2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

.

Commercial
Existing Buildings

Program Purpose: Acquire cost-effective electric and natural gas savings by providing technical assistance and financial incentives for high-efficiency equipment and energy-efficient operating practices in existing commercial facilities.

2015 Strategies & Activities

1. Deliver program to commercial entities through Program Management Contractor (ICF), subcontractors and a statewide comprehensive network of trade allies.
2. Continue to focus on delivering tailored program services to the entire value chain of target markets from business owners, property owners, tenants, property management companies, service providers, electrical/mechanical contractors, distributors, manufacturer representatives and manufacturers.
3. Provide offerings and services that appeal to a wide-range of participants.
4. Maintain statewide program reach, while looking for opportunities to reach customers in under-participating areas.
5. Continue approach to increase non-lighting trade ally project activity in addition to historical lighting focus. Develop approaches for trade allies to sell lighting and non-lighting measures concurrently.
6. Evolve lighting program offerings to adapt to changing lighting baselines associated with market transformation effects and federal lighting standards.
7. Adapt to reduced gas and electric avoided costs to provide cost-effective measures, providing more services as necessary to aid the customer's decision making and redefining recommendations to limit marginally cost-effective measures.
8. Increase operations-based savings and low-cost/no-cost approaches to saving energy as a means to expand opportunities for customer engagement and to provide energy savings options for the capital constrained customer.
9. Build and leverage long-term relationships to help customers implement energy savings strategies over time.
10. Explore options to streamline certain program requirements including compressing processes and paperwork in order to speed participation and provide more direct access to program experts via a dedicated call center.
11. Increase awareness and visibility throughout the state by expanding geographic presence with statewide field staff to promote program with customers and trade allies.
12. Develop marketing strategies to address key barriers to action, including customer success stories and demonstration of the business case for energy efficiency. A cross-sector marketing campaign will promote advanced lighting solutions, including LEDs and controls, and other services for commercial and industrial businesses.

2015 New Initiatives & Focus Areas

Initiatives and focus areas for 2015 incorporate elements of the Strategic Plan including; expanding customer participation, replenishing energy efficiency resources through development of new measures and approaches, and continuously improving program design and services.

1. Continue to provide direct outreach and technical services to help key customers maximize their energy savings.
2. Evolve Comprehensive Lighting Pilot offering to continue to educate the market on better lighting design and, if appropriate, incorporate into steady-state program offerings.
3. Provide incentives for technically sound and cost-effective LED lighting applications.
4. Develop and roll-out an offering to provide streamlined measure installation services for small commercial customers.
5. Expand market education on the pending Federal 2014 lighting ballast standard and provide incentives to encourage participants to convert remaining T12s to low wattage T8s or other energy-efficient lighting options.
6. Serve small commercial customers through a direct install approach for lighting and possibly other measures.
7. Expand Strategic Energy Management (SEM): 1) Enrolling more participants in the SEM Cohort approach; 2) Offering a continuation of SEM services to select participants; 3) Expanding contractor base and standardizing market approach through development of training materials; and 4) Finding ways to deliver to customer subsets categorized by market, size, geography, etc.
8. Work with other efficiency organizations to achieve regional economies to reduce product costs and ensure supply.
9. Use incentives, services and sales techniques to encourage customers to install more measures in a shorter time frame.
10. Continue to coordinate with Oregon Department of Energy to identify and study schools projects in Energy Trust service territory.
11. Coordinate with NEEA and other NEEA utility funders to leverage regional lighting coordination opportunities like upstream buy-downs and contractor training.
12. Continue to promote Building Operator Certification by providing incentives for customers to enroll in the course.
13. Coordinate with electric utility field and outreach representatives and marketing efforts to recruit and screen new leads.

14. Support Pay for Performance pilot to determine viability of paying incentives over time.
15. Multifamily Strategies and Activities and New Initiatives and Focus Areas presented in a separate Action Plan.

2016 Planned Activities

1. Continue to expand program reach by doing more with existing customers and serving new customers.
2. Continue to expand the emphasis on operations and strategic energy planning.

Targets

NOV 2014

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

.

Commercial
Existing Buildings

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	(cents / KWh)	therms	(cents / therm)
2014 Forecast	$37.4	$6.3	$43.8	15.6	3.1	2,095,274	36.0
2015 Budget	$42.8	$8.1	$50.9	15.2	3.5	2,184,762	36.0
2016 Projection	$43.7	$8.3	$52.0	15.2	4.2	2,184,762	41.3

	2014 Budget	2014 Forecast	2015 Budget	2016 Projection
Incentives	**$33,407,178**	**$26,273,192**	**$30,107,532**	**$30,843,922**
Delivery Costs				
Program Management	729,288	611,758	702,000	713,642
Program Delivery	10,529,452	11,144,731	13,429,837	13,824,928
Marketing-PMC	936,166	936,166	994,580	1,016,076
Performance Comp	355,000	175,000	400,000	407,350
Total Delivery Costs	**12,549,905**	**12,867,655**	**15,526,417**	**15,961,996**
ETO expenses				
Staffing	738,221	652,093	665,703	710,496
Marketing	246,500	266,000	321,000	322,200
Other Services	1,359,447	1,078,747	1,325,012	1,147,762
General	116,500	93,500	122,500	122,123
Allocations	1,348,450	1,099,051	1,064,152	1,178,694
Sub-Total before Admin Costs	**49,766,202**	**42,330,237**	**49,132,316**	**50,287,192**
Administrative Costs	**1,776,708**	**1,431,238**	**1,734,102**	**1,688,230**
TOTAL EXPENSE	**51,542,910**	**43,761,475**	**50,866,419**	**51,975,422**

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Commercial
Existing Buildings

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

EnergyTrust of Oregon

Commercial

Existing Multifamily

Program Purpose: Acquire cost-effective electric and natural gas savings by providing technical assistance and financial incentives for high-efficiency equipment and energy efficient operating practices in existing multifamily (2+ attached units, retirement and campus living) and condominium and townhome buildings.

2015 Strategies & Activities

1. Deliver program to multifamily entities through Program Management Contractor (Lockheed Martin, Inc.), subcontractors and a statewide network of trade allies specializing in this market.
2. Develop and include offerings and initiatives that will involve multifamily tenants in the savings decision and overcome the split incentive dilemma.
3. Continue to focus on delivering tailored program services to the entire value chain of target markets from property owners, tenants, property management companies, service providers, electrical/mechanical contractors, distributors, manufacturer representatives and manufacturers.
4. Provide offerings and services that appeal to a broad mix of multifamily owners and managers.
5. Expand program throughout the state to reach new customers and go deeper with existing customers in all four utility service territories.
6. Collaborate across New Buildings, Existing Homes, Existing Buildings and Renewables to maximize program effectiveness in the marketplace.
7. Build and develop an affordable housing project pipeline that can utilize either the on-bill financing option through the MPower Oregon pilot or through normal program tracks.
8. Continue to leverage learnings and redesign efforts for custom track projects and audits to launch refined services and offerings to better fit the needs, budgets and timelines of multifamily owners and managers.
9. Expand the distributor buy-downs focused on suppliers of energy efficient appliances and equipment in order to competitively place efficient equipment in replacement applications.
10. Enhance outreach focus to promote project activity including selling lighting and non-lighting measures concurrently.
11. Launch seasonal and special “limited time only” bonuses for specific technologies to increase penetration and introduce successful, yet-to-be-adopted technologies.
12. Increase operations-based savings and low-cost/no-cost approaches to save energy in a capital constrained market.
13. Build and leverage long-term relationships to help established customers implement energy savings strategies over time and across multiple capital budget cycles.
14. Develop marketing approaches that use customer success stories to demonstrate the strong business case for energy efficiency as a means to help spur action from more property managers. A cross-sector marketing campaign will promote advanced lighting solutions, including LEDs and controls, and other services for commercial and industrial businesses.

2015 New Initiatives & Focus Areas

1. Initiatives and focus areas for 2015 incorporate elements of the Strategic Plan including; expanding customer participation, replenishing energy efficiency resources through development of new measures and approaches, and continuously improving program design and services.
2. Extend the program offerings and the “single point of contact” outreach approach to multifamily customers and trade allies in Central, East and Southern Oregon.
3. Complete work with the affordable housing community to innovate how the program can serve their tenants through partnership in a financing pilot, behavioral opportunities and capital investments.
4. Convert to LED Direct Install in place of compact fluorescents that were used by the program for the past decade.
5. Continue to produce and refine an email newsletter specific to multifamily owners and decision makers in order to foster meaningful engagement with the program and its staff.
6. Expand and integrate enhanced sales approach through tablet-based walkthrough survey, project analysis and benchmarking tools in order to provide comprehensive and actionable information on opportunities within customer portfolios.
7. Collaborate with other energy efficiency implementation organizations to achieve economies in supporting pilot initiatives, reducing project costs and gaining organizational efficiencies.
8. Coordinate with electric utility and water utility field and outreach representatives on marketing and outreach efforts to recruit and screen new leads and promote energy efficiency.
9. Research, develop and test new measure opportunities for upgrades to electrically heated units, including pilots related to high efficient zonal heating alternatives and water sub-metering opportunities.

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

EnergyTrust of Oregon

Commercial

Existing Multifamily

2016 Planned Activities

1. Evaluate progress and lessons learned from MPower Oregon Pilot and move forward next stages of pilot if appropriate.
2. Testing and integration of new ISM opportunities utilizing emerging technologies in order to supplement existing offerings that will be phased out due to changes in Federal Standards.
3. Continue to expand the emphasis on affordable housing and within the general multifamily market for operations and strategic energy planning opportunities.

Targets - Multi-family program costs and energy savings tables are included in the Existing Buildings summary

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

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Commercial
New Buildings

Program Purpose: Acquire cost-effective electric and natural gas savings by providing technical assistance and financial incentives for high-efficiency design and equipment in commercial and industrial new construction and major renovation projects.

2015 Strategies & Activities

1. Deliver program through Program Management Contractor (CLEAResult) and a statewide comprehensive network of program allies.
2. New Buildings will continue to drive significant changes to how buildings are designed and constructed, resulting in sustained market practices that promote high-performance buildings.
    a. Position as a technical and educational resource in the market, provide trainings.
    b. Continue support of early design meetings with project teams to identify energy saving strategies and make the business case for achieving efficiency goals directly to owners.
3. Deploy a robust regional outreach strategy serving six regions statewide: North Coast and Columbia River Corridor, Eastern Oregon, Central Oregon, Southern Oregon and Southern Oregon Coast, Willamette Valley and Central Coast, and Portland Metro areas.
    a. Allies will receive enhanced regional support with project reviews for design-build projects and trainings on tools and workbooks with support from an Energy Analyst.
    b. Lighting design support for allies will be expanded and a local resource in Eastern Oregon will be provided.
    c. Over 125 regional owner accounts will be leveraged along with over 100 regional architecture, engineering and design-build accounts.
4. Target the small commercial market with simple solutions.
    a. Market new offers launched under the 'Hey Building' campaign to six market sectors, and develop two new packages to further reach and measure saturation. Packages are building type-specific and offer projects simpler, pre-calculate, packaged options to drive quick decision making. Add two new packages for office tenant improvement, and high-rise multifamily. Continue providing standard measures, and identifying new gas saving technologies. A cross-sector marketing campaign focused on lighting and other measures will also launched.
5. Continue to build a market position for New Building Allies that actively support efficiency and are critical to New Buildings' success in transforming the market.
    a. Focus on the allies' influence on practical elements of integrated design, system selection and critical decisions that affect the efficiency of a project.
    b. Provide trainings in collaboration with AIA Portland and Cascadia Chapters.
6. Launch Net Zero solutions by creating an approachable concept for early design and getting net zero on the drawing board for owners and design teams to consider, and begin to prepare for future changes in energy codes expected to ratchet up baselines quickly. Continue innovation through collaboration among stakeholders and the market.
    a. Implement changes from the most recent code update that took effect Q3-2014 and will phase in stepped increases in HVAC, impacting standard measures, in addition to some lighting power density reductions.
    b. Collaborate with stakeholders to develop a strategy to address future codes and standards.
7. Increase the number of Solar Ready buildings eligible to receive incentives for solar PV installations by leveraging early design in New Buildings to include solar
    a. Promote Solar Ready design options and build a pipeline of future solar projects.
    b. Strengthen the Solar Design Ally network through training and education.

2015 New Initiatives & Focus Areas

1. Initiatives and focus areas for 2015 incorporate elements of the Strategic Plan including; expanding customer participation, replenishing energy efficiency resources through development of new measures and approaches, and continuously improving program design and services
2. Drive small commercial market opportunities – target business owners, allies and designers.
3. Position New Buildings to capture additional market transformation savings and adjust to the 2014 code. Engage trade allies to improve code compliance in advance of the 2017 code. Expand regional outreach and ally focused delivery statewide.
4. Continue to engage potential net zero and net zero ready projects through targeted outreach and goal-setting by building on the success with Net Zero.
    a. Fine tune program design to remove barriers experienced by far-reaching projects.

2016 Planned Activities

1. Continue building the pipeline and support for 2014 Oregon Energy Efficiency Specialty Code in addition to adoption of the Reach code.
2. Offer incentives and engineering support to reward increasing energy efficiency in excess of the energy code.
3. Leverage our emerging delivery network of New Buildings Program Allies to drive projects that exceed code.

(See budget detail on reverse side)

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

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EnergyTrust of Oregon

Commercial
New Buildings

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	(cents / KWh)	therms	(cents / therm)
2014 Forecast	$12.5	$1.7	$14.2	5.1	2.8	657,639	21.8
2015 Budget	$11.3	$1.2	$12.5	4.1	3.0	396,086	26.1
2016 Projection	$14.1	$1.5	$15.7	5.9	2.2	540,441	27.0

	2014 Budget	2014 Forecast	2015 Budget	2016 Projection
Incentives	**$7,922,707**	**$7,507,011**	**$5,608,266**	**$8,621,966**
Delivery Costs				
Program Management	205,000	205,000	212,540	225,000
Program Delivery	4,123,000	4,123,000	4,262,395	4,165,000
Marketing-PMC	252,000	252,000	326,245	325,000
Performance Comp	125,000	125,000	120,000	110,000
Total Delivery Costs	**4,705,000**	**4,705,000**	**4,921,180**	**4,825,000**
ETO expenses				
Staffing	275,251	305,134	306,270	326,394
Marketing	118,000	106,000	129,500	112,000
Other Services	546,947	497,947	412,512	529,512
General	18,000	18,000	11,000	5,000
Allocations	661,875	532,906	618,236	670,996
Sub-Total before Admin Costs	**14,247,780**	**13,671,997**	**12,006,965**	**15,090,868**
Administrative Costs	**593,081**	**488,996**	**488,263**	**573,284**
TOTAL EXPENSE	**14,840,860**	**14,160,993**	**12,495,228**	**15,664,152**

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Commercial
New Buildings

2015-2016 DRAFT BUDGET & ACTION PLAN

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EnergyTrust of Oregon

Commercial

Market Transformation Northwest Energy Efficiency Alliance (NEEA)

Program Purpose: NEEA invests in northwest market transformation programs across commercial, industrial and residential sectors, working in coordination with Energy Trust programs. NEEA focuses on products, services and practices that, while technically promising and cost-effective, are not taking hold in the market. To realize the promise and energy savings potential of these emerging opportunities, NEEA facilitates the development of coordinated regional strategies to permanently remove market barriers and executes components of those regional strategies for which a regional approach brings greater value than would individual action by utilities. NEEA's role varies by market transformation program and is characterized by activities with market participants who are "upstream" from Energy Trust and utility customers. NEEA's commercial sector programs are designed to create the market conditions that will accelerate and sustain market adoption of energy efficient products, services and practices in the commercial real estate, lighting and new construction markets, resulting in cost-effective energy savings for Energy Trust and the region.

2015 Strategies & Activities

1. Commercial Real Estate (CRE): Establish and execute to a regionally supported program roadmap of tools and best practices that deliver value to utility and CRE market partners.
    a. Develop a program roadmap and deliver at least three additional market resources in support of adopting energy efficiency best practices.
    b. Launch pilot of building renewal business case tool with utility and market partners.
    c. Leverage market research to support broadening program interventions in warehouse and big-box retail.
2. Building Operator Certification (BOC): Accelerate market adoption of high performance operations and maintenance of commercial buildings by building market demand for certified building operators while continuing to increase market knowledge and capabilities.
    a. Target market demand creation in government, commercial office building and healthcare market sectors
    b. Further remove cost and time barrier by offering blended online courses.
    c. Transition BOC initiative to market by ensuring BOC providers are on a path to self-sufficiency at a higher market penetration
3. Commercial Lighting Upstream: Build an upstream platform by expanding strategic relationships, tools, and infrastructure for the region and shift the market share towards low-wattage lamps in maintenance market through this platform
    a. Maintain and expand relationships with electrical distributors and lamp manufacturers.
    b. Continue with broader annual data collection activities and sales data to inform the region on their energy efficiency decision making
    c. Develop a process with Utility partners for targeting another technology through this platform
4. Top Tier Trade Ally (TTTA) and Commercial Lighting Infrastructure: Foster an advanced commercial lighting retrofit community that generates projects with deep energy savings for NEEA's partner utility programs.
    a. Engage stakeholders to incorporate basic lighting e-learning training into trade ally network requirements
    b. Launch a market test pilot of the Top Tier Trade Ally training with a few partner utilities
5. Luminaire Level Lighting Controls (LLLC): Accelerate adoption of embedded LLLCs
    a. Identify a utility-accepted savings method for Luminaires with embedded controls.
    b. Document non-energy benefits for each key market segment to build compelling business case for these advanced lighting controls.
6. New Construction: Innovate and advance the practices of integrated design to create opportunities for further energy reduction in the future.
7. Gas Initiatives: Begin the groundwork for market transformation of gas-fired heat pump water heaters, gas-fired heat pumps for combined space and water heat, efficient rooftop HVAC, as well as codes and standards work and scanning for other market transformation activities.

2015 New Initiatives & Focus Areas

1. Introduce a regional knowledge center of Commercial Strategic Energy Management tools and resources to enable the regional utilities and market actors to further expand their SEM offerings.
2. Introduce new initiatives identified in 2014 scanning review process, as appropriate per NEEA's Initiative Lifecycle stage-gate process
3. Build upon the strategic market work to leverage and maximize common market intervention points across initiatives.

2016 Planned Activities

1. Support the New Construction Strategic market by launching a new Market transformation New Construction program.

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EnergyTrust of Oregon

Commercial

Market Transformation Northwest Energy Efficiency Alliance (NEEA)

2. Continue refining and enhancing current portfolio of market transformation programs.

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	(cents / KWh)	therms	($ / therm)
2014 Forecast	$2.7	$0.1	$2.8	1.3	2.4		
2015 Budget	$2.6	$0.3	$2.9	1.0	5.3		
2016 Projection	$2.8	$0.3	$3.1	1.2	4.7		

	2014 Budget	2014 Forecast	2015 Budget	2016 Projection
Delivery Costs				
Program Management				
Program Delivery	2,680,448	2,641,687	2,658,999	2,816,119
Marketing-PMC				
Performance Comp				
Total Delivery Costs	**2,680,448**	**2,641,687**	**2,658,999**	**2,816,119**
ETO expenses				
Staffing	19,062	6,926	42,859	45,675
Marketing				
Other Services				
General				
Allocations	54,404	47,617	74,129	82,220
Sub-Total before Admin Costs	**2,753,915**	**2,696,230**	**2,775,986**	**2,944,013**
Administrative Costs	**120,256**	**105,067**	**116,614**	**115,951**
TOTAL EXPENSE	**2,874,170**	**2,801,297**	**2,892,600**	**3,059,964**

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

EnergyTrust of Oregon

Industry and Agriculture
Production Efficiency (PE)

Program Purpose: Acquire cost-effective electric and gas savings through technical assistance and financial incentives for high-efficiency design, equipment and operations in existing and new industrial and agricultural processes and facilities. Promote innovative technological and behavioral approaches to industrial energy efficiency; provide technical expertise, training and project funding to help companies plan, manage and improve their energy efficiency.

2015 Strategies & Activities

1. Custom track allows for a comprehensive approach to process efficiency projects, retrofits, operations & maintenance (O&M).
    a. Custom Program Delivery Contractor (PDC) delivery funds dedicated industrial efficiency engineers to work with industrial customers in assigned geographic territories. Custom PDCs facilitate program participation, encourage customer commitment and act as a key technical resource to plant staff over multiple years. They achieve goals through developing and delivering Custom projects, which represent the majority of industrial energy savings.
2. Streamlined tracks focus on simpler or more standardized projects delivered by Energy Trust Trade Allies. The streamlined tracks are delivered by specialized PDCs, who focus on trade ally outreach and training, project verification and delivery of savings from streamlined measures, and new measure and tool development. Streamlined measures rely on prescriptive and calculated savings analysis tools developed for mass deployment, rather than relying on custom technical studies to determine savings and incentives for each project. This simplified analysis and use of trade ally vendors for delivery of these projects provides a shorter and simpler project development cycle for participants and their vendors, and includes:
    a. The Lighting Trade Ally Network delivers all types of lighting projects at industrial sites.
    b. The Streamlined Industrial and Agricultural Initiative delivers savings from irrigation measures, small compressed air, VFDs and other prescriptive and calculated measures.
3. Increase depth and persistence of savings and respond to customer demand by providing training, tools, technical support and public recognition to establish or improve an energy management culture in the workplace.
4. Drive customer adoption of industrial strategic energy management (SEM) and support their continuous improvement.

2015 New Initiatives & Focus Areas

- Broaden Participation by Underserved Customers
    - Increase PDC outreach and provide custom services to small industries in all areas of Energy Trust service territory.
    - Expand the trade ally and vendor network for effective delivery of irrigation, compressed air and other streamlined industrial measures, especially in rural areas.
- Develop new measures and approaches to save energy
    - Promote and support trade ally and vendor deployment of newer streamlined measures/technologies including LEDs, Performance Plus Lighting, and direct install of small compressed air leak reduction through a variety of channels, including a cross-sector marketing campaign focused on lighting and other measures.
    - Bring Industrial Strategic Energy Management (SEM) to scale in the market. Optimize and standardize offerings for all sizes of industries, expand the number of participants enrolled in SEM offerings, and develop approaches to help participants harvest even more savings from their SEM program, long term.
- Continuously improve program design and services
    - Leverage and cross-promote within all Production Efficiency delivery channels to increase savings, provide additional value to Trade Allies and create seamless customer experience.
    - Work with PDCs to develop tools and approaches that reduce the cost of providing Custom services to small industries around the state.

2016 Planned Activities

1. Launch Continuous SEM offering targeted at > 100 industries that have completed introductory SEM offerings.
2. Re-compete Streamlined Track Delivery contracts.

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EnergyTrust of Oregon

Industry and Agriculture
Production Efficiency (PE)

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	(cents / KWh)	therms	(cents / therm)
2014 Forecast	$27.8	$2.1	$30.0	15.9	2.2	900,345	26.9
2015 Budget	$29.3	$3.0	$32.3	15.3	2.6	1,065,576	27.7
2016 Projection	$30.2	$3.0	$33.2	18.1	2.2	1,065,576	26.6

	2014 Budget	2014 Forecast	2015 Budget	2016 Projection
Incentives	**$21,085,070**	**$17,613,923**	**$18,348,595**	**$19,246,295**
Delivery Costs				
Program Management				
Program Delivery	8,825,161	8,805,161	9,513,155	9,575,505
Marketing-PMC				
Performance Comp	330,000	225,000	330,000	330,000
Total Delivery Costs	**9,155,161**	**9,030,161**	**9,843,155**	**9,905,505**
ETO expenses				
Staffing	850,843	875,965	1,111,204	1,121,247
Marketing	182,500	132,500	234,000	234,000
Other Services	1,008,213	895,213	952,852	849,852
General	69,560	37,860	62,500	62,500
Allocations	561,560	461,976	669,032	738,298
Sub-Total before Admin Costs	**32,912,907**	**29,047,598**	**31,221,338**	**32,157,697**
Administrative Costs	**1,158,042**	**924,654**	**1,091,766**	**1,064,736**
TOTAL EXPENSE	**34,070,949**	**29,972,252**	**32,313,104**	**33,222,433**

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EnergyTrust of Oregon

Industrial

Market Transformation Northwest Energy Efficiency Alliance (NEEA)

Program Purpose: NEEA invests in northwest market transformation programs across commercial, industrial and residential sectors, working in coordination with Energy Trust programs. NEEA focuses on products, services and practices that, while technically promising and cost-effective, are not taking hold in the market. To realize the promise and energy savings potential of these emerging opportunities, NEEA facilitates the development of coordinated regional strategies to permanently remove market barriers and executes components of those regional strategies for which a regional approach brings greater value than would individual action by utilities. NEEA's role varies by market transformation program and is characterized by activities with market participants who are "upstream" from Energy Trust and utility customers. NEEA's industrial and agriculture sector programs are designed to create the market conditions that will accelerate and sustain market adoption of energy efficient products, services and practices in industrial and irrigated agriculture markets, resulting in cost-effective energy savings for Energy Trust and the region.

2015 Strategies & Activities

1. Certified Refrigeration Energy Specialist (CRES): Market *t*est and validate CRES *certification*, and build the strategy to expand the capabilities of northwest refrigeration operators through CRES
    a. Create the business case for CRES.
    b. Develop and implement a strategy to leverage market partners to enable CRES adoption.

2014 New Initiatives & Focus Areas

1. Introduce new initiatives identified in 2015 scanning review process, as appropriate per NEEA's Initiative Lifecycle stage-gate process.
2. Introduce a regional knowledge center of Industrial Strategic Energy Management tools and resources to enable the regional utilities and market actors to further expand their SEM offerings**.**

2016 Planned Activities

1. Continue 2015 planned activities

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

EnergyTrust of Oregon

Industrial

Market Transformation Northwest Energy Efficiency Alliance (NEEA)

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	(cents / KWh)	therms	(cents / therm)
2014 Forecast	$1.0	$0.0	$1.0	0.3	5.4		
2015 Budget	$0.2	$0.0	$0.2	0.2	1.7		
2016 Projection	$0.2	$0.0	$0.2	0.1	4.8		

	2014 Budget	2014 Forecast	2015 Budget	2016 Projection
Delivery Costs				
Program Management				
Program Delivery	1,318,082	930,840	138,553	145,851
Marketing-PMC				
Performance Comp				
Total Delivery Costs	**1,318,082**	**930,840**	**138,553**	**145,851**
ETO expenses				
Staffing	12,306	14,195	6,031	6,447
Marketing				
Other Services				
General				
Allocations	56,045	49,316	16,155	17,957
Sub-Total before Admin Costs	**1,386,432**	**994,351**	**160,739**	**170,255**
Administrative Costs	**59,941**	**39,564**	**6,699**	**6,656**
TOTAL EXPENSE	**1,446,373**	**1,033,916**	**167,438**	**176,910**

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

EnergyTrust of Oregon

Residential

Existing Homes

Program Purpose: Acquire cost-effective electric and gas savings by providing energy-efficiency products, services and incentives to homeowners of existing single-family and manufactured homes.

2015 Strategies & Activities

1. Deliver program through Program Management Contractor (CLEAResult), subcontractors and a statewide comprehensive network of trade allies.
2. Redesign program elements to further cost effective delivery approaches and maximize returns for individual customers and the utility customer base as a whole.
3. Develop processes and program design strategies with attention to maintaining value to all customers with attention to maintaining services and incentives benefitting all customers while specifically targeting customers with highest savings potential.
4. Improve customer and trade ally experiences through a focus on ease in participation and offering instant incentives.
5. Expand trade ally use of quality installation checklists and streamline program-delivered quality assurance (QA) processes to increase cost effectiveness of quality management delivery.
6. Adapt program measures and savings to respond to outcomes of OPUC Docket UM 1622 and UM 1696, including cessation of wall, floor, and duct insulation in gas heated homes by the end of the 2014-2015 heating season.
7. Manage to established thresholds of portfolio savings achieved through Instant Savings Measures (ISMs).
8. Streamline program touch points and guide customers to relevant resources and support, based on customer disposition, utility consumption, and housing characteristics.
9. Leverage savings opportunities through support or collaboration with NEEA, supply chain, industry stakeholders, and trade allies.
10. Develop program design strategies to accelerate equipment installations (gas water heat, gas hearths, heat pumps, ductless heat pumps, and heat pump water heaters).
11. Grow moderate income participation in installing energy-efficiency improvements through financing options.
12. Explore opportunities to expand financing options to homeowners outside of the moderate income track.
13. Support consumer awareness and education through the LivingWise Kit curriculum in schools.
14. Leverage 2014 IT investments to support efficiencies in program delivery and increased communication and transparency with trade allies.
15. Implement targeted and cross-sector marketing strategies to support equipment installations and promote offerings for residential customers, ensuring that as program design changes eligible customers continue to see incentives and offers available to them.

2015 New Initiatives & Focus Areas

1. Develop and implement pilots that aim to discover cost-effective electric savings in anticipation of reduced savings from compact fluorescent light bulbs (CFLs) and lower electric avoided costs.
2. Implement administrative cost reductions and program design approaches that address program delivery cost effectiveness, as measured by the program utility cost test (UCT).
3. Explore program designs intended to promote specific measures or services to achieve cost-effectiveness and/or drive better costs through competitive solicitation(s), as measured by the total resource cost test (TRC).
4. Drive customer education and awareness around home energy use through supporting market delivery and expansion of EPS, an energy performance score developed by Energy Trust, in alignment with ODOE rules.
5. Develop strategies designed to increase market share of efficient heating and water heating equipment through mid-stream market engagements.
6. Build strategies to claim verifiable savings through new behavior change initiatives.
7. Expand upon 2014 pilot efforts to achieve savings through web-based programmable thermostats.

2016 Planned Activities

1. Plan for updates to gas avoided costs
2. Manage program level cost effectiveness
3. Expand behavior-based savings strategies

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

EnergyTrust of Oregon

Residential

Existing Homes

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	(cents / KWh)	therms	(cents / therm)
2014 Forecast	$14.9	$7.3	$22.2	5.0	3.1	1,089,040	50.0
2015 Budget	$17.0	$4.8	$21.8	4.6	3.8	878,323	41.7
2016 Projection	$16.7	$4.7	$21.4	4.2	4.0	787,443	43.9

	2014 Budget	2014 Forecast	2015 Budget	2016 Projection
Incentives	**$12,666,827**	**$9,895,788**	**$10,528,493**	**$10,192,447**
Delivery Costs				
Program Management	446,500	446,500	408,090	408,090
Program Delivery	5,779,089	5,579,089	5,139,598	5,003,598
Marketing-PMC	1,642,895	1,642,895	1,341,471	1,341,471
Performance Comp	200,000	200,000	200,000	200,000
Total Delivery Costs	**8,068,484**	**7,868,484**	**7,089,159**	**6,953,159**
ETO expenses				
Staffing	618,750	507,755	441,207	470,312
Marketing	537,500	507,500	393,250	393,250
Other Services	1,141,447	778,188	681,512	699,012
General	92,000	77,000	73,500	73,500
Allocations	2,180,318	1,782,014	1,763,023	1,865,765
Sub-Total before Admin Costs	**25,305,326**	**21,416,729**	**20,970,144**	**20,647,444**
Administrative Costs	**998,745**	**748,693**	**840,332**	**783,749**
TOTAL EXPENSE	**26,304,072**	**22,165,421**	**21,810,476**	**21,431,193**

2015-2016 DRAFT BUDGET & ACTION PLAN

Residential

Products

Program Purpose: Acquire cost-effective electric and gas savings by supporting customer selection of energy-efficient home products. Implement program efficiencies, targeted outreach, innovative program offerings and marketing, as well as expand focus on retailers and the retail channel, to engage consumers and deliver cost effective energy savings. Leverage data analytics and flexible incentive levels in tandem with increased retailer and consumer education to maximize uptake of energy efficient products and sustained energy savings. Introduce innovative pilot programs to explore new avenues for energy savings and customer service.

2015 Strategies & Activities

1. Deliver program through a new Program Management Contractor (Ecova) and an expanded, statewide network of retailers.
2. Accelerate transformation of the lighting and showerhead markets with a sophisticated lighting and showerhead promotions strategy.
3. Achieve significant energy savings by removing inefficient refrigerators from the grid and ensuring they are safely decommissioned and recycled.
4. Continue the existing downstream appliance incentive model while testing alternative approaches to improve retailer participation and support.
5. Educate retailers and consumers in the benefits and features of energy efficient lighting, showerheads and appliances to drive uptake of the most energy efficient products.
6. Provide EPS scores on new manufactured homes to drive the customer choice to most efficient models.
7. Pursue potential new savings opportunities to expand program portfolio.
8. Implement delivery improvements which will gain program efficiencies and reduce costs, including transitioning field services to PMC staff, soliciting an increased number of retailers through a competitive RFP, subcontracting with a new recycling vendor and utilizing market data and analytics to drive targeted marketing strategies.
9. Broaden participation by underserved customers through ensuring participation by a wide range of retail types, increased presence in rural communities and customized incentives by region.
10. Continue to foster regional collaboration by partnering with key industry partners such as Northwest Energy Efficiency Alliance (NEEA), Regional Technical Forum (RTF) and Bonneville Power Administration (BPA).
11. Implement targeted and cross-sector marketing strategies to support specific Products offerings and promote incentives and offerings for residential customers, ensuring that as program design changes eligible customers continue to see incentives and offers available to them.

2015 New Initiatives & Focus Areas

1. Implement new lighting and showerhead program design that uses data analytics and incentive amount flexibility to maximize energy savings potential across the entire territory.
2. Implement EPS, Energy Trust's energy performance scoring tool, for new manufactured homes to increase consumer awareness and drive sales of energy efficient models and heat pumps in manufactured homes.
3. Collaborate with NEEA to explore pilots or initiatives in consumer electronics and/or heat pump dryers.
4. Propose a pilot to evaluate the effectiveness of mid-stream incentive model(s).
5. Explore options to improve participation and customer satisfaction with the recycling program through innovative incentive fulfillment options and coordinating point-of-purchase and bulk recycling opportunities.
6. Explore the possibility of expanding appliance recycling to include clothes washers
7. Identify strategies to encourage stocking of low-cost qualifying refrigerators, such as increased incentives for lower price-point models.
8. Use Customer Engagement Mapping to identify opportunities to cross-promote appliance incentives with other Energy Trust programs to increase uptake of energy efficient appliances.
9. Introduce pop-up promotions with a companion online product portal to increase availability of energy efficient products in rural communities.

2016 Planned Activities

1. Explore retailer-subsidized gift cards in place of incentive checks (pilot program)
2. Enhance efficiency of retail point of sale data submission for lighting and showerheads
3. Incorporate new measures into the program portfolio based on 2015 evaluation results

2015-2016 DRAFT BUDGET & ACTION PLAN

Residential
Products

Targets

1. 72,734,895 kWh and 254,935 therms of energy savings in 2015
2. 74,804,758 kWh and 254,934 therms of energy savings in 2016

2015-2016 DRAFT BUDGET & ACTION PLAN

Residential
Products

New Homes and Products – Combined

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	(cents / KWh)	therms	(cents / therm)
2014 Forecast	$19.1	$4.5	$23.6	8.6	3.5	1,020,343	31.2
2015 Budget	$20.3	$4.8	$25.1	8.7	3.4	1,039,705	30.5
2016 Projection	$20.5	$5.1	$25.5	9.0	3.2	1,220,821	85.9

	2014 Budget	2014 Forecast	2015 Budget	2016 Projection
Incentives	**$11,699,796**	**$12,723,473**	**$15,067,337**	**$15,808,753**
Delivery Costs				
Program Management	256,443	256,443	580,874	614,047
Program Delivery	5,515,989	6,142,080	4,803,758	4,454,621
Marketing-PMC	1,373,040	1,373,040	997,593	940,732
Performance Comp	155,000	155,000	155,000	155,000
Total Delivery Costs	**7,300,472**	**7,926,563**	**6,537,224**	**6,164,400**
ETO expenses				
Staffing	386,585	424,692	533,842	566,541
Marketing	290,000	280,000	320,500	320,500
Other Services	473,447	501,632	661,512	629,012
General	49,000	44,000	53,500	53,500
Allocations	1,001,251	827,880	942,649	1,040,532
Sub-Total before Admin Costs	**21,200,552**	**22,728,239**	**24,116,563**	**24,583,239**
Administrative Costs	**787,435**	**831,515**	**1,005,985**	**945,773**
TOTAL EXPENSE	**21,987,986**	**23,559,754**	**25,122,548**	**25,529,011**

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

EnergyTrust of Oregon

Residential

New Homes Program

Program Purpose:

The New Homes program focuses on acquiring cost-effective electric and gas savings by engaging builders to build energy efficient homes that extend above code requirements. Through incentives, educational opportunities, trade and program ally support and quality assurance the program offers builders the resources necessary to improve their building practices and increase the energy efficiency of the homes they build. In 2015, the program will focus on expanding program reach by introducing new standalone measures, engaging new market segments and expanding into underserved markets.

2015 Strategies & Activities

1. Deliver program through Program Management Contractor (CLEAResult), subcontractors and a statewide comprehensive network of trade allies.
2. Capture 26 percent of Energy Trust service territory new construction market by completing 2,195 EPS™ new home projects. EPS is Energy Trust's energy performance scoring tool.
3. Expand program reach to capture savings in new product and market segments. This includes: pushing standalone measures, working with affordable housing organizations, targeting accessory dwelling units, small homes and major remodels
4. Expand and diversify engagement with market actors including: developers, real estate allies and multifamily builders
5. Continue to drive builders to the next level of efficiency upwards towards Live Net Zero while also supporting code builders through standalone measures
6. Streamline overall program processes and delivery to support operational efficiencies and positive contractor and customer experience, including support for implementation of House Bill 2801
7. Increase trade and program ally engagement in the field, emphasizing trainings and technical resources
8. Provide continued improvement of the Axis tool to streamline delivery while maintaining data integrity
9. Provide new technical and solar field training to support verifiers and subcontractors
10. Coordinate with regional organizations and other programs, such as NEEA, Oregon Home Builders Association, and Existing Homes, across various program opportunities
11. Implement targeted and cross-sector marketing strategies to increase market share and awarenss for EPS homes and promote offerings for residential customers, ensuring that as program design changes eligible customers continue to see incentives and offers available to them.

2015 New Initiatives & Focus Areas

1. Create multifamily incentive structure and recruit new builders into the program
2. Add standalone measures including: furnaces with variable speed motors, ERVs, showerheads and central air conditioners
3. Evaluate Pilot measures including: Home Energy Monitoring Systems (HEMS) and measures that support code and reach code
4. Expand engagement with affordable housing organizations such as Habitat for Humanity and community action programs
5. Create a developer incentive that motivates developers to include EPS as a part of neighborhood developments
6. Partner with Earth Advantage to further engage with the real estate ally community, diving deeper with appraisers and lenders
7. Work with market actors to prepare the market for the upcoming building code change in 2017
8. Expand program reach into rural and underserved markets
9. Launch a five year solar strategy that results in an increase in solar projects and overall solar awareness
10. Maximize cooperative marketing opportunities for events, home tour sponsorships and to highlight EPS and Energy Trust as well as recognize builders to draw attention to the benefits of being an Energy Trust trade or program ally
11. Develop training and education for homeowners and real estate trade allies who are interested in accessory dwelling units and small homes

2016 Planned Activities

1. Continue established activities and implement new opportunities with available funds, employing flexibility to meet savings, funding expectations and customer engagement goals
2. Work with NEEA and other regional players to support advancement and alignment in the new homes market
3. Implement and expand on developer incentives and promote early design assistance to recognize savings and work with new communities
4. Position the program to support allies and builders through the 2017 building code change

The combined New Homes and Products budget and savings can be found in the Products one pager.

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

EnergyTrust of Oregon

Residential

Market Transformation Northwest Energy Efficiency Alliance (NEEA)

Program Purpose: NEEA invests in northwest market transformation programs across commercial, industrial and residential sectors, working in coordination with Energy Trust programs. NEEA focuses on products, services and practices that, while technically promising and cost-effective, are not taking hold in the market. To realize the promise and energy savings potential of these emerging opportunities, NEEA facilitates the development of coordinated regional strategies to permanently remove market barriers and executes components of those regional strategies for which a regional approach brings greater value than would individual action by utilities. NEEA's role varies by market transformation program and is characterized by activities with market participants who are "upstream" from Energy Trust and utility customers. NEEA's residential sector programs are designed to create the market conditions that will accelerate and sustain market adoption of energy efficient products, services and practices in the consumer products and new construction markets, resulting in cost-effective energy savings for Energy Trust and the region.

2015 Strategies & Activities

1. Heat Pump Water Heaters (HPWH): Build regional uptake and market demand while accelerating consumer and supply chain adoption of northern climate heat pump water heaters to influence the passage of a federal standard requiring heat pump water heaters for all electric storage tanks greater than 45 gallons by 2025.
    a. Support the introduction of a new Tier 2 or 3 product into retail and wholesale market.
    b. Leverage market research to enhance marketing tools.
    c. Ensure 50 utilities offer incentives that reference the Northern Climate Specification.
    d. Drive product sales through 6 supply chain partnerships and promotions.
    e. Laboratory test 4 Heat Pump Water Heaters
2. Residential New Construction: Accelerate market adoption of energy-efficient residential building practices and technologies to pave the way for future code adoption.
    a. Begin data collection and analysis on Phase II projects to inform savings estimates and best practice pathways.
    b. Outreach to 5 green building programs to potentially adopt Next Step Home Specification
    c. Align Northwest performance path homes with national oversight
    d. Develop Northwest ENERGY STAR specification for states that adopt 2012 IECC (WA completed)
    e. Establish an RTF-approved performance rating based energy savings methodology
3. Retail Product Portfolio (RPP): Increase the sale and presence of energy-efficient products in the retail channel by leveraging mid-stream incentives to influence retail stocking practices, ultimately driving manufacturing and standards for a portfolio of energy-efficient products sold through the retail channel.
    a. Develop product roadmap for market transformation portfolio development.
    b. Launch automated data processing solution.
    c. Expand extra-regional partnerships to increase initiative scale.
    d. Manage and strengthen retailer engagement; adding one additional retailer in 2015.
4. Ductless Heat Pumps (DHP): Build and increase market and consumer demand, adoption and availability of ductless heat pump technology to accelerate adoption of inverter-driven ductless heat pumps in electrically heated homes.
    a. Develop retail channel product road map.
    b. Leverage market research to enhance marketing tools and activities.
    c. Partner with manufacturers to develop 3 DHP promotions.
    d. Complete DIY testing research (includes field testing, research into DIY products and processes).
    e. Achieve 20% increase in residential ductless heat pumps sold in Northwest region.
5. Super-Efficient Dryers: Validate energy savings and product potential for super-efficient dryers to pave the way for enactment of more stringent federal efficiency standards for clothes dryers.
    a. Support super-efficient dryer placement in one big-box retailer.
    b. Support heat pump dryer product launch with 2 major manufacturers.
    c. Two utilities offer incentives on super-efficient dryers meeting NEEA specification, supporting early manufacturer launch.
    d. Complete performance baseline, research plan and lab testing results to inform RTF provisional unit energy savings.
6. Standards: Participate in Federal and regional proceedings to create and improve equipment efficiency standards; bring information on NW successes in market adoption of efficient products to that process.

Residential

Market Transformation Northwest Energy Efficiency Alliance (NEEA)

7. Previously Funded Initiatives: Track and report on market transformation savings from previously funded initiatives including new homes, compact fluorescent light bulbs, televisions, and consumer appliances.
8. Gas Initiatives: Begin the groundwork for market transformation of gas-fired heat pump water heaters, gas-fired heat pumps for combined space and water heat, hearth products, and efficient dryers as well as codes and standards work and scanning for other market transformation activities.

2015 New Initiatives & Focus Areas

1. Evaluating new initiative opportunities in coordination with NEEA's Emerging Technology Team.

2016 Planned Activities

1. Similar to 2015.

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	(cents / KWh)	therms	(cents / therm)
2014 Forecast	$4.7	$0.1	$4.7	3.9	2.1		
2015 Budget	$4.3	$0.3	$4.6	3.7	1.4		
2016 Projection	$4.5	$0.7	$5.2	4.2	1.3		

	2014 Budget	2014 Forecast	2015 Budget	2016 Projection
Delivery Costs				
Program Management				
Program Delivery	4,351,503	4,502,717	4,336,222	4,892,121
Marketing-PMC				
Performance Comp				
Total Delivery Costs	**4,351,503**	**4,502,717**	**4,336,222**	**4,892,121**
ETO expenses				
Staffing	22,245	829	45,077	48,037
Marketing				
Other Services				
General				
Allocations	53,516	46,711	68,312	75,577
Sub-Total before Admin Costs	**4,427,265**	**4,550,257**	**4,449,610**	**5,015,735**
Administrative Costs	**187,175**	**171,222**	**181,106**	**192,075**
TOTAL EXPENSE	**4,614,440**	**4,721,479**	**4,630,716**	**5,207,810**

2015-2016 DRAFT BUDGET & ACTION PLAN

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EnergyTrust of Oregon

NW Natural Washington

Program Purpose: Sustain, and potentially increase acquisition of cost-effective natural gas savings for residential and commercial Southwest Washington customers of NW Natural. Effectively manage program in an environment of low avoided costs, diminished potential for retrofit measures, and the implementation of the region's most aggressive residential energy code.

2015 Strategies & Activities

Residential (Existing & New Homes):

- Effectively address first-cost barriers for retrofit customers through program-integrated financing
- Enhance coordination with NW Natural's marketing department
- Broaden eligibility requirements for weatherization measures
- Pilot cost effectiveness framework utilizing the Utility Cost Test (UCT) as the primary cost-effectiveness screening tool.
- Leverage UCT first cost effectiveness framework to introduce a tiered, high efficiency furnace incentive
- Streamline program touch points with consumers by simplifying eligibility requirements, utilizing contractor paid incentives, and further deploying online forms
- Collaborate with industry stakeholders, including Clark Public Utilities, Planet Clark, Clark County, NW Natural, Bonneville Power Administration, NEEA, Building Industry Association, the verifier network and other market partners, to promote incentive offerings, leveraging their existing communication channels and events
- Retain and recruit top builders in Southwest Washington into the program
- Expand use of new construction stand-alone incentives for both program and "code" builders

Existing Buildings:

- Drive increased program participation among Southwest Washington commercial customers
- Develop project acquisition strategies for unique market segments, including assisted living facilities and multifamily buildings
- Prioritize recruitment of custom-path projects, recognizing custom-path's larger role
- Ensure strong management of Washington program with dedicated Account Manager and Trade Ally Coordinator

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2015 New Initiatives & Focus Areas

Residential (Existing & New Homes):

- Launch of On Bill Repayment financing for all qualifying existing homes residential customers
- Introduction of high-efficiency hearths stand-alone measure for New Homes, which may be used in tandem with builder incentives awarded to projects meeting Northwest Energy STAR Homes performance criteria
- Assess viability of introducing EPS, an energy performance score developed by Energy Trust, to Washington market, developing scalable performance-based incentive structure for new homes
- Increase program performance of "core measures" including water heaters, furnaces and weatherization through broadened eligibility requirements and increased incentives for higher efficiency tiers
- Pilot advanced controls as a gas savings measure for existing homes
- Work with Clean Energy Works to coordinate offerings, and provide support as needed

Existing Buildings:

- Deployment of targeted campaign to assisted living facilities and multifamily housing, both previously underserved segments by both NW Natural and Clark Public Utilities District
- Expanded agricultural prescriptive offerings
- Continue to identify new opportunities for incentive offerings, either from new technologies or successful offerings in the Oregon Existing Buildings program

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2016 Planned Activities

- Work with Energy Efficiency Advisory Group to assess impact of changing cost effectiveness standards

(See targets and budget detail on reverse side)

2015-2016 DRAFT BUDGET & ACTION PLAN

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EnergyTrust of Oregon

NW Natural Washington

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	($ / KWh)	therms	(cents / therm)
2014 Forecast		$1.3	$1.3			246,876	37.2
2015 Budget		$1.5	$1.5			259,895	44.4
2016 Projection		$1.5	$1.5			259,895	45.4

	2014 Budget	2014 Forecast	2015 Budget	2016 Projection
Incentives	**$693,806**	**$575,215**	**$643,062**	**$643,062**
Delivery Costs				
Program Management	54,800	67,345	87,264	406,432
Program Delivery	319,338	324,893	319,168	
Marketing-PMC	75,000	56,900	48,152	48,152
Performance Comp	20,000	20,000	20,000	20,000
Total Delivery Costs	**469,138**	**469,138**	**474,584**	**474,584**
ETO expenses				
Staffing	95,555	71,081	125,465	133,926
Marketing	19,000	16,000	32,000	32,000
Other Services	21,050	12,353	11,550	15,550
General	27,117	27,117	29,990	29,990
Allocations	140,924	115,565	130,316	152,778
Sub-Total before Admin Costs	**1,466,590**	**1,286,469**	**1,446,967**	**1,481,890**
Administrative Costs	**61,491**	**47,028**	**58,919**	**57,219**
TOTAL EXPENSE	**1,528,082**	**1,333,497**	**1,505,885**	**1,539,109**

2015-2016 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy efficiency, accelerate renewable energy investment, expand participation, continuously improve operations, be accessible, communicate.

NW Natural Washington