoided. For utilities investing a portion of the efficiency tariff to support customer participation in Energy Trust programs, the utility has provided the annual budget for those activities.

Context

In accordance with House Bill (HB) 3141 (2021) Section 9, Energy Trust is directed "With public utilities, [to] jointly develop public utility-specific budgets, action plans and agreements that detail the entity's public utility-specific planned activities, resources, and technologies pursuant to ORS 757.054 and 757.612 (3)(b)(B), including coordinated activities that require joint investment and deployment. Each action plan must reflect stakeholder feedback gathered through a public process managed by the entity and the relevant public utility as overseen by the commission." [1]

This process is formalized in the four steps below and is now referred to as the HB 3141 Budget Coordination Memo.

The HB 3141 Budget and Action Plan Process follows four main steps:

- **Step 1:** Market Assessment
- **Step 2:** Action Planning
- **Step 3:** Budget + Utility-Specific Action Planning
- **Step 4:** Final Plans + Tariff Filing

Within this construct is the expressed intent to put forth both an Energy Trust 'comprehensive' action plan and 'utility-specific' action plan, inclusive of identified joint investment opportunities and coordinated activities (not solely a function of IRP goals) which will "largely benefit only the customers of that funder utility." [2]

The five utility-specific action plans will be appended to the Energy Trust Action Plan and published as part of the Draft and Final Proposed Annual Budgets and two-year Action Plan packages in October and December.

The following utility specific action plans were jointly drafted and agreed-upon by the utilities and Energy Trust, and include outreach, community engagement, marketing, program level activities, and targeted initiatives involving joint investment or deployment. Activities highlighted and summarized in the utility-specific action plan will largely benefit only the customers of that funder utility. Activities that benefit customers from multiple utilities will continue to be documented in the Energy Trust program action plans.

[1] Retrieved from: https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB3141/Enrolled
[2] Retrieved from: Budget Process Coordination and Action Plan Memorandum (the "HB 3141 Budget Coordination Memo")(August 3, 2022)

Action plan: 2024-2025
Portland General Electric
December 8, 2023

The following information details key activities planned for Portland General Electric (PGE) customers, including joint activities with Energy Trust and PGE. The information is not comprehensive of all activities serving PGE customers. Activities directed to customers of all electric funding utilities can be found in Energy Trust action plans found in the Action Plan section of the budget packet. Budget tables are inclusive of all revenues, expenditures, and energy goals for PGE customers.

Contents

Informing the 2024 Portland General Electric Action Plan

Engagement approach

In alignment with HB 3141, Energy Trust and its utility partners collaborated to co-produce the 2024-2025 Utility-Specific Action Plans. Energy Trust and PGE engaged in six utility coordination meetings over the course of the budget and action plan development cycle to discuss activities planned that directly benefit PGE customers, including work occurring in subgroup meetings. In April, Energy Trust conducted market intelligence gathering sessions with all five partner utilities and Energy Trust's three public advisory councils. In June, July and August, Energy Trust and PGE staff met to discuss PGE priorities for 2024-2025 and surface any topics that were not previously covered in market intelligence gathering or subgroup work.

Energy Trust and PGE will continue to engage in partnership on new areas of work that are supported by the Oregon Public Utility Commission. Work areas include exploring opportunities to further increase savings to meet the state's clean energy goals, continued collaboration and coordination on distributed energy resources (DERs), including demand response, flexible load, and small-scale distributed generation and energy storage. Energy Trust and PGE will also collaborate on co-developing marketing strategies to better reach and serve income-qualified customers.

Community feedback

Energy Trust sought community input from customers, utilities, communities, community-based organizations and Energy Trust's three advisory councils. Community feedback was also invited during the budget public comment period from October 4 to 18, 2023. Supplementary community insights were gleaned from Energy Trust program and outreach staff and market research. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo. PGE engaged stakeholders in its Community Learning Lab venues as well.

Stakeholder feedback

Throughout 2023, Energy Trust staff consulted with key stakeholders including its three advisory councils, board, Oregon Public Utility Commission and utility partners for information and input to inform its annual business planning, budgeting and action planning process. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo.

Portland General Electric-specific 2024 Key Activities

The activities provided below are funded via the annual budget provided by PGE ratepayers and separately but in parallel, additional subcontracted work. Both are included to provide visibility into the depth of the partnership, and PGE and Energy Trust will work to establish workgroups with shared accountability that meet routinely to advance these activities and their associated outcomes. For all subcontracted work, inclusive of the Smart Grid Test Bed (SGTB) Collaboration, Flexible Feeder and Smart Solar Study, PGE and Energy Trust set clear resource and reporting pathways including single points of contact which foster exceedance of the minimum reporting, performance and coordination requirements set in contracts as needed to achieve shared objectives.

Outreach and community engagement

- Partner with PGE staff in outreach and community relations to share information about activities and coordinate plans.
- Encourage the sharing of our respective diversity, equity and inclusion (DEI) efforts to learn from one another and increase the potential for success.
- Work with Energy Trust's Communications and Customer Service outreach team to coordinate with utilities on emerging community engagement activities, including the utility's Community Benefits and Impact Advisory Groups (CBIAG), learning labs related to Distribution Systems Planning, and other ongoing community events where education and awareness of Energy Trust's programs and services can support PGE and community goals.
- As PGE hosts forums to engage community members or design community efforts, such as the CBIAG or Tribal Work Groups, bring forward content and information that would be of value for participants.
- Track on community-led energy sustainability or climate plan development to share information on activities and energy projects that may emerge from planning efforts.
- Continue to collaborate with PGE 838 outreach team on the small business no-cost lighting offer.

Marketing

- Collaborate with PGE marketing and brand colleagues to:
    - Better align team members and understand respective organizational structures;
    - Streamline communications;
    - Establish a common understanding of processes, business objectives and plans across marketing teams assigned to different efforts (e.g., Business programs, Smart Grid Test Bed Collaboration, Residential programs, PGE Marketplace, etc.);
    - Ensure marketing teams on both sides have a complete and common understanding of PGE and Energy Trust program designs and processes;
    - Co-develop cooperative marketing campaigns from initial scoping through execution to better reach and serve high-priority audiences, such as income-qualified customers;
    - Share campaign performance metrics, consumer and business insights from research projects, or other market intelligence that may inform marketing efforts.
- Coordinate and collaborate with PGEs smart commercial thermostat outreach efforts and Energy Partner on Demand program

Program activities

- Collaborate to develop an outcomes-based co-deployment framework in partnership with PGE:
    - Establish a shared definition, explore the viability and feasibility of co-deployment and develop a framework that includes Flex Feeder measure work (EE+DR) for inclusion in UM 2141
    - With respect to low-income program design and delivery, pursue the design of a holistic approach that includes utility bill discounts and no-cost measures that help reduce energy burden to increase participation within the context of UM 2211[1] and funding through HB 2475.
- Perform demographic and tracking analyses to support geographically targeted efficiency and renewable activities in alignment and within the context of UM 2211 and UM 2141 co-deployment. PGE's planned low income needs assessment (LINA) in 2024 may serve to inform such an approach.
- Produce energy efficiency potential forecasts for Integrated Resource Plans.
- Collaborate to combine Inflation Reduction Act (IRA) funds maximizing program incentives when and how those funds are available to customers to optimize complementary programs, respectively, across PGE and Energy Trust to better meet needs of low-income customers.
- Jointly identify opportunities for PGE to complement and further the goals of the Oregon Department of Energy (ODOE) led Solar for All (SFA) application (2024 – 2029) with Energy Trust and the Bonneville Environmental Foundation (BEF).
- Collaborate with PGE on resilience projects which may include municipal water and water resource recovery facility projects.
- Collaborate in supporting data sharing and PowerClerk integration and development of shared outcomes and objectives for collaboration on data and analysis, in support and alignment with UM 2111, in these areas for 2024 and 2025.

Targeted initiatives involving joint investment and deployment (e.g., TLM, DR/EE)

- Continue to collaborate with PGE on opportunities for Targeted Load Management (TLM) projects (non-wires solutions) to support utility's grid needs as identified by its distribution systems planning analyses to meet the state's clean energy goals by 2030 and 2040.
- Continue to collaborate and coordinate with PGE on distributed energy resources (DERs), including demand response, flexible load, and small-scale distributed generation and energy storage.
- Collaborate on two Solarize campaigns, incorporating lessons learned from Smart Grid Test Bed, and previous Solarize campaigns, to realize geographically targeted distributed energy resource adoption and load-shaping activities.
- Smart Grid Test Bed (SGTB) Collaboration (2022 – 2027)
    - Support implementation of flexible load management and Smart Grid Test Bed Collaboration (formerly called Smart Grid Advanced Load Management & Optimized Neighborhoods, or SALMON) projects in coordination with PGE.
    - Collaborate on continuous improvement of SGTB offers.
- Flexible Feeder Initiative (2022 – 2027)
    - Energy Trust has a contract with PGE to develop new energy efficiency measures that can complement flex load offers.
    - Jointly identify and build upon lessons learned from 2023 projects per the established U.S. Department of Energy requirements to meet all specified deliverables on time and on budget.
- PGE Smart Solar Study (previously Smart Inverter Demonstration Project) (2023 – 2025)

[1] UM 2211 in the OPUC Docket that will be used to implement a portion of Oregon HB 2475 which creates programs to reduce energy burden for households. UM 2211 key design elements treat holistically the level of relief, tracking and accounting, bundling, outreach, engagement, and marketing of EE and income-qualified bill discount (IQBD). This docket is the appropriate venue for defining a holistic approach to alleviating energy burden in PGE's service territory

    - Energy Trust has a contract with PGE to support implementation, customer engagement and customer incentive payments.
    - Jointly identify and build upon lessons learned from 2023 projects per the established U.S. Department of Energy requirements to meet all specified deliverables on time and on budget.
- PGE Smart Battery Pilot (2020 – 2025)
    - Per the Master Purchase Agreement and associated Statement of Work meet all specified deliverables on time and on budget.
    - Energy Trust has a contract with PGE to provide support for customer outreach, contractor training, quality management and incentive processing.

Other

- Collaborate with PGE to incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach that Energy Trust is exploring to successfully plan, manage and achieve ambitious 2030 clean energy goals.

Expected changes for 2025

Energy Trust and PGE will work together to identify and pursue strategies for mitigating the rate impact of the EE and RE investment and optimizing benefits for customers. Below are several strategies that PGE requests be employed in preparation for the 2025/2026 budget.

- Co-deploy programs via existing dockets as the appropriate venue for development and delivery of DERs, for the benefit of shared customers.
- Explore additional opportunities to partner with utilities to develop locational clean energy solutions to meet grid and community needs and support climate resilience.
- Incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach to support cost effective achievement of ambitious 2030 utility clean energy goals.
- Socialize research and development to address the needs of expiring measures, support small businesses, adapt to code changes, develop new ways of identifying savings opportunities with customers, and research the ability to develop packages of measures tailored to specific market segments including in service of co-deployment or ODOE-funded projects.
- Continually adapt program approaches to reach small businesses, rural areas, businesses owned by priority community populations, and workforce development based on community engagement and lessons learned from prior program activities (i.e., small business focus groups).
- Coordinate with utilities as new sources of funding become available to maximize support to customers experiencing low- and moderate-incomes and ensure that utility savings and decarbonization goals are achieved.

Portland General Electric-specific 2024 Budget

2024 Portfolio Level

Financial Overview	OPUC Efficiency	OPUC Renewables	Total for Portland General Electric
Beginning Net Assets	$ 26,919,980	$ 10,841,667	$ 37,761,647
Revenue	$ 105,775,482	$ 12,000,000	$ 117,775,482
Expenditures	$ 130,447,648	$ 15,117,161	$ 145,564,809
Net Income	$ (24,672,166)	$ (3,117,161)	$ (27,789,327)
Interest Income Distribution	$ 323,220	$ 205,739	$ 528,959
Transfers between FS	$ -	$ -	$ -
Ending Net Assets	**$ 2,571,034**	**$ 7,930,246**	**$ 10,501,279**
Renewables Funds Dedicated		*$ 253,540*	
Renewables Funds Yet To Be Dedicated		*$ 7,676,706*	

Electric Savings and Generation Overview	OPUC Efficiency	OPUC Renewables	Total for Portland General Electric
Electric Savings (kWh) Annual Goal	250,777,124	-	250,777,124
Levelized Cost per kWh saved	$ 0.050	-	$ 0.050
Renewables Generation (kWh) Annual Goal	-	22,136,475	22,136,475
Levelized Cost per kWh generated	-	$ 0.053	$ 0.053
Electric Savings (kWh) - IRP Target	28.00	-	28.00

2024 Combined Efficiency and Renewable Carbon Targets	Combined Savings and Generation Goal (kWh)	First Year Carbon (Metric Tons CO2e)	Lifetime Carbon (Metric Tons CO2e)
Portland General Electric	272,913,599	113,281	1,002,800

2024 Utility Capacity Targets	Summer MW based on 2022 Measure Mix	Winter MW Based on 2022 Measure Mix
Portland General Electric	38.33	43.50

2024 Portland General Electric-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust

Utility-invested Tariff Funds	OPUC Efficiency
Portland General Electric	$1,200,000

Portland General Electric-specific 2024 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Incentives	$ 68,701,340	$ 5,368,708	$ 24,996,402	$ -	$ 19,356,834	$ -	$ 18,979,396	$ -	$ 8,906,954	$ 7,245,250	$ 1,661,704
Program Delivery Contractors	$ 41,325,678	$ 5,056,221	$ 17,242,460	$ 2,167,920	$ 7,164,950	$ 44,137	$ 7,630,211	$ 2,019,779	$ 1,085,135	$ 902,135	$ 183,000
Employee Salaries & Fringe Benefits	$ 10,120,157	$ 1,306,387	$ 3,286,144	$ 110,572	$ 2,564,501	$ 1,625	$ 2,745,470	$ 105,458	$ 2,603,927	$ 2,494,606	$ 109,321
Agency Contractor Services	$ 690,692	$ 64,203	$ 255,865	$ 9,983	$ 173,869	$ 195	$ 177,243	$ 9,335	$ 327,316	$ 318,194	$ 9,122
Planning and Evaluation Services	$ 1,955,938	$ 284,250	$ 674,107	$ 3,147	$ 519,773	$ 3	$ 471,489	$ 3,170	$ 44,571	$ 20,783	$ 23,788
Advertising and Marketing Services	$ 1,968,003	$ 211,158	$ 648,873	$ 14,079	$ 384,517	$ 282	$ 695,958	$ 13,136	$ 341,247	$ 291,518	$ 49,729
Other Professional Services	$ 3,811,626	$ 572,702	$ 1,310,250	$ 14,094	$ 837,467	$ 268	$ 1,063,642	$ 13,204	$ 1,241,473	$ 1,178,492	$ 62,982
Travel, Meetings, Trainings & Conferences	$ 408,515	$ 49,059	$ 156,556	$ 3,715	$ 83,600	$ 67	$ 112,022	$ 3,496	$ 82,247	$ 78,763	$ 3,484
Dues, Licenses and Fees	$ 163,825	$ 15,488	$ 52,764	$ 1,338	$ 25,843	$ 16	$ 67,084	$ 1,292	$ 42,031	$ 40,645	$ 1,386
Software and Hardware	$ 531,292	$ 43,566	$ 205,650	$ 3,851	$ 180,489	$ 58	$ 94,010	$ 3,669	$ 256,814	$ 253,022	$ 3,792
Depreciation & Amortization	$ 180,411	$ 17,706	$ 63,596	$ 1,594	$ 52,907	$ 24	$ 43,065	$ 1,517	$ 37,141	$ 35,576	$ 1,565
Office Rent and Equipment	$ 507,327	$ 64,284	$ 167,539	$ 5,599	$ 126,054	$ 83	$ 138,431	$ 5,338	$ 136,829	$ 131,303	$ 5,527
Materials Postage and Telephone	$ 78,015	$ 5,126	$ 48,723	$ 511	$ 11,903	$ 8	$ 11,259	$ 484	$ 10,715	$ 10,221	$ 494
Miscellaneous Expenses	$ 4,830	$ 518	$ 1,758	$ 78	$ 1,175	$ 1	$ 1,227	$ 73	$ 760	$ 689	$ 71
Expenditures	**$ 130,447,648**	**$ 13,059,376**	**$ 49,110,688**	**$ 2,336,479**	**$ 31,483,884**	**$ 46,766**	**$ 32,230,505**	**$ 2,179,951**	**$ 15,117,161**	**$ 13,001,196**	**$ 2,115,964**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Program Costs	$ 123,114,203	$ 12,325,210	$ 46,349,806	$ 2,205,128	$ 29,713,938	$ 44,137	$ 30,418,586	$ 2,057,399	$ 14,267,311	$ 12,270,301	$ 1,997,010
Administrative Costs	$ 7,333,445	$ 734,166	$ 2,760,882	$ 131,351	$ 1,769,946	$ 2,629	$ 1,811,919	$ 122,551	$ 849,849	$ 730,895	$ 118,954
Management + General	$ 4,428,318	$ 443,328	$ 1,667,165	$ 79,317	$ 1,068,786	$ 1,588	$ 1,094,132	$ 74,003	$ 513,184	$ 441,353	$ 71,831
Communications + Outreach	$ 2,905,127	$ 290,838	$ 1,093,717	$ 52,034	$ 701,160	$ 1,042	$ 717,788	$ 48,548	$ 336,666	$ 289,542	$ 47,123
Expenditures	**$ 130,447,648**	**$ 13,059,376**	**$ 49,110,688**	**$ 2,336,479**	**$ 31,483,884**	**$ 46,766**	**$ 32,230,505**	**$ 2,179,951**	**$ 15,117,161**	**$ 13,001,196**	**$ 2,115,964**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Electric Savings (kWh) Annual Goal	250,777,124	34,981,628	68,699,321	10,812,653	85,215,519	3,625,621	31,248,236	16,194,146	-	-	-
Levelized Cost per kWh saved	$ 0.050	$ 0.032	$ 0.078	$ 0.017	$ 0.040	$ 0.001	$ 0.097	$ 0.010	-	-	-
Renewables Generation (kWh) Annual Goal	-	-	-	-	-	-	-	-	22,136,475	21,552,475	584,000
Levelized Cost per kWh generated	-	-	-	-	-	-	-	-	$ 0.053	$ 0.047	$ 0.281
Electric Savings (kWh) - IRP Target	27,999,960	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	-	-	-

Portland General Electric-specific 2025 Budget

2025 Portfolio Level

Financial Overview	OPUC Efficiency	OPUC Renewables	Total for Portland General Electric
Beginning Net Assets	$ 2,571,034	$ 7,930,246	$ 10,501,279
Revenue	$ 139,306,060	$ 12,000,000	$ 151,306,060
Expenditures	$ 139,324,916	$ 18,206,719	$ 157,531,635
Net Income	$ (18,856)	$ (6,206,719)	$ (6,225,575)
Interest Income Distribution	$ 97,509	$ 183,739	$ 281,249
Transfers between FS	$ -	$ -	$ -
Ending Net Assets	**$ 2,649,687**	**$ 1,907,266**	**$ 4,556,953**
Renewables Funds Dedicated		*$ 15,000*	
Renewables Funds Yet To Be Dedicated		*$ 1,892,266*	

Electric Savings and Generation Overview	OPUC Efficiency	OPUC Renewables	Total for Portland General Electric
Electric Savings (kWh) Annual Goal	254,088,116	-	254,088,116
Levelized Cost per kWh saved	$ 0.052	-	$ 0.052
Renewables Generation (kWh) Annual Goal	-	17,529,225	17,529,225
Levelized Cost per kWh generated	-	$ 0.081	$ 0.081
Electric Savings (kWh) - IRP Target	27.15	-	27.15

2025 Combined Efficiency and Renewable Carbon Targets	Combined Savings and Generation Goal (kWh)	First Year Carbon (Metric Tons CO2e)	Lifetime Carbon (Metric Tons CO2e)
Portland General Electric	271,617,341	112,742	992,455

2025 Utility Capacity Targets	Summer MW based on 2022 Measure Mix	Winter MW Based on 2022 Measure Mix
Portland General Electric	38.84	44.08

2025 Portland General Electric-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust

Utility-invested Tariff Funds	OPUC Efficiency
Portland General Electric	TBD

Portland General Electric-specific 2025 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Incentives	$ 70,660,787	$ 7,281,860	$ 23,259,747	$ -	$ 21,531,242	$ -	$ 18,587,938	$ -	$ 11,301,290	$ 8,997,750	$ 2,303,540
Program Delivery Contractors	$ 45,853,929	$ 6,317,518	$ 18,035,363	$ 2,412,605	$ 8,480,468	$ 58,601	$ 8,545,494	$ 2,003,880	$ 1,011,657	$ 903,657	$ 108,000
Employee Salaries & Fringe Benefits	$ 12,007,960	$ 1,740,500	$ 3,749,141	$ 138,205	$ 3,109,567	$ 2,469	$ 3,152,045	$ 116,033	$ 3,147,346	$ 3,005,397	$ 141,949
Agency Contractor Services	$ 547,768	$ 62,674	$ 191,211	$ 7,598	$ 148,291	$ 167	$ 131,492	$ 6,335	$ 148,932	$ 141,082	$ 7,851
Planning and Evaluation Services	$ 2,170,824	$ 460,421	$ 562,957	$ 11,526	$ 465,435	$ 13	$ 660,526	$ 9,947	$ 138,769	$ 117,449	$ 21,319
Advertising and Marketing Services	$ 2,073,977	$ 245,021	$ 643,516	$ 16,284	$ 449,707	$ 387	$ 705,525	$ 13,537	$ 378,947	$ 332,160	$ 46,787
Other Professional Services	$ 4,059,690	$ 616,001	$ 1,284,419	$ 12,350	$ 933,112	$ 288	$ 1,203,244	$ 10,275	$ 1,407,939	$ 1,345,154	$ 62,785
Travel, Meetings, Trainings & Conferences	$ 428,099	$ 57,692	$ 156,411	$ 3,902	$ 91,381	$ 83	$ 115,373	$ 3,257	$ 91,549	$ 87,521	$ 4,028
Dues, Licenses and Fees	$ 171,072	$ 18,335	$ 53,560	$ 1,421	$ 28,483	$ 20	$ 68,053	$ 1,201	$ 44,896	$ 43,445	$ 1,451
Software and Hardware	$ 579,539	$ 59,811	$ 211,649	$ 4,928	$ 189,094	$ 89	$ 109,832	$ 4,136	$ 346,420	$ 341,357	$ 5,063
Depreciation & Amortization	$ 190,738	$ 21,980	$ 65,568	$ 1,843	$ 57,391	$ 34	$ 42,376	$ 1,546	$ 39,670	$ 37,776	$ 1,894
Office Rent and Equipment	$ 524,624	$ 75,257	$ 166,067	$ 6,104	$ 133,950	$ 109	$ 138,011	$ 5,125	$ 137,956	$ 131,685	$ 6,270
Materials Postage and Telephone	$ 50,992	$ 5,960	$ 17,470	$ 545	$ 15,505	$ 11	$ 11,046	$ 456	$ 10,531	$ 9,970	$ 561
Miscellaneous Expenses	$ 4,916	$ 627	$ 1,667	$ 83	$ 1,257	$ 2	$ 1,211	$ 69	$ 816	$ 730	$ 86
Expenditures	**$ 139,324,916**	**$ 16,963,658**	**$ 48,398,746**	**$ 2,617,393**	**$ 35,634,884**	**$ 62,273**	**$ 33,472,165**	**$ 2,175,797**	**$ 18,206,719**	**$ 15,495,134**	**$ 2,711,585**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Program Costs	$ 131,109,670	$ 15,963,401	$ 45,544,930	$ 2,463,059	$ 33,533,685	$ 58,601	$ 31,498,490	$ 2,047,502	$ 17,133,166	$ 14,581,469	$ 2,551,697
Administrative Costs	$ 8,215,247	$ 1,000,256	$ 2,853,816	$ 154,334	$ 2,101,199	$ 3,672	$ 1,973,675	$ 128,295	$ 1,073,553	$ 913,665	$ 159,888
Management + General	$ 4,819,327	$ 586,782	$ 1,674,140	$ 90,537	$ 1,232,631	$ 2,154	$ 1,157,821	$ 75,262	$ 629,781	$ 535,985	$ 93,795
Communications + Outreach	$ 3,395,919	$ 413,474	$ 1,179,676	$ 63,797	$ 868,568	$ 1,518	$ 815,854	$ 53,033	$ 443,772	$ 377,680	$ 66,092
Expenditures	**$ 139,324,916**	**$ 16,963,658**	**$ 48,398,746**	**$ 2,617,393**	**$ 35,634,884**	**$ 62,273**	**$ 33,472,165**	**$ 2,175,797**	**$ 18,206,719**	**$ 15,495,134**	**$ 2,711,585**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Electric Savings (kWh) Annual Goal	254,088,116	40,503,978	60,680,833	12,292,289	86,376,026	3,738,935	28,713,597	21,782,457	-	-	-
Levelized Cost per kWh saved	$ 0.052	$ 0.036	$ 0.085	$ 0.017	$ 0.044	$ 0.001	$ 0.106	$ 0.007	-	-	-
Renewables Generation (kWh) Annual Goal	-	-	-	-	-	-	-	-	17,529,225	16,229,225	1,300,000
Levelized Cost per kWh generated	-	-	-	-	-	-	-	-	$ 0.081	$ 0.074	$ 0.162
Electric Savings (kWh) - IRP Target	27,150,000	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	-	-	-

Action plan: 2024-2025
Pacific Power
December 8, 2023

The following information details key activities planned for Pacific Power customers, including joint activities with Energy Trust and Pacific Power. The information is not comprehensive of all activities serving Pacific Power customers. Activities directed to customers of all electric funding utilities can be found in Energy Trust action plans found in the Action Plan section of the budget packet. Budget tables are inclusive of all revenues, expenditures and energy goals for Pacific Power customers.

Contents

Informing the 2024 Pacific Power Action Plan

Engagement approach

In alignment with HB 3141, Energy Trust and its utility partners collaborated to co-produce the 2024-2025 Utility-Specific Action Plans. Energy Trust and Pacific Power engaged in six utility coordination meetings over the course of the budget and action plan development cycle to discuss activities planned that directly benefit Pacific Power customers, including work occurring in subgroup meetings. In April, Energy Trust conducted market intelligence gathering sessions with all five partner utilities and Energy Trust's three public advisory councils. In June, July and August, Energy Trust and Pacific Power staff met to discuss Pacific Power priorities for 2024-2025 and surface any topics that were not previously covered in market intelligence gathering or subgroup work.

Energy Trust and Pacific Power will continue to engage in partnership on new areas of work that are supported by the Oregon Public Utility Commission. New work areas include exploring new opportunities to increase savings to meet the state's clean energy goals, collaboration on resilience hubs, and continued work on projects related to electric vehicle charging and demand response. Energy Trust and Pacific Power will also collaborate on strategies to increase outreach to diverse communities in the Pacific Power service area to increase participation in energy efficiency programs and offerings.

Community feedback

Energy Trust sought community input from customers, utilities, communities, community-based organizations and Energy Trust's three advisory councils. Community feedback was also invited during the budget public comment period from October 4 to 18, 2023. Supplementary community insights were gleaned from Energy Trust program and outreach staff and market research. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo.

Stakeholder feedback

Throughout 2023, Energy Trust staff consulted with key stakeholders including its three advisory councils, board, Oregon Public Utility Commission and utility partners for information and input to inform its annual business planning, budgeting and action planning process. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo.

Pacific Power-specific 2024 Key Activities

Outreach and community engagement

- Partner with Pacific Power staff in outreach and community relations to share information about activities and coordinate plans.
- Encourage the sharing of our respective diversity, equity and inclusion (DEI) efforts to learn from one another and increase the potential for success.
- Explore opportunities to further collaborate with Pacific Power's Marketing and Outreach teams.
- Coordinate across programs on emerging community engagement activities, including Pacific Power's Community Benefits and Impact Advisory Groups, local and state workshops related to Distribution Systems Planning and Clean Energy Plan, and other ongoing community events where education and awareness of Energy Trust's programs and services can support utility and community goals.
- As Pacific Power hosts forums to engage community members or design community efforts, such as the Community Benefits and Impacts Advisory Groups or Tribal Work Groups, bring forward content and information that would be of value for participants.
- At the frequency desired by Pacific Power, convene Energy Trust and utility staff for regular coordination regarding joint customer awareness building, program coordination, utility planning, community relationships, initiatives and grants, and insights on customer awareness and participation to align on opportunities to deliver greater community benefit together.
- The new Energy Trust tribal outreach manager will work in concert with Pacific Power Tribal Relations staff and regional business managers to ensure coordination and not exhaust capacity constrained communities.
- Serve as point of contact for communities and for regional utility outreach managers sharing information about community needs and insights and jointly attend community events.
- Track on community-led energy sustainability or climate plan development to share information on activities and energy projects that may emerge from planning efforts. As requested, support counties developing energy resiliency plans funded through a to-be-developed Oregon Department of Energy grant program (funded through HB 3409).

Marketing

- Expand and build on ongoing collaboration efforts to align and leverage energy efficiency and demand respond program marketing for connected technologies.
- Co-develop marketing strategies to better reach and serve income-qualified customers.
- Implement program directed no-cost heat pumps and hybrid water heaters for energy burdened customers and support delivery of email and paper home energy reports.
- Collaborate on new or expand current cooperative marketing strategies to maximize savings, support targeted load management projects or other special initiatives, and better reach underserved audiences.
- Expand and further align cooperative marketing activities for online services and products, such as the Pacific Power Home and Business Energy Reports.

Energy efficiency activities

- Perform demographic and potential analyses to support geographically targeted efficiency and renewable activities.

- Continue to collaborate and coordinate with Pacific Power on distributed energy resources (DERs), including demand response, flexible load, and small-scale distributed generation and energy storage.
- Produce energy efficiency potential forecasts for Integrated Resource Plans.

Renewables, resiliency activities

- Collaborate with utilities on identifying and expanding residential and municipal resilience projects.
- Consider utilizing the “Solarize” model and other outreach methods to support utility efforts to expand solar and battery deployment in specific geographic areas.

Targeted initiatives involving joint investment and deployment (e.g., TLM, DR/EE)

- Develop Targeted Load Management offerings in Pacific Power identified areas, with Prineville already identified for 2025.
- Coordinate and collaborate with Pacific Power's distribution system planning team to analyze and review other areas for Targeted Load Management (TLM) (non-wires solutions) delivery in 2025 and beyond.
- Continue working with Pacific Power on projects related to electric vehicle charging.
- Collaborate on new or expand on current cooperative marketing campaigns and activities for Targeted Load Management (TLM) projects (i.e., electric non-traditional solutions).

Other

- Complete Energy Trust information systems enhancements needed to accommodate changes to utility customer information (UCI) data sharing files based on Pacific Power migration of billing system to their new Oracle platform.
- Collaborate with Pacific Power to incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach that Energy Trust is exploring to successfully plan, manage and achieve ambitious 2030 clean energy goals.

Expected changes for 2025

- Explore additional opportunities to partner with Pacific Power to develop locational clean energy solutions to meet grid and community needs and support climate resilience.
- Conduct focused research and development to address the needs of expiring measures, support small businesses, adapt to code changes, develop new ways of identifying savings opportunities with customers, and research the ability to develop packages of measures tailored to specific market segments.
- Continually adapt program approaches to reach small businesses, rural areas, businesses owned by priority community populations, and workforce development based on community engagement and lessons learned from prior program activities (i.e., small business focus groups).
- Coordinate with Pacific Power as new sources of funding become available to maximize support to customers experiencing low- and moderate-incomes and ensure that Pacific Power savings and decarbonization goals are achieved.

Pacific Power-specific 2024 Budget

2024 Portfolio Level

Financial Overview	OPUC Efficiency	OPUC Renewables	Total for Pacific Power
Beginning Net Assets	$ 8,632,716	$ 7,576,365	$ 16,209,081
Revenue	$ 85,987,358	$ 8,051,622	$ 94,038,980
Expenditures	$ 92,011,288	$ 10,141,469	$ 102,152,757
Net Income	$ (6,023,930)	$ (2,089,847)	$ (8,113,777)
Interest Income Distribution	$ 124,572	$ 144,755	$ 269,327
Transfer Between FS	$ -	$ -	$ -
Ending Net Assets	**$ 2,733,358**	**$ 5,631,273**	**$ 8,364,631**
Renewables Funds Dedicated		*$ 259,150*	
Renewables Funds Yet To Be Dedicated		*$ 5,372,123*	

Electric Savings and Generation Overview	OPUC Efficiency	OPUC Renewables	Total for Pacific Power
Electric Savings (kWh) Annual Goal	169,310,737	-	169,310,737
Levelized Cost per kWh saved	$ 0.055	$ -	$ 0.055
Renewables Generation (kWh) Annual Goal	-	18,141,850	18,141,850
Levelized Cost per kWh generated	-	$ 0.043	$ 0.043
Electric Savings (kWh) - IRP Target	21.95	-	21.95

2024 Combined Efficiency and Renewable Carbon Targets	Combined Savings and Generation Goal (kWh)	First Year Carbon (Metric Tons CO2e)	Lifetime Carbon (Metric Tons CO2e)
Pacific Power	187,452,587	78,213	589,063

2024 Utility Capacity Targets	Summer MW based on 2022 Measure Mix	Winter MW Based on 2022 Measure Mix
Pacific Power	28.43	36.32

2024 Pacific Power-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust

Utility-invested Tariff Funds	OPUC Efficiency
Pacific Power	$2,000,000

Pacific Power-specific 2024 Program Level Detail

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Incentives	$ 49,275,709	$ 2,371,093	$ 19,089,826	$ -	$ 14,411,626	$ -	$ 13,403,164	$ -	$ 5,948,250	$ 4,803,250	$ 1,145,000
Program Delivery Contractors	$ 28,403,281	$ 2,246,381	$ 11,863,356	$ 1,569,873	$ 4,453,630	$ 31,961	$ 6,775,481	$ 1,462,599	$ 678,012	$ 556,012	$ 122,000
Employee Salaries & Fringe Benefits	$ 7,058,803	$ 578,633	$ 2,408,129	$ 80,069	$ 1,824,159	$ 1,177	$ 2,090,269	$ 76,366	$ 1,723,042	$ 1,640,925	$ 82,117
Agency Contractor Services	$ 488,687	$ 28,437	$ 187,501	$ 7,229	$ 123,675	$ 141	$ 134,944	$ 6,760	$ 216,157	$ 209,305	$ 6,852
Planning and Evaluation Services	$ 1,443,162	$ 125,902	$ 493,994	$ 2,279	$ 369,721	$ 2	$ 448,969	$ 2,296	$ 36,516	$ 13,671	$ 22,845
Advertising and Marketing Services	$ 1,382,959	$ 93,528	$ 475,503	$ 10,195	$ 273,511	$ 204	$ 520,506	$ 9,512	$ 230,356	$ 191,757	$ 38,599
Other Professional Services	$ 2,639,300	$ 253,665	$ 960,168	$ 10,206	$ 595,700	$ 194	$ 809,806	$ 9,561	$ 934,950	$ 775,199	$ 159,751
Travel, Meetings, Trainings & Conferences	$ 286,480	$ 21,730	$ 114,726	$ 2,690	$ 59,466	$ 48	$ 85,288	$ 2,532	$ 54,426	$ 51,809	$ 2,617
Dues, Licenses and Fees	$ 116,899	$ 6,860	$ 38,666	$ 969	$ 18,383	$ 11	$ 51,074	$ 936	$ 27,777	$ 26,736	$ 1,041
Software and Hardware	$ 375,445	$ 19,297	$ 150,703	$ 2,788	$ 128,384	$ 42	$ 71,575	$ 2,657	$ 169,284	$ 166,435	$ 2,849
Depreciation & Amortization	$ 127,139	$ 7,842	$ 46,604	$ 1,154	$ 37,634	$ 17	$ 32,788	$ 1,099	$ 24,577	$ 23,401	$ 1,176
Office Rent and Equipment	$ 354,286	$ 28,473	$ 122,775	$ 4,054	$ 89,664	$ 60	$ 105,395	$ 3,865	$ 90,521	$ 86,370	$ 4,151
Materials Postage and Telephone	$ 55,741	$ 2,271	$ 35,705	$ 370	$ 8,467	$ 6	$ 8,572	$ 351	$ 7,095	$ 6,724	$ 371
Miscellaneous Expenses	$ 3,398	$ 230	$ 1,288	$ 56	$ 836	$ 1	$ 934	$ 53	$ 507	$ 453	$ 54
Expenditures	**$ 92,011,288**	**$ 5,784,340**	**$ 35,988,944**	**$ 1,691,933**	**$ 22,394,857**	**$ 33,865**	**$ 24,538,764**	**$ 1,578,585**	**$ 10,141,469**	**$ 8,552,047**	**$ 1,589,422**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Program Costs	$ 86,838,640	$ 5,459,158	$ 33,965,734	$ 1,596,817	$ 21,135,873	$ 31,961	$ 23,159,256	$ 1,489,841	$ 9,571,341	$ 8,071,272	$ 1,500,069
Administrative Costs	$ 5,172,648	$ 325,181	$ 2,023,210	$ 95,116	$ 1,258,984	$ 1,904	$ 1,379,509	$ 88,744	$ 570,128	$ 480,775	$ 89,353
Management + General	$ 3,123,515	$ 196,362	$ 1,221,720	$ 57,436	$ 760,240	$ 1,150	$ 833,020	$ 53,588	$ 344,273	$ 290,317	$ 53,956
Communications + Outreach	$ 2,049,132	$ 128,820	$ 801,490	$ 37,680	$ 498,743	$ 754	$ 546,489	$ 35,156	$ 225,855	$ 190,458	$ 35,397
Expenditures	**$ 92,011,288**	**$ 5,784,340**	**$ 35,988,944**	**$ 1,691,933**	**$ 22,394,857**	**$ 33,865**	**$ 24,538,764**	**$ 1,578,585**	**$ 10,141,469**	**$ 8,552,047**	**$ 1,589,422**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Electric Savings (kWh) Annual Goal	169,310,737	12,291,519	52,111,871	7,824,780	58,590,829	2,625,450	24,147,087	11,719,200	-	-	-
Levelized Cost per kWh saved	$ 0.055	$ 0.041	$ 0.075	$ 0.017	$ 0.044	$ 0.001	$ 0.102	$ 0.010	-	-	-
Renewables Generation (kWh) Annual Goal	-	-	-	-	-	-	-	-	18,141,850	18,141,850	-
Levelized Cost per kWh generated	-	-	-	-	-	-	-	-	$ 0.043	$ 0.037	-
Electric Savings (kWh) - IRP Target	21,950,040	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	-	-	-

Pacific Power-specific 2025 Budget

2025 Portfolio Level

Financial Overview	OPUC Efficiency	OPUC Renewables	Total for Pacific Power
Beginning Net Assets	$ 2,733,358	$ 5,631,273	$ 8,364,631
Revenue	$ 95,377,691	$ 8,051,622	$ 103,429,313
Expenditures	$ 95,475,595	$ 13,106,416	$ 108,582,011
Net Income	$ (97,904)	$ (5,054,794)	$ (5,152,698)
Interest Income Distribution	$ 102,184	$ 118,151	$ 220,335
Transfer Between FS	$ -	$ -	$ -
Ending Net Assets	**$ 2,737,637**	**$ 694,631**	**$ 3,432,268**
Renewables Funds Dedicated		*$ 100,000*	
Renewables Funds Yet To Be Dedicated		*$ 594,631*	

Electric Savings and Generation Overview	OPUC Efficiency	OPUC Renewables	Total for Pacific Power
Electric Savings (kWh) Annual Goal	196,736,584	-	196,736,584
Levelized Cost per kWh saved	$ 0.046	-	$ 0.046
Renewables Generation (kWh) Annual Goal	-	13,874,150	13,874,150
Levelized Cost per kWh generated	-	$ 0.073	$ 0.073
Electric Savings (kWh) - IRP Target	21.54	-	21.54

2025 Combined Efficiency and Renewable Carbon Targets	Combined Savings and Generation Goal (kWh)	First Year Carbon (Metric Tons CO2e)	Lifetime Carbon (Metric Tons CO2e)
Pacific Power	210,610,734	87,896	649,886

2025 Utility Capacity Targets	Summer MW based on 2022 Measure Mix	Winter MW Based on 2022 Measure Mix
Pacific Power	33.03	42.20

2025 Pacific Power-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust

Utility-invested Efficiency Funds	OPUC Efficiency
Pacific Power	TBD

Pacific Power-specific 2025 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Incentives	$ 49,237,457	$ 2,841,333	$ 16,390,999	$ -	$ 15,044,407	$ -	$ 14,960,718	$ -	$ 8,358,250	$ 6,003,250	$ 2,355,000
Program Delivery Contractors	$ 30,666,220	$ 2,479,818	$ 11,814,423	$ 1,747,059	$ 5,161,115	$ 42,435	$ 7,970,284	$ 1,451,086	$ 629,949	$ 557,949	$ 72,000
Employee Salaries & Fringe Benefits	$ 8,183,661	$ 681,021	$ 2,560,742	$ 100,079	$ 2,093,530	$ 1,788	$ 2,662,476	$ 84,024	$ 2,140,129	$ 1,991,536	$ 148,593
Agency Contractor Services	$ 376,241	$ 24,523	$ 130,601	$ 5,502	$ 99,838	$ 121	$ 111,069	$ 4,587	$ 101,706	$ 93,488	$ 8,218
Planning and Evaluation Services	$ 1,451,514	$ 180,153	$ 384,511	$ 8,346	$ 313,356	$ 9	$ 557,934	$ 7,203	$ 100,146	$ 77,828	$ 22,317
Advertising and Marketing Services	$ 1,444,119	$ 95,872	$ 439,535	$ 11,792	$ 302,768	$ 281	$ 584,070	$ 9,803	$ 268,850	$ 220,107	$ 48,743
Other Professional Services	$ 2,779,487	$ 241,028	$ 877,285	$ 8,943	$ 628,222	$ 208	$ 1,016,359	$ 7,441	$ 1,054,754	$ 891,371	$ 163,384
Travel, Meetings, Trainings & Conferences	$ 293,626	$ 22,574	$ 106,832	$ 2,825	$ 61,523	$ 60	$ 97,454	$ 2,358	$ 62,213	$ 57,996	$ 4,217
Dues, Licenses and Fees	$ 122,329	$ 7,174	$ 36,583	$ 1,029	$ 19,176	$ 14	$ 57,483	$ 869	$ 30,308	$ 28,789	$ 1,519
Software and Hardware	$ 394,673	$ 23,403	$ 144,561	$ 3,569	$ 127,308	$ 65	$ 92,773	$ 2,995	$ 231,501	$ 226,201	$ 5,300
Depreciation & Amortization	$ 130,296	$ 8,600	$ 44,784	$ 1,334	$ 38,639	$ 24	$ 35,794	$ 1,120	$ 27,015	$ 25,033	$ 1,983
Office Rent and Equipment	$ 357,843	$ 29,447	$ 113,427	$ 4,420	$ 90,183	$ 79	$ 116,576	$ 3,711	$ 93,826	$ 87,262	$ 6,564
Materials Postage and Telephone	$ 34,766	$ 2,332	$ 11,933	$ 394	$ 10,439	$ 8	$ 9,330	$ 330	$ 7,193	$ 6,607	$ 587
Miscellaneous Expenses	$ 3,365	$ 245	$ 1,139	$ 60	$ 846	$ 1	$ 1,023	$ 50	$ 574	$ 484	$ 90
Expenditures	**$ 95,475,595**	**$ 6,637,523**	**$ 33,057,354**	**$ 1,895,354**	**$ 23,991,350**	**$ 45,094**	**$ 28,273,343**	**$ 1,575,577**	**$ 13,106,416**	**$ 10,267,900**	**$ 2,838,515**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Program Costs	$ 89,845,909	$ 6,246,144	$ 31,108,138	$ 1,783,595	$ 22,576,708	$ 42,435	$ 26,606,215	$ 1,482,674	$ 12,333,600	$ 9,662,457	$ 2,671,143
Administrative Costs	$ 5,629,686	$ 391,379	$ 1,949,216	$ 111,759	$ 1,414,642	$ 2,659	$ 1,667,128	$ 92,903	$ 772,815	$ 605,443	$ 167,372
Management + General	$ 3,302,555	$ 229,596	$ 1,143,473	$ 65,561	$ 829,874	$ 1,560	$ 977,991	$ 54,500	$ 453,358	$ 355,172	$ 98,186
Communications + Outreach	$ 2,327,132	$ 161,784	$ 805,743	$ 46,198	$ 584,768	$ 1,099	$ 689,137	$ 38,403	$ 319,457	$ 250,271	$ 69,186
Expenditures	**$ 95,475,595**	**$ 6,637,523**	**$ 33,057,354**	**$ 1,895,354**	**$ 23,991,350**	**$ 45,094**	**$ 28,273,343**	**$ 1,575,577**	**$ 13,106,416**	**$ 10,267,900**	**$ 2,838,515**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Electric Savings (kWh) Annual Goal	196,736,584	45,494,635	42,642,050	8,895,547	57,237,046	2,707,504	23,996,514	15,763,287	-	-	-
Levelized Cost per kWh saved	$ 0.046	$ 0.013	$ 0.083	$ 0.017	$ 0.047	$ 0.001	$ 0.113	$ 0.007	-	-	-
Renewables Generation (kWh) Annual Goal	-	-	-	-	-	-	-	-	13,874,150	12,888,150	986,000
Levelized Cost per kWh generated	-	-	-	-	-	-	-	-	$ 0.073	$ 0.062	$ 0.223
Electric Savings (kWh) - IRP Target	21,540,000	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	-	-	-

Action plan: 2024-2025
NW Natural
December 8, 2023

The following information details key activities planned for NW Natural customers, including joint activities with Energy Trust and NW Natural. The information is not comprehensive of all activities serving NW Natural customers. Activities directed to customers of all gas funding utilities can be found in Energy Trust action plans found in the Action Plan section of the budget packet. Budget tables are inclusive of all revenues, expenditures and energy goals for NW Natural customers.

Contents

Informing the 2024 NW Natural Action Plan

Engagement Approach

In alignment with HB 3141, Energy Trust and its utility partners collaborated to co-produce the 2024-2025 Utility-Specific Action Plans. Energy Trust and NW Natural engaged in six utility coordination meetings over the course of the budget and action plan development cycle to discuss activities planned that directly benefit NW Natural customers, including work occurring in subgroup meetings. In April, Energy Trust conducted market intelligence gathering sessions with all five partner utilities and Energy Trust's three public advisory councils. In June, July and August, Energy Trust and NW Natural staff met to discuss NW Natural priorities for 2024-2025 and surface any topics that were not previously covered in market intelligence gathering or subgroup work.

Energy Trust and NW Natural will continue to engage in partnership on new areas of work that are supported by the Oregon Public Utility Commission. New work areas include exploring opportunities to collaborate on a pilot program focused on behavioral energy efficiency, supporting NW Natural on identifying and implementing Targeted Load Management projects, serving gas transport customers and exploring a hybrid HVAC pilot. Energy Trust and NW Natural will also collaborate on strategies to increase outreach presence and implementation staff outside of the Portland Metro area through community-led efforts.

Community feedback

Energy Trust sought community input from customers, utilities, communities, community-based organizations and Energy Trust's three advisory councils. Community feedback was also invited during the budget public comment period from October 4 to 18, 2023. Supplementary community insights were gleaned from Energy Trust program and outreach staff and market research. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo.

NW Natural seeks direct feedback and recommendations from customers, and customer representatives, through their Community & Equity Advisory Group to ensure underrepresented voices and perspectives

are being considered in utility planning. Insights from this group will be shared with Energy Trust as both organizations work to understand barriers to equitable participation and formulate strategies to address those barriers.

Stakeholder feedback

Throughout 2023, Energy Trust staff consulted with key stakeholders including its three advisory councils, board, Oregon Public Utility Commission and utility partners for information and input to inform its annual business planning, budgeting and action planning process. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo.

NW Natural-specific 2024 Key Activities

Outreach and community engagement

- Partner and coordinate with NW Natural staff in outreach and community relations to share information about activities, and cross promote programs by sharing marketing materials and providing lists of planned outreach events.
- Encourage the sharing of our respective diversity, equity and inclusion (DEI) efforts to learn from one another and increase the potential for success.
- Work with Energy Trust's Communications and Customer Service outreach team to coordinate with utilities on emerging community engagement activities and other ongoing community events where education and awareness of Energy Trust's programs and services can support utility and community goals.
- At the frequency desired by NW Natural, convene Energy Trust and utility staff for regular coordination regarding joint customer awareness building, program coordination, utility planning, community relationships, initiatives and grants, and to align on opportunities to deliver greater community benefit together.
- Meet with Clark Public Utilities' Commercial Account Manager(s) quarterly to discuss customer trends, needs and leads for potential project acquisition and partnership.
- Serve as point of contact for communities and for regional utility outreach managers sharing information about community needs and insights and jointly attend community events.
- Track on community-led energy sustainability or climate plan development to share information on activities and energy projects that may emerge from planning efforts.

Marketing

- Expand lead generation and communications to support NW Natural's Major Account Managers.
- Continue offering gas furnace incentives for rental properties.
- Collaborate on new or expand on current cooperative marketing campaigns and activities for Targeted Load Management (TLM) projects (i.e., gas non-pipe solutions).
- Co-develop marketing strategies to better reach and serve income-qualified customers.

Energy efficiency activities

- Launch full outreach to NW Natural transport customers at midyear and explore launching Strategic Energy Management in advance to jumpstart the 2024 savings and project pipeline.
- Create systems enhancements to incorporate data and processing of program offers for transport gas customers of NW Natural.
- Increase Strategic Energy Management (SEM) program participation in Washington through the existing partnership with Clark Public Utilities and Energy Trust SW Washington customer sites. This effort includes an increased effort to offer the Building Operator Certificate training.
- Perform demographic and tracking analyses to support geographically targeted efficiency activities.
- Produce energy efficiency potential forecasts for Integrated Resource Plans.
- Continue coordination with NW Natural on Hybrid Heating Pilot with regards to recruitment, customer communications, and evaluation.

Targeted initiatives involving joint investment and deployment (e.g., TLM, DR/EE)

- Continue collaboration with NW Natural on opportunities for Targeted Load Management (TLM) projects to support utility's system needs as identified by their distribution systems planning analyses.

Other

- Collaborate with NW Natural to incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach that Energy Trust is exploring to successfully plan, manage and achieve ambitious 2030 clean energy goals.

Expected changes for 2025

- Explore additional opportunities to partner with NW Natural to develop locational clean energy solutions to meet grid and community needs and support climate resilience.
- Conduct focused research and development to address the needs of expiring measures, support small businesses, adapt to code changes, develop new ways of identifying savings opportunities with customers, and research the ability to develop packages of measures tailored to specific market segments.
- Continually adapt program approaches to reach small businesses, rural areas, businesses owned by priority community populations, and workforce development based on community engagement and lessons learned from prior program activities (i.e., small business focus groups).
- The 2025 program year will be the first where a whole-home new homes offering is not available in Washington.
- Coordinate with NW Natural as new sources of funding become available to maximize support to customers experiencing low- and moderate-incomes and ensure that NW Natural savings and decarbonization goals are achieved.

NW Natural-specific 2024 Budget

2024 Portfolio Level

Financial Overview	OPUC Efficiency	Industrial DSM	Washington	Total for NW Natural
Beginning Net Assets	$ 13,692,325	$ 4,994,697	$ 365,396	$ 19,052,418
Revenue	$ 28,021,754	$ 9,331,588	$ 3,433,935	$ 40,787,277
Expenditures	$ 30,224,964	$ 11,668,824	$ 3,463,993	$ 45,357,781
Net Income	$ (2,203,210)	$ (2,337,236)	$ (30,058)	$ (4,570,504)
Interest Income Distribution	$ 279,046	$ 84,797	$ 7,765	$ 371,607
Transfer Between FS	$ -	$ -	$ -	$ -
Ending Net Assets	**$ 11,768,161**	**$ 2,742,258**	**$ 343,103**	**$ 14,853,522**

Gas Savings Overview	OPUC Efficiency	Industrial DSM	Total for NW Natural Oregon	Washington
Gas Savings (therms) Annual Goal	3,147,419	2,311,687	5,459,106	244,239
Levelized Cost per therm saved	$ 0.694	$ -	$ -	$ -
Gas Savings (therms) - IRP Target	6,418,920	-	6,418,920	-

2024 Carbon Targets	First Year Carbon (Metric Tons CO2)	Lifetime Carbon (Metric Tons CO2)
NW Natural (OR, DSM, Transport, WA)	30,778	541,687

2024 NW Natural-invested Efficiency

Reflects planned investments of a portion of tariff funds collected by the utility that are in addition to funds received by Energy Trust.

Utility-invested Tariff Funds	OPUC Efficiency
NW Natural Transport	$1,417,227

NW Natural-specific 2024 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Industrial DSM	Washington
Incentives	$ 14,804,426	$ 493,571	$ 3,376,322	$ -	$ 476,694	$ 10,457,839	$ -	$ 6,352,019	$ 1,580,200
Program Delivery Contractors	$ 10,623,366	$ 460,044	$ 2,968,972	$ 699,905	$ 131,405	$ 5,748,222	$ 614,817	$ 3,603,444	$ 963,446
Employee Salaries & Fringe Benefits	$ 2,408,247	$ 120,091	$ 493,239	$ 35,698	$ 58,728	$ 1,668,389	$ 32,101	$ 862,918	$ 540,814
Agency Contractor Services	$ 161,835	$ 5,944	$ 38,387	$ 3,223	$ 3,978	$ 107,462	$ 2,841	$ 62,461	$ 19,402
Planning and Evaluation Services	$ 310,707	$ 42,027	$ 89,897	$ 1,016	$ 10,644	$ 166,159	$ 965	$ 158,609	$ 13,018
Advertising and Marketing Services	$ 564,954	$ 19,418	$ 97,404	$ 4,545	$ 8,804	$ 430,784	$ 3,999	$ 149,308	$ 23,558
Other Professional Services	$ 923,690	$ 52,485	$ 196,762	$ 4,550	$ 18,520	$ 647,354	$ 4,019	$ 308,240	$ 191,414
Travel, Meetings, Trainings & Conferences	$ 100,264	$ 4,512	$ 23,501	$ 1,199	$ 1,914	$ 68,073	$ 1,064	$ 34,450	$ 19,361
Dues, Licenses and Fees	$ 51,594	$ 1,422	$ 7,922	$ 432	$ 592	$ 40,832	$ 393	$ 11,209	$ 57,005
Software and Hardware	$ 98,504	$ 4,006	$ 30,879	$ 1,243	$ 4,136	$ 57,124	$ 1,117	$ 57,117	$ 18,541
Depreciation & Amortization	$ 39,539	$ 1,628	$ 9,548	$ 515	$ 1,212	$ 26,174	$ 462	$ 17,200	$ 7,484
Office Rent and Equipment	$ 121,497	$ 5,910	$ 25,147	$ 1,808	$ 2,887	$ 84,120	$ 1,625	$ 43,178	$ 27,505
Materials Postage and Telephone	$ 15,212	$ 472	$ 7,317	$ 165	$ 273	$ 6,838	$ 147	$ 8,246	$ 2,080
Miscellaneous Expenses	$ 1,129	$ 48	$ 264	$ 25	$ 27	$ 744	$ 22	$ 426	$ 164
Expenditures	**$ 30,224,964**	**$ 1,211,578**	**$ 7,365,562**	**$ 754,324**	**$ 719,812**	**$ 19,510,115**	**$ 663,573**	**$ 11,668,824**	**$ 3,463,993**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Industrial DSM	Washington
Program Costs	$ 28,525,791	$ 1,143,466	$ 6,951,488	$ 711,918	$ 679,346	$ 18,413,305	$ 626,269	$ 11,012,831	$ 3,269,255
Administrative Costs	$ 1,699,173	$ 68,112	$ 414,074	$ 42,406	$ 40,466	$ 1,096,811	$ 37,304	$ 655,992	$ 194,737
Management + General	$ 1,026,050	$ 41,130	$ 250,039	$ 25,607	$ 24,436	$ 662,312	$ 22,526	$ 396,123	$ 117,592
Communications + Outreach	$ 673,123	$ 26,982	$ 164,034	$ 16,799	$ 16,031	$ 434,499	$ 14,778	$ 259,870	$ 77,145
Expenditures	**$ 30,224,964**	**$ 1,211,578**	**$ 7,365,562**	**$ 754,324**	**$ 719,812**	**$ 19,510,115**	**$ 663,573**	**$ 11,668,824**	**$ 3,463,993**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Industrial DSM	Washington
Gas Savings (therms) Annual Goal	3,147,419	238,517	1,008,470	124,525	176,045	1,599,862	-	2,311,687	244,239
Levelized Cost per therm saved	$ 0.694	$ 0.425	$ 0.702	$ 0.485	$ 0.406	$ 0.763	-	$ 0.560	$ 1.080
Gas Savings (therms) - IRP Target	6,418,920	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	-	-

NW Natural-specific 2025 Budget

2025 Portfolio Level

Financial Overview	OPUC Efficiency	Industrial DSM	Washington	Total for NW Natural
Beginning Net Assets	$ 11,768,161	$ 2,742,258	$ 343,103	$ 14,853,522
Revenue	$ 28,021,754	$ 11,335,588	$ 3,686,218	$ 43,043,560
Expenditures	$ 31,849,557	$ 12,693,453	$ 3,691,489	$ 48,234,499
Net Income	$ (3,827,803)	$ (1,357,865)	$ (5,271)	$ (5,190,939)
Interest Income Distribution	$ 375,110	$ 78,542	$ 12,960	$ 466,612
Transfer Between FS	$ -	$ -	$ -	$ -
Ending Net Assets	**$ 8,315,468**	**$ 1,462,935**	**$ 350,792**	**$ 10,129,195**

Gas Savings Overview	OPUC Efficiency	Industrial DSM	Total for NW Natural Oregon	Washington
Gas Savings (therms) Annual Goal	3,361,910	2,116,282	5,478,192	271,415
Levelized Cost per therm saved	$ 0.685	$ 0.627	$ 0.656	$ 1.057
Gas Savings (therms) - IRP Target	6,934,800	-	6,934,800	-

2025 Carbon Targets	First Year Carbon (Metric Tons CO2)	Lifetime Carbon (Metric Tons CO2)
NW Natural (OR, DSM, Transport, WA)	34,695	610,629

2025 NW Natural-invested Efficiency Funds

Reflects planned investments of a portion of tariff funds collected by the utility that are in addition to funds received by Energy Trust.

Utility-invested Tariff Funds	OPUC Efficiency
NW Natural Transport	$2,528,927

NW Natural-specific 2025 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Industrial DSM	Washington
Incentives	$ 15,148,451	$ 571,892	$ 3,715,863	$ -	$ 524,079	$ 10,336,617	$ -	$ 6,883,626	$ 1,689,479
Program Delivery Contractors	$ 11,375,736	$ 492,369	$ 3,581,104	$ 615,415	$ 138,703	$ 5,529,842	$ 1,018,303	$ 3,889,753	$ 912,836
Employee Salaries & Fringe Benefits	$ 2,798,863	$ 136,895	$ 661,769	$ 35,254	$ 68,671	$ 1,837,309	$ 58,964	$ 1,042,996	$ 634,836
Agency Contractor Services	$ 123,589	$ 4,951	$ 33,739	$ 1,938	$ 3,275	$ 76,467	$ 3,219	$ 51,375	$ 18,120
Planning and Evaluation Services	$ 376,871	$ 52,347	$ 82,499	$ 2,940	$ 10,920	$ 223,111	$ 5,055	$ 149,636	$ 45,756
Advertising and Marketing Services	$ 574,245	$ 19,283	$ 113,599	$ 4,154	$ 9,931	$ 420,399	$ 6,879	$ 165,011	$ 26,189
Other Professional Services	$ 1,006,672	$ 48,287	$ 226,877	$ 3,150	$ 19,947	$ 703,189	$ 5,221	$ 330,975	$ 228,087
Travel, Meetings, Trainings & Conferences	$ 104,090	$ 4,538	$ 27,614	$ 995	$ 2,018	$ 67,270	$ 1,655	$ 37,164	$ 17,580
Dues, Licenses and Fees	$ 52,261	$ 1,440	$ 9,458	$ 362	$ 629	$ 39,761	$ 610	$ 12,261	$ 57,605
Software and Hardware	$ 113,625	$ 4,706	$ 37,373	$ 1,257	$ 4,176	$ 64,011	$ 2,102	$ 60,931	$ 22,313
Depreciation & Amortization	$ 40,528	$ 1,730	$ 11,576	$ 470	$ 1,267	$ 24,699	$ 786	$ 18,696	$ 8,131
Office Rent and Equipment	$ 122,795	$ 5,920	$ 29,313	$ 1,557	$ 2,958	$ 80,443	$ 2,604	$ 45,570	$ 28,283
Materials Postage and Telephone	$ 10,700	$ 469	$ 3,084	$ 139	$ 342	$ 6,433	$ 232	$ 5,017	$ 2,108
Miscellaneous Expenses	$ 1,131	$ 50	$ 294	$ 21	$ 28	$ 703	$ 35	$ 442	$ 166
Expenditures	**$ 31,849,557**	**$ 1,344,878**	**$ 8,534,163**	**$ 667,653**	**$ 786,944**	**$ 19,410,255**	**$ 1,105,665**	**$ 12,693,453**	**$ 3,691,489**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Industrial DSM	Washington
Program Costs	$ 29,971,559	$ 1,265,577	$ 8,030,949	$ 628,285	$ 740,542	$ 18,265,735	$ 1,040,470	$ 11,944,988	$ 3,473,822
Administrative Costs	$ 1,877,998	$ 79,300	$ 503,214	$ 39,368	$ 46,402	$ 1,144,519	$ 65,195	$ 748,465	$ 217,667
Management + General	$ 1,101,694	$ 46,520	$ 295,202	$ 23,094	$ 27,221	$ 671,412	$ 38,246	$ 439,074	$ 127,691
Communications + Outreach	$ 776,304	$ 32,780	$ 208,013	$ 16,273	$ 19,181	$ 473,107	$ 26,950	$ 309,391	$ 89,977
Expenditures	**$ 31,849,557**	**$ 1,344,878**	**$ 8,534,163**	**$ 667,653**	**$ 786,944**	**$ 19,410,255**	**$ 1,105,665**	**$ 12,693,453**	**$ 3,691,489**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Industrial DSM	Washington
Gas Savings (therms) Annual Goal	3,361,910	245,169	1,062,891	132,416	189,978	1,731,456	-	271,415	5,478,192
Levelized Cost per therm saved	$ 0.685	$ 0.464	$ 0.768	$ 0.404	$ 0.410	$ 0.705	-	$ 0.627	$ 1.057
Gas Savings (therms) - IRP Target	6,934,800	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	-	-

Action plan: 2024-2025
Cascade Natural Gas

December 8, 2023

The following information details key activities planned for Cascade Natural Gas customers, including joint activities with Energy Trust and Cascade Natural Gas. The information is not comprehensive of all activities serving Cascade Natural Gas customers. Activities directed to customers of all gas funding utilities can be found in Energy Trust action plans found in the Action Plan section of the budget packet. Budget tables are inclusive of all revenues, expenditures and energy goals for Cascade Natural Gas customers.

Contents

Informing the 2024 Cascade Natural Gas Action Plan

In alignment with HB 3141, Energy Trust and its utility partners collaborated to co-produce the 2024-2025 Utility-Specific Action Plans. Energy Trust and Cascade Natural Gas engaged in six utility coordination meetings over the course of the budget and action plan development cycle to discuss activities planned that directly benefit Cascade Natural Gas customers, including work occurring in subgroup meetings. In April, Energy Trust conducted market intelligence gathering sessions with all five partner utilities and Energy Trust's three public advisory councils. In June, July and August, Energy Trust and Cascade Natural Gas staff met to discuss Cascade Natural Gas priorities for 2024-2025 and surface any topics that were not previously covered in market intelligence gathering or subgroup work.

Energy Trust and Cascade Natural Gas will continue to engage in partnership on new areas of work that are supported by the Oregon Public Utility Commission. Work areas include collaboration on targeted load management projects and continued exploration of serving interruptible and gas transport customers. Energy Trust and Cascade Natural Gas will also collaborate on strategies to increase outreach to communities in the Cascade Natural Gas service area to better reach and serve income-qualified customers.

Community feedback

Energy Trust sought community input from customers, utilities, communities, community-based organizations and Energy Trust's three advisory councils. Community feedback was also invited during the budget public comment period from October 4 to 18, 2023. Supplementary community insights were gleaned from Energy Trust program and outreach staff and market research. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo.

Stakeholder feedback

Throughout 2023, Energy Trust staff consulted with key stakeholders including its three advisory councils, board, Oregon Public Utility Commission and utility partners for information and input to inform its annual

business planning, budgeting and action planning process. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo.

Cascade Natural Gas-specific 2024 Key Activities

Outreach and community engagement

- Partner with Cascade Natural Gas staff in outreach and community relations to share information about activities and coordinate plans.
- Encourage the sharing of our respective diversity, equity and inclusion (DEI) efforts to learn from one another and increase the potential for success.
- Work with Energy Trust's Communications and Customer Service outreach team to coordinate with utilities on emerging community engagement activities and ongoing community events where education and awareness of Energy Trust's programs and services can support utility and community goals.
- At the frequency desired by Cascade Natural Gas, convene Energy Trust and utility staff for regular coordination regarding joint customer awareness building, program coordination, utility planning, community relationships, initiatives and grants, and to align on opportunities to deliver greater community benefit together.
- Serve as point of contact for communities and for regional utility outreach managers sharing information about community needs and insights and jointly attend community events.
- Track on community-led energy sustainability or climate plan development to share information on activities and energy projects that may emerge from planning efforts.

Marketing

- Collaborate on new or expand on current cooperative marketing campaigns and activities for Targeted Load Management (TLM) projects (i.e., gas non-pipe solutions).
- Co-develop marketing strategies to better reach and serve income-qualified customers with a focus on coordination with EUVALCREE.
- Collaborate on new or expand current cooperative marketing strategies to maximize savings, support targeted load management projects or other special initiatives, and better reach underserved audiences.

Energy efficiency activities

- Perform demographic and tracking analyses to support geographically targeted efficiency and renewable activities.
- Produce energy efficiency potential forecasts for Integrated Resource Plans.
- Explore opportunities for serving Cascade Natural Gas transport customers.

Targeted initiatives involving joint investment and deployment (e.g., TLM, DR/EE)

- Continue collaboration with Cascade Natural Gas on opportunities for Targeted Load Management (TLM) projects – Non-Pipe Solutions – to support utility system needs as identified by their distribution systems planning analyses.

Other

- Collaborate with Cascade Natural Gas to incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach that Energy Trust is exploring to successfully plan, manage and achieve ambitious 2030 clean energy goals.

Expected changes for 2025

- Explore additional opportunities to partner to develop locational clean energy solutions to meet grid and community needs and support climate resilience.
- Conduct focused research and development to address the needs of expiring measures, support small businesses, adapt to code changes, develop new ways of identifying savings opportunities

with customers, and research the ability to develop packages of measures tailored to specific market segments.

- Continually adapt program approaches to reach small businesses, rural areas, businesses owned by priority community populations, and workforce development based on community engagement and lessons learned from prior program activities (i.e., small business focus groups).
- Coordinate with Cascade Natural Gas as new sources of funding become available to maximize support to customers experiencing low- and moderate-incomes and ensure that Cascade Natural Gas savings and decarbonization goals are achieved.

Cascade Natural Gas-specific 2024 Budget

2024 Portfolio Level

Financial Overview	OPUC Efficiency	Total for Cascade Natural Gas
Beginning Net Assets	$ 3,343,084	$ 3,343,084
Revenue	$ 3,392,891	$ 3,392,891
Expenditures	$ 5,093,246	$ 5,093,246
Net Income	$ (1,700,355)	$ (1,700,355)
Interest Income Distribution	$ 55,250	$ 55,250
Transfer Between FS	$ -	$ -
Ending Net Assets	**$ 1,697,979**	**$ 1,697,979**

Gas Savings Overview	OPUC Efficiency	Total for Cascade Natural Gas
Gas Savings (therms) Annual Goal	600,465	600,465
Levelized Cost per therm saved	$ 0.720	$ 0.720
Gas Savings (therms) - IRP Target	769,560	769,560

2024 Carbon Targets	First Year Carbon (Metric Tons CO2)	Lifetime Carbon (Metric Tons CO2)
Cascade Natural Gas	3,187	61,886

2024 Cascade Natural Gas-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust

Cascade Natural Gas does not have any planned efficiency efforts with public purpose funds outside of the Energy Trust and low-income programs in 2024.

Utility-invested Tariff Funds	OPUC Tariff
Cascade Natural Gas	-

Cascade Natural Gas-specific 2024 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential
Incentives	$ 2,461,954	$ 57,346	$ 1,053,513	$ -	$ 302,980	$ 1,048,115	$ -
Program Delivery Contractors	$ 1,861,373	$ 53,451	$ 926,408	$ 90,682	$ 142,638	$ 568,537	$ 79,657
Employee Salaries & Fringe Benefits	$ 385,834	$ 13,953	$ 153,905	$ 4,625	$ 43,036	$ 166,155	$ 4,159
Agency Contractor Services	$ 27,071	$ 691	$ 11,978	$ 418	$ 2,915	$ 10,702	$ 368
Planning and Evaluation Services	$ 57,538	$ 4,883	$ 28,051	$ 132	$ 7,800	$ 16,548	$ 125
Advertising and Marketing Services	$ 80,420	$ 2,256	$ 30,393	$ 589	$ 6,452	$ 40,213	$ 518
Other Professional Services	$ 146,645	$ 6,098	$ 61,396	$ 590	$ 13,572	$ 64,470	$ 521
Travel, Meetings, Trainings & Conferences	$ 16,333	$ 524	$ 7,333	$ 155	$ 1,402	$ 6,779	$ 138
Dues, Licenses and Fees	$ 7,244	$ 165	$ 2,472	$ 56	$ 434	$ 4,066	$ 51
Software and Hardware	$ 19,126	$ 465	$ 9,635	$ 161	$ 3,031	$ 5,689	$ 145
Depreciation & Amortization	$ 6,790	$ 189	$ 2,979	$ 67	$ 888	$ 2,607	$ 60
Office Rent and Equipment	$ 19,471	$ 687	$ 7,847	$ 234	$ 2,115	$ 8,378	$ 211
Materials Postage and Telephone	$ 3,259	$ 55	$ 2,283	$ 21	$ 200	$ 681	$ 19
Miscellaneous Expenses	$ 188	$ 6	$ 82	$ 3	$ 20	$ 74	$ 3
Expenditures	**$ 5,093,246**	**$ 140,768**	**$ 2,298,275**	**$ 97,732**	**$ 527,482**	**$ 1,943,014**	**$ 85,974**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential
Program Costs	$ 4,806,916	$ 132,855	$ 2,169,071	$ 92,238	$ 497,828	$ 1,833,783	$ 81,141
Administrative Costs	$ 286,330	$ 7,914	$ 129,203	$ 5,494	$ 29,654	$ 109,231	$ 4,833
Management + General	$ 172,901	$ 4,779	$ 78,020	$ 3,318	$ 17,906	$ 65,960	$ 2,919
Communications + Outreach	$ 113,429	$ 3,135	$ 51,184	$ 2,177	$ 11,747	$ 43,272	$ 1,915
Expenditures	**$ 5,093,246**	**$ 140,768**	**$ 2,298,275**	**$ 97,732**	**$ 527,482**	**$ 1,943,014**	**$ 85,974**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential
Gas Savings (therms) Annual Goal	600,465	15,855	325,141	16,134	82,835	160,500	-
Levelized Cost per therm saved	$ 0.720	$ 0.711	$ 0.801	$ 0.485	$ 0.599	$ 0.752	-
Gas Savings (therms) - IRP Target	769,560	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency

Cascade Natural Gas-specific 2025 Budget

2025 Portfolio Level

Financial Overview	OPUC Efficiency	Total for Cascade Natural Gas
Beginning Net Assets	$ 1,697,979	$ 1,697,979
Revenue	$ 4,959,352	$ 4,959,352
Expenditures	$ 5,409,752	$ 5,409,752
Net Income	$ (450,400)	$ (450,400)
Interest Income Distribution	$ 56,062	$ 56,062
Transfer Between FS	$ -	$ -
Ending Net Assets	**$ 1,303,641**	**$ 1,303,641**

Gas Savings Overview	OPUC Efficiency	Total for Cascade Natural Gas
Gas Savings (therms) Annual Goal	624,494	624,494
Levelized Cost per therm saved	$ 0.723	$ 0.723
Gas Savings (therms) - IRP Target	813,960	813,960

2025 Carbon Targets	First Year Carbon (Metric Tons CO2)	Lifetime Carbon (Metric Tons CO2)
Cascade Natural Gas	3,314	64,362

2025 Cascade Natural Gas-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust

Cascade Natural Gas does not have any planned efficiency efforts with public purpose funds outside of the Energy Trust and low-income programs in 2025.

Utility-invested Tariff Funds	OPUC Tariff
Cascade Natural Gas	-

Cascade Natural Gas-specific 2025 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential
Incentives	$ 2,517,181	$ 99,239	$ 1,148,101	$ -	$ 346,198	$ 923,643	$ -
Program Delivery Contractors	$ 2,038,812	$ 85,440	$ 1,106,464	$ 79,735	$ 146,400	$ 488,839	$ 131,934
Employee Salaries & Fringe Benefits	$ 454,744	$ 23,755	$ 204,469	$ 4,568	$ 51,038	$ 163,275	$ 7,640
Agency Contractor Services	$ 21,181	$ 859	$ 10,424	$ 251	$ 2,434	$ 6,795	$ 417
Planning and Evaluation Services	$ 63,552	$ 9,084	$ 25,490	$ 381	$ 8,116	$ 19,827	$ 655
Advertising and Marketing Services	$ 82,127	$ 3,346	$ 35,099	$ 538	$ 7,381	$ 34,871	$ 891
Other Professional Services	$ 156,878	$ 8,379	$ 70,099	$ 408	$ 14,825	$ 62,490	$ 677
Travel, Meetings, Trainings & Conferences	$ 17,141	$ 787	$ 8,532	$ 129	$ 1,500	$ 5,978	$ 214
Dues, Licenses and Fees	$ 7,299	$ 250	$ 2,922	$ 47	$ 467	$ 3,533	$ 79
Software and Hardware	$ 21,591	$ 817	$ 11,547	$ 163	$ 3,104	$ 5,688	$ 272
Depreciation & Amortization	$ 7,176	$ 300	$ 3,577	$ 61	$ 942	$ 2,195	$ 102
Office Rent and Equipment	$ 19,971	$ 1,027	$ 9,057	$ 202	$ 2,199	$ 7,149	$ 337
Materials Postage and Telephone	$ 1,909	$ 81	$ 953	$ 18	$ 254	$ 572	$ 30
Miscellaneous Expenses	$ 190	$ 9	$ 91	$ 3	$ 21	$ 63	$ 5
Expenditures	**$ 5,409,752**	**$ 233,373**	**$ 2,636,825**	**$ 86,503**	**$ 584,879**	**$ 1,724,918**	**$ 143,253**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential
Program Costs	$ 5,090,768	$ 219,612	$ 2,481,346	$ 81,402	$ 550,392	$ 1,623,209	$ 134,806
Administrative Costs	$ 318,984	$ 13,761	$ 155,480	$ 5,101	$ 34,487	$ 101,709	$ 8,447
Management + General	$ 187,126	$ 8,073	$ 91,209	$ 2,992	$ 20,231	$ 59,666	$ 4,955
Communications + Outreach	$ 131,858	$ 5,688	$ 64,270	$ 2,108	$ 14,256	$ 42,043	$ 3,492
Expenditures	**$ 5,409,752**	**$ 233,373**	**$ 2,636,825**	**$ 86,503**	**$ 584,879**	**$ 1,724,918**	**$ 143,253**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential
Gas Savings (therms) Annual Goal	624,494	36,934	322,013	17,156	84,625	163,767	-
Levelized Cost per therm saved	$ 0.723	$ 0.504	$ 0.885	$ 0.404	$ 0.650	$ 0.658	-
Gas Savings (therms) - IRP Target	813,960	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency

Action plan: 2024-2025
Avista
December 8, 2023

The following information details key activities planned for Avista customers, including joint activities with Energy Trust and Avista. The information is not comprehensive of all activities serving Avista customers. Activities directed to customers of all gas funding utilities can be found in Energy Trust action plans found in the Action Plan section of the budget packet. Budget tables are inclusive of all revenues, expenditures and energy goals for Avista customers.

Contents

Informing the 2024 Avista Action Plan

Engagement approach

In alignment with HB 3141, Energy Trust and its utility partners collaborated to co-produce the 2024-2025 Utility-Specific Action Plans. Energy Trust and Avista engaged in six utility coordination meetings over the course of the budget and action plan development cycle to discuss activities planned that directly benefit Avista customers, including work occurring in subgroup meetings. In April, Energy Trust conducted market intelligence gathering sessions with all five partner utilities and Energy Trust's three public advisory councils. In June, July and August, Energy Trust and Avista staff met to discuss Avista priorities for 2024-2025 and surface any topics that were not previously covered in market intelligence gathering or subgroup work.

Energy Trust and Avista will continue to engage in partnership on new areas of work that are supported by the Oregon Public Utility Commission. New work areas include exploring a targeted load management energy efficiency program, developing low-income efficiency program offerings and serving gas transport customers. Energy Trust and Avista will also collaborate on strategies to increase outreach to diverse communities in the Avista service area to increase participation in energy efficiency programs and offerings.

Community feedback

Energy Trust sought community input from customers, utilities, communities, community-based organizations and Energy Trust's three advisory councils. Community feedback was also invited during the budget public comment period from October 4 to 18, 2023. Supplementary community insights were gleaned from Energy Trust program and outreach staff and market research. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo.

Stakeholder feedback

Throughout 2023, Energy Trust staff consulted with key stakeholders including its three advisory councils, board, Oregon Public Utility Commission and utility partners for information and input to inform its annual business planning, budgeting and action planning process. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo.

Avista-specific 2024 Key Activities

Outreach and community engagement

- Partner with Avista staff in outreach and community relations to share information about activities and coordinate plans.
- Coordinate on emerging community engagement activities and ongoing community events where education and awareness of Energy Trust's programs and services can support utility and community goals.
- At the frequency desired by Avista, convene Energy Trust and utility staff for regular coordination regarding joint customer awareness building, program coordination, utility planning, community relationships, initiatives and grants, and to align on opportunities to deliver greater community benefit together.
- Serve as point of contact for communities and for regional Avista outreach managers sharing information about community needs and insights and jointly attend community events.
- Track on community-led energy sustainability or climate plan development to share information on activities and energy projects that may emerge from planning efforts.

Marketing

- Co-develop marketing strategies to better reach and serve income-qualified customers.
- Collaborate on new or expand current cooperative marketing strategies to maximize savings, support targeted load management projects or other special initiatives, and better reach underserved audiences.
- Communicate strategies and tactics for Residential, Business, Industrial and Energy Trust Organizational marketing with Avista on an ongoing basis to create awareness or obtain feedback.

Energy efficiency activities

- Ramp up program engagement with Avista transport customers.
- Communicate with Avista on progress of program pipelines and opportunities for interruptible and transport gas customers.
- Perform demographic and tracking analyses to support geographically targeted efficiency and activities.
- Produce energy efficiency potential forecasts for Integrated Resource Plans.

Targeted initiatives involving joint investment and deployment (e.g., TLM, DR/EE)

- Continue collaboration with Avista on opportunities for Targeted Load Management (TLM) projects to support Avista's utility system needs as identified by their distribution systems planning analyses.
- Coordinate and communicate progress of hybrid heating pilot with utility and inform about NEEA aligned work.
- Develop Low-Income Co-funding with Avista with a focus on coordination with Lake County Resources Initiatives (LCRI) and others as opportunities evolve.

Other

- Collaborate with Avista to incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach that Energy Trust is exploring to successfully plan, manage and achieve ambitious 2030 clean energy goals.

Expected changes for 2025

- Explore additional opportunities to partner with utilities to develop locational clean energy solutions to meet distribution and community needs and support climate resilience.
- Coordinate with Avista as new sources of funding become available to maximize support to customers experiencing low- and moderate-incomes and ensure that Avista savings and decarbonization goals are achieved.
- Collaborate with NEEA, utility, and others to accelerate natural gas emerging technology and market transformation activities.

Avista-specific 2024 Budget

2024 Portfolio Level

Financial Overview	OPUC Efficiency	Interruptible	Total for Avista
Beginning Net Assets	$ 796,608	$ 176,385	$ 972,993
Revenue	$ 3,304,186	$ 360,550	$ 3,664,736
Expenditures	$ 3,752,830	$ 449,341	$ 4,202,172
Net Income	$ (448,644)	$ (88,791)	$ (537,436)
Interest Income Distribution	$ 12,683	$ 2,925	$ 15,609
Transfer Between FS	$ -	$ -	$ -
Ending Net Assets	**$ 360,647**	**$ 90,519**	**$ 451,166**

Gas Savings Overview	OPUC Efficiency	Interruptible	Total for Avista
Gas Savings (therms) Annual Goal	370,133	96,446	466,579
Levelized Cost per therm saved	$ 0.716	$ 0.566	$ 0.682
Gas Savings (therms) - IRP Target	544,920	-	544,920

2024 Utility Carbon Targets	First Year Carbon (Metric Tons CO2)	Lifetime Carbon (Metric Tons CO2)
Avista (OR, Interruptible, Transport)	2,906	68,646

2024 Avista-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust.

Utility-invested Tariff Funds	OPUC Tariff
Avista transport	$296,850

Avista-specific 2024 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Interruptible
Incentives	$ 1,827,636	$ 44,969	$ 382,460	$ -	$ 71,985	$ 1,328,222	$ -	$ 260,987
Program Delivery Contractors	$ 1,334,395	$ 41,914	$ 336,317	$ 96,343	$ 18,180	$ 757,010	$ 84,631	$ 122,220
Employee Salaries & Fringe Benefits	$ 299,169	$ 10,941	$ 55,873	$ 4,914	$ 8,708	$ 214,314	$ 4,419	$ 33,377
Agency Contractor Services	$ 20,119	$ 542	$ 4,348	$ 444	$ 590	$ 13,804	$ 391	$ 2,409
Planning and Evaluation Services	$ 37,207	$ 3,829	$ 10,183	$ 140	$ 1,578	$ 21,344	$ 133	$ 6,129
Advertising and Marketing Services	$ 67,153	$ 1,769	$ 11,034	$ 626	$ 1,305	$ 51,868	$ 550	$ 5,738
Other Professional Services	$ 114,153	$ 4,782	$ 22,289	$ 626	$ 2,746	$ 83,156	$ 553	$ 11,854
Travel, Meetings, Trainings & Conferences	$ 12,413	$ 411	$ 2,662	$ 165	$ 284	$ 8,744	$ 146	$ 1,321
Dues, Licenses and Fees	$ 6,474	$ 130	$ 897	$ 59	$ 88	$ 5,245	$ 54	$ 429
Software and Hardware	$ 12,139	$ 365	$ 3,498	$ 171	$ 613	$ 7,338	$ 154	$ 2,217
Depreciation & Amortization	$ 4,906	$ 148	$ 1,082	$ 71	$ 180	$ 3,362	$ 64	$ 666
Office Rent and Equipment	$ 15,093	$ 538	$ 2,849	$ 249	$ 428	$ 10,806	$ 224	$ 1,669
Materials Postage and Telephone	$ 1,834	$ 43	$ 829	$ 23	$ 40	$ 878	$ 20	$ 311
Miscellaneous Expenses	$ 140	$ 4	$ 30	$ 3	$ 4	$ 96	$ 3	$ 16
Expenditures	**$ 3,752,830**	**$ 110,386**	**$ 834,350**	**$ 103,834**	**$ 106,730**	**$ 2,506,189**	**$ 91,342**	**$ 449,341**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Interruptible
Program Costs	$ 3,541,855	$ 104,181	$ 787,444	$ 97,997	$ 100,730	$ 2,365,297	$ 86,207	$ 424,081
Administrative Costs	$ 210,975	$ 6,206	$ 46,905	$ 5,837	$ 6,000	$ 140,892	$ 5,135	$ 25,261
Management + General	$ 127,398	$ 3,747	$ 28,324	$ 3,525	$ 3,623	$ 85,078	$ 3,101	$ 15,254
Communications + Outreach	$ 83,577	$ 2,458	$ 18,581	$ 2,312	$ 2,377	$ 55,814	$ 2,034	$ 10,007
Expenditures	**$ 3,752,830**	**$ 110,386**	**$ 834,350**	**$ 103,834**	**$ 106,730**	**$ 2,506,189**	**$ 91,342**	**$ 449,341**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Interruptible
Gas Savings (therms) Annual Goal	370,133	15,756	109,042	17,141	14,820	213,374	-	96,446
Levelized Cost per therm saved	$ 0.716	$ 0.595	$ 0.697	$ 0.485	$ 0.613	$ 0.746	-	$ 0.566
Gas Savings (therms) - IRP Target	544,920	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	-

Avista-specific 2025 Budget

2025 Portfolio Level

Financial Overview	OPUC Efficiency	Interruptible	Total for Avista
Beginning Net Assets	$ 360,647	$ 90,519	$ 451,166
Revenue	$ 3,732,041	$ 481,385	$ 4,213,426
Expenditures	$ 3,806,278	$ 476,613	$ 4,282,891
Net Income	$ (74,237)	$ 4,772	$ (69,465)
Interest Income Distribution	$ 12,315	$ 3,536	$ 15,852
Transfer Between FS	$ -	$ -	$ -
Ending Net Assets	**$ 298,725**	**$ 98,827**	**$ 397,553**

Gas Savings Overview	OPUC Efficiency	Interruptible	Total for Avista
Gas Savings (therms) Annual Goal	430,017	93,130	523,148
Levelized Cost per therm saved	$ 0.626	$ 0.600	$ 0.613
Gas Savings (therms) - IRP Target	564,480	-	564,480

2025 Utility Carbon Targets	First Year Carbon (Metric Tons CO2)	Lifetime Carbon (Metric Tons CO2)
Avista (OR, Interruptible, Transport)	3,345	79,011

2025 Utility-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust.

Utility-invested Tariff Funds	OPUC Efficiency
Avista transport	$603,310

Avista-specific 2025 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Interruptible
Incentives	$ 1,791,947	$ 56,353	$ 473,179	$ -	$ 80,923	$ 1,181,492	$ -	$ 275,251
Program Delivery Contractors	$ 1,388,306	$ 48,517	$ 456,019	$ 84,713	$ 18,663	$ 640,223	$ 140,171	$ 129,157
Employee Salaries & Fringe Benefits	$ 331,627	$ 13,489	$ 84,270	$ 4,853	$ 10,318	$ 210,580	$ 8,117	$ 39,167
Agency Contractor Services	$ 14,750	$ 488	$ 4,296	$ 267	$ 492	$ 8,764	$ 443	$ 1,927
Planning and Evaluation Services	$ 43,976	$ 5,158	$ 10,505	$ 405	$ 1,641	$ 25,571	$ 696	$ 5,682
Advertising and Marketing Services	$ 64,351	$ 1,900	$ 14,466	$ 572	$ 1,492	$ 44,974	$ 947	$ 6,205
Other Professional Services	$ 118,393	$ 4,758	$ 28,891	$ 434	$ 2,997	$ 80,595	$ 719	$ 12,468
Travel, Meetings, Trainings & Conferences	$ 12,342	$ 447	$ 3,516	$ 137	$ 303	$ 7,710	$ 228	$ 1,401
Dues, Licenses and Fees	$ 6,132	$ 142	$ 1,204	$ 50	$ 95	$ 4,557	$ 84	$ 463
Software and Hardware	$ 13,649	$ 464	$ 4,759	$ 173	$ 627	$ 7,337	$ 289	$ 2,278
Depreciation & Amortization	$ 4,839	$ 170	$ 1,474	$ 65	$ 190	$ 2,831	$ 108	$ 700
Office Rent and Equipment	$ 14,553	$ 583	$ 3,733	$ 214	$ 444	$ 9,220	$ 358	$ 1,712
Materials Postage and Telephone	$ 1,279	$ 46	$ 393	$ 19	$ 51	$ 737	$ 32	$ 188
Miscellaneous Expenses	$ 135	$ 5	$ 37	$ 3	$ 4	$ 81	$ 5	$ 17
Expenditures	**$ 3,806,278**	**$ 132,521**	**$ 1,086,743**	**$ 91,904**	**$ 118,242**	**$ 2,224,671**	**$ 152,197**	**$ 476,613**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Interruptible
Program Costs	$ 3,581,842	$ 124,707	$ 1,022,663	$ 86,484	$ 111,270	$ 2,093,494	$ 143,222	$ 448,510
Administrative Costs	$ 224,436	$ 7,814	$ 64,079	$ 5,419	$ 6,972	$ 131,177	$ 8,974	$ 28,103
Management + General	$ 131,661	$ 4,584	$ 37,591	$ 3,179	$ 4,090	$ 76,953	$ 5,265	$ 16,486
Communications + Outreach	$ 92,775	$ 3,230	$ 26,488	$ 2,240	$ 2,882	$ 54,224	$ 3,710	$ 11,617
Expenditures	**$ 3,806,278**	**$ 132,521**	**$ 1,086,743**	**$ 91,904**	**$ 118,242**	**$ 2,224,671**	**$ 152,197**	**$ 476,613**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Interruptible
Gas Savings (therms) Annual Goal	430,017	28,141	120,981	18,227	16,997	245,672	-	523,148
Levelized Cost per therm saved	$ 0.626	$ 0.403	$ 0.832	$ 0.404	$ 0.608	$ 0.573	-	$ 0.600
Gas Savings (therms) - IRP Target	564,480	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	-

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 in relation to organizational work and areas for innovation and prioritizes projects and business activities for the following year. The business plan forms the basis for setting the next year's organizational goals, budget and action plan, and is reviewed by leadership at least on a quarterly basis.

Board approved annual budget: Funds approved by the board for expenditures during the budget year (subject to board approved program funding caps and associated policy) for stated functions and capital asset expenditures. Energy Trust's budget uses a calendar year. The board approves the general allocation of funds including commitments and cash outlays. Approval of expenditures is based on assumed revenues from utilities and contracted revenues.

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

Committed funds: Represents funds obligated to identified efficiency program participants in the form of signed applications or agreements and tracked in the project forecasting system. If the project is not demonstrably proceeding within an agreed upon time frame, committed funds are released. Reapplication would then be required. Funds are expensed when the project is completed or interim milestones are met.

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

Cost-effectiveness calculation: Energy-efficiency programs and measures are evaluated for cost-effectiveness. The cost of the savings must be lower than the cost to provide the energy

from both a utility and societal perspective. Expressed as a ratio of the presumed avoided cost of energy divided by the cost to provide the energy. Program cost-effectiveness evaluation is "fully allocated," i.e., includes all program costs plus a portion of Energy Trust administrative costs. In some instances, exceptions to cost effectiveness can be requested from the OPUC. See **avoided costs, benefit/cost ratio** and **administrative cost**.

Dedicated funds: Represents funds obligated to identified renewable program participants in the form of signed applications or agreements and tracked in the project forecasting system. May include commitments, escrows, contracts, board designations or master agreements. Methodology used to develop renewable energy activity-based budgets amounts. Funds are expensed when the project is completed or interim milestones are met.

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

Direct program evaluation and planning services: These include: evaluation services for a specific program rather than for a group of programs; costs incurred in evaluating programs and projects and included in determining total program funding caps; planning services for a specific program rather than for a group of programs; costs incurred in planning programs and projects and are included in determining program funding expenditures and caps; evaluation and planning services attributable to a number of programs are recorded in a cost pool and are subsequently allocated to individual programs.

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

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

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

Energy Trust funding:
The 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. Energy Trust also contracts with governments, utilities and other entities to deliver programs and services that align with our mission, advance our strategic plan focus areas and support our core energy savings and generation work.

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**.

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

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

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

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

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

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

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

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

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

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

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

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

Program delivery expense: Includes all Program Management Contract labor and direct costs associated with incentive processing, program coordination, program support, trade ally communications and Program Delivery Contractors. Includes contract payments to Northwest Energy Efficiency Alliance for market transformation efforts. Includes performance compensation incentives paid to Program Management Contractors and Program Delivery Contractors under contract agreement if certain incentive goals are met. Includes professional services for items such as solar inspections and general renewable energy consulting. See **Program Management Contractor**.

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

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

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

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

Program reserves: Negotiated with utilities annually with a goal of providing margin of funds above what is needed to fulfill annual budgeted costs. The reserve percent varies by funder. Management may access up to 50 percent of annual program reserves without prior board approval. See **net assets**.

Project specific costs: For renewable energy, expenses directly related to identified projects or identified customers to assist in constructing or operating renewable projects or distribution-system connected technologies. Includes services to prospective and current customers. Must involve direct contact with the project or customer, individually or in groups, and provide a service the customer would otherwise incur at their own expense. Does not include general program costs to reach a broad audience such as websites, advertising, program development or program management. Project specific costs may be in the categories of incentives, staff salaries, program delivery, legal services, public relations, creative services, professional services, travel, business meetings, telephone or escrow account bank fees.

Program support costs: A portion of the costs in the OPUC performance measure, includes support expenses incurred directly by the program and allocation of shared and indirect costs incurred in the following categories: supplies; postage and shipping; telephone; printing and publications; occupancy expenses; insurance; equipment; travel; business meetings; conferences and training; depreciation and amortization; dues, licenses, subscriptions and fees; miscellaneous expense; and an allocation of information technology department cost. Contained in statement of functional expense report.

Project forecasting: Information in Energy Trust's Project Tracker information system about the timing of future incentive payments. *Estimated* means project data may be inaccurate or incomplete; a rough estimate of energy savings/generation, incentives and completion date by project and 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 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 released. Reapplication is required. *Dedicated* is used for renewable energy projects that have been committed, have a signed agreement and, if required, have been approved by the board.

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

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

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

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

Total program and administrative expenses (line item on income statement): Used for cost-effectiveness calculations, levelized cost calculations and in management reports used to track funds spent/remaining by service territory. Includes all costs of the organization: direct, indirect and an allocation of administration costs to programs. Should not be used for external financial reporting; not Generally Accepted Accounting Principles.

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

True up: A previously used annual process in which prior years' energy savings and renewable generation were adjusted and corrected to reflect new information on how much energy was saved or generated in the field. Information included improved engineering estimates of savings, corrections to identified transaction errors and results from actual evaluations of the program and the year of activity in question.

Working savings/generation: The estimate of savings/generation used for data entry by program personnel as they approve individual projects. Estimates are based on deemed savings/generation for prescriptive measures and engineering calculations for custom measures. They do not incorporate any evaluation or transmission and distribution line loss factors.