



QUARTER TWO 2023 REPORT

to the Oregon Public Utility Commission
and Energy Trust Board of Directors

ENERGY TRUST OF OREGON

August 15, 2023



Financial highlights

- ✓ Revenues totaled **\$52.6 million** for the quarter
- ✓ Expenditures totaled **\$46 million** for the quarter
- ✓ Incentives delivered totaled **\$22.1 million** for the quarter

Year-to-date results

- ✓ Saved **12.3 average megawatts**
- ✓ Saved **1.7 million annual therms**
- ✓ Generated **3.4 average megawatts**
- ✓ Avoided **64,000 tons of carbon dioxide**

Progress to organizational goals

- ✓ Save and generate energy, reduce customer costs: **Mixed across the portfolio**
- ✓ Leverage clean energy solutions: **On track**
- ✓ Prepare for change: **On track**

Quarter 2 2023 key accomplishments



Supported diverse trade allies with technical and business support to succeed in the clean energy industry



Paid \$1.8 million in solar incentives to income-qualified households so far in 2023



Pursued additional savings opportunities by spending down budget reserves



Assessed savings opportunities that would help electric utilities meet carbon emissions reduction targets by 2030

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A glossary of program descriptions and key terms is available online at energytrust.org/reports.

I Executive summary^{1,2,3}

A. Progress to organizational goals

Energy Trust's 2023 organizational goals, established through the 2023 business plan, budget and action plan process with input from stakeholders and approved by the board of directors, reflect the organization's priorities for the year and guide staff decision-making regarding allocation of resources. For complete goal language, go to energytrust.org/budget.

GOAL 1

Customers will save and generate energy and reduce costs in 2023 and beyond as a result of Energy Trust's investments in their clean energy projects and upgrades.

STATUS: Mixed across the portfolio

Updated forecasts at the end of quarter two indicate Energy Trust will likely meet its electric savings goal, fall short of its natural gas savings goal and far exceed its renewable generation goal. Regular forecasting helps to identify areas in the portfolio to enhance offers and achieve greater savings.

Market challenges that made completing projects in 2022 difficult – including supply chain disruptions, labor shortages and rising prices – continue to challenge businesses customers with non-lighting projects, while conditions are improving elsewhere. (See pages 6-7.)

Where there is high demand, Energy Trust will spend down its reserves to capture additional savings, including in Pacific Power and Avista service areas, which was a budget strategy for the year.

In the residential sector, Energy Trust is helping install more efficient heat pumps in manufactured homes through a promotion and program changes that make it easier for customers to participate. (See page 7.)

In the renewable energy sector, Energy Trust and partner organizations recruited 13 ambassadors from Portland area communities of color to promote the benefits of residential solar electric systems within their communities. (See Appendix I.)

Business lighting offers and savings overall are performing better than expected thanks to Energy Trust's efforts to rebuild connections and trust with customers and trade allies following program changes in recent years. (See page 7.)

To support workforce diversity, Energy Trust launched the second cohort of the Contractor Development Pathway for Existing Building trade allies that are certified by the state's Certification Office for Business Inclusion and Diversity (COBID) or eligible for certification. Participants get technical, business and programmatic support tailored to their needs. Separately, the Residential program is developing a contractor development and peer mentorship effort to support emerging trade ally contractors that are Black, Indigenous and people of color (BIPOC) or women owned and/or in rural areas.

¹ The body of this report includes only activity funded by Oregon electric utility customers of Portland General Electric and Pacific Power under state law and by Oregon natural gas customers of NW Natural, Cascade Natural Gas and Avista through regulatory agreements between the Oregon Public Utility Commission and each natural gas utility. For information on other activities, see Appendix 1.

² This report includes the best available data as of the date of submission.

³ With agreement from utilities and OPUC staff, Energy Trust defines meeting annual goal as achieving 95% to 105% of goal.

Approximately 64,000 metric tons of carbon dioxide have been avoided as a result of Energy Trust's energy savings and generation so far in 2023, the equivalent of removing 15,000 cars from Oregon roads for one year.

Based on anticipated energy savings and generation from projects installed so far in 2023, customers will save \$180 million over the lifetime of the equipment.

GOAL 2

Utility partners, communities and policy implementers will achieve their objectives by leveraging Energy Trust's clean energy solutions that reduce greenhouse gas emissions, support grid management and deliver additional societal benefits.

STATUS: On track

Staff prepared to begin offering incentives to Avista gas transport customers in the fall. Work in quarter two included defining the scope and requirements of service and readying financial and data systems. Gas transport customers are large commercial and industrial customers who buy gas from the wholesaler but use the utility pipes for transport; they have previously not been eligible for Energy Trust incentives because they did not pay into Energy Trust programs. They are eligible now through a collaboration between Energy Trust and Avista that supports the utility's decarbonization goals.

Staff briefed state lawmakers on Energy Trust activities and monitored energy efficiency, renewable energy, climate change, housing, manufacturing and other legislation proposed in the 2023 legislative session.

Energy Trust continues to collaborate with all five utility partners on targeted load management opportunities, including working with utilities to get data on potential areas and analyze the resource potential.⁴ Implementation could occur as soon as 2024 in some areas.

Staff worked to finalize offers as part of the Portland General Electric Smart Grid Test Bed Collaboration in North Portland, with customer offers expected to launch in the fall. (See Appendix I.)

GOAL 3

Customers and stakeholders will gain future benefits from Energy Trust's investments in preparing the organization for a more dynamic and complex energy industry.

STATUS: On track

Staff assessed energy savings opportunities that could help electric utilities meet ambitious carbon emissions reduction targets by 2030. Accelerating savings acquisition requires near-term investments in infrastructure and staff who design programs; conduct customer outreach; build customer, contractor and community relationships; and manage systems. Energy Trust's investments in 2024-25 would support acceleration in 2026-30.

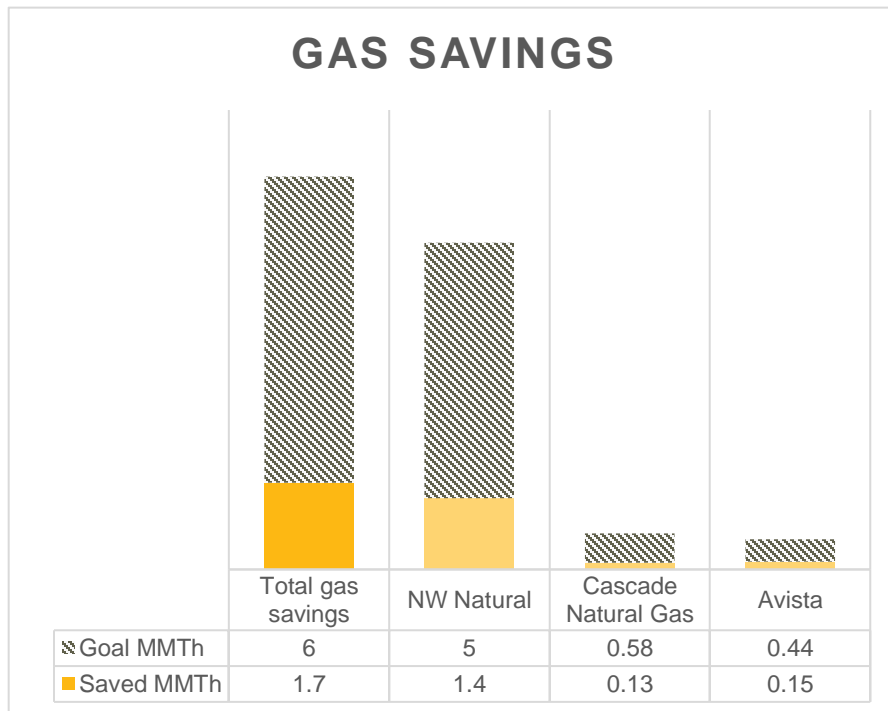
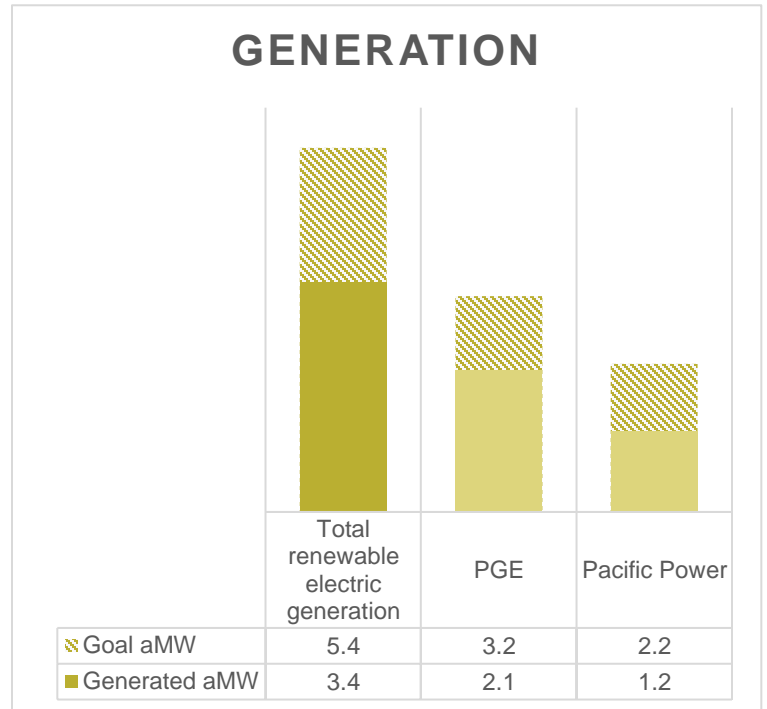
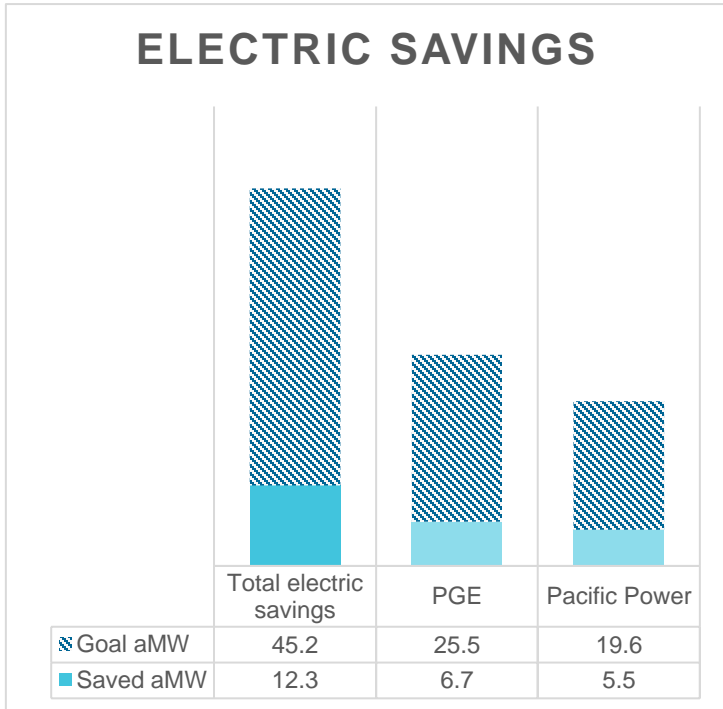
With this in mind, staff completed business planning for 2024 to estimate capacity and needs and conducted early stakeholder and community engagement. This is the first step to setting the organization's 2024 budget and strategies to engage and serve customers.

Energy Trust continues to build staff capacity to respond to increasing energy savings targets and support new functions related to innovation, development and community engagement. In quarter two, Energy

⁴ Targeted load management aims to change how and when customers use energy, focusing on reducing demand during periods of peak energy use and helping utilities avoid disruptive and costly infrastructure upgrades.

Trust filled eight positions. (The OPUC waived limits on Energy Trust’s staff cost increases to allow for increased hiring in 2023.)

B. Year-to-date progress to annual goals^{5,6,7}



⁵ This document reports gross savings.

⁶ aMW indicates average megawatts, MMTh indicates million therms and MM is million.

⁷ Historically, a significant portion of activity and savings occur in the fourth quarter of the year.

II Program and operations activity

The body of this report includes only activity funded by Oregon electric utility customers of Portland General Electric and Pacific Power and Oregon natural gas customers of NW Natural, Cascade Natural Gas and Avista under Energy Trust's grant agreement with the OPUC. Appendix 1 reports energy savings, generation, expenditures and revenues for all Energy Trust activity including those funded through the OPUC grant agreement and other grants and contracts.

A. Commercial sector highlights⁸

- The sector is currently on track to meet goal in Pacific Power service area yet is forecasted to fall short in PGE, NW Natural, Cascade Natural Gas and Avista service areas. Staff is working to make up the shortfall through outreach and program changes in the second half of the year.
- Challenges related to equipment cost increases, equipment delays and high staff turnover among customers and contractors are continuing.
 - Energy Trust promoted bonus incentives for standard offers to help offset increases in general construction costs and on specific equipment.
 - Outreach team is working with new customer staff to establish relationships, while the trade ally team is working to help new contractor staff understand program offers.
- Custom projects continue to encounter shipment delays for small parts that extend overall project timelines. Equipment supply chains for grocery projects continue to be delayed significantly.
- Public entities are pausing Existing Buildings custom projects while waiting to better understand what new federal funding may be available. Meanwhile, New Buildings saw a pause in new commercial construction starts across the private sector as developers appear to be taking a more cautious approach to new investments amid rising interest rates.
- The Existing Buildings community-based liaisons, who advise on program design and conduct outreach to small business owners, provided staff with results and recommendations from an equity assessment, helped redesign forms to make the application process more accessible to customers and held culturally responsive outreach events for BIPOC small business owners. (See page 24.)

B. Industry and agriculture sector highlights⁹

- The sector is currently on track to meet goal in PGE and Cascade Natural Gas service areas, exceed goals in Pacific Power and Avista service areas, but forecasted to fall short of goal in NW Natural service

⁸ The commercial sector is comprised of two programs: Existing Buildings and New Buildings. Existing Buildings, which includes multifamily customers, offers incentives for energy-efficient improvements in existing commercial buildings of all sizes. New Buildings supports design and construction of high-performance commercial buildings and major renovations of all sizes and building types. Lighting offers for commercial customers are delivered separately.

⁹ The industrial and agriculture sector provides energy-efficiency solutions for eligible industrial, agricultural and municipal water and wastewater recovery facility customers. It consists of one program, the Production Efficiency program, which provides services and incentives through three primary delivery tracks: standard, custom and energy performance management. Lighting offers for industrial customers are delivered separately.

area due to a delayed custom project and fewer opportunities for custom projects overall, which may be tied to customer staffing constraints.

- Some customers still face supply chain disruptions, price increases and labor conditions that make completing projects on time challenging.
- Energy Trust launched incentives for Avista customers on an interruptible rate schedule in quarter two and staff is pursuing project opportunities with this new group of customers.
- Energy Trust increased Strategic Energy Management incentives and added tiers with higher incentives to encourage customers to achieve more savings. Changes will take effect with engagements starting in the fall.

C. Business lighting highlights¹⁰

- Lighting savings overall are performing better than expected thanks to efforts to rebuild connections and trust with customers and trade allies. After incentives were reduced early in the pandemic to manage budget challenges, staff has focused on reengaging customers and trade allies, and savings are rebounding following 2022 program changes that included removing project caps and extending reservation timelines.
- Midstream incentives – delivered at the point of purchase through participating distributors – have continued to gain popularity among distributors and customers since changes in 2022 that increased incentive amounts and made it easier to access incentives. Midstream savings in quarter two were driven by high bay lighting projects following a marketing campaign by a large distributor.
- Energy Trust added retrofit kits, in addition to linear lamp replacements, to its offer to install efficient lighting at no cost to priority customers. The former achieves more savings at a lower cost. Energy Trust also made it easier for contractor reimbursement for travel to rural areas including Coos, Klamath and Wallowa counties for direct install projects to better support rural customers.
- Staff began assessing the effects on small businesses and other customers of HB 2531 that passed in the 2023 legislative session to phase out CFL and linear fluorescent lighting over time. There is no immediate impact for 2023.

D. Residential sector highlights¹¹

- The sector is currently on track to exceed goal in PGE, Cascade Natural Gas and Avista service areas, meet goal in Pacific Power service area and come close to goal in NW Natural service area.
- Manufactured home replacement projects are increasing, driven by wildfire recovery and rebuilding efforts that are coming to fruition as communities align housing resources and funding from Oregon Housing and Community Services to support cooperative manufactured home parks.

¹⁰ Lighting offers for commercial and industrial customers are delivered by one Program Delivery Contractor. Savings goals are incorporated into commercial and industrial sector goals.

¹¹ The residential sector provides energy-efficiency solutions for residential customers of single-family homes, manufactured homes and newly constructed homes. Incentives are available for smart thermostats, energy-efficient heating, water heating and air conditioning equipment, lighting, appliances, weatherization upgrades, whole-home improvements and new construction.

- Increased incentives for insulation are driving projects and savings in Pacific Power, Avista and Cascade service areas. The program is averaging nearly 200 projects per month, and incentive amounts now significantly reduce the cost for customers. For instance, incentives cover 40% to 70% of the total project cost for attic insulation projects in those service areas.
 - Demand was lower in the Portland area since the incentive doesn't cover as much of the project cost given higher labor costs. To encourage participation and savings, staff is working with contractors to promote bonuses in the second half of the year in the Portland Metro area.
- A promotion launched earlier in the year is driving higher participation in a heat pump offer for manufactured homes. Separately, Energy Trust removed a fixed price requirement for these projects and expanded the number of eligible contractors who can deliver this offer to serve more customers.
- Demand for heat pumps by customers who heat with electric furnaces is growing. Contractors and distributors report equipment availability is good except for high-end systems that are seeing delays. Prices are increasing but at a slower rate than in previous years.
 - Energy Trust is coordinating with ODOE's Rental Heat Pump program to promote opportunities to combine incentive funding to lower out of pocket costs for price sensitive customers.
- Staff finalized the design of a hybrid HVAC pilot to install heat pumps in homes with existing gas furnaces, working closely with OPUC, gas and electric utility staff and getting feedback from the Conservation Advisory Council. The two-year pilot will launch in quarter three and focus on serving customers with low and moderate incomes. It seeks to understand the feasibility, efficiency and other benefits of hybrid HVAC systems for customers and for utilities working to reduce emissions.

E. Renewable energy sector highlights¹²

- The sector is currently on track to far exceed goal in PGE and Pacific Power service areas, driven by continued high demand for residential solar systems.
- Residential solar installations grew by a third in the first half of 2023 compared to the same time last year, but trade allies report interest rate increases could slow market growth for the rest of 2023. Along with Energy Trust incentives, customers are motivated by increased tax credits under the Inflation Reduction Act and offers through Oregon Department of Energy's Solar + Storage Rebate Program.
- Spending to benefit customers with low or moderate incomes increased in the first half of the year compared to the same period last year, with \$1.8 million in Solar Within Reach incentives payments made in the first half of the year.
- Staff finalized the design of Energy Trust's first incentive for battery storage paired with solar, which became available to customers in early quarter three. Incentives can be combined with existing solar incentives to help make solar + storage systems more affordable for customers; income-qualified customers can get higher incentives for batteries.

¹² The renewable energy sector offers standard and custom incentives for small-scale solar, biopower and hydropower projects and energy storage. Its activities promote equitable access to renewable energy, resilience and grid support.

- When paired with solar, battery storage can provide safe back-up power during outages or disasters to power essential equipment including medical devices and well pumps. Smart batteries can also support grid flexibility.
- Continued growth in the residential solar market – despite decreases in incentive amounts – indicates Energy Trust incentives are no longer a primary driver of demand for many customers. Staff has proposed phasing out residential incentives over the next year to prioritize investments in upstream market support, equity-focused incentives, storage incentives and other activities while continuing to support the standard solar market via the Trade Ally Network.
 - Staff will do additional engagement and planning in the second half of 2023 ahead of changes starting in 2024.
- Staff hosted an information session on biogas energy generation projects for officials from the cities of Salem and Medford. Both cities are pursuing the feasibility of receiving stations for food processing waste including fats, oils and grease that would increase biogas production at their water resource recovery facilities.

F. Communities and new initiatives sector highlights¹³

- Staff worked with teams across Energy Trust to define cross-program, community and utility projects for 2023 and 2024. This included creating a group to work on targeted load management efforts, a group to collaborate with Portland Clean Energy Community Benefits Fund staff, and a group to coordinate planning and outreach across programs to better serve communities.
 - These groups are foundational to the sector’s work to create more integrated, customer- and community-focused offers in future years.
- Staff developed a streamlined process for programs to scope delivery pilots with a focus on historically underserved customers and markets.

G. Internal operations highlights¹⁴

- Communications and program marketing staff conducted public relations and other media relations that resulted in 42 news stories with \$1.6 million in publicity value, which helps Energy Trust build awareness among eligible customers. Topics included the Inflation Reduction Act, heat pump incentives, air quality and Energy Trust’s work with cities to help them reach local climate goals.
- Web staff continued work to improve the user experience on Energy Trust’s website so that customers can find relevant information in fewer clicks. In quarter two, staff updated residential pages, prepared a redesign of the About section and prepared to redesign commercial pages.

¹³ The communities and new initiatives sector was created in 2022 to develop and manage offers that involve multiple programs, including community-wide projects, distributed energy resources and flexible grid management projects. This will streamline support for communities and organizations seeking comprehensive energy solutions.

¹⁴ Energy Trust’s internal operations teams include communications, customer service, general marketing, Trade Ally Network management, outreach, policy services, IT, operations support, and planning and evaluation.

- Policy services staff briefed state lawmakers on Energy Trust activities and monitored energy efficiency, renewable energy, climate change, housing, manufacturing and other legislation proposed in the 2023 legislative session.
- Staff continued to monitor, share information and work with stakeholders to understand emerging details on federal funding.
 - Policy services staff coordinated with the governor's office, Oregon Department of Energy and the nonprofit Oregon Businesses for Climate on opportunities presented by the federal Inflation Reduction Act and Bipartisan Infrastructure Law.
 - Innovation and development staff hosted a workshop with Craft3 and Oregon Businesses for Climate on the new federal Greenhouse Gas Reduction Fund and opportunities for local communities.
- Outreach and program staff in Southern Oregon brought together social and energy services providers for a first-of-its-kind Klamath Basin regional energy workshop. Energy Trust was joined by Oregon Department of Energy, Oregon Housing and Community Services and USDA-Rural Development to help the community understand opportunities to combine funding for clean energy projects, including Energy Trust incentives.
- Planning staff continued to track and support local utility distribution planning efforts, including providing technical support to scope a targeted load management effort with Cascade Natural Gas.
- Planning staff provided support for utility integrated resource planning and refined a forecasting model for upcoming IRP efforts.

III Updates on progress to OPUC equity metrics

This section provides progress updates on Energy Trust’s activities to meet equity metrics for 2023 set by the OPUC as part of its annual performance measures for Energy Trust (under docket number UM 1158). Data on funding, staffing and other results will be included in Energy Trust’s 2023 Annual Report to the OPUC. For more information on the 2023 performance measures, including how success will be measured, see energytrust.org/reports.

METRIC 1

Increased support to nonprofit organizations with a purpose to serve environmental justice communities or to support nonprofit-led initiatives serving environmental justice communities:

In quarter two, staff prepared to offer the next round of Working Together Grants for nonprofit organizations, with the application window opening in quarter three. Grants are designed to increase participation in Energy Trust programs among environmental justice communities by building capacity within awardee organizations to promote clean energy resources to their communities. Energy Trust has distributed \$80,000 in small grants in 2023.

So far in 2023, Energy Trust has enrolled seven new community-based organizations in its Community Partner Funding program. Qualifying partner organizations deliver higher incentives to residential and small multifamily customers with the goal of serving more customers of color, customers with low and moderate incomes and rural customers. New partners include Illinois Valley Community Development Organization, which serves a very rural area and one of the most low-income regions of Oregon.

METRIC 2

Increased funding for positions to support targeted outreach to environmental justice communities, including funding for community ambassadors, education and workshops:

The Solar Ambassadors pilot wrapped up at the end of quarter two. It was co-created with community-based organization to improve access to solar energy among people of color through education by community members. The team recruited 13 solar ambassadors from communities of color in the Portland area, and each ambassador conducted at least three community engagements on the benefits of residential solar electric systems and how to obtain them.

In addition to Energy Trust and contractor outreach staff, Energy Trust is funding and supporting members from University of Oregon’s AmeriCorps Resource Assistance for Rural Environments program working on energy topics in Deschutes, Jackson, Klamath and Lake counties.

METRIC 3

Create and expand low-cost and no-cost offers to reduce energy burden:

Energy Trust is developing new no- and low-cost offers to launch in 2024. Possible offers on the residential side include no-cost insulation, no-cost ducted heat pumps and a pilot to deliver no-cost heat pump water heaters with the help of community-based organizations. Possible offers on the commercial side include a no-cost heat pump pilot for small commercial customers.

METRIC 4

Solar and solar-with-storage system projects supported for low- and moderate-income residents in areas with limited infrastructure or high energy burden:

In preparing to launch a solar + storage incentive offer in quarter three, Energy Trust staff met with the Portland area community-based organizations involved in the Solar Ambassadors pilot to discuss the offer and future considerations. Additional meetings and site visits are planned with community partners in rural Oregon.

IV Revenues and expenditures tables¹⁵

This section reports on revenues and expenditures for Oregon activity funded by Oregon ratepayers for energy efficiency and renewable energy under Energy Trust's grant agreement with the Oregon Public Utility Commission. The total organization results appendix reports energy savings, generation, expenditures and revenues for all Energy Trust activity, including activity in NW Natural service area in Southwest Washington and activities funded by grants and contracts.

A. Revenues under OPUC grant agreement^{16,17}

Source	Q2 actual revenues	Q2 budgeted revenues	Budget variance
PGE Efficiency \$	21,547,815	\$ 20,843,519	3%
PGE Renewables \$	2,942,395	\$ 2,180,219	35%
Pacific Power Efficiency \$	14,486,730	\$ 13,584,121	7%
Pacific Power Renewables \$	1,932,723	\$ 1,561,958	24%
NW Natural \$	8,240,120	\$ 8,198,505	1%
NW Natural Industrial DSM \$	2,000,000	\$ -	N/A
Cascade Natural Gas \$	847,252	\$ 809,748	5%
Avista \$	548,322	\$ 548,322	0%
Avista Interruptible \$	84,546	\$ 84,546	0%
Total \$	52,629,902	\$ 47,810,938	10%

B. Expenditures under OPUC grant agreement¹⁸

Source	Q2 actual expenditures	Q2 budgeted expenditures	Budget variance
Portland General Electric \$	23,016,352	\$ 25,600,993	-10%
Pacific Power \$	15,326,408	\$ 16,186,700	-5%
NW Natural \$	4,523,701	\$ 6,687,022	-32%
NW Natural Industrial DSM \$	1,371,442	\$ 1,681,711	-18%
Cascade Natural Gas \$	822,828	\$ 1,066,218	-23%
Avista \$	914,101	\$ 809,418	13%
Avista Interruptible \$	14,424	\$ 52,016	-72%
Total \$	45,989,255	\$ 52,084,078	-12%

¹⁵ Columns may not total due to rounding.

¹⁶ Revenues include ratepayer revenues collected for energy-efficiency programs and ratepayer-funded public purpose charge revenues collected for renewable energy activities.

¹⁷ Revenues were higher than expected due to colder than expected weather during the heating season.

¹⁸ Incentives for Avista interruptible customers became available in Q2.

C. Expenditures under OPUC grant agreement by sector and program^{19,20,21}

		Q2 actual expenditures	Q2 budgeted expenditures	Budget variance
Commercial	Existing Buildings	\$ 13,313,405	\$ 17,015,923	-22%
	New Buildings	\$ 3,192,348	\$ 4,465,154	-29%
	NEEA Commercial	\$ 772,744	\$ 952,457	-19%
Commercial total		\$ 17,278,498	\$ 22,433,535	-23%
Industrial	Production Efficiency	\$ 7,704,038	\$ 7,875,655	-2%
	NEEA Industrial	\$ 891	\$ -	N/A
Industrial total		\$ 7,704,929	\$ 7,875,655	-2%
Residential	Residential	\$ 13,167,557	\$ 13,264,734	-1%
	NEEA Residential	\$ 932,946	\$ 955,075	-2%
Residential total		\$ 14,100,503	\$ 14,219,809	-1%
Energy efficiency total		\$ 39,083,929	\$ 44,528,999	-12%
Renewables	Solar	\$ 3,318,688	\$ 3,877,446	-14%
	Other Renewables	\$ 579,268	\$ 589,776	-2%
Renewable generation total		\$ 3,897,956	\$ 4,467,222	-13%
Administration		\$ 3,007,370	\$ 3,087,857	-3%
Total		\$ 45,989,255	\$ 52,084,078	-12%

D. Incentives paid

	PGE efficiency	Pacific Power efficiency	NW Natural efficiency	Cascade Natural Gas efficiency	Avista efficiency	PGE generation	Pacific Power generation	Total
Q1	\$ 5,844,118	\$ 4,446,548	\$ 2,687,305	\$ 252,507	\$ 380,216	\$ 1,503,213	\$ 688,895	\$ 15,802,802
Q2	\$ 8,911,072	\$ 7,239,220	\$ 2,658,576	\$ 318,060	\$ 435,402	\$ 1,746,643	\$ 840,921	\$ 22,149,894
Total	\$ 14,755,190	\$ 11,685,767	\$ 5,345,881	\$ 570,567	\$ 815,618	\$ 3,249,856	\$ 1,529,816	\$ 37,952,696

¹⁹ Administration costs are different than administrative and program support costs as defined by the OPUC's performance measure, which also includes 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.

²⁰ Underspending in the commercial sector is tied to fewer than expected projects and incentive payments.

²¹ Underspending in the Solar program is tied to delays in workforce development work due to internal restructuring.

E. Low- and moderate-income renewable energy expenditures²²

	YTD renewable revenues		YTD LMI expenditures		Percent of revenues benefiting LMI customers
Portland General Electric	\$	6,203,835	\$	2,157,286	35%
Pacific Power	\$	3,962,478	\$	744,128	19%
Total	\$	10,166,313	\$	2,901,414	29%

²² This table reports on a 25% minimum annual low and moderate income (LMI) renewable energy spending requirement for Energy Trust under HB 3141. Revenues include all renewable energy revenues, and expenditures are only those that benefit customers with low and moderate incomes.

V Savings and generation tables^{23,24,25}

A. Savings and generation by fuel

	Q2 savings/generation	YTD savings/generation	Annual goal	Percent achieved YTD
Electric savings	6.8 aMW	12.3 aMW	45.2 aMW	27%
Natural gas savings	667,601 therms	1,691,723 therms	6,049,345 therms	28%
Electric generation	1.78 aMW	3.35 aMW	5.42 aMW	62%

B. Progress toward annual efficiency goals by utility

	Q2 savings	YTD savings	Annual goal	Percent achieved YTD	Annual IRP target	Percent achieved YTD
Portland General Electric	3.6 aMW	6.7 aMW	25.5 aMW	26%	27.8 aMW	24%
Pacific Power	3.2 aMW	5.5 aMW	19.6 aMW	28%	21.2 aMW	26%
NW Natural	528,181 therms	1,407,617 therms	5,025,171 therms	28%	5,424,114 therms	26%
Cascade Natural Gas	64,667 therms	133,090 therms	581,032 therms	23%	688,176 therms	19%
Avista	74,752 therms	151,016 therms	443,141 therms	34%	527,675 therms	29%

C. Electric savings by sector and program

	Q2 savings aMW	YTD savings aMW	Annual goal aMW	Percent achieved YTD
Commercial	Existing Buildings	1.7	3.9	32%
	New Buildings	0.5	0.6	8%
	NEEA Commercial	0.2	0.4	20%
	Commercial total	2.4	4.9	22%
Industrial	Production Efficiency	2.3	4.2	31%
	NEEA Industrial	0.1	0.2	20%
	Industrial total	2.4	4.3	30%
Residential	Residential	1.5	2.2	48%
	NEEA Residential	0.4	0.8	20%
	Residential total	1.9	3.0	35%
	Total electric savings	6.8	12.3	27%

²³ Columns may not total due to rounding.

²⁴ Electric savings also include transmission and distribution savings.

²⁵ Energy Trust reports 100% of generation and capacity for renewable energy installations supported by Energy Trust's cash incentives. While some of these projects have additional sources of funding, Energy Trust enabled project completion.

D. Natural gas savings by sector and program

		Q2 savings	YTD savings	Annual goal	Percent
		therms	therms	therms	achieved YTD
Commercial	Existing Buildings	104,215	421,594	2,109,310	20%
	New Buildings	31,677	37,447	336,822	11%
	NEEA Commercial	174	348	1,748	20%
	Commercial total	136,066	459,389	2,447,880	19%
Industrial	Production Efficiency	23,630	180,954	1,279,515	14%
	NEEA Industrial	-	-	-	-
	Industrial total	23,630	180,954	1,279,515	14%
Residential	Residential	507,905	1,051,380	2,321,949	45%
	NEEA Residential	-	-	-	-
	Residential total	507,905	1,051,380	2,321,949	45%
Total natural gas savings		667,601	1,691,723	6,049,345	28%

E. Renewable energy generation by utility

	Q2 generation	YTD generation	Annual goal	Percent achieved
	aMW	aMW	aMW	YTD
Portland General Electric	1.11	2.13	3.18	67%
Pacific Power	0.66	1.22	2.24	54%
Total	1.78	3.35	5.42	62%

F. Renewable energy generation by program

	Q2 generation	YTD generation	Annual goal	Percent achieved
	aMW	aMW	aMW	YTD
Solar	1.78	3.35	5.36	63%
Other Renewables	-	-	0.07	-
Total generation	1.78	3.35	5.42	62%

G. Utility-invested efficiency expenditures²⁶

Utility	Q2 expenditures	YTD expenditures
Portland General Electric \$	219,144 \$	380,341
Pacific Power \$	378,438 \$	611,579
Total \$	597,582 \$	991,920

²⁶ This reflects utility investments of a portion of efficiency tariff funds. Funds are collected by the utility and are in addition to funds received by Energy Trust. Reports detailing activities funded by these expenditures are submitted annually by the utilities to the OPUC.

APPENDIX 1: Total organization results

This appendix provides information on Energy Trust's energy savings and renewable generation results as well as revenues and expenditures for programs beyond its core electric and gas efficiency and renewable energy programs under Energy Trust's grant agreement with the Oregon Public Utility Commission. Many of these programs help Energy Trust reach more customers and will result in energy savings and generation; programs that deliver reportable savings and generation results may be funded by multiple sources, including funding received under the OPUC grant agreement.

Highlights of this work for quarter two:

- Energy Trust completed [Solar Ambassadors](#), a pilot co-created with community-based organizations and funded by the National Renewable Energy Lab to improve solar access to people of color through education by community members. The team recruited and trained 13 solar ambassadors from Portland area communities of color to provide educational outreach to Black and Indigenous communities and other communities of color in Portland. Each ambassador conducted at least three community engagements sessions during which they discussed the benefits of residential solar electric systems and how customers can access solar energy. Staff is now evaluating the pilot to determine next steps.
- Energy Trust is administering the Oregon Department of Energy's [Landlord Provided Cooling Space Initiative](#) that provides cooling equipment at multifamily properties. In quarter two, the program supported creation of seven community cooling facilities at properties serving people with disabilities, people with low incomes, seniors and rural residents.
 - Heading into the 2023 cooling season, staff interviewed participating landlords to understand potential barriers and possible program changes to increase participation. For instance, the cost of installing cooling equipment is a barrier for some landlords, even if they eventually get an incentive that covers their costs. In quarter two, the program started offering direct payments to contractors to remove all out-of-pockets costs for landlords.
- PGE's [Smart Grid Test Bed Collaboration](#) partners - including Energy Trust, Community Energy Project, National Renewable Energy Laboratory and NEEA - are working toward a mid-November launch date for incentive offers. Energy Trust staff finalized offers for commercial and residential solar + storage, energy efficiency and flexible load projects; customers within the project area will get higher incentives amounts than Energy Trust typically offers. The five-year project, previously known as SALMON and funded by a federal grant, will retrofit 580 homes and businesses and add significant distributed energy resources in the North Portland neighborhoods of Overlook and Arbor Lodge.
 - Working with Community Energy Project, the residential program will use Home Energy Score assessments as an engagement tool. BIPOC and income-qualified homeowners will receive energy retrofits through Community Energy Project's weatherization program, co-funded by the Portland Clean Energy Community Benefits Fund.
- Staff continues to support Clean Energy States Alliance in its [Solar with Justice](#) study on solar adoption in priority communities. Staff wrote and presented a case study at a CESA webinar on the ways in which Energy Trust has effectively partnered with community members to get input on program design and how it compensates them for their contributions.
- Energy Trust administers the [Oregon Community Solar Program](#) under a contract with Energy Solutions. In quarter two, staff prepared an update to the program's website to make it more customer

friendly, including using concise language, integrating more graphics and making it easier for customer to connect with subscription managers and subscribe to community solar projects.

- Other work reflected in the revenues and expenditures tables in this appendix include:
 - Activity in NW Natural service area in Southwest Washington
 - A now-completed targeted load management pilot with NW Natural
 - Contracts to support PGE's Smart Battery Pilot, Smart Inverter Pilot and Flex Feeder measure development work
 - Preparation work to begin offering incentives to gas transport customers
 - Preparation work for a forthcoming Solar Energy Resilience for Vulnerable Communities (SERV) grant project on solar microgrid resilience planning
- Energy Trust also receives revenues from investments and spends money on business development.

A. Total organization revenues^{27,28,29,30,31,32}

	Source	Q2 actual revenues	Q2 budgeted revenues	Budget variance
OPUC grant agreement		\$ 52,629,902	\$ 47,810,938	10%
Utility funded				
	Avista Transport	\$ -	\$ 125,000	-100%
	Cascade Natural Gas Transport	\$ -	\$ 67,500	-100%
	NW Natural for TLM	\$ -	\$ 6,132	-100%
	NW Natural for Washington	\$ 1,053,395	\$ -	N/A
Contract and grand funded				
	Cooling Space Initiative (Oregon DOE contract)	\$ 93,394	\$ 360,783	-74%
	Oregon Community Solar Program (contract)	\$ 94,422	\$ 88,914	6%
	PGE Flex Feeder (contract)	\$ 42,289	\$ 58,722	-28%
	PGE Smart Battery Pilot (contract)	\$ 37,271	\$ 101,724	-63%
	PGE Smart Inverter Pilot (contract)	\$ 11,888	\$ 55,251	-78%
	SERV (FEMA grant)	\$ -	\$ -	N/A
	Smart Grid Test Bed Collaboration (US DOE grant)	\$ 57,894	\$ 67,080	-14%
	Solar Ambassadors (NREL grant)	\$ -	\$ 21,000	-100%
	Solar with Justice (US DOE grant)	\$ -	\$ 1,281	-100%
Investments		\$ 833,344	\$ 62,499	1233%
Business development		\$ 6,420	\$ -	N/A
Total	Total	\$ 54,860,218	\$ 48,826,824	12%

²⁷ A new FDIC-insured investment product with Energy Trust's primary bank is delivering significantly more investment income than was budgeted.

²⁸ Revenues under the OPUC grant agreement were higher than expected due to colder than expected weather during the heating season.

²⁹ Cooling Space Initiative project volume has been significantly lower than budgeted amid lower than expected demand for community cooling incentives.

³⁰ The Smart Battery Pilot incentive structure was updated in 2023 based on feedback from customers and contractors, and marketing campaigns were delayed. This has slowed delivery of incentive payments.

³¹ The Smart Inverter Pilot was delayed due to extended negotiations with manufacturers.

³² A payment from NW Natural for Washington that was expected in quarter one arrived in quarter two.

B. Total organization expenditures^{33,34,35,36}

	Source	Q2 actual expenditures	Q2 budgeted expenditures	Budget variance
OPUC grant agreement		\$ 45,989,255	\$ 52,084,078	-12%
Utility funded				
	Avista Transport	\$ -	\$ 35,023	-100%
	Cascade Natural Gas Transport	\$ -	\$ 41,659	-100%
	NW Natural for TLM	\$ 8,419	\$ 6,125	37%
	NW Natural for Washington	\$ 600,463	\$ 796,452	-25%
Contract and grant funded				
	Cooling Space Initiative (Oregon DOE contract)	\$ 93,394	\$ 360,649	-74%
	Oregon Community Solar Program (contract)	\$ 70,375	\$ 66,440	6%
	PGE Flexible Feeder (contract)	\$ 24,100	\$ 44,281	-46%
	PGE Smart Battery Pilot (contract)	\$ 37,174	\$ 100,943	-63%
	PGE Smart Inverter Pilot (contract)	\$ 9,586	\$ 52,645	-82%
	SERV (FEMA grant)	\$ 352	\$ -	N/A
	Smart Grid Test Bed Collaboration (US DOE grant)	\$ 71,742	\$ 88,603	-19%
	Solar Ambassadors (NREL grant)	\$ 148,522	\$ 26,752	455%
	Solar with Justice (US DOE grant)	\$ 1,121	\$ -	N/A
Business development		\$ 59,106	\$ 58,802	1%
Total	Total	\$ 47,113,610	\$ 53,762,451	-12%

³³ Avista transport planning started in quarter two and incentives will become available in the fall. Work to offer incentives to Cascade Natural Gas transport customers has not begun.

³⁴ Cooling Space Initiative project volume has been significantly lower than budgeted amid lower than expected demand for community cooling incentives.

³⁵ The Smart Battery Pilot incentive structure was updated in 2023 based on feedback from customers and contractors, and marketing campaigns were delayed. This has slowed delivery of incentive payments.

³⁶ The Smart Inverter Pilot was delayed due to extended negotiations with manufacturers.

C. Total organization expenditures by activity^{37,38}

		Q2 actual expenditures	Q2 budgeted expenditures	Budget variance
	OPUC grant agreement	\$42,981,886	\$ 48,996,221	-12%
Utility funded	Avista Transport	\$ -	\$ 32,949	-100%
	Cascade Natural Gas Transport	\$ -	\$ 39,189	-100%
	NW Natural for TLM	\$ 7,875	\$ 5,774	36%
	NW Natural for Washington	\$ 561,954	\$ 749,110	-25%
	Total utility funded	\$ 569,829	\$ 827,022	-31%
Contract and grant funded	Cooling Space Initiative (Oregon DOE contract)	\$ 87,238	\$ 338,079	-74%
	Oregon Community Solar Program (contract)	\$ 65,770	\$ 62,637	5%
	PGE Flexible Feeder (contract)	\$ 24,100	\$ 41,747	-42%
	PGE Smart Battery Pilot (contract)	\$ 34,667	\$ 95,167	-64%
	PGE Smart Inverter Pilot (contract)	\$ 8,940	\$ 49,382	-82%
	SERV (FEMA grant)	\$ 333	\$ -	N/A
	Smart Grid Test Bed Collaboration (US DOE grant)	\$ 67,078	\$ 83,532	-20%
	Solar Ambassadors (NREL grant)	\$ 138,556	\$ 25,748	438%
	Solar with Justice (US DOE grant)	\$ 1,081	\$ -	N/A
	Total contract and grant funded	\$ 427,762	\$ 696,292	-39%
	Business development	\$ 59,106	\$ 58,802	1%
	Administration	\$ 3,075,027	\$ 3,184,114	-3%
	Total expenditures	\$47,113,610	\$ 53,762,451	-12%

D. Total organization savings and generation by fuel³⁹

	Q2 savings/generation	YTD savings/generation	Annual goal	Percent achieved YTD
Electric savings	6.8 aMW	12.3 aMW	45.2 aMW	27%
Natural gas savings	692,023 therms	1,764,446 therms	6,349,265 therms	28%
Electric generation	1.78 aMW	3.35 aMW	5.42 aMW	62%

³⁷ Administration is different than administrative and program support costs as defined by the OPUC's performance measure, which also includes 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.

³⁸ Avista transport planning started in quarter two and incentives will become available in the fall. Work to offer incentives to Cascade Natural Gas transport customers has not begun.

³⁹ Savings includes NW Natural savings in Southwest Washington.

E. Total organization progress toward annual efficiency goals by utility

	Q2 savings	YTD savings	Annual goal	Percent achieved YTD	Annual IRP target	Percent achieved YTD
Portland General Electric	3.6 aMW	6.7 aMW	25.5 aMW	26%	27.8 aMW	24%
Pacific Power	3.2 aMW	5.5 aMW	19.6 aMW	28%	21.2 aMW	26%
NW Natural	528,181 therms	1,407,617 therms	5,025,171 therms	28%	5,424,114 therms	26%
Cascade Natural Gas	64,667 therms	133,090 therms	581,032 therms	23%	688,176 therms	19%
Avista	74,752 therms	151,016 therms	443,141 therms	34%	527,675 therms	29%
NW Natural for Washington	24,423 therms	72,723 therms	281,908 therms	26%	371,000 therms	20%

F. Total organization renewable energy generation by utility

	Q2 generation aMW	YTD generation aMW	Annual goal aMW	Percent achieved YTD
Portland General Electric	1.11	2.13	3.18	67%
Pacific Power	0.66	1.22	2.24	54%
Total	1.78	3.35	5.42	62%

APPENDIX 2: Diversity, equity and inclusion

This appendix provides information on progress to meeting the goals identified in [Energy Trust's Diversity, Equity and Inclusion Plan](#). The purpose of Energy Trust's DEI Plan is to ensure customers who have historically been underserved by Energy Trust's programs or who have not directly benefitted from clean energy solutions have meaningful and equitable access to Energy Trust services. This includes but is not limited to people of color, people with low incomes and people living in rural areas.

The plan has five goals and describes desired outcomes for each goal to describe the future state Energy Trust hopes to achieve. In 2023, staff identified metrics to track progress to meeting these goals and outcomes for 2023. Staff previously sought feedback from external stakeholders and community members on possible metrics and used their insights to arrive at the ones included in the plan.

The DEI Plan identifies multi-year goals, and the 2023 metrics tell only part of the story. They are not intended to demonstrate Energy Trust's comprehensive efforts to realize all the desired outcomes associated with each of the DEI Plan goals, although they provide insights into some portion of Energy Trust's DEI efforts. As Energy Trust's activities evolve based on community engagement, and as its capabilities and approaches to tracking data improve, metrics and reporting may evolve too to become more robust and tied to emerging areas of focus.

Goal 1: Increase Representation and Readiness

Outcomes:

- Diverse perspectives and ideas contribute to the creation of equitable solutions to support all communities in realizing the benefits of clean energy solutions.
- Energy Trust has significant resources for BIPOC, low-income and rural community organizations, individuals and businesses to engage with Energy Trust as a form of restorative justice to address the historical disparities in investment in these organizations by Energy Trust since our inception in 2002.
- Energy Trust staff engage diverse communities in a respectful, effective and culturally relevant and responsive manner.

Metric:

- Number of cultural awareness trainings and events attended by Energy Trust staff.

Status as of Q2 2023:

- In a survey, staff members self-reported collectively attending about a dozen voluntary cultural awareness trainings and events from Jan. 1 to June 30, 2023. These included:
 - a training hosted by Common Spark Consulting to learn how racism impacts energy program work and strategies for equity in program/policy development
 - a Northwest Native Chamber networking luncheon to learn about tribal participation in developments and local government
 - an Ecotrust training on how green energy projects can disregard tribal land rights and community needs
 - a Jewish Family and Child Services meeting to learn about social work services provided to disadvantaged communities and aging populations
- Energy Trust outreach staff attended various events in the first half of 2023 aimed at increasing cultural awareness and connections with diverse groups, including the South Coast Diversity Conference in North Bend, the Latino Health Equity Conference in Portland, the NW Tribal Clean Energy Summit in Tulalip and several Juneteenth events in the Portland area.

- At an all-staff meeting in March, staff heard from LaNicia Duke of the Black Rural Network about her experience as a Black person moving to rural Oregon.
- Energy Trust's DEI Book Club hosted three discussions in the first half of 2023. Seven people attended a discussion on the book "Caste: The Origins of Our Discontents" in March, which compares American racism to caste systems around the world. Ten people attended two discussions on the miniseries "The 1619 Project" in April and May on how slavery and its legacy are at the center of the American experience.

Goal 2: Shift and Share Leadership and Power

Outcomes:

- Community members have influence in the design and implementation of Energy Trust programs to serve historically underserved communities.
- Communities and community-based organizations have significant ownership and agency in identifying and delivering responsible clean energy solutions co-created with Energy Trust.

Metric:

- Number of community members who participated in Energy Trust projects, initiatives or advisory groups to provide input and influence program design. A community member is defined as a person who is not Energy Trust, Program Management Contractor or Program Delivery Contractor staff. (Community members may be compensated for their participation.)

Status as of Q2 2023:

- As part of the Solar Ambassadors pilot to recruit and train community members to promote solar energy, Energy Trust engaged nearly 100 households on the benefits of solar, cost considerations and the process of purchasing and installing it. In post engagement surveys, participants reported being interested in the environmental and financial benefits of solar but that upfront costs and lack of affordable financing made it inaccessible. This feedback is informing Energy Trust offers going forward.
- The Existing Buildings program incorporates community feedback into the program design through a network of six community-based liaisons, who engage with small business owners and represent their feedback to staff. Liaisons' outreach activities in the first half of the year focused on conducting culturally responsive events and hosting quarterly engagement sessions in English and Spanish with two cohorts of about 20 BIPOC small business owners.
- Four community members serve on Energy Trust's Tribal Working Group, which meets regularly with outreach staff and the OPUC tribal liaison to provide input on outreach strategies that will provide greater benefits to tribal customers and increase program participation. (A fifth member of the group is also an employee of an Energy Trust contractor.) In 2023, working group members established and developed group agreements and participated in program learning sessions.
- Nine people serve on the Diversity Advisory Council, which this year has provided feedback on a customer survey's results and methodology; an equity assessment by the Existing Buildings program; and considerations going into Energy Trust's budgeting for 2024. Two council members also participated in a hiring panel and a review of proposals for an evaluations contract.

Goal 3: Increase Community Capacity and Increase Investment in BIPOC, Low-income and Rural Communities

Outcomes:

- Energy Trust contracts with a broad diversity of businesses to support our work and represent a variety of perspectives and approaches.
- Our Trade Ally Network reflects a broad diversity of businesses to better serve all of Energy Trust's customers.
- Energy Trust supports career and business development initiatives that help BIPOC, rural, and low-income community members access career development and business opportunities in energy efficiency and renewable energy.
- BIPOC, low-income and rural communities receive focused investments of Energy Trust's technical expertise and funding resources to ensure programs and services are deployed equitably to all customers.

Metric:

- Percentage of expenditures to subcontractors on contracts over \$100,000 paid to businesses certified by the Certification Office for Business Inclusion and Diversity as a Minority Business Enterprise, Women Business Enterprise, Service-Disabled Veteran Business Enterprise or Emerging Small Business.

Status as of Q2 2023:

- From Jan. 1 to June 30, 2023, 33% of expenditures to subcontractors on contracts of more than \$100,000 went to Emerging Small Businesses, 37% went to Women Business Enterprises, 38% went to Minority Business Enterprise and 0% went to Service-Disabled Veteran Business Enterprises. Businesses that qualify for more than one certification are counted in every program in which they are certified.
 - Energy Trust uses certifications from Oregon's Certification Office for Business Inclusion and Diversity (COBID).
 - Under Energy Trust's [supplier diversity policy](#), contracts to non-COBID firms for more than \$100,000 must pay at least 20% of the value of the contract to a COBID-certified firm or firms (including subcontractors).

Goal 4: Increase Transparency and Accountability

Outcomes:

- Communities and organizations understand how their input and involvement impacts our work.
- Energy Trust is a learning organization where accountability is based on learning from both successes and failures, which are acted on to improve future outcomes.

Metric:

- Energy Trust exceeds its 2023 [Oregon Public Utility Commission performance measure on equity metrics](#).

Status as of Q2 2023:

- The OPUC set equity metrics for Energy Trust in 2023 as part of its annual performance measures for the organization. Energy Trust will report on outcomes in its 2023 Annual Report to the OPUC, which

will be submitted in April 2024. Throughout 2023, staff is providing narrative updates on activities that support these metrics in its quarterly reports (see Section III). While Energy Trust's DEI goals and the OPUC equity metrics overlap in their goals and the data that is being tracked, the OPUC's equity metrics clarify the minimum expectations for Energy Trust. Similar to other performance measures set by the OPUC related to energy savings and customer satisfaction results, staff seeks to exceed this minimum.

Goal 5: Deepen Engagement in BIPOC, Low-Income and Rural Communities

Outcomes:

- Energy Trust has developed the relationships and communication channels needed to continuously understand the evolving needs of communities that have been underserved by Energy Trust in the past.
- Communities have confidence in Energy Trust as an organization that will work collaboratively and in good faith to reach mutual goals, according to the communities' desires and needs.

Metric:

- Number of community engagement activities planned for 2023 and results from those completed engagements

Status as of Q2 2023:

- Energy Trust is conducting or has completed 23 engagement activities in 2023. Many engagements involve long-term or ongoing partnership or collaboration with community-based organizations that serve residential and business customers and contractors Energy Trust is trying to reach. Energy Trust's 2023 Annual Report to the OPUC will provide more information about these engagements and outcomes.