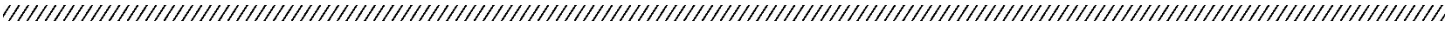


Quarter Two 2020 Progress Toward Diversity, Equity and Inclusion Goals



ENERGY TRUST OF OREGON
August 14, 2020

Energy Trust developed 10 diversity, equity and inclusion goals to improve and enhance offerings for underserved customers. Goals were finalized at the end of 2018 using baseline data through 2017 unless otherwise noted. Progress reports will be provided in quarter two and annual reports for 2019 and 2020. This appendix reflects activities and progress made from January 2019 through June 2020 unless otherwise noted. Energy Trust identifies underserved customers (people of color, people with low incomes and rural people) based on census tract characteristics.

Highlights of this work and key lessons learned include:


- **Energy Trust is helping customers and trade allies hardest hit by COVID-19 and related economic uncertainty.** Energy Trust has expanded eligibility for residential Savings Within Reach incentives, launched bonuses targeting businesses affected by COVID-19 and worked with community partners to deliver 22,000 free LEDs.
- **COVID-19 may affect Energy Trust’s ability to advance diversity in hiring, contracting and other areas.** The pandemic has dramatically slowed the rate of hiring at Energy Trust, while the office closure means fewer contracts for services. Continuing to make progress in these areas may require tailored response strategies, particularly in hiring.
- **Staff continues to build meaningful relationships with community-based organization.** In 2020, Energy Trust trained staff on relationship management, identified additional organizations to partner with and expanded co-funding opportunities. These connections are critical to success but take time and skill to manage.
- **Diversity, equity and inclusion was a top priority in contracting for commercial and industrial program management and delivery.** Energy Trust launched a competitive bid process in March for two major contracts that required diversity, equity and inclusion in hiring, subcontracting and community engagement. In evaluating contract proposals, diversity, equity and inclusion was weighted at 25% of scoring criteria.
- **Six people joined Energy Trust’s Diversity Advisory Council in 2020.** They bring valuable experience working with communities of color, customers with low incomes and rural Oregonians. The board of directors also added two members in 2020 with experience in rural Oregon.
- **Improvements in data collection and tracking resources are needed.** Energy Trust needs more methods to identify minority- and women-owned businesses and a new mechanism for assessing the organization’s cultural responsiveness.
 - For the 2020 Customer Insights Survey of residential and multifamily customers, staff employed improved recruiting tactics and oversampled in areas with high racial diversity to gather more data on awareness of and barriers to participating in Energy Trust programs.

Key

	Goal achieved	On track (high confidence) 	On track (low confidence) 	Off track 
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1. Increase customer participation in energy efficiency programs for all underserved populations by 20% by the end of 2020.


1A: Increase residential participation rate by 20% in communities of color by the end of 2020.

Baseline	Progress January 2019 – June 2020	2020 Target	Status
50,000 total participants from communities of color through 2017 (24% participation rate)	62,413 total participants from communities of color (30% participation rate)	66,128 total participants from communities of color through 2020 (32% participation rate)	On track (low confidence) 

- **Energy Trust delivered more smart thermostats in targeted geographic areas** in quarter two 2020 compared with previous quarters thanks to targeted marketing of low- and no-cost offers such as smart thermostats and Energy Saver Kits in these areas.
- Energy Trust **partnered with food banks, community action agencies and other groups** to distribute 22,000 free LED bulbs to their clients and information on how to order a free Energy Saver Kit. (Since these savings are not claimed at the site level, participation is not reflected in this goal.)
- The OPUC **approved Energy Trust expanding co-funding efforts with agencies that serve low-income Oregonians** after an initial effort with the community action agency in Washington County resulted in reaching additional customers and achieving additional savings.
- **Energy Trust partnered with the Portland nonprofit Verde** to provide low-cost ductless heat pumps to eligible customers in the Cully neighborhood. The offer cuts costs to customers by 70-80%. To cover the remaining cost, which is a significant barrier for many, Energy Trust incorporated an on-bill financing option.
- Energy Trust expanded **eligibility guidelines for Savings Within Reach**, which are higher incentives for income-qualified customers, and financing support to include any customer who is receiving unemployment benefits or other financial assistance as a result of COVID-19.


1B: Increase participation in Existing Buildings program for small and medium business customers and business customers in very rural areas by 20% by the end of 2020.

Baseline	Progress January 2019 – June 2020	2020 Target	Status
1,200 participating small/medium businesses per year on average (7% cumulative participation rate for small/medium business through 2017)	1,525 additional small/medium business in 2019 and 2020 (8.5% cumulative participation rate for small/medium businesses)	3,000 additional participating small/medium businesses in 2019 and 2020 (9% cumulative participation rate for small/medium businesses)	On track (low confidence) 

50 participating very rural businesses (5% cumulative participation rate for very rural businesses through 2017)	98 additional very rural businesses in 2019 and 2020 (7.5% cumulative participation rate for very rural businesses)	120 additional participating very rural businesses in 2019 and 2020 (7% cumulative participation rate for very rural businesses)	On track (high confidence) 
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- Energy Trust **launched bonuses in quarter two 2020 targeting businesses hardest hit by COVID-19.** Development of new offers continues to support small business customers, with new offers targeted to launch in quarter three.
- **Relationships established in 2019 with customers in very rural areas**, along with continued attention from regional field representatives and trade ally coordinators on engaging rural customers, have driven **significantly increased project volumes in these regions.**
- Staff is developing partnerships with community-based organizations and businesses—including National Association of Minority Contractors, LatinoBuilt, Professional Business Development Group, Verde and Cox Electric—with specific **focus on trade ally outreach and recruitment and workforce development.** To date in 2020, three new minority-owned businesses have been recruited to the Trade Ally Network, with additional recruitment efforts with six additional businesses and three women-owned businesses.

1C: Increase customer participation in Production Efficiency for small and medium businesses in rural areas by 20% by the end of 2020.

Baseline	Progress January 2019 – June 2020	2020 Target	Status
413 total small/medium sites served through 2017	677 total small/medium sites served	495 total small/medium sites served through 2020	Goal achieved 


- **Energy Trust’s offer in Eastern Oregon to install tubular LEDs at no cost** to qualifying businesses has increased participation in these rural areas. The offer has now launched in Southern Oregon.
- To **support industrial and agricultural customers affected by COVID-19**, Energy Trust launched bonuses, increased incentives for industrial Strategic Energy Management (SEM) and rolled out virtual project verifications. These changes helped customers achieve savings despite disruptions related to COVID-19 and have fueled interest in businesses participating in SEM in the fall.


2. Increase customer participation in renewable energy programs in low-income, rural and racially diverse communities by 20% by the end of 2020.

Baseline	Progress January 2019 – June 2020	2020 Target	Status
33% of 2017 residential solar projects sited in low-income, rural and racially diverse communities (597 out of 1,831 projects)	32% residential solar projects in 2019 and 2020 were sited in low-income, rural and racially diverse communities (723 out of 2,291 projects)	38% of 2020 residential solar projects sited in low-income, rural and racially diverse communities	Off track 

- As part of its COVID-19 response, **Energy Trust allocated additional funding to support Solar Within Reach incentives for income-qualified customers.** These are about five times the standard residential solar incentive. So far in 2020, the program has received 73 applications and installed 22 systems and is on track to meet its goal of 100 applications and 50 installations for year.
- Energy Trust **enrolled 10 projects in its Community Solar Development Assistance program in 2020.** The program, launched in 2019, offers financial assistance in the planning stage for projects intending to operate under the state’s Oregon Community Solar Program. Energy Trust will provide up to \$185,000 in total for development of projects benefiting low-income customers; funding amounts depend on developer type (public, nonprofit or private).
- Solar systems were installed at 10 of Habitat for Humanity homes in the Corvallis area, **the first completed projects funded by Energy Trust’s innovation grants to help nonprofits develop community-centric program models** that help low- and moderate-income Oregonians benefit from solar energy. The grant program launched in 2019.
- Staff is developing **new offers for projects installed by organizations, tribes and businesses that provide housing, food or other services to communities of color and/or Oregonians with lower incomes.** These offers are slated to roll out in the second half of 2020 and will provide significantly higher installation incentives for eligible customers, similar to the residential Solar Within Reach offer.
- **A significant lesson here is that while staff has made progress in outreach and program design, that work doesn’t consistently align with current data tracking and targets.** Since the use of composite scores and exclusion of nonresidential projects do not provide an accurate picture of the solar program’s activities and success, staff will look to set different targets in the future.

3. Increase participation in the Trade Ally Network by minority- and women-owned business by 50% each by the end of 2020.

Baseline	Progress January 2019 – June 2020	2020 Target	Status
25 total minority-owned businesses enrolled as of 2017	3 new minority-owned businesses enrolled (total of 29)	13 new minority-owned businesses enrolled as of 2020 (total of 38)	Off track 


15 total women-owned businesses enrolled as of 2017	1 new women-owned business enrolled (total of 30)	8 new women-owned businesses enrolled as of 2020 (total of 23)	Off track	
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This report represents a change in how Energy Trust validates tracking of minority- and women-owned businesses in its Trade Ally Network in response to lessons learned about the accuracy of previous tracking methods. When developing goals 3 and 4, Energy Trust identified businesses as women- and minority-owned in three ways: businesses could be certified by Oregon’s Certification Office of Business Inclusion and Diversity (COBID); businesses could self-identify as minority or women owned; or Energy Trust program management contractors (PMCs) could identify a business as minority or women owned. Since then, some previously enrolled businesses have been identified as minority and/or women owned, which is reflected in the current total enrollment figures above.

In 2020, Energy Trust changed the way it validates minority- and women-owned business. Self-identified businesses must now complete and submit a form to Energy Trust. PMC staff can no longer identify ownership status; only businesses with which Energy Trust has a long-standing relationship and whose ownership has been confirmed by Energy Trust staff will be counted. Staff expects additional trade allies will complete self-identification documentation, and Energy Trust will provide updated results in its quarter three report to the OPUC.

- **Staff added a function to Energy Trust’s data systems to track** minority-owned businesses, women-owned businesses, service-disabled veteran/veteran-owned businesses and businesses enrolled with local Native American tribes. Additional work is planned to identify trade allies enrolled with tribes.
- Energy Trust is **enhancing its systems to allow reporting on incentives delivered through contractors** based on the business owner’s race, as requested by stakeholders.
- Energy Trust’s Existing Buildings program **collaborated with LatinoBuilt to support enrollment of Latino-owned contractors in Energy Trust’s Trade Ally Network**, support project submissions for trade allies, and provide assistance in hosting events and workforce development training.
- In quarter three, Energy Trust will host two webinar information sessions to **educate prospective minority-owned and women-owned trade allies about the benefits of joining Energy Trust’s Trade Ally Network**, including one event in partnership with LatinoBuilt.
- Energy Trust is working with Gaucha Translations and Oswaldo Bernal of OBL Media LLC, both minority-owned businesses, to **transcreate trade ally enrollment and program applications in Spanish**.


4. Increase the number of projects completed by minority- and women-owned trade allies by 15% by the end of 2020.

Baseline	Progress January 2020 – June 2020	2020 Target	Status	
1,150 projects completed by minority- and women-owned businesses in 2017	818 projects completed by minority- and women-owned businesses in 2020 (153 projects completed by minority-owned trade allies; 808	1,323 projects completed by minority- and women-owned businesses per year in 2019 and 2020 (increase by a total of 173 per year)	Off track	

	projects by women-owned trade allies; some trade allies are both minority and women owned)		
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- Beyond expanding awareness of incentives through upcoming contractor orientations described above, Energy Trust is **looking at ways to expand incentives and benefits for minority- and women-owned contractors already participating in Energy Trust’s Trade Ally Network**. Two ideas currently being discussed are extending Community Partner Funding incentives for residential projects to these trade allies or providing project submittal bonuses.
- **Staff continues to see a need to provide additional support for minority- and women-owned businesses** to help them see the benefits of getting into the energy efficiency field. Targeted offers provide value for trade allies and support direct customer leads that boost customer participation and savings acquisition.

5. Increase the number of contracts executed with minority- and women-owned businesses by 15% by the end of 2020.

Baseline	Progress January 2019 – June 2020	2020 Target	Status
48 contracts with businesses identified as diverse from 2016-2018	99 contracts with businesses identified as diverse total since 2016; (51 new contracts in 2019 and 2020)	104 contracts with businesses identified as diverse (total since 2016)	On track (high confidence) 




- Staff is **consistently reminded of the need to contract with minority- and women-owned businesses** and encouraged to seek out new firms when entering in contracts for services, supplies or sponsorships. Energy Trust has had success with contracts for smaller amounts such as catering.
- In the competitive bid process for commercial and industrial programs that launched in March, **Energy Trust made a significant commitment to diversity, equity, and inclusion in response to feedback from stakeholders**. Bidders were required to describe program design strategies to reach diverse participants; show an ability to successfully partner with minority- and women-owned subcontractors to deliver services; and submit a plan for subcontracting including the expected dollar value of subcontracts.
- **With Energy Trust’s office closed and in-person events moved to remote platforms due to COVID-19**, the organization must find ways to continue these contract practices in the absence of purchasing for office supplies, sponsorship and catering.

6. Increase overall market awareness and understanding of underserved populations through the engagement and deepening of relationships with 50 culturally specific/culturally responsive organizations by the end of 2020.

Baseline	Progress January 2019 – June 2020	2020 Target	Status
80 existing relationships with organizations in 2017	17 new relationships and 30 deeper relationships	25 new relationships and 25 deeper relationships	On track (high confidence) 


- Energy Trust has begun holding monthly meetings with more than 20 staff members who serve as community-based organization relationship managers to **discuss progress and barriers to deepening relationships** with those organizations.
- In April, staff conducted **training for more than 80 program management and delivery contractor representatives** on developing and managing relationships with community-based organizations.
- **Staff identified additional organizations to track and report on in 2020:** Soul District, Portland Community Reinvestment Initiatives, Professional Business Development Group, The Next Door, Lake County Resources Initiative, South Central Oregon Economic Development District, Rural Voices for Conservation, Bethlehem Inn, REACH CDC and LatinoBuilt.
- **Staff advanced efforts to reach new customers through partner organizations with the introduction of Community Partner Funding**, which allows community-based organizations to offer increased incentives for residential projects.

7. Increase the diversity in recruitment of employees by 25% by the end of 2020.

Baseline	Progress January 2019 – June 2020	2020 Target	Status
7.5% of staff identified as people of color at the end of 2017 (8 people out of 107)	13% of staff identify as people of color (14 people out of 111)	Increase diversity of staff and applicants to be more reflective of Portland demographics (28% of Portlanders identify as non-white)	Off track 
	26% of applicants in 2020 identify as people of color		On track (high confidence) 
27% of new hires in 2017 identified as people of color (4 people out of 15)	30% of people hired in 2019 and 2020 identify as people of color (6 people out of 20)	34% of new hires identify as people of color	On track (low confidence) 


- **Hiring in 2020 has slowed down significantly due to COVID-19.** At the current rate of hiring, it will take Energy Trust about four years to reach 28% racial diversity among staff. Efforts are focused on accelerating this timeline and managing the effect of COVID-19 on hiring.
- Staff implemented a demographic tracking system for applicants and is **working with external talent and acquisition firms that focus on diverse applicants.**
- **Hiring panels must now have applicants of color in consideration** throughout the hiring process. This will be tracked and monitored by human resources.
- **Members of the Diversity Advisory Council are asked to sit on all hiring committees.**
- Hiring managers and hiring panel participants will now be **required to attend an implicit bias training** prior to holding interviews.

8. Develop systems and support needed to collect, track, analyze and report demographic information related to program participation, program delivery and trade ally network members by the end of 2018.

2020 Target	Status
Data, baseline and participation analysis is used to refine diversity, equity and inclusion goals and track and report progress to achieving those goals	Goal achieved 

- Energy Trust deployed the **2020 Customer Insights Survey that met sampling targets for underserved and non-participating customers** and the 2020 Fast Feedback Survey with additional questions on business owner demographics.
- Staff expanded **partnerships with community-based organizations to collect data** on underserved customers (e.g., customer with low incomes and communities of color).
- **Staff explored differential baseline analysis** for offers targeting specific underserved customers and/or lagging markets to better understand needs among specific customers groups.

9. Based on the Intercultural Effectiveness Scale survey, increase cultural responsiveness of all staff and board of directors by 20% by the end of 2020.


Baseline	Progress January 2019 – June 2020	2020 Target	Status
Scored 3.79 out of 5 on the Intercultural Effectiveness Scale in 2015	Scored 3.9 out of 5 on the Intercultural Effectiveness Scale in 2019 and 2020	A more culturally responsive and inclusive organization	Off track 

- **Energy Trust is using the Intercultural Effectiveness Scale survey** to assess the ability of staff and board members to work with people from different cultures. In 2019, 90% of staff including contractors and interns took the survey. Board members also completed the survey in May 2020. The two groups received

an average score of 3.9 out of 5. **Results showed a small but positive change overall with notable gains in interpersonal engagement.**

- Employees were invited to attend a presentation on organization-wide results and offered one-on-one meetings to **discuss their scores and ways to incorporate results into their workplans.**
- With guidance from outside consultants, **Energy Trust is assessing opportunities for growth and strategies for improvement.** Human resources staff used the 2019 results to select a suite of trainings that address areas of significant growth potential.
- **A lesson here is that the Intercultural Effectiveness Scale survey is likely not the most appropriate survey for Energy Trust** since it is geared to international engagement. Staff will select a new survey to track progress on this goal going forward.

10. Increase transparency and community engagement by publishing the Diversity, Equity and Inclusion Operations Plan and progress toward its goals.

2020 Target	Status
Internal and external stakeholders are aware of and informed of Energy Trust’s diversity, equity and inclusion activities, goals and progress to goals	On track (high confidence) 

- Staff provided **updates on goals and activities in regular progress reports and presentations** to the Oregon Public Utility Commission, Energy Trust’s board of directors and Diversity Advisory Council. These reports are posted on Energy Trust’s website at www.energytrust.org/reports.
- Staff gave a **progress report to the Energy Trust Board of Directors in May and answered questions from board members.** Questions were about what lessons staff has learned from partnering with community-based organizations and potential for future funding agreements; how outreach staff is engaging small businesses; and how demographic information is being collected from Energy Trust job applicants.
- **Efforts are underway to develop and extend Energy Trust’s diversity, equity and inclusion goals for 2021,** including drafting a proposal and presenting it to Energy Trust’s Diversity Advisory Council and internal stakeholders.