



Clean, affordable energy for everyone

# Final Proposed 2021 Annual Budget and 2021-2022 Action Plan

December 11, 2020



# Presentation Outline

- Forecasted 2020 results
- Final proposed 2021 budget
- Public comments summary
- Final Proposed 2021 Budget and Action Plan highlights
- Key takeaways
- Budget resolution

# Our Ask of the Board

- Do you agree that this year's budget and action plan supports the strategic direction of the organization you established in the 2020-2024 Strategic Plan?
- Do you agree that the approaches, tactics and initiatives in our final proposed budget and action plan are the appropriate actions for us to focus on next year to achieve our annual goals?
- Do you understand the trends we're seeing, and do you agree we have characterized them sufficiently and are managing to them appropriately?



# Projected 2020 Results

Expect to achieve >90% for all energy goals

- Exceed goal for NW Natural in Oregon
- Meet goal for Pacific Power and Avista
- Reach 90-95% for PGE and Cascade Natural Gas
- Exceed renewable generation goals for PGE and Pacific Power

## Drivers

- Bonus incentives for commercial and industrial lighting and equipment
- Exceptionally strong 2021 project pipelines required immediate 2020 incentive pauses for some measures
- Biopower project and success engaging solar market

Expenditures are expected to be 94% of budget



## 2021 Budget Summary

- **Investing \$206.5 million** of utility customer funds
- **Saving 45.0 aMW and 6.5 MMTh**
- **Generating 3.54 aMW**
- **Distributing \$114.8 million in incentives, 56%** of total expenditures
- **Delivering highly cost-effective energy**
- **Administrative costs at 7.9%**

Notes:

aMW: average megawatts of electricity

MMTh: million annual therms of natural gas

Administrative costs are for Management and General, Communications and Outreach

# Customer Benefits from 2021 Investments

- **More access** for diverse and rural communities
- **Lower energy bills and energy burden** for participants—\$707 million in future bill savings for participants
- **Opportunities for 1,900 local businesses** and investments in workforce development
- **Cleaner air** by avoiding 4 million tons of carbon dioxide
- Local investments that **keep dollars in our communities**



# Summary of Changes to Final Proposed Budget

	Draft Budget	Final Proposed Budget	Change	% Change
Net assets used to cover expenditures	\$26.3 million	\$21.8 million	-\$4.5 million	-17.1%
Revenue	\$183.3 million	\$184.7 million	\$1.4 million	0.7%
Expenditures	\$209.6 million	\$206.5 million	-\$3.1 million	-1.5%
Electric Savings	41.5 aMW	45.0 aMW	3.4 aMW	8.3%
Gas Savings	6.4 MMTh	6.5 MMTh	0.1 MMTh	2.2%
Electric Levelized Costs	4.1 cents/kWh	3.6 cents/kWh	-0.4 cents/kWh	-10.4%
Gas Levelized Costs (OR)	46.6 cents/thm	44.0 cents/thm	-2.6 cents/thm	-5.5%
Gas Levelized Costs (WA)	76.4 cents/thm	65.5 cents/thm	-10.9 cents/thm	-14.3%
Generation	3.51 aMW	3.54 aMW	0.04 aMW	1.1%
Staffing Costs	\$17.0 million	\$16.8 million	-\$0.2 million	-1.4%
Administrative Costs	\$10.4 million	\$10.3 million	-\$0.1 million	-0.7%

Notes: aMW: average megawatts of electricity; MMTh: million annual therms of natural gas; Administrative costs are for Management and General, Communications and Outreach

# 2021 Estimated Utility Rate Information

	PGE	Pacific Power	NW Natural (OR)	Cascade Natural Gas	Avista
Utility customer collection adjustment from 2020 Budget to 2021 Budget	\$0	\$0	\$0	\$0	\$0.37M
Utility bill charge for 2021 Budget	5.6%	5.7%	3.7%	4.9%	2.5%
Effective date	Jan. 1	Jan. 1	Jan. 1	Jan. 1	Nov. 1

	PGE	Pacific Power	NW Natural (OR)	Cascade Natural Gas	Avista
<i>Energy Trust efficiency only</i>	5.0%	5.2%	3.7%	4.9%	2.5%
<i>Energy Trust efficiency + renewables</i>	5.6%	5.7%	3.7%	4.9%	2.5%
<i>Energy Trust efficiency + renewables + other SB 1149 administrators</i>	6.3%	6.5%	3.7%	4.9%	2.5%

All figures and dates are estimates and subject to final filings by each utility and OPUC action; actual rates may vary



# Summary of Public Comments

# Draft Budget Workshop Feedback

Proactive (Energy Trust-initiated) versus responsive (community-initiated)

Early, long-term involvement with resilience planning

Enthusiasm for thoughtful community engagement

New community engagement/outreach roles

DAC

Inclusive co-creation

Early engagement

Help communities rebuild stronger and more energy efficient and resilient

Opportunities to leverage other funding

COVID and wildfires as a source of innovation and new partnerships

Energy Trust wildfire taskforce

New needs for small businesses



One thing we all share is humanity



Better outreach includes people in the planning phase, so that there is buy in before roll out



I'm excited to continue exploring how to support ratepayer communities who have lost homes and been impacted by wildfire and pandemic.



# Written Public Comments Summary

Formal comments received from 11 organizations (including utilities) or individuals; majority supportive of budget

## Common areas of feedback

- Community outreach and collaboration
- Coordination with utilities
- Diversity, equity and inclusion
- Ratepayer and internal cost management
- Residential program
- Response to wildfires and economic recovery
- Solar program

# OPUC Recommendations on the Draft Budget

1. Continue to focus on identifying and developing residential measures, particularly with greater peak impacts
2. Continue to develop peak modeling capability
3. Include measure cost-effectiveness exception costs in future budgets
4. Implement the supplier diversity tracking system
5. Develop a longer-term strategy to align staffing with outreach goals
6. Ensure administrative costs in the 2022 budget do not exceed 8% of annual revenues

# Final Proposed 2021 Budget and Action Plan Highlights

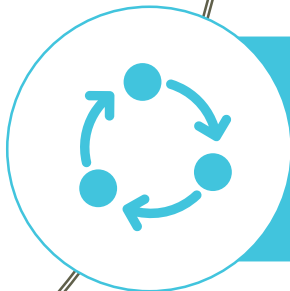
# 2021 Organizational Goals



Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic.



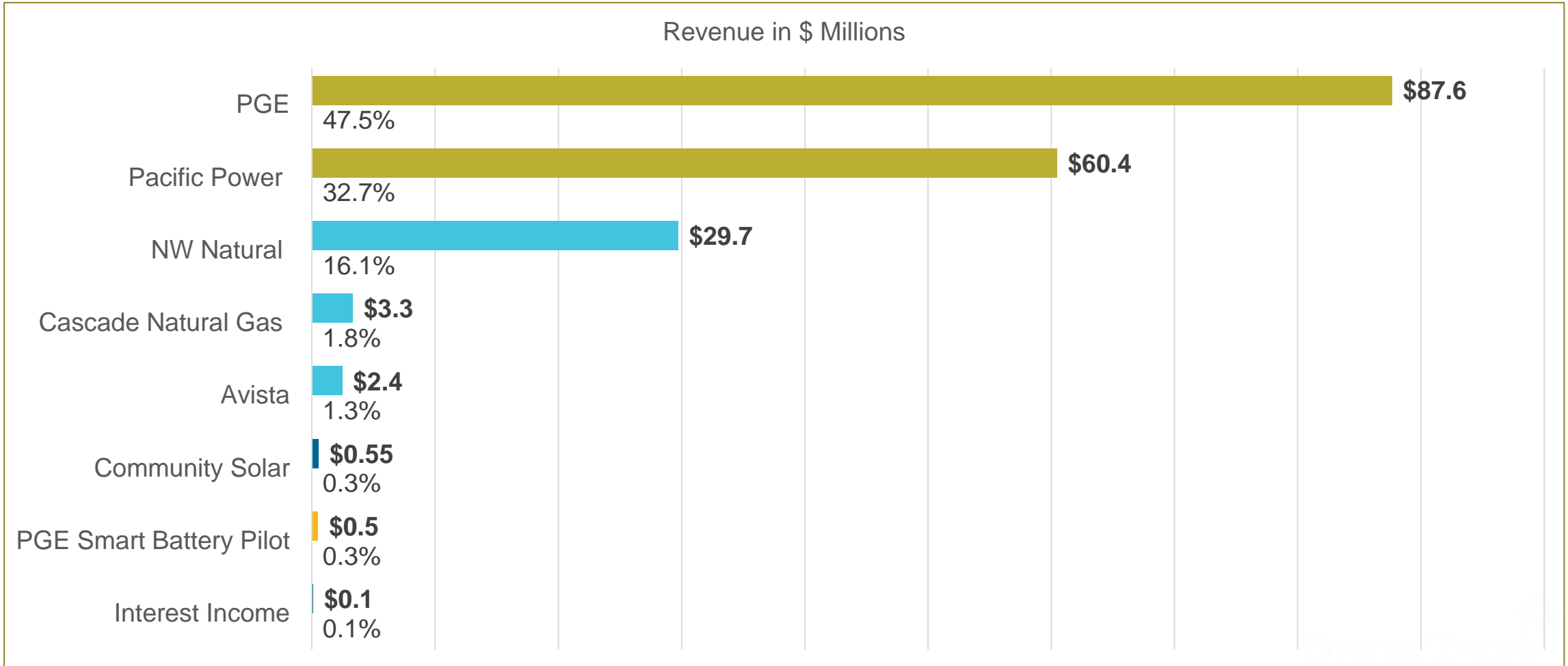
Invest in relationships and collaborations with other entities to meet common needs and future objectives.



Enhance operating processes and internal culture to efficiently respond to change.

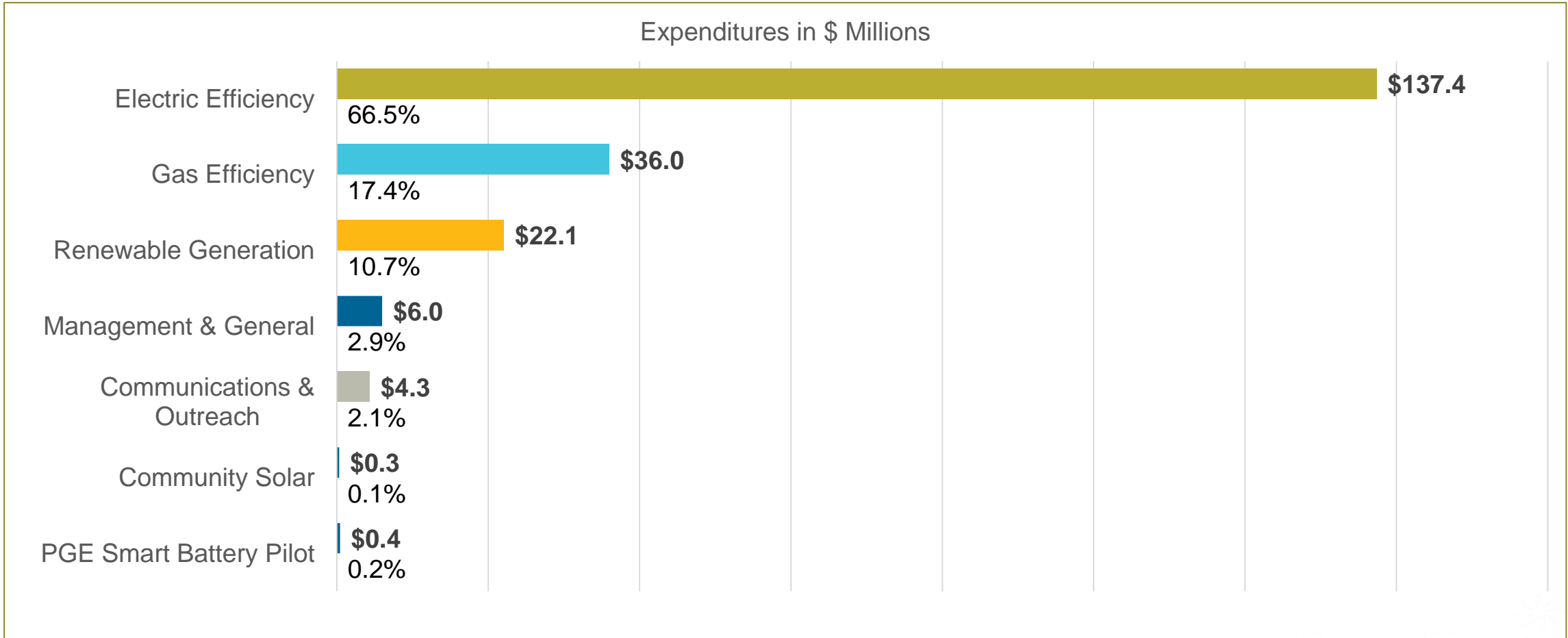
# 2021 Final Proposed Budget Revenue

\$184.7 million, up 1.8% from 2020 budget



# 2021 Final Proposed Budget Expenditures

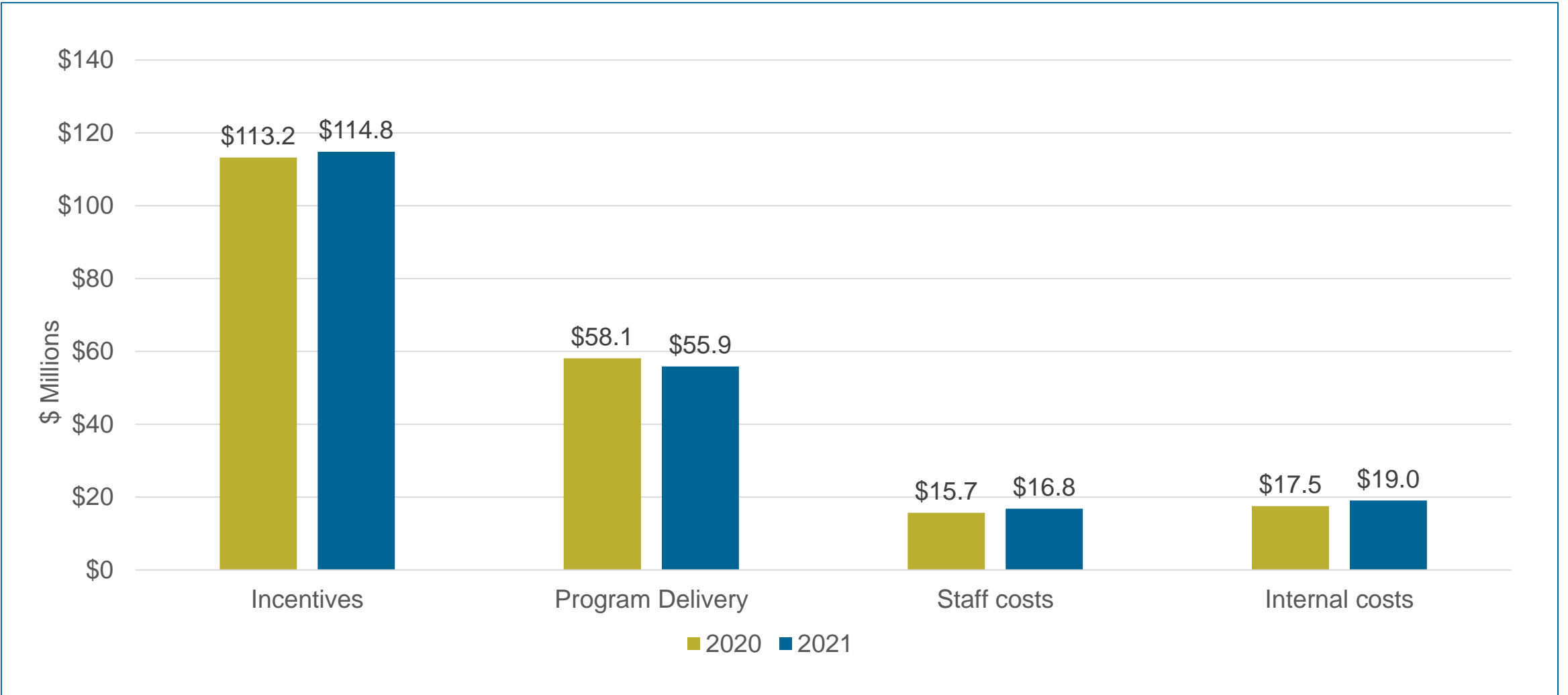
\$206.5 million, up 1% from 2020 budget



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

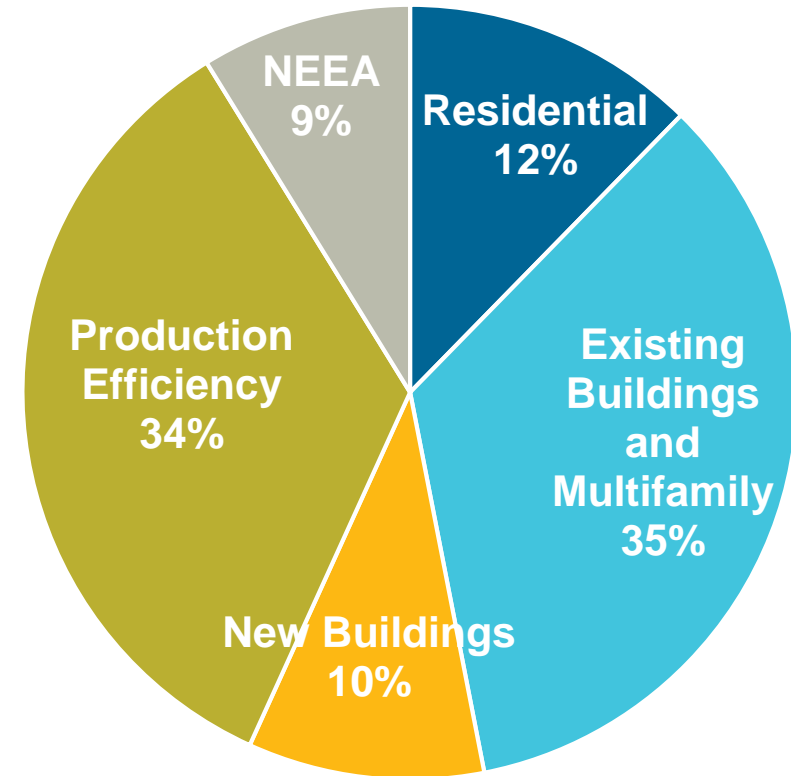


# 2021 Budget Expenses by Category



# 2021 Electric Savings by Program

- Savings down 1% from 2020 budget
- \$144.6 million in total costs, including customer incentives, services and delivery
- Business customers opting for smaller projects or operations and maintenance
- Savings impacted by baseline changes, code changes and sources of very low-cost savings shrinking
- Savings bolstered by large pipeline of low-cost lighting and standard projects

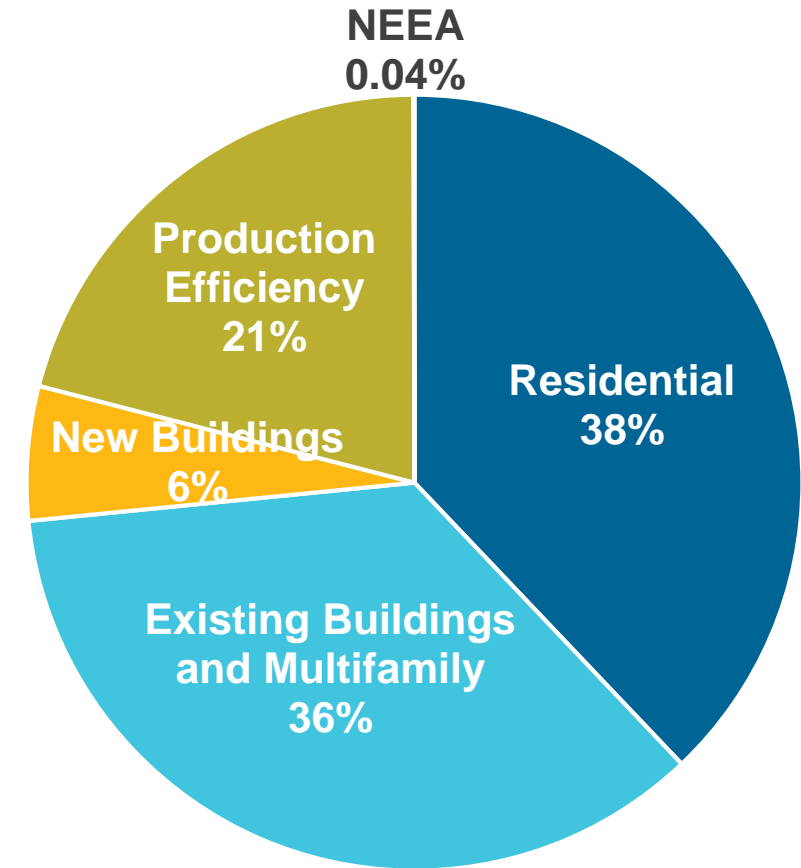


45.0 aMW savings

*Note: aMW: average megawatts; Comparisons are final proposed 2021 budget to 2020 budget*

# 2021 Natural Gas Savings by Program

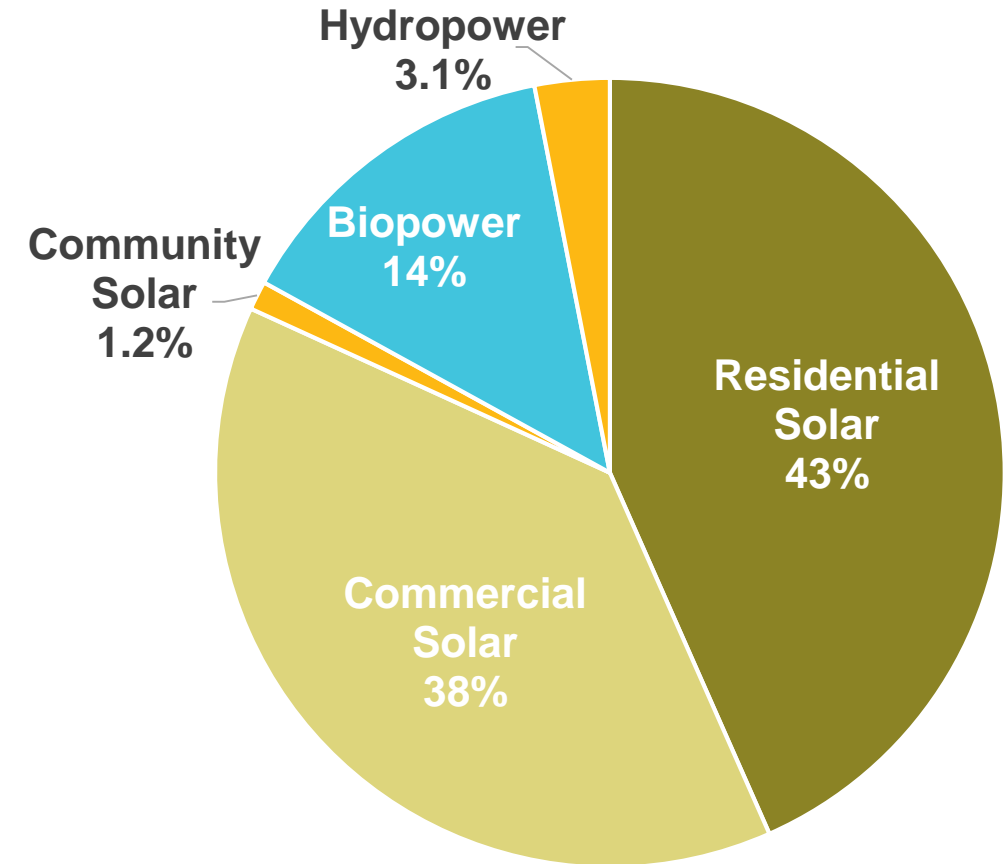
- Savings down 5.3% from 2020 budget
- \$37.9 million in total costs, including customer incentives, services and delivery
- Business customers opting for smaller projects or operations and maintenance
- Savings impacted by baseline changes, code changes and market evaluations
- Increasing incentives to drive savings during recession



6.5 MMTh savings

# 2021 Renewable Generation

- Generation up 8.4% from 2020 budget
- \$23.3 million in total costs, including customer incentives, services and delivery
- Meeting higher demand for solar systems
- Expanding support for low-income customers and communities of color
- Other Renewables projects completing
  - 2 hydropower projects and 1 biopower project
- Investing in project development assistance to build pipeline



3.54 aMW generation



## Additional Contracts

### Community Solar Program

- Subcontract to Energy Solutions for program development and delivery
- Second full year of contract
- Program developed and underway
- 5-10 aMW of Community Solar Program generation expected in 2021; not Energy Trust generation

\$0.32M total costs

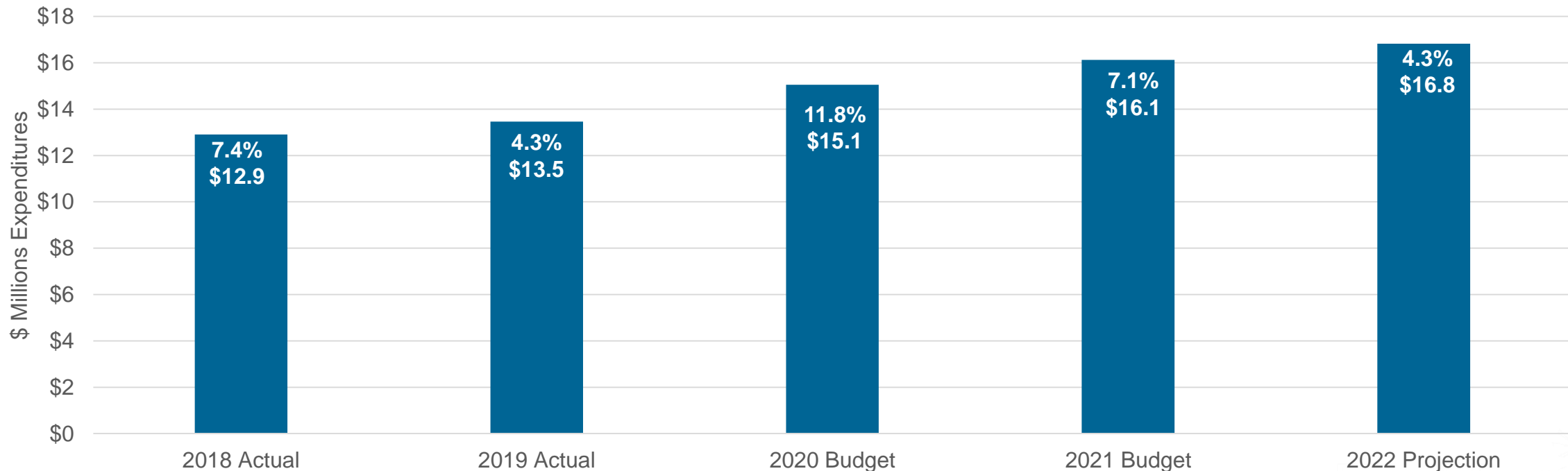
### PGE Smart Battery Pilot

- Contract with PGE for outreach, quality management and upfront incentive pass through
- Launched in late 2020
- Goal of enrolling 525 qualifying smart battery systems over 5 years

\$0.45M total costs

# Staffing Costs Subject to OPUC Performance Measure

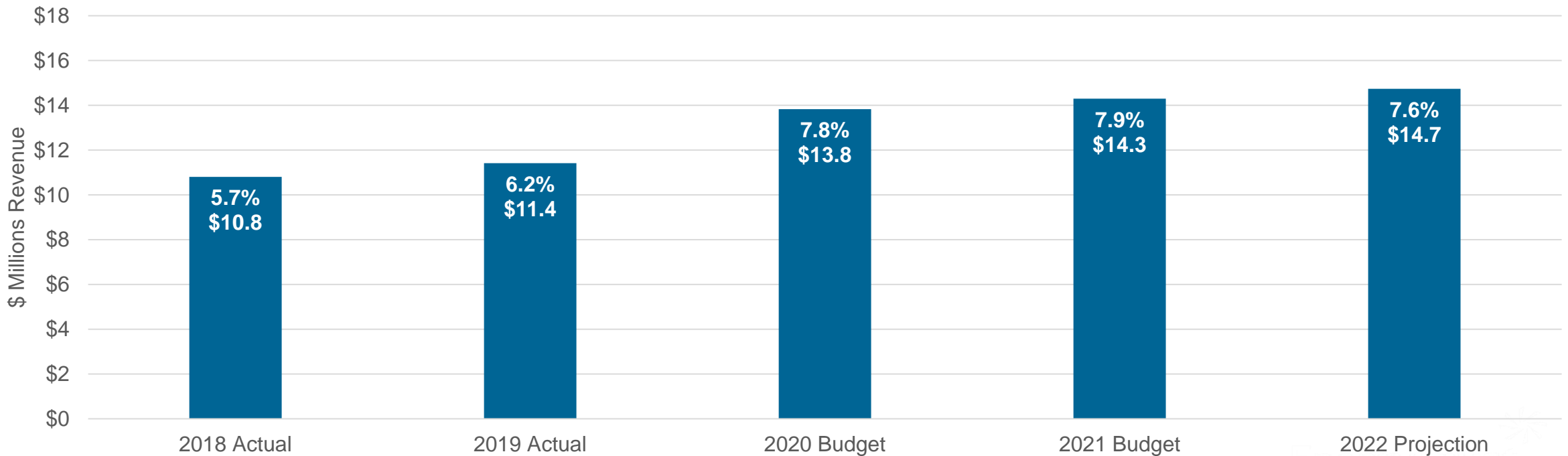
- Staffing costs comply with OPUC performance measure of  $\leq 9\%$  year-over-year growth
- Increases due to rising health insurance costs, minimal compensation adjustments, two new diversity fellows, two new outreach staff to build relationships with underserved communities and a new solar project manager
- Chart shows costs and percent increase over prior year



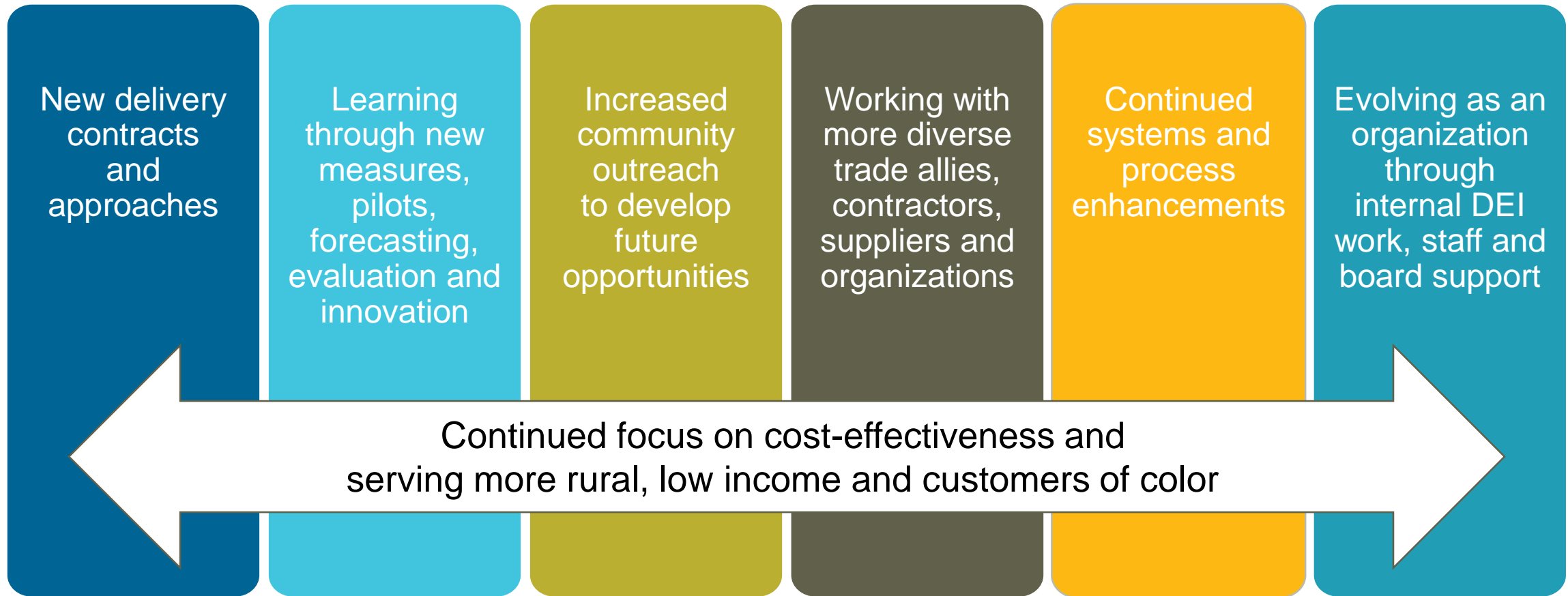
Staffing costs are embedded in internal program delivery, general communications & outreach, and management & general  
Figures exclude NW Natural Washington, Community Solar Program, PGE Smart Battery Pilot and Development funds

# Administrative and Program Support Costs Subject to OPUC Performance Measure

- Administrative and program support costs comply with OPUC performance measure (<8% of revenue; annual increase limited to  $\leq 10\%$ )
- Costs at 7.9% of annual revenue, increasing 3.4% from 2020 budget
- Chart shows costs and costs as percentage of revenue



# Action Plan Overview





# Areas of Diversity, Equity and Inclusion Investment

- **Community Partner Funding** to support delivery of residential offers in diverse communities
- Additional incentives and targeted marketing to support energy-saving upgrades in **rentals**
- Support for reduced cost LEDs in retail locations serving **low-income communities**
- Development of **small business offers** delivered by trade allies serving communities of color, low income and rural communities
- Co-funding to work with agencies on affordable, efficient **multifamily housing**
- Higher **solar incentives for nonprofits** that provide services for low income and communities of color, and for affordable multifamily buildings
- Support for **Diversity Advisory Council** and internal DEI committee
- Development of **supplier diversity program**
- DEI lead and additional staff to **build relationships with communities of color**
- **Hiring and retention strategies** for increasing staff diversity
- Formation of a **board diversity, equity and inclusion committee**

# Wildfire Recovery and Rebuilding

## Near-term engagement opportunities

- Listen, learn, engage and educate
- Team of staff to coordinate internally, assess opportunities and consider new or amended offers

## Longer-term support opportunities in 2021 and 2022

- Initial cleanup could take 18 months, timelines uncertain
- Some rebuilding may occur sooner
- Deploy existing program and outreach resources
- Offer expertise and incentives for early planning and new construction design in 2021
- Rebuilding likely to begin most places in 2022



## 2022 Budget Projection

- Expenditures to decrease 1.5%
- Electric savings to increase 8.9%
  - Levelized costs to decrease by 3.7%; from 3.6¢/kWh to 3.5¢/kWh
- Gas savings to decrease 2%
  - Oregon levelized costs to increase by 5.9%; from 44.0¢/therm to 46.6¢/therm
  - Washington levelized costs to increase by 7.1%; from 65.5¢/therm to 70.2¢/therm
- Renewable generation to decrease 6.1%

*Comparisons are final proposed 2022 budget to final proposed 2021 budget*

# Summary



## Key Takeaways

1. Adapting to meet customers' needs in an uncertain future, guided by our strategic plan
2. Serving communities and building relationships is key to reach energy goals
3. As forecasted, electric and gas savings declining and costs increasing; remain cost-effective for customers
4. Investments in innovation, outreach, systems and tools will pay off in future savings, generation and cost management
5. Working differently and more efficiently and equitably to operate expanding program portfolio



## Questions and Discussion

- Do you agree that this year's budget supports the strategic direction of the organization you established in the 2020-2024 Strategic Plan?
- Do you agree that the approaches, tactics and initiatives in our final proposed budget are the appropriate actions for us to focus on next year to achieve our annual goals?
- Do you understand the trends we're seeing, and do you agree we have characterized them sufficiently and are managing to them appropriately?

*Staff recommends the Board of Directors adopt  
Resolution 926:*

**Final Proposed 2021 Budget and 2021-2022 Action Plan**



Thank You

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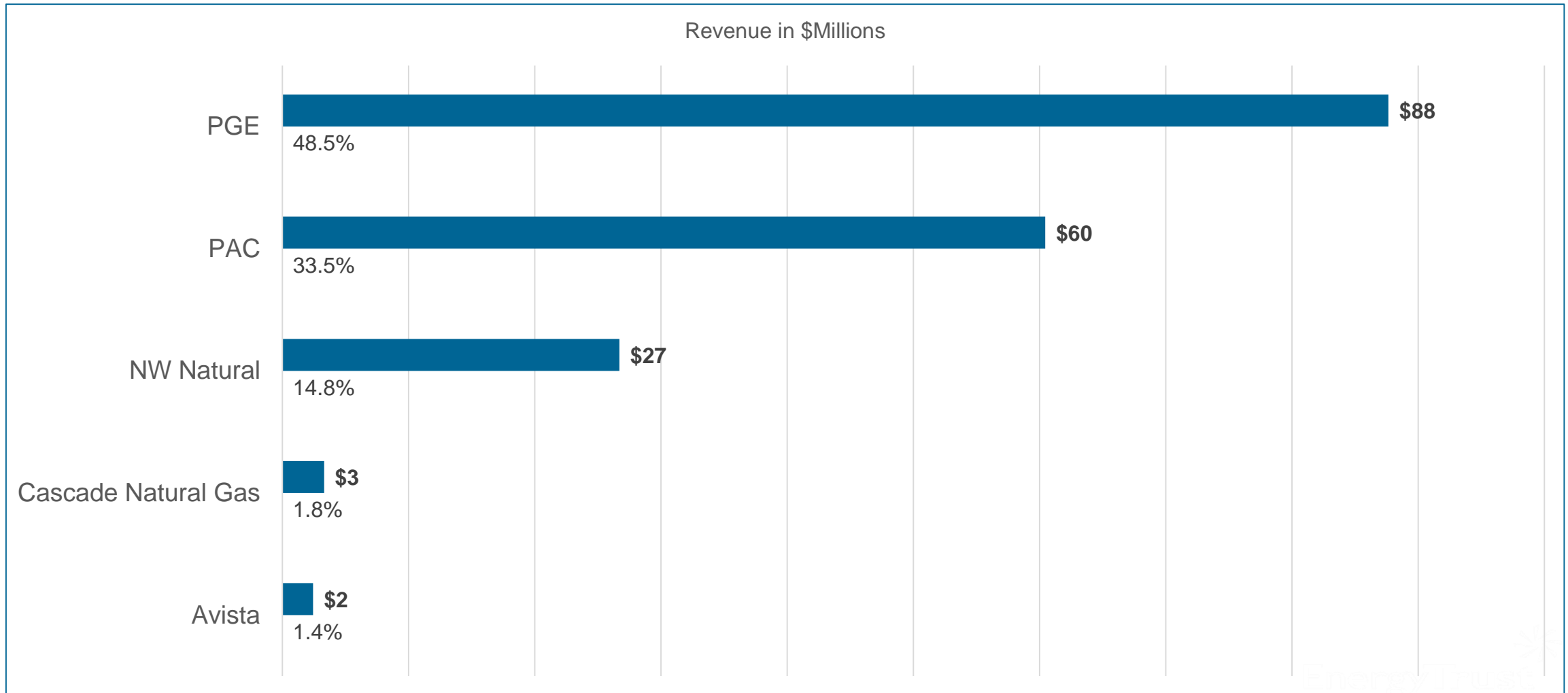
# Supplemental Information



# Oregon Utility Ratepayer Programs Only: Revenues and Expenditures

# 2021 Budget Revenue (Oregon only)

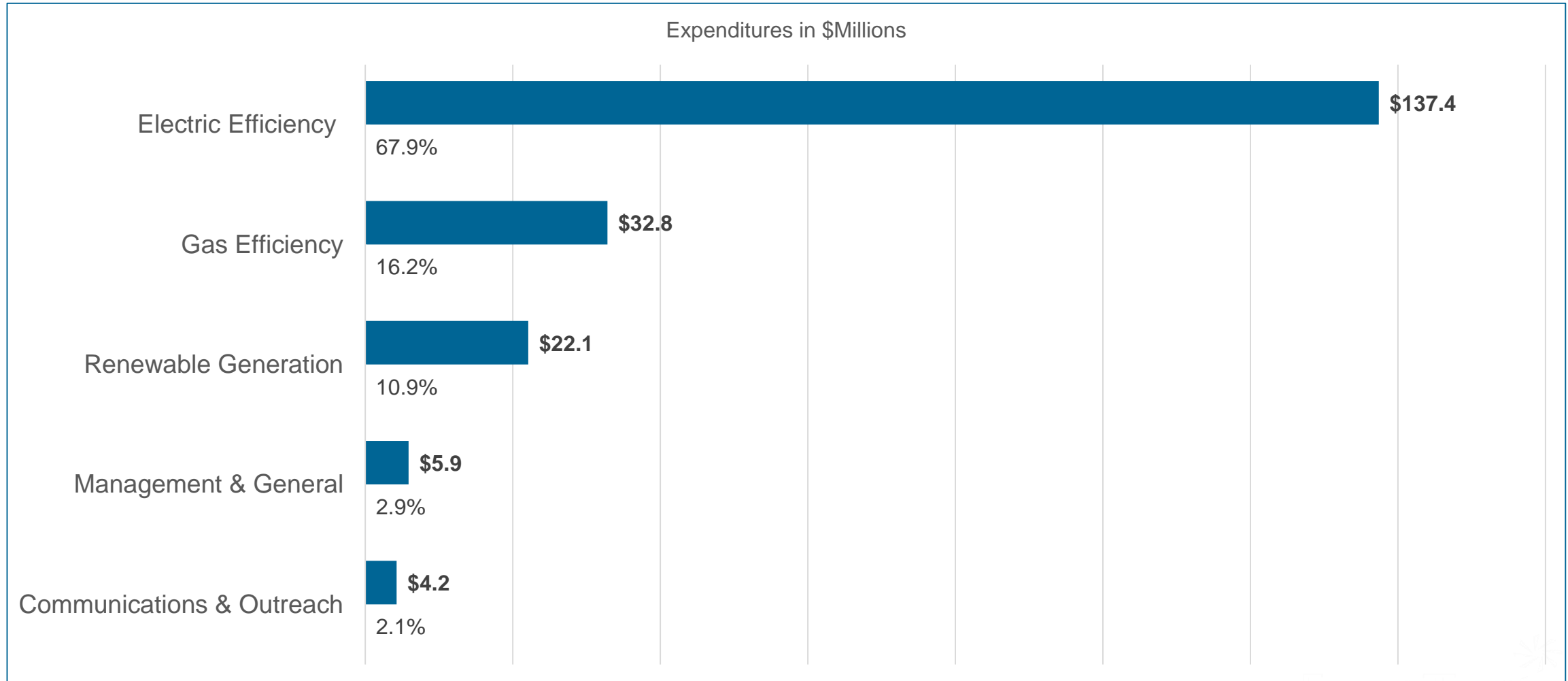
\$180.5 million, up 1.8% from 2020 Oregon budget



Figures exclude NW Natural Washington, Community Solar Program, PGE Smart Battery Pilot and Development funds

# 2021 Budget Expenditures (Oregon only)

\$202.4 million, up 0.4% from 2020 Oregon budget



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

*Figures exclude NW Natural Washington, Community Solar Program, PGE Smart Battery Pilot and Development funds*

# Developing the Budget and Action Plan

# Budget Outreach Schedule

## October & November

- Draft budget online and public comment period open, Oct. 7
- Budget workshop, Oct. 14
- Budget workshop presentations online, Oct. 19
- Public comments due, Oct. 28
- OPUC public meeting, Nov. 12
- Review changes with advisory councils, Nov. 18

## December

- Final proposed budget online, Dec. 4
- Board action on final proposed budget, Dec. 11
- Submit board-approved budget and action plan to OPUC, Dec. 31

# Helping achieve Oregon's clean energy future

2020–2024 Strategic Plan

Focus Areas

## 1 ENGAGING CUSTOMERS

Engaging customers with programs, information and services, with attention to underserved customers.

## 2 SUPPORTING UTILITIES

Linking to the approaches utilities are using to meet changing customer energy needs.

## 3 INFORMING POLICYMAKERS

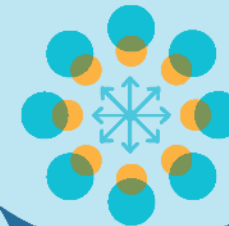
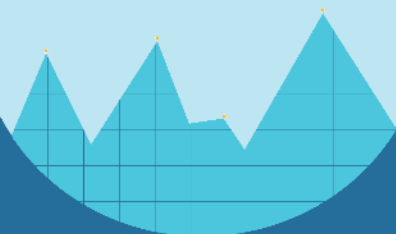
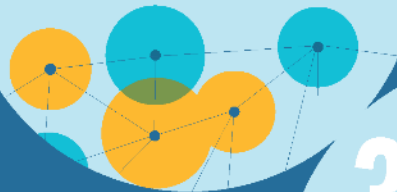
Supporting energy policies by providing objective information and analyses.

## 4 DELIVERING MULTIPLE BENEFITS

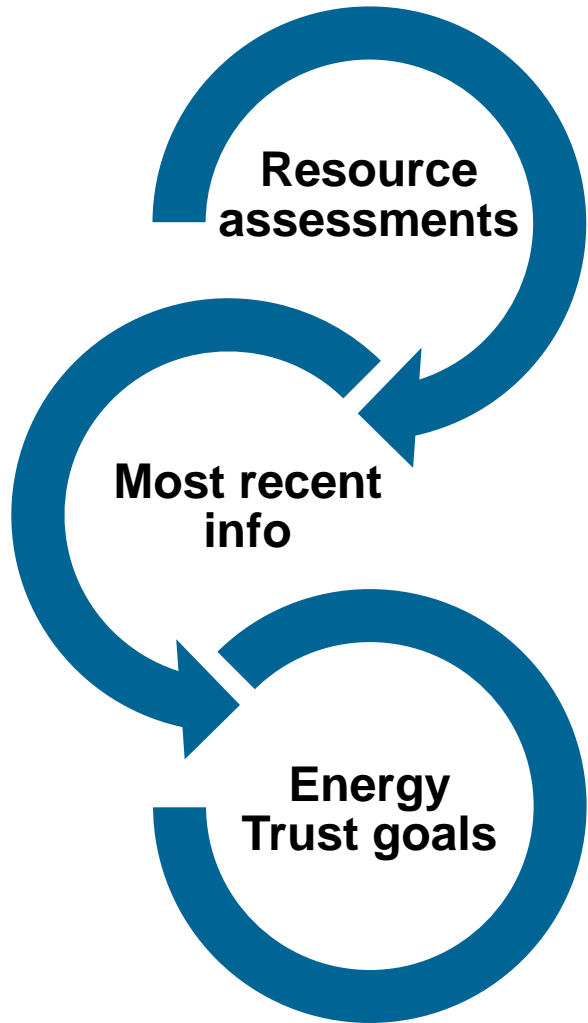
Leveraging additional funding to advance clean energy investments that deliver multiple benefits.

## 5 ADAPTING TO CHANGE

Enhancing our ability to respond to changes, needs and new opportunities.



# Annual Target Setting



- Annual savings goals related to each utility's Integrated Resource Plan (IRP) target
  - Staggered two-year IRP cycles
  - Energy Trust annual goals can vary from the IRP target because of new information
  - Utilities file tariffs to collect funding necessary to meet annual goal
- Generation goals informed by resource availability and market drivers



## **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic.**

We will meet 2021 targets of 45.0 aMW and 6.5 million therms of savings and 3.54 aMW of generation while creating opportunities for future savings and generation with a particular focus on:

- Continuing to adapt program design to respond to market changes resulting from the recovery related to the COVID-19 pandemic.
- Meeting the OPUC metrics for cost-effectiveness, diversity, customer service and innovation.
- Targeting savings and generation within specific communities when and where they have the greatest value to the utility grid.



# 2021 Goals

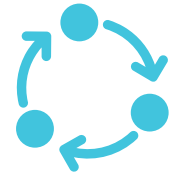


## **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives.**

We will focus resources on working with utilities, agencies, communities and business- and community-based organizations on joint initiatives that help each entity accomplish its purpose with a particular focus on:

- Collaborating with workforce organizations to enhance the diversity of our Trade Ally Network.
- Resolving funding uncertainties to enable continued delivery of clean energy programs and benefits and identifying other funding sources for complementary initiatives.
- Connecting our programs to community planning, housing affordability, economic recovery, resiliency and greenhouse gas reduction efforts.
- Collaborating with the Portland Clean Energy Fund and prospective grantees.
- Working with the OPUC and state agencies to support implementation of the state's energy- and climate-related policies.
- Working with mid-stream market actors to retain our ability to deliver affordable, clean energy at volume.

# 2021 Goals



## **Goal 3: Enhance operating processes and internal culture to efficiently respond to change.**

We will enhance operating efficiency through process improvements and continued investment in innovation that results in a flexible workforce and work environment with a particular focus on:

- Enhancing employee development and growth with an emphasis on intercultural awareness and inclusion.
- Improving the efficiency of our budget process.
- Continuing policy development and technology adoption to support remote work arrangements and social distancing for staff.
- Learning from experience and adapting our organizational structure to support progress in the focus areas identified in the strategic plan.
- Furthering our efforts to foster and promote innovation.
- Accelerating our use of digital platforms and increased process automation to enhance our customer and contractor experience through increased efficiency.

# Building Our Budget and Action Plan

1

2020-2024  
Strategic Plan  
focus areas  
and  
strategies

2

Energy  
efficiency and  
renewable  
energy  
resource  
planning

3

Business  
planning,  
prioritization  
and goal  
setting

4

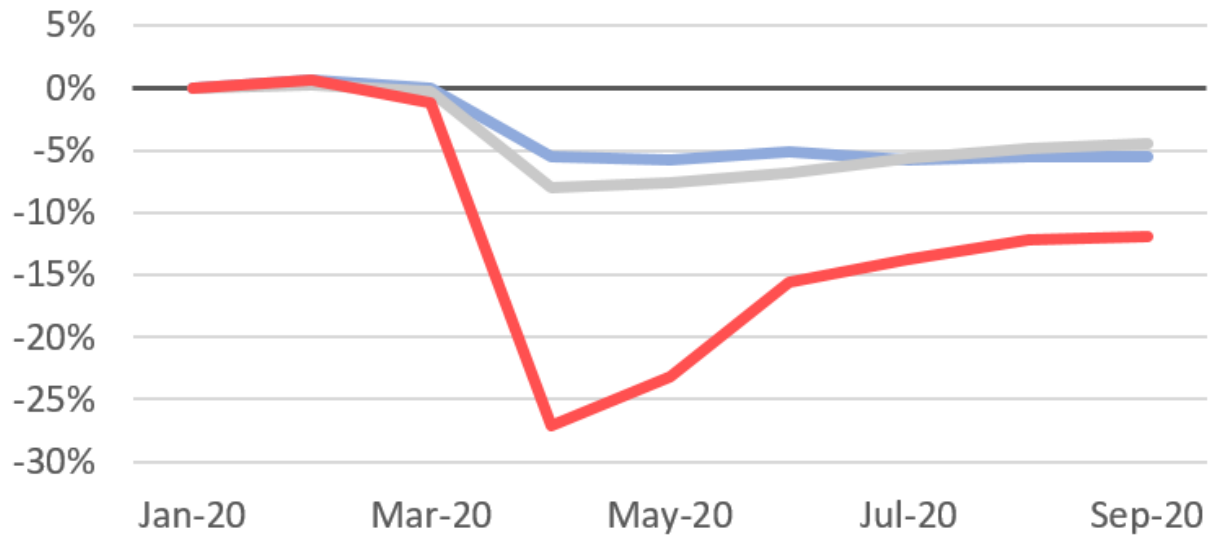
Market knowledge and context

# Context Shaping the Budget

## Oregon Employment by Wage

Percent Change Since January 2020, Terciles Based on Industry Average Wage

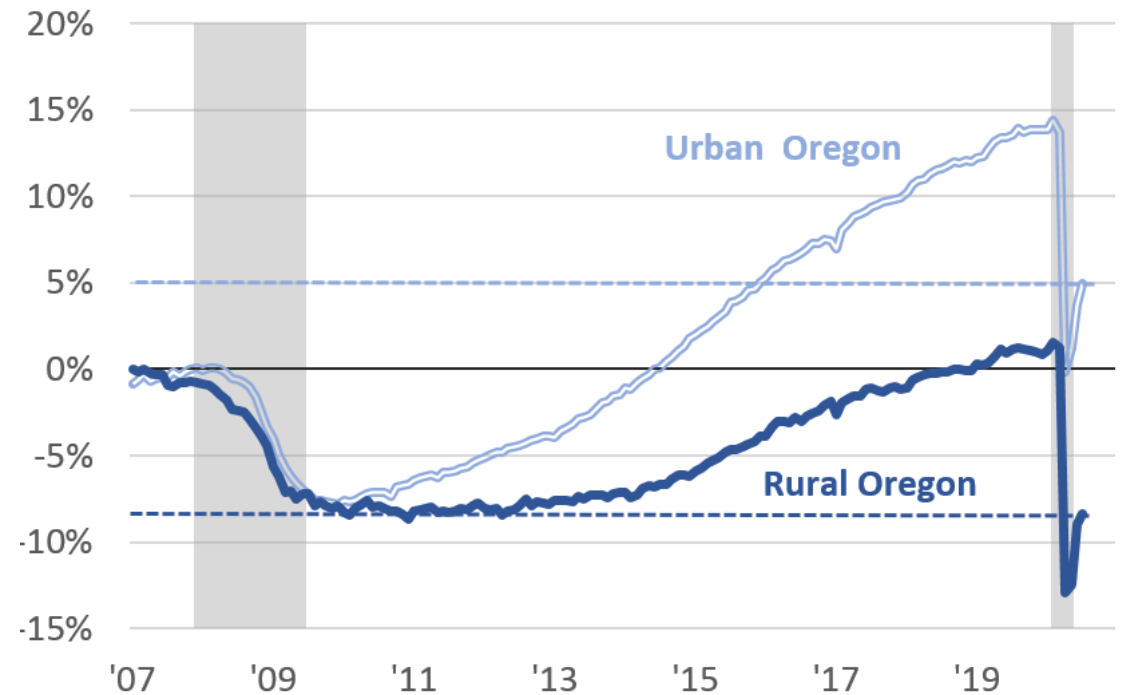
High (>\$62k) Middle (\$40-62k) Low (<\$40k)



Source: Oregon Employment Department, Oregon Office of Economic Analysis

## Urban-Rural Employment in Oregon

Employment Change from Pre-Great Recession Peak



Latest data: July 2020 | Source: Oregon Employment Department, Oregon Office of Economic Analysis

# Context Shaping the Budget

## COVID-19, recession reshape savings and generation opportunities

- Pandemic-related supply chain disruptions, combined with trade conflicts, equipment costs and tariffs, create price volatility
- Slowdown of new construction and upgrade projects; projects in progress delayed
- Viability of business models and design/location of buildings uncertain



30-60% increase  
in air freight costs



84% of multifamily construction  
companies expect project delays



12% Portland Metro office  
vacancy rate

# Context Shaping the Budget

## **Pandemic, natural disasters and recession change customer needs**

- Businesses interested in lower-cost equipment, Strategic Energy Management; few capital projects
- More interest in equipment that improves air quality
- Higher energy burdens; more interest in low- and no-cost residential solutions
- Wildfire devastated communities have an urgent need to rebuild, esp. housing



3,124 residences  
destroyed by  
wildfires



1,400 other  
structures  
destroyed by  
wildfires

# Context Shaping the Budget

## **Savings influenced by codes, standards, market transformation, evaluations**

- Energy efficiency baselines increasing due to federal equipment standards and state building codes, resulting in fewer savings
- Low-cost LED savings opportunities limited by market transformation, with continued opportunities for low-income and rural customers
- Evaluations indicate very few savings opportunities for water-savings devices; showerheads and faucet aerators discontinued in most markets
- Interest in peak load management continues to grow



# Context Shaping the Budget

## **Communities emerge as both customers and partners in reaching residents and businesses**

- Cities, counties and local organizations seeking help to achieve energy and climate goals
- Community-based organizations interested in working as program delivery partners
- Stakeholder and customer feedback urges investments in building relationships with communities of color





# Revenues, Expenditures, Savings and Generation Detail

# Draft to Final Proposed Expenditures Changes

	2021 Draft Expenses (\$ Million)	2021 Final Proposed Expenses (\$ Million)	Total Change (\$ Million)	% Change
PGE (efficiency)	\$86.89	\$86.18	-\$0.71	-0.8%
Pacific Power (efficiency)	\$58.50	\$58.43	-\$0.08	-0.1%
NW Natural Oregon	\$29.13	\$27.88	-\$1.25	-4.3%
NW Natural Washington	\$3.03	\$3.34	\$0.31	10.3%
Cascade Natural Gas	\$4.21	\$4.10	-\$0.11	-2.7%
Avista	\$2.55	\$2.56	\$0.01	0.3%
<b>Total Electric Efficiency</b>	<b>\$145.40</b>	<b>\$144.61</b>	<b>-\$0.79</b>	<b>-0.5%</b>
<b>Total Gas Efficiency</b>	<b>\$38.93</b>	<b>\$37.88</b>	<b>-\$1.05</b>	<b>-2.7%</b>

Columns may not total due to rounding

# Draft to Final Proposed Savings Changes

	2021 Draft Savings	2021 Final Proposed Savings	Total Change	% Change
PGE (aMW)	23.40	24.82	1.42	6.1%
Pacific Power (aMW)	18.13	20.14	2.01	11.1%
NW Natural Oregon (MMTh)	5.09	5.09	0.00	0.0%
NW Natural Washington (MMTh)	0.28	0.39	0.11	39.8%
Cascade Natural Gas (MMTh)	0.56	0.57	0.01	2.1%
Avista (Th)	0.44	0.45	0.02	3.5%
<b>Total Electric Savings (aMW)</b>	<b>41.53</b>	<b>44.96</b>	<b>3.43</b>	<b>8.3%</b>
<b>Total Gas Savings (MMTh)</b>	<b>6.37</b>	<b>6.50</b>	<b>0.14</b>	<b>2.2%</b>

Columns may not total due to rounding

aMW: average megawatts  
MMTh: million annual therms

# 2021 Utility Savings & Generation Summary

	2020 Budget Savings & Generation (aMW or MMTh)	2020 Budget Cost (\$ Millions)	2021 Budget Savings & Generation (aMW or MMTh)	2021 IRP Target (aMW or MMTh)	2021 Cost (\$ Millions)	2021 Budget Levelized Cost (per kWh or therm)
<b>PGE (Efficiency)</b>	27.41	\$90.28	24.82	29.46	\$86.18	3.9¢
<b>Pacific Power (Efficiency)</b>	17.99	\$61.78	20.14	18.13	\$58.43	3.4¢
<b>NW Natural (OR)</b>	5.59	\$25.81	5.09	6.03	\$27.88	43.2¢
<b>NW Natural (WA)</b>	0.34	\$2.58	0.39	0.38	\$3.34	65.5¢
<b>Cascade Natural Gas</b>	0.55	\$3.36	0.57	0.56	\$4.10	53.1¢
<b>Avista</b>	0.39	\$1.87	0.45	0.44	\$2.56	41.1¢
<b>PGE (Renewable)</b>	2.25	\$10.45	2.25	N/A	\$15.36	N/A
<b>Pacific Power (Renewable)</b>	1.02	\$8.06	1.29	N/A	\$7.89	N/A

MMTh: million annual therms; aMW: average megawatts; gross savings

# 2021 Electric Savings, Budget by Program

	2020 Budget Savings Goal (aMW)	2020 Budget Cost (\$ Million)	2021 Budget Savings Goal (aMW)	2021 Cost (\$ Million)	2021 Levelized Cost/kWh	% 2021 Savings
<b>Residential</b>	5.50	\$36.56	5.54	\$34.74	7.0¢	12.3%
<b>Existing Buildings (including multifamily)</b>	14.58	\$52.44	15.56	\$49.95	3.6¢	34.6%
<b>New Buildings</b>	4.76	\$16.92	4.43	\$15.79	3.7¢	9.9%
<b>Production Efficiency</b>	17.14	\$39.42	15.47	\$36.71	2.7¢	34.4%
<b>NEEA combined</b>	3.41	\$6.73	3.96	\$7.42	2.6¢	8.8%
<b>TOTAL</b>	<b>45.40</b>	<b>\$152.07</b>	<b>44.96</b>	<b>\$144.61</b>	<b>3.6¢</b>	

aMW: average megawatts; columns may not total due to rounding; gross savings

# 2021 Natural Gas Savings, Budget by Program

	2020 Budget Savings (MMTh)	2020 Budget Cost (\$ Millions)	2021 Budget Savings (MMTh)	2021 Cost (\$ Millions)	2021 Levelized Cost/ therm (OR)	2021 Levelized Cost/ therm (WA)	% 2021 Savings
<b>Residential</b>	2.71	\$2.06	2.47	\$16.87	42.7¢	82.4¢	38%
<b>Existing Buildings (including multifamily)</b>	2.07	\$11.00	2.31	\$14.06	52.9¢	53.6¢	36%
<b>New Buildings</b>	0.55	\$1.85	0.36	\$1.64	40.6¢	N/A	6%
<b>Production Efficiency</b>	1.51	\$3.56	1.36	\$3.74	26.7¢	N/A	21%
<b>NEEA combined</b>	0.02	\$31.05	0.003	\$1.58	N/A*	N/A	0.04%
<b>TOTAL</b>	<b>6.87</b>	<b>\$49.52</b>	<b>6.50</b>	<b>\$37.88</b>	<b>44.0¢</b>	<b>65.5¢</b>	

MMTh: million annual therms; columns may not total due to rounding; gross savings

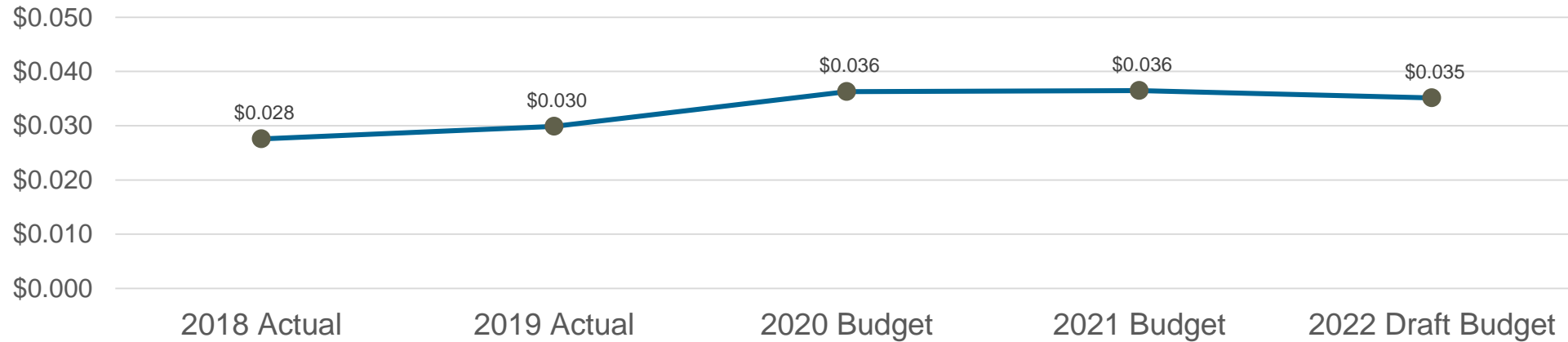
\* NEEA costs represent both present activities and future focused R&D. Because gas is new to the portfolio and not yet producing volume savings, levelized costs are not shown for NEEA.

# 2021 Renewable Energy, Budget by Utility

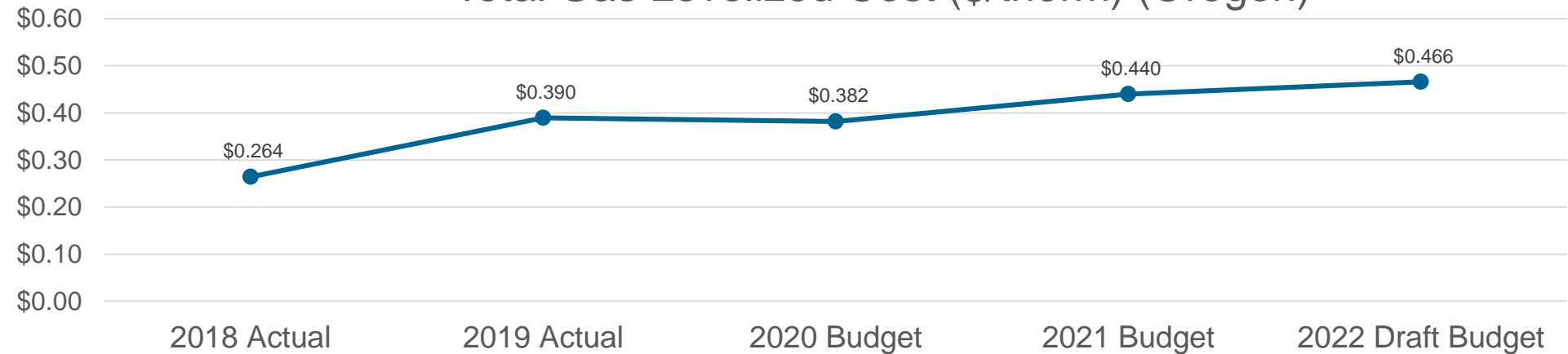
	2020 Budget Generation (aMW)	2020 Budget Cost (\$ Millions)	2021 Generation (aMW)	2021 Budget (\$ Millions)
<b>PGE</b>				
<b>Solar</b>	1.33	\$6.57	1.76	\$9.16
<b>Other Renewables</b>	0.92	\$3.88	0.49	\$6.20
<b>TOTAL</b>	<b>2.25</b>	<b>\$10.45</b>	<b>2.25</b>	<b>\$15.36</b>
<b>Pacific Power</b>				
<b>Solar</b>	0.92	\$4.07	1.18	\$4.85
<b>Other Renewables</b>	0.11	\$3.99	0.109	\$3.04
<b>TOTAL</b>	<b>1.02</b>	<b>\$8.06</b>	<b>1.29</b>	<b>\$7.89</b>

# Levelized Cost Trends

## Total Electric Levelized Cost (\$/kWh)



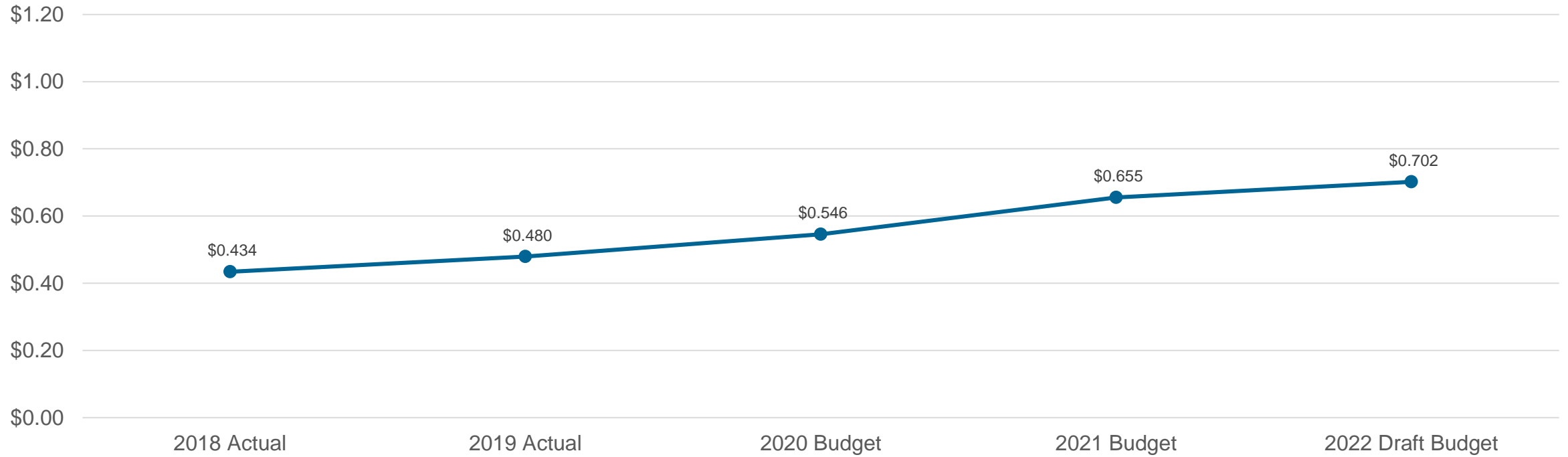
## Total Gas Levelized Cost (\$/therm) (Oregon)





# Levelized Cost Trends (WA)

Total Gas Levelized Cost (\$/therm) (Washington)

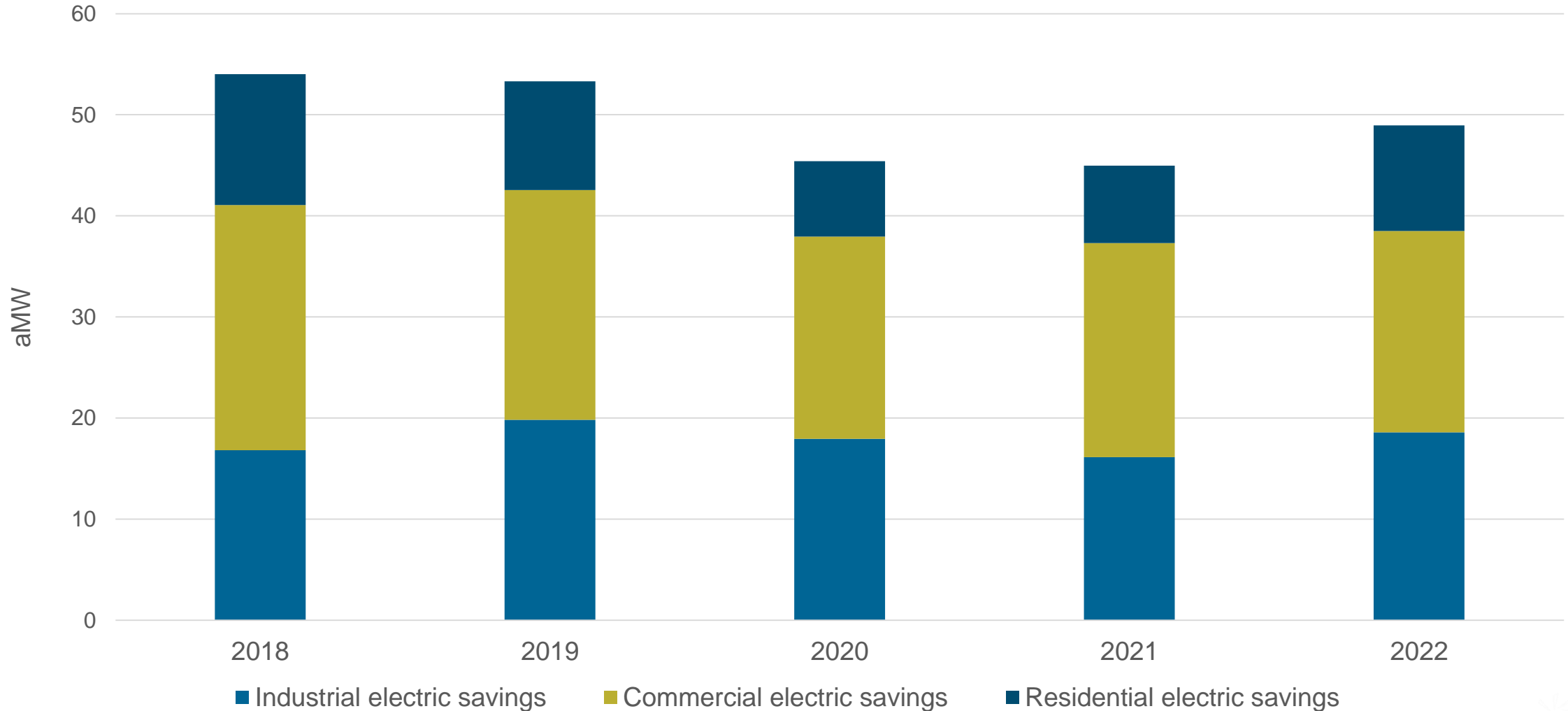


# Year-to-Year Comparison of Budgeted Savings, Generation and Levelized Costs

	Electric Savings (aMW)	Gas Savings (MMTh)	Electric Generation (aMW)
2020 Budget	45.4	6.87	3.27
2021 Budget	45.0	6.50	3.54
% change	-1.0%	-5.3%	8.4%

	Electric Levelized Cost (cents/kWh)	Gas Levelized Cost OR (cents/therm)	Gas Levelized Cost WA (cents/therm)
2020 Budget	3.6	38.2	54.6
2021 Budget	3.6	44.0	65.5
% change	0.48%	15.2%	20.1%

# Electric Savings Trends by Sector



# Gas Savings Trends by Sector

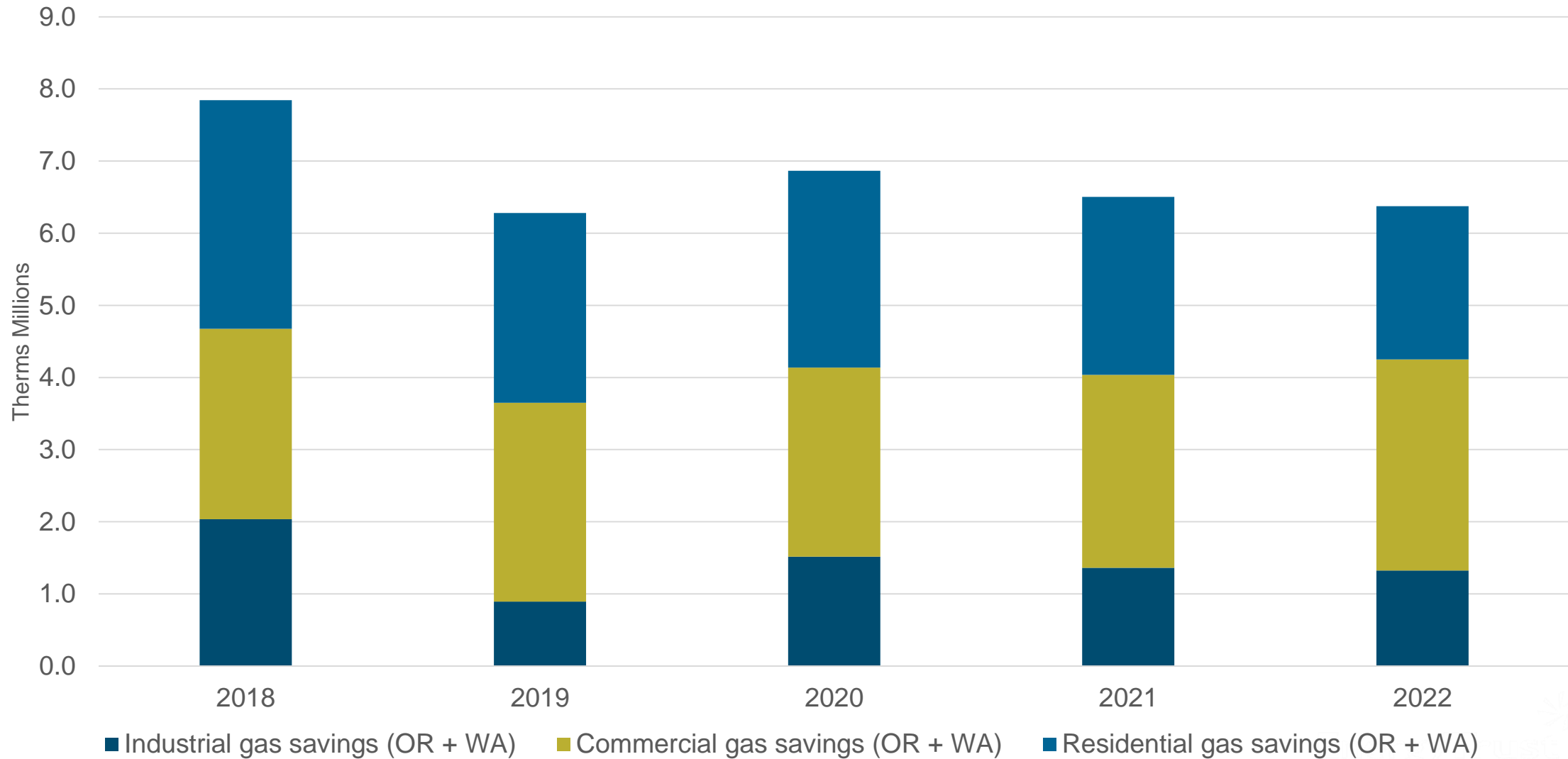


Chart shows 2018-2019 actuals, 2020 budget, 2021 budget and draft 2022 budget

# Energy Efficiency Detail by Utility

# Energy Efficiency Summary by Utility

	2021 Budget Savings Goal (aMW or MMTh)	2021 Levelized Cost (per kWh or therm)	2021 Budget (\$ Million)
<b>PGE (Efficiency)</b>	24.82	3.9¢	\$86.18
<b>Pacific Power (Efficiency)</b>	20.14	3.4¢	\$58.43
<b>NW Natural (OR)</b>	5.09	43.2¢	\$27.88
<b>NW Natural (WA)</b>	0.39	65.5¢	\$3.34
<b>Cascade Natural Gas</b>	0.57	53.1¢	\$4.10
<b>Avista</b>	0.45	41.1¢	\$2.56

Gross savings

# PGE: 2021 Savings, Budget by Program

	2020 Savings Goal (aMW)	2020 Savings Forecast (aMW)	2021 Savings Goal (aMW)	2021 Budget (\$ Million)	2021 Levelized Cost/kWh	% of 2021 Savings
<b>Residential</b>	3.11	3.48	2.34	\$19.85	7.8¢	9%
<b>Existing Buildings (including multifamily)</b>	8.96	7.79	9.52	\$32.56	3.9¢	38%
<b>New Buildings</b>	3.27	3.09	2.64	\$10.08	3.9¢	11%
<b>Production Efficiency</b>	10.13	9.07	8.05	\$19.45	2.8¢	32%
<b>NEEA combined</b>	1.94	1.62	2.26	\$4.23	2.6¢	9%
<b>Total</b>	<b>27.41</b>	<b>25.04</b>	<b>24.82</b>	<b>\$86.18</b>	<b>3.9¢</b>	

Gross savings

# Pacific Power: 2021 Savings, Budget by Program

	2020 Savings Goal (aMW)	2020 Savings Forecast (aMW)	2021 Savings Goal (aMW)	2021 Budget (\$ Million)	2021 Levelized Cost/kWh	% of 2021 Savings
<b>Residential</b>	2.39	3.03	3.20	\$14.89	6.3¢	16%
<b>Existing Buildings (including multifamily)</b>	5.62	5.29	6.04	\$17.39	3.1¢	30%
<b>New Buildings</b>	1.49	1.63	1.79	\$5.70	3.4¢	9%
<b>Production Efficiency</b>	7.02	6.38	7.42	\$17.26	2.7¢	37%
<b>NEEA combined</b>	1.47	1.71	1.70	\$3.19	2.6¢	8%
<b>Total</b>	<b>17.99</b>	<b>18.03</b>	<b>20.14</b>	<b>\$58.43</b>	<b>3.4¢</b>	

Gross savings



# NW Natural: 2021 Savings, Budget for Oregon (excludes Industrial DSM)

	2020 Savings Goal (MMTh)	2020 Savings Forecast (MMTh)	2021 Savings Goal (MMTh)	2021 Budget (\$ Million)	2021 Levelized Cost/therm	% of 2021 Savings
<b>Residential</b>	2.14	2.27	1.91	\$12.82	44.2¢	55%
<b>Existing Buildings (including multifamily)</b>	0.95	0.77	1.00	\$6.23	54.3¢	29%
<b>New Buildings</b>	0.44	0.39	0.27	\$1.24	41.4¢	8%
<b>Production Efficiency</b>	0.40	0.25	0.26	\$0.72	24.4¢	8%
<b>NEEA combined</b>	0.02	0.01	0.002	\$1.15	N/A*	0.1%
<b>Total</b>	<b>3.95</b>	<b>3.70</b>	<b>3.45</b>	<b>\$22.16</b>	<b>47.0¢</b>	

Gross savings

\*NEEA costs represent both present activities and future focused R&D. Because gas is new to the portfolio and not yet producing volume savings, levelized costs are not shown for NEEA.

# NW Natural: 2021 Savings, Budget for Oregon (only Industrial DSM)

	2020 Savings Goal (MMTh)	2020 Savings Forecast (MMTh)	2021 Savings Goal (MMTh)	2021 Budget (\$ Million)	2021 Levelized Cost/therm	% of 2021 Savings
<b>Existing Buildings (including multifamily)</b>	0.57	0.55	0.62	\$2.96	44.4¢	38%
<b>New Buildings</b>	0.02	0.03	0.01	\$0.10	63.6¢	1%
<b>Production Efficiency</b>	1.05	1.87	1.01	\$2.67	26.8¢	61%
<b>Total</b>	<b>1.64</b>	<b>2.45</b>	<b>1.64</b>	<b>\$5.72</b>	<b>34.1¢</b>	

Gross savings

# NW Natural: 2021 Savings, Budget by Program (Washington)

	2020 Savings Goal (MMTh)	2020 Savings Forecast (MMTh)	2021 Savings Goal (MMTh)	2021 Budget (\$ Million)	2021 Levelized Cost/therm	% of 2021 Savings
<b>Residential</b>	0.23	0.21	0.15	\$1.80	82.4¢	38%
<b>Existing Buildings (including multifamily)</b>	0.11	0.11	0.24	\$1.54	53.6¢	62%
<b>Total</b>	<b>0.34</b>	<b>0.33</b>	<b>0.39</b>	<b>\$3.34</b>	<b>65.5¢</b>	

Gross savings

# NW Natural: 2021 Savings, Budget by Program (All Programs, Both States)

	2020 Savings Goal (MMTh)	2020 Savings Forecast (MMTh)	2021 Savings Goal (MMTh)	2021 Budget (\$ Million)	2021 Levelized Cost/therm (OR)	2021 Levelized Cost/therm (WA)	% of 2021 Savings
<b>Residential</b>	2.37	2.49	2.06	\$14.62	45.1¢	82.4¢	38%
<b>Existing Buildings (including multifamily)</b>	1.63	1.44	1.86	\$10.73	53.0¢	53.6¢	34%
<b>New Buildings</b>	0.46	0.42	0.29	\$1.34	40.7¢	N/A	5%
<b>Production Efficiency</b>	1.45	2.12	1.27	\$3.38	26.8¢	N/A	23%
<b>NEEA combined</b>	0.02	0.01	0.0020	\$1.15	N/A*	N/A	0.0%
<b>Total</b>	<b>5.93</b>	<b>6.47</b>	<b>5.48</b>	<b>\$31.22</b>	<b>45.3¢</b>	<b>65.5¢</b>	

Gross savings

\*NEEA costs represent both present activities and future focused R&D. Because gas is new to the portfolio and not yet producing volume savings, levelized costs are not shown for NEEA.

# Cascade Natural Gas: 2021 Savings, Budget by Program

	2020 Savings Goal MMTh	2020 Savings Forecast MMTh	2021 Savings Goal MMTh	2021 Budget (\$ Million)	2021 Levelized Cost/therm	% of 2021 Savings
<b>Residential</b>	0.17	0.18	0.19	\$1.26	42.2¢	33%
<b>Existing Buildings (including multifamily)</b>	0.28	0.23	0.27	\$2.05	61.9¢	47%
<b>New Buildings</b>	0.04	0.05	0.05	\$0.20	39.8¢	8%
<b>Production Efficiency</b>	0.06	0.06	0.07	\$0.29	36.7¢	12%
<b>NEEA combined</b>	0.00	0.00	0.001	\$0.29	N/A*	0.1%
<b>Total</b>	<b>0.55</b>	<b>0.52</b>	<b>0.57</b>	<b>\$4.10</b>	<b>53.1¢</b>	

Gross savings

\*NEEA costs represent both present activities and future focused R&D. Because gas is new to the portfolio and not yet producing volume savings, levelized costs are not shown for NEEA.

# Avista: 2021 Savings, Budget by Program

	2020 Savings Goal (MMTh)	2020 Savings Forecast (MMTh)	2021 Savings Goal (MMTh)	2021 Budget (\$ Million)	2021 Levelized Cost/therm	% of 2021 Savings
<b>Residential</b>	0.17	0.23	0.21	\$1.0	29.7¢	47%
<b>Existing Buildings (including multifamily)</b>	0.16	0.12	0.18	\$1.3	58.7¢	41%
<b>New Buildings</b>	0.04	0.04	0.03	\$0.1	25.7¢	7%
<b>Production Efficiency</b>	0.01	0.01	0.02	\$0.1	24.3¢	5%
<b>NEEA combined</b>	0.002	0.001	0.0002	\$0.1	N/A*	0.1%
<b>Total</b>	<b>0.39</b>	<b>0.39</b>	<b>0.45</b>	<b>\$2.6</b>	<b>41.1¢</b>	

Gross savings

\*NEEA costs represent both present activities and future focused R&D. Because gas is new to the portfolio and not yet producing volume savings, levelized costs are not shown for NEEA.