

Energy Trust Board of Directors Annual Meeting

April 2, 2014

127th Board Meeting

Wednesday, April 2, 2014
 421 SW Oak Street, Suite 300
 Portland, Oregon

Agenda	Tab	Purpose
12:15 pm Call to Order (<i>Debbie Kitchin</i>)		
<ul style="list-style-type: none"> Approve agenda 		
12:20 pm General Public Comment <i>The president may defer specific public comment to the appropriate agenda topic.</i>		
12:25 pm Consent Agenda	1	<i>Action</i>
<i>The consent agenda may be approved by a single motion, second and vote of the board. Any item on the consent agenda will be moved to the regular agenda upon the request from any member of the board.</i> <ul style="list-style-type: none"> February 26 Board meeting minutes Revise Lost Opportunity Policy—R702 		
12:30 pm President’s Report (<i>Debbie Kitchin</i>)		
12:50 pm Audit Committee (<i>Ken Canon</i>)		
<ul style="list-style-type: none"> Review results of financial audit by Moss Adams Acceptance of audited financial report for period ending 12/31/13—R699 .. Update on Management Review 	2	<i>Action</i>
1:15 pm Operations		
<ul style="list-style-type: none"> Amend Coates-Kokes creative services contract—R700 (<i>Amber Cole</i>)..... Approve Contract with Online Business Services—R701 (<i>Scott Clark</i>) 	3	<i>Action</i>
	3	<i>Action</i>
1:35 pm Break		
1:50 pm Committee Reports		
<ul style="list-style-type: none"> Evaluation Committee (<i>Alan Meyer</i>) Finance Committee (<i>Dan Enloe</i>) Policy Committee (<i>Roger Hamilton</i>) Strategic Planning Committee (<i>Rick Applegate</i>) 	4	<i>Information</i>
	5	<i>Information</i>
	6	<i>Information</i>
2:45 pm Staff Report		
<ul style="list-style-type: none"> Highlights Legislative Update..... Feature Presentation: Energy Trust’s Energy Payback Estimator (<i>Matt Braman & Taylor Bixby</i>) 	8	<i>Information</i>
4:00 pm Adjourn		

**The next meeting of the Energy Trust Board of Directors will be held
Wednesday, May 14, 2014 at 12:15 pm
at Energy Trust of Oregon, 421 SW Oak Street, Suite 300, Portland**

Tab 1 Consent Agenda

- February 26 Board meeting minutes
- Revise Lost Opportunity Policy—R702

Tab 2 Audit Committee

- Presentation on results of financial audit by Moss Adams
- Report of Independent Auditors and Financial Statements
- Acceptance of audited financial report for period ending 12/31/13—R699

Tab 3 Operations

- Amend Coates-Kokes creative services contract—R700
- Approve Contract with Online Business Services—R701

Tab 4 Evaluation Committee

- January 31 meeting notes

Tab 5 Finance Committee

- Notes on January 2014 financial statements
- January financials and contract summary report
- Notes on February 2014 financial statements
- February financials and contract summary report
- Financial glossary

Tab 6 Policy Committee

- March 17 meeting notes

Tab 7 Advisory Council Notes

- February 5 RAC meeting notes
- February 5 CAC meeting notes

Tab 8 Staff Report

- Legislative Update

Tab 9 Glossary of Energy Industry Terminology and Acronyms

Tab 1

Board Meeting Minutes—126th Meeting

February 26, 2014

Board members present: Rick Applegate (*by phone*), Ken Canon, Dan Enloe (*by phone*), Roger Hamilton, Mark Kendall, Debbie Kitchin, Alan Meyer, Kenneth Mitchell-Phillips, John Reynolds, Anne Root, Dave Slavensky, Lisa Schwartz (ODOE special advisor), John Savage (OPUC *ex officio*) (*by phone*), Susan Brodahl, Melissa Cribbins

Board members absent: Julie Brandis, Jeff King

Staff attending: Margie Harris, Ana Morel, Hannah Hacker, Debbie Menashe, Amber Cole, Steve Lacey, Peter West, Courtney Wilton, Fred Gordon, Scott Clark, Elaine Prause, Sue Fletcher, Diane Ferington, John Volkman, Jackie Callahan, Julianne Thacher, Phil Degens, Marshall Johnson, Jessica Rose, Matt Braman

Others attending: Juliet Johnson (OPUC), Jim Abrahamson (Cascade Natural Gas), John Charles (Cascade Policy Institute), Christina Cabrales (Conservation Services Group), Lauren Shapton (Portland General Electric), Don Jones, Jr. (Pacific Power), Kari Greer (Pacific Power), Don MacOdrum (Home Performance Guild), Brian Simmons (CLEAResult), Lonny Peet (Nexant), Cameron Gallagher (Nexant)

Business Meeting

President John Reynolds called the meeting to order at 1:16 p.m.

General Public Comments

There were no public comments.

Consent Agenda

The consent agenda may be approved by a single motion, second and vote of the board. Any item on the consent agenda will be moved to the regular agenda upon the request from any member of the board.

Resolution 695 was removed from the consent agenda and moved to the regular agenda.

MOTION: Approve consent agenda

Consent agenda includes:

- 1) December 13, 2013 board meeting minutes

Moved by: Debbie Kitchin

Seconded by: Anne Root

Vote: In favor: 11

Abstained: 0

Opposed: 0

Nominating Committee

Election to new terms of office—R690

Alan Meyer introduced the resolution. The terms of five board members expired as of this meeting: Julie Brandis, Ken Canon, Dan Enloe, Roger Hamilton and Jeff King. Julie Brandis and Jeff King have

elected not to accept a nomination for another term. The board nominating committee recommends incumbent board members Ken Canon, Dan Enloe, and Roger Hamilton for renewed terms.

**RESOLUTION 690
ELECTING KEN CANON, DAN ENLOE, AND ROGER HAMILTON
TO NEW TERMS ON THE ENERGY TRUST BOARD OF DIRECTORS**

WHEREAS:

1. The terms of incumbent board members Ken Canon, Dan Enloe, and Roger Hamilton expire in 2014.
2. The board nominating committee has recommended that these members' terms be renewed.

It is therefore RESOLVED:

1. That the Energy Trust of Oregon, Inc., Board of Directors elects Ken Canon, Dan Enloe, and Roger Hamilton, incumbent board members, to new terms of office that end in 2017.

Moved by: Debbie Kitchin

Seconded by: Kenneth Mitchell-Phillips

Vote: In favor: 11

Abstained: 0

Opposed: 0

Election of officers—R691

Alan Meyer introduced the resolution. Current board officers are President John Reynolds, Vice President Debbie Kitchin, Secretary Alan Meyer and Treasurer Dan Enloe. After six years as president, John is stepping down, and the board nominating committee recommends the following slate of officers: Debbie Kitchin, President; Ken Canon, Vice President; Alan Meyer, Secretary; and Dan Enloe, Treasurer.

**RESOLUTION 691
ELECTING OFFICERS OF
ENERGY TRUST OF OREGON, INC.**

WHEREAS:

1. Officers of the Energy Trust of Oregon, Inc. (other than the Executive Director and Chief Financial Officer) are elected each year by the Board of Directors at the board's annual meeting.
2. The Board of Directors nominating committee has nominated the following directors to renew their terms as officers:
 - Alan Meyer, Secretary
 - Dan Enloe, Treasurer
3. As John Reynolds has decided not to seek another term as President, the nominating committee has nominated Debbie Kitchin for election to the office of President and Ken Canon for election to the office of Vice President.
4. The Board of Directors wishes to thank John Reynolds for his tireless service as President since 2008 and as a Board Officer since 2005.

It is therefore **RESOLVED** that the Board of Directors hereby elects the following as officers of Energy Trust of Oregon, Inc., for 2014:

- **Debbie Kitchin, President**
- **Ken Canon, Vice President**
- **Alan Meyer, Secretary**
- **Dan Enloe, Treasurer**

Moved by: Roger Hamilton

Seconded by: Dave Slavensky

Vote: In favor: 11

Abstained: 0

Opposed:0

The board thanked John for his ongoing service to the board of directors, having served as a founding member and for six years as president.

Election of Melissa Cribbins to the Energy Trust Board—R692

Alan Meyer introduced the resolution. Julie Brandis is not seeking to renew her board term. Melissa Cribbins is nominated to fill the open board position for a three-year term. Melissa is from Coos Bay and is currently a Coos County Commissioner. Her full background is in the board packet. Melissa's nomination was a result of the board's evaluation of the skills, experience and geographic representation of board members, and Melissa's experience, strengthening the makeup of the board.

**RESOLUTION 692
ELECTING MELISSA CRIBBINS TO
THE ENERGY TRUST BOARD OF DIRECTORS**

WHEREAS:

1. **Julie Brandis will not be renewing her term on the Energy Trust board.**
2. **The board nominating committee has reviewed candidates for the open board seat and nominates Melissa Cribbins, attorney and Coos County Commissioner in Coos Bay, Oregon effective February 2014.**

It is therefore RESOLVED:

That the Energy Trust of Oregon, Inc., Board of Directors elects Melissa Cribbins to the Energy Trust Board of Directors to a three-year term, subject to all requirements of the Bylaws of Energy Trust.

Moved by: John Reynolds

Seconded by: Kenneth Mitchell-Phillips

Vote: In favor: 11

Abstained: 0

Opposed:0

Melissa thanked the board for the opportunity to join and said she is looking forward to serving on the board.

Election of Susan Brodahl to the Energy Trust Board—R693

Alan Meyer introduced the resolution. Jeff King is not seeking to renew his board term. Susan Brodahl is nominated to fill the open board position for a three-year term. Susan brings a risk management and insurance skill set to the board, is vice president of Heffernan Insurance Brokers and lives in the Portland area. Her full background is in the board packet.

**RESOLUTION 693
ELECTING SUSAN BRODAHL TO
THE ENERGY TRUST BOARD OF DIRECTORS**

WHEREAS:

1. Jeff King will not be renewing his term on the Energy Trust board.
2. The board nominating committee has reviewed candidates for the open board seat and nominates Susan Brodahl, Vice President of Heffernan Insurance Brokers in Portland, Oregon effective February 2014.

It is therefore RESOLVED:

That the Energy Trust of Oregon, Inc., Board of Directors elects Susan Brodahl to the Energy Trust Board of Directors to a three-year term, subject to all requirements of the Bylaws of Energy Trust.

Moved by: Alan Meyer

Seconded by: Anne Root

Vote: In favor: 12

Abstained: 0

Opposed:0

RESOLUTION 695

Corporate Authorization (bank signing authority)—R695

Debbie Kitchin introduced the resolution.

**RESOLUTION 695
AUTHORIZING APPROVED BANK SIGNERS**

WHEREAS:

1. Umpqua Bank and Bank of the Cascades provide general banking services to Energy Trust (collectively, the “Banks”).
2. Section 7.3 of the Energy Trust bylaws requires that the board of directors authorize officers or agents to sign checks, drafts, or other orders for the payment of money, notes and other evidences of indebtedness (“authorized bank signers”) by way of resolution from time to time.
3. Effective February 26, 2014 John Reynolds’ term expired as Board President.
4. Effective February 26, 2014 Debbie Kitchin is elected Board President.

It is therefore **RESOLVED** that,

1. **John Reynolds is to be removed from the list of authorized bank signers for the Banks.**
2. **Debbie Kitchin is to be added to the list of authorized bank signers for the Banks.**
3. **The resulting list of authorized bank signers for the Banks is as follows:**
 - a. **Debbie Kitchin, Board President**
 - b. **Dan Enloe, Board Treasurer**
 - c. **Margie Harris, Executive Director**
 - d. **Courtney Wilton, Chief Financial Officer**
 - e. **Peter West, Director of Programs**
 - f. **Steve Lacey, Director of Operations**
 - g. **Debbie Goldberg Menashe, General Counsel**
4. **The Executive Director is authorized to execute all required documentation to implement this resolution.**

Moved by: Alan Meyer

Seconded by: John Reynolds

Vote: In favor: 13

Abstained: 0

Opposed: 0

President's Report

President's Report

John Reynolds delivered his final President's Report. He displayed a chart of U.S. energy resources and what sectors are fueled by those resources, noting almost one-half is wasted as heat. The U.S. is dependent on coal, petroleum and natural gas which are nonrenewable and finite. John indicated a shift is needed to renewable energy to sustain us. He showed charts of the amount of energy consumed and associated Gross National Product (GNP) 2008-2012, illustrating that the U.S. used less energy at the end of that time frame while GNP increased. An Oregon only chart showed Oregon's dependence on nonrenewable energy is relatively smaller to other states, and subsequently, easier to transition to renewable energy than other states. Oregon is unique in that it has access to five renewable energy sources. Oregon has 20 MW of solar capacity, several irrigation districts generating hydropower, large wind farms and small wind turbines, geothermal, and biomass and biogas resources. Energy Trust spends 91 percent of funds for energy efficiency, which is important. John asked the board to keep in mind that the 9 percent of funds for renewable energy are needed to decrease reliance on nonrenewable energy.

Debbie thanked John for his informative presentations in his role as board president and also encouraged other board members to contact her if they would like to make presentations at future board meetings.

Committee Assignments—R694

John Reynolds introduced the resolution. Debbie will serve as *ex officio* on every committee.

**RESOLUTION 694
BOARD COMMITTEE APPOINTMENTS**

WHEREAS:

1. The Energy Trust of Oregon, Inc. Board of Directors is authorized to appoint by resolution committees to carry out the Board’s business.
2. The Board President has nominated new directors to serve on the following committees.

It is therefore RESOLVED:

2. This resolution supersedes Resolution 663, adopted by the board at its April 3, 2013, meeting.
3. That the Board of Directors hereby appoints the following directors to the following committees for terms that will continue until a subsequent resolution changing committee appointments is adopted:

Audit Committee
Ken Canon, Chair
Melissa Cribbins
Mark Kendall
Dave Slavensky
Karen Ward, outside expert
Debbie Kitchin(<i>ex officio</i>)
Board Nominating Committee
John Reynolds, Chair
Rick Applegate
Roger Hamilton
Alan Meyer
Anne Root
John Savage, OPUC (<i>ex officio</i>)
Debbie Kitchin(<i>ex officio</i>)
Compensation Committee (formerly 401(k) Committee)
Dan Enloe, Chair
Melissa Cribbins
Mark Kendall
Kenneth Mitchell-Phillips
Dave Slavensky
Debbie Kitchin(<i>ex officio</i>)
Executive Director Review Committee
Roger Hamilton, Chair
Melissa Cribbins
Kenneth Mitchell-Phillips
John Reynolds
Debbie Kitchin(<i>ex officio</i>)
Finance Committee
Dan Enloe, Chair
Susan Brodahl
Anne Root
Dave Slavensky
Debbie Kitchin(<i>ex officio</i>)

Policy Committee
Roger Hamilton, Chair
Rick Applegate
Ken Canon
Alan Meyer
John Reynolds
Debbie Kitchin(<i>ex officio</i>)
Program Evaluation Committee
Alan Meyer, Chair
Susan Brodahl
Mark Kendall
Kenneth Mitchell-Phillips
Anne Root
Tom Eckman, NWPCC, expert outside reviewer
Ken Keating, expert outside reviewer
Debbie Kitchin(<i>ex officio</i>)
Strategic Planning Committee
Rick Applegate, Chair
Susan Brodahl
Ken Canon
Mark Kendall
John Reynolds
Lisa Schwartz, ODOE
John Savage, OPUC
Debbie Kitchin(<i>ex officio</i>)

4. The executive director, general counsel, or chief financial officer are authorized to sign routine 401(k) administrative documents on behalf of the board, or other documents if authorized by the Compensation Committee.

Moved by: Dave Slavensky Seconded by: Alan Meyer
 Vote: In favor: 13 Abstained: 0
 Opposed: 0

Committee Reports

Compensation Committee, Dan Enloe

Dan introduced Resolution 696, which adopts a new Supplemental Executive Retirement Plan.

**RESOLUTION 696
 ADOPTING A NEW SUPPLEMENTAL RETIREMENT PLAN (SERP)**

1. With regard to the Energy Trust of Oregon, Inc., Supplemental Executive Retirement Plan (the SERP), it is hereby RESOLVED:
- A. No participant-elected deferrals or employer contributions shall be made to the SERP after March 1, 2014.

- B. **No employee shall become an active participant in the SERP after March 1, 2014.**
 - C. **Amounts deferred under the SERP before March 1, 2014, shall continue to be held and invested until they are distributed in accordance with the SERP document. When all accounts have been fully distributed, the SERP shall automatically terminate.**
 - D. **The SERP document, as amended and restated effective March 1, 2014, is hereby approved and adopted. The chair of the Energy Trust Compensation Committee is authorized and directed to execute the restated SERP document on behalf of Energy Trust.**
2. **With regard to the Energy Trust of Oregon, Inc., Supplemental Executive Retirement Plan #2 (the SERP #2), an eligible deferred compensation plan under §457(b) of the Internal Revenue Code (the 457(b) Plan), it is hereby RESOLVED:**
- A. **The SERP #2 is adopted effective March 1, 2014. The SERP #2 document is hereby approved and adopted, and the chair of Energy Trust’s Compensation Committee is authorized and directed to execute the SERP #2 document on behalf of Energy Trust and to take any additional actions that are necessary or appropriate to implement the SERP #2.**
 - B. **All employees who were active participants in the SERP as of March 1, 2014, shall automatically become active participants in the SERP #2 effective March 1, 2014.**

Moved by: Dan Enloe

Seconded by: Mark Kendall

Vote: In favor: 12

Abstained: Susan Brodahl

Opposed: 0

Evaluation Committee, Debbie Kitchin

Since the last board meeting, there have been two committee meetings. At the December meeting, the committee reviewed the 2013 report on energy savings and measure costs for three Existing Homes program tracks: 1) standard Energy Trust residential offerings; Energy Trust Home Performance with Energy Star offering; and, Clean Energy Works Home Performance offering. The report included analyses completed by Energy Trust which in turn were reviewed by multiple independent third-party evaluation experts. The report included an energy consumption or “impact” analysis of utility billing data to determine savings from the Clean Energy Works Oregon track. Previous evaluations have reported savings in the other two tracks. The report also provided information on measure costs for all 3 Existing Homes program tracks. This information was requested by the Oregon Public Utility Commission and will help inform Energy Trust’s upcoming report on cost-effectiveness of gas measures as part of the OPUC gas cost effectiveness docket. Energy Trust is currently working under an exception from the OPUC to sustain gas programs for residential customers.

Debbie referenced and handed out a letter from Clean Energy Works, received by Margie Harris and the OPUC’s Jason Eisdorfer. The Executive Director of Clean Energy Works, Derek Smith, participated in the December Evaluation Committee meeting and the letter is in response to that meeting, the evaluation report, and the use of the Total Resource Cost test to determine cost effectiveness.

Also at the December meeting, the committee reviewed impact evaluations for the Production Efficiency and Existing Buildings programs. The board was reminded that the committee first reviews draft evaluations, after which staff or a contractor finalizes the evaluation to address comments received regarding the evaluation methodology or to otherwise clarify the report. Once completed, the

executive summary and a staff memo are added to the board packet, which can be several months after the evaluation was first discussed at the committee.

The January meeting covered the Residential Awareness Study and additional impact evaluations.

The board discussed the difference between impact and process evaluations. The former are used to verify estimated savings while the latter are used to evaluate how programs are being implemented. Results from impact evaluations are then incorporated into annual True-Up reports.

It was noted there are some errors in the automated numbering of the table of contents of one of the evaluations in the packet, and staff will correct the numbering.

Lisa Schwartz arrived at 1:52 p.m.

Finance Committee, Dan Enloe

Key highlights are strong revenues which exceeded costs by \$32 million in 2013, driven by acquiring substantial energy savings at lower than budgeted costs. Further details will be described in Margie's staff report to the board. Staff costs were up slightly over 2012, as expected, due to staff additions and staff performance compensation. Professional services and overall operations spending were below budget. Energy Trust is in a strong position going into 2014.

Bank deposit changes were made and the committee will monitor performance of the just-launched Savings Within Reach offering.

The Board commented that if Energy Trust was a for-profit organization, the underspending while reaching goals and accumulating cash would be good thing, and yet having more reserve funds than anticipated is not ideal. Margie clarified that we planned jointly with utilities during the last budget development cycle to hold rates stable for 2014 and 2015. For those two years, additional revenue will not be collected. In 2013, Energy Trust secured very inexpensive, large volume commercial and industrial savings that may not repeat. These savings, at such a low cost, add benefit for all ratepayers. Another variable affecting the size of our reserves at the close of the year is when projects are completed. In 2013, multiple large projects were delayed. Staff is aware of the situation and currently analyzing if the large volume of very inexpensive savings obtained in 2013 is a trend, how this affects assumptions for budgeting next year and how this may affect reserves and reserve usage. If too much cash is on hand, there is an option to work with all utilities to reduce revenue collection through a rate adjustment.

Policy Committee, Roger Hamilton

The last meeting was January 28 and many agenda items will be covered in Margie's staff report. As part of the regular three-year review cycle, the Contract Execution and Oversight Policy was reviewed and no changes recommended. The committee discussed the ongoing cost-effectiveness docket. In July, staff will present a proposal to the OPUC on alternative ways to address various cost effectiveness issues resulting mainly from the decline in natural gas prices, rendering certain efficiency measures not cost effective.

In the board packet are the board's Corporate Governance Guidelines. The committee recommends that the full board adopt the guidelines as board policy. Discussion regarding the guidelines continued, with focus on the listing of the eleven regular board functions, the stated expectation of regular committee attendance, and serving on at least three committees. The board also noted a mistake in the numbering of the sections, and a motion was made to amend the proposed guidelines to correct the numbering.

Debbie Menashe was thanked for her work on the guidelines.

Melissa Cribbins stepped out of the meeting.

AMENDMENT TO RESOLUTION 697

Correct the numbering of the sections in the proposed Corporate Governance Guidelines.

Moved by: Alan Meyer

Seconded by: Dave Slavensky

Vote: In favor: 11

Abstained: Susan Brodahl

Opposed:

**RESOLUTION 697
RESOLUTION ADOPTING CORPORATE GOVERNANCE GUIDELINES
FOR ENERGY TRUST'S BOARD OF DIRECTORS**

WHEREAS:

1. It is important to the success of Energy Trust programs and operations that its board of directors is informed about expectations for board service and corporate governance.
2. Energy Trust operates in a transparent manner, and expectations for board service should be consistent with relevant law and regulation, publicly available, and reviewed on a regular basis.
3. The Policy Committee of the board has reviewed the Energy Trust Board of Directors Corporate Governance Guidelines in the form attached and recommends their approval as a board policy.

It is therefore **RESOLVED** that:

1. The board adopts the Energy Trust of Oregon Board of Directors Corporate Governance Guidelines as attached hereto as Exhibit A as a board policy; and
2. Energy Trust maintain the Energy Trust of Oregon Board of Directors Corporate Governance Guidelines in accordance with its procedures for maintaining and reviewing Energy Trust board policies.

Moved by: Alan Meyer

Seconded by: Anne Root

Vote: In favor: 11

Abstained: Susan Brodahl

Opposed:

Melissa Cribbins returned to the meeting.

Strategic Planning Committee, Rick Applegate

The committee has been working for the past several months on the 2015-2019 Strategic Plan. This is the full board's first glance at the early research and work in progress. A draft plan will be ready for

the board's June Strategic Planning Workshop. The board thanks staff members Debbie Menashe, John Volkman, Fred Gordon, Elaine Prause and Margie Harris for their contributions so far in the process. The plan will lead very directly to Energy Trust's preparation and adoption of shorter-term action plans and annual budgets.

Margie presented on the background work conducted so far. The plan allows the organization to think ahead on where Energy Trust should take its mission, and whether or not to focus on new goals and new opportunities. Rick and all committee members provided leadership in the process that guides staff on the plan development. Former Northwest Power and Conservation Council (Power Council) executive director Ed Sheets provided input early in the process, and interviewed industry professionals nationwide about strategic challenges and approaches they are using in energy efficiency and some renewable energy. After the interviews, New Buildings Institute's Dave Hewitt reviewed and shared his perspective on the summary. Subsequently, the board's strategic planning committee engaged in discussion and review of this information. This led to a list of strategic issues and opportunities, which has been shared with the board. At this stage, staff is seeing themes emerge and overlap. These themes will be cast into a draft plan, which the board will consider at the June workshop. The workshop will be facilitated by Nick Viele.

Debbie Menashe described the process for completing the draft plan. First, having a five-year Strategic Plan is identified and required in Energy Trust's Grant Agreement with the Oregon Public Utility Commission (OPUC). Specific requirements for the plan include a mission, goals and strategies and actively seeking input from stakeholders. Previous plans were for the time periods 2002-2005, 2006-2010 and the current 2010-2014. The current plan's mission and vision were mentioned along with the general energy efficiency and renewable energy goals. Energy Trust is well on its way to achieving the energy efficiency goals. The renewable energy generation goals were modified mid-course due to a 2007 change in statutory funding for the sector and a shift in focus on systems smaller than 20 megawatts (MW) capacity. Also, the elimination of the state's Business Energy Tax Credit has significantly affected this sector. We do expect to fall short of current strategic plan goals for renewables due to these market changes.

The expected draft plan development schedule was reviewed, which includes:

- Situational analysis and information gathering by February through discussion with stakeholders, Management Team members and staff
- Emerging strategic issues in March
- Creating the draft plan by May
- Board review of the draft at the June Strategic Planning Workshop
- Draft plan outreach to stakeholders, utilities, OPUC, the Oregon Department of Energy and others from around state in July and August
- Review and approval of the final strategic plan at the October board meeting.

It was emphasized that the Strategic Plan is a living document. It informs Energy Trust's budget and action plans, and shapes annual staff work plans and focus areas.

Margie reviewed her discussions and interviews conducted with "influentials," a part of the information gathering process identified last fall with the board committee. Margie met with Clark Brockman, SERA Architects; Nik Blosser, Chinook Book and Northwest sustainability professional; Susan Anderson, City of Portland Bureau of Sustainability; Steve Wright, formerly of Bonneville Power Administration and currently with Chelan PUD; Tom Eckman, Power Council; Phil Welker, PECl; and Roger Woodworth, Avista Utilities.

Cross-cutting feedback from these interviews stated that Energy Trust is successful and needs to do more, building on its foundation, its momentum and its connections. "Do more" was in a number of

categories, and with recognition of Energy Trust's ability to leverage 10-12 years of investment and reputation. Three themes were drawn from the feedback.

Theme one is doing more to help communities by linking energy activities Energy Trust is responsible for with activities communities also care about. It is about exploring what the connections are between energy and water, land use, transportation, housing types, growing and distributing food, alternative transportation modes, serving all residents, focusing on low income residents and more. It is asking how Energy Trust can leverage the same stakeholders, constituents and goals representative of these other areas and link them to energy efficiency and renewable energy opportunities. There are intersections between Energy Trust's work and other areas these disciplines focus on. By working together to leverage and collaborate, mutual and complementary benefits can be accomplished.

Theme two is decarbonization of the utility system. There are national discussions about carbon reduction, creating a lighter carbon economy, and carbon policy. . These strategies link renewable energy and energy efficiency as ways to reduce carbon. Currently, Energy Trust is not officially part of state or regional carbon reduction goals. Interviewees recognize the importance of this issue and Energy Trust's work as a way to help reduce carbon. This is an open question and with it comes even more questions on whether other funding would be sought enabling Energy Trust to further align itself with others pursuing carbon reduction goals.

Theme three is whether Energy Trust has a future role in helping promote manage demand on the electric grid. This has to do with a variety of potential opportunities to be explored with electric utilities, including integration of renewable energy to the grid, management of peak demand, and educating consumers on actions such as when to turn appliances on or off, invest in water heaters as storage or charge electric vehicles.

At this stage, there are more questions than answers, yet it is encouraging to see clear themes emerge.

The board asked for clarification on peak demand management. Margie said Steve Wright was the main stakeholder providing this feedback. He discussed electrification of the grid and overproduction of renewable energy in parts of the grid in the W. United States. Though not necessarily something the Energy Trust region is currently experiencing, it is a topic to be explored as a strategic opportunity. The board discussed the possibility of peak demand management might change how Energy Trust assesses cost effectiveness for certain measures.

The board asked if anything surprised Margie. She said the unity across all the different interviewees, a cohesion of what she heard, was unexpected. She thought there would be more isolated comments.

Board members also asked if any discussion about new utility business models came up in the interview. Margie reported that the issue did come up, largely with Tom Eckman and Dave Hewitt. A future energy world of more decentralized or distributed generation has been an undercurrent in the industry around the nation and several papers on focusing on this topic.

Staff said Energy Trust needs to be deliberate and intentional on what areas to invest in and focus on. Investment criteria will be developed to assess any areas that may add, expand or significantly refine Energy Trust's mission and goals. The board encouraged such an assessment, and recommended that any ideas be shared with the broader community. Even if such ideas are not incorporated into Energy Trust's Strategic Plan, others may find it valuable.

Fred Gordon mentioned this upcoming strategic plan has been looked at even more than in the past on what is the full spectrum of opportunity for Energy Trust. This time, staff is discussing whether to

have more concrete five-year goals and a longer-term aspirational vision. This approach would allow room for possibility and evolution, especially as some of these areas like peak demand, demand-side management and overproduction on the grid may not have clear direction by the time the plan is complete. Another key consideration is the goals of Oregon, the Governor's 10-Year Energy Action Plan and the roles of the Oregon Department of Energy and other organizations.

Fred then reported on the emerging strategic issues for discussion as set forth in the paper provided in the board packet. For an early look at renewable energy considerations, staff is asking whether Energy Trust's approach of working with a range of technologies and providing project development assistance is still optimal. Also, the staff is grappling with what role distributed generation will play in the future and community ideals of local generation. The timing of this strategic plan development aligned well with the renewable energy sector, as the sector adjusted its plans a few years ago when external subsidy levels were significantly declining. This strategic plan update presents an opportunity to revisit the direction adopted by the board.

The board asked for clarification on demand management pilots. Fred clarified utilities are trying things such as time-of-use rates, water heater demand control, stand-by generation and dispatchable programs. Energy Trust could explore how it can help complement those efforts and intentionally weave such activities together.

For an early look at energy efficiency considerations, Fred mentioned savings achievements so far have reduced electric load 1.7 percent and natural gas loads 0.5 percent every year, significantly impacting loads. There is the possibility that absent new resources, Energy Trust may be slowing down acquisition due to that declining resource base. Questions being asked are how does Energy Trust change how it's organized to get at different, harder-to-acquire energy efficiency and renewable energy resources? Part of the answer is thought to be new technologies, new markets, underserved markets like rural areas, moderate income customers, small commercial buildings and small industrial operations.

The board asked what cost was used for greenhouse gases in cost-effectiveness tests. Fred clarified the process used for utility Integrated Resources Planning, which uses each utility's own forward-pricing curves. For internal planning purposes, staff uses a merged number.

The board talked about how the current "box" or scope of work was established for Energy Trust's mission and goals. The "box" is defined by SB 1149, SB 838 and our Grant Agreement with the OPUC. Staff agreed, and described how an action is framed combined with its funding source can position it either in or out of the current box. It was discussed how Energy Trust's current mission and purpose was created through legislation and that it is now spilling over into other areas, like state goals. The question is does Energy Trust have a role to assist in those other areas? Currently, Energy Trust is funded only by public purpose charges. There is an option via the Grant Agreement to pursue and leverage other funding and though Energy Trust has not done so as yet, this construct is available.

The board discussed whether the recent information on Energy Trust spending less in 2013 while still achieving goals is a trend and whether it should inform the strategic plan. Margie provided her feedback, indicating large volume, cost-effective savings from data centers and other large projects aren't necessary going to repeat in the future. She added that program activities in the future may be less about incentives and more about the service and the information Energy Trust provides to assist customers in making investments and completing projects.

Board took a break from 3:13 to 3:30.

Staff Report

Highlights, Margie Harris

Margie highlighted a recent customer who installed a small wind turbine near Silverton in Marion County. She described the project details, project costs and incentives, and expected generation for the Portland General Electric net-metered project.

Preliminary 2013 annual results were detailed. Electric savings exceeded stretch goal, natural gas savings were slightly less than stretch goal and renewable generation was 72 percent of conservative goal. Compared to 2012, efficiency levelized costs are lower for both fuels in 2013. Renewables had four large projects shift into 2014, and the program also developed a 2014 commercial solar pipeline. Margie described the shift in this sector over the last few years, which has adjusted to a loss of what was a longstanding Oregon Business Energy Tax Credit. The official annual report to the OPUC will be submitted April 15, 2014. Margie mentioned the vast majority of savings and generation were acquired in the fourth quarter, a trend every year. Significantly more electric savings were acquired this Quarter 4 than the same time in 2012. The board commented on the trend of high activity occurring in Quarter 4.

Results by utility were described, including savings, levelized costs and progress to goals. Margie commented it wasn't long ago when annual savings were 30 aMW combined for both electric utilities, as compared to 2013 savings of 35.6 aMW for PGE and 22.2 aMW for Pacific Power in 2013. Energy Trust is acquiring a lot of savings, faster and cheaper than thought possible. The Integrated Resource Plan (IRP) targets were met or exceeded in three utilities, while achieving 85 percent of the IRP target for Cascade Natural Gas. Energy Trust does hold itself accountable for utility-specific IRP targets, and the OPUC expects that Energy Trust meet or exceed them. Rounding out the goals presentation, results in Washington for NW Natural achieved conservative goal. It was clarified that while 2014 will see the end of the construct of a range of two goals in Oregon, known as "conservative" and "stretch" goals, two goals will remain for the programs in Washington.

Initial year-end observations include strong annual results coming in well below OPUC performance measures for levelized costs. This affordable energy was acquired at lower costs than expected. Initial analysis points to one large data center in Pacific Power, one mega project in PGE, lower-cost savings from behavioral change activities emphasizing operations and maintenance improvements not requiring major capital investment and, the Northwest Energy Efficiency Alliance (NEEA) delivering 119 percent of stretch goal in market transformation savings.

Lower Energy Trust operational costs were from spending less on professional services, expenditures for the IT Integrated Solutions Implementation Project shifting into 2014, and delayed or cancelled evaluations. Further analysis is warranted and underway regarding efficiency acquisition, especially to determine whether this is an ongoing trend of lower cost savings or not. A counterpart in Vermont indicated a similar situation of shifting to behavioral-based savings and also experience lower cost acquisition. Lower operational costs require staff to revisit assumptions used when budgeting, where they are often being overly optimistic on the amount of dollars needed to acquire savings. Changes will also stem from relying more on program reserves to fund any unexpected activity. The end goal is to align expenditures more closely with forecasted revenue while meeting goals.

In collaboration with the utilities, Energy Trust held rates stable for 2014 and 2015. Right now, the combined ending reserve balances total \$78 million. This amount is approximately \$15 million more than last year's comparable balance and \$15.3 higher than what was forecasted in September 2013. Our 2014 commitments include an estimated \$54 million in incentive agreements and \$17.3 million in projected expenses for operational contracts. That leaves available net assets or reserves at approximately \$8 million. As mentioned, staff is examining all contributing factors and analyzing the circumstances that contributed to this situation. Margie will report back to the board on findings.

Quarter 4 activity highlights were summarized. In the renewable energy sector, the JC-Biomethane biogas project came online in October and residential solar electric systems installed made up 75 percent of the year's total new solar generation. In the commercial sector, the New Buildings program saw rebounds in new commercial construction, data centers contributed 71 percent of New Buildings overall electric savings in 2013, services to schools included collaboration with the Oregon Department of Energy and building a large pipeline of 2014 schools projects, and in the Multifamily program, the first four projects were identified in the Mpower on-utility-bill repayment offering for residents of affordable housing developments. The industrial sector saw a very large, cost-effective project complete in PGE territory and continued to see steady savings from behavioral savings through Strategic Energy Management efforts. Lighting from compact fluorescent light bulbs and LEDs provided more savings than expected in multiple programs. NEEA contributed significant savings from efficient television sales, though this is not expected to be an ongoing source of savings.

Margie highlighted the recent big check commemoration at the Edith Green-Wendall Wyatt federal building in Portland. The Leadership in Energy and Environmental Design® (LEED) Platinum building is expected to reduce energy consumption by one-half.

In response to the board's question on whether Energy Trust is part of the current growth in multifamily housing construction underway in the Portland metro area and suburbs, Margie clarified multifamily as an identified audience to emphasize and serve. Staff will follow-up with the board on the penetration rate for this customer type.

The board asked if a tour of the Edith Green-Wendall Wyatt building could be arranged.

2014 Legislation Update, Debbie Menashe

Debbie highlighted various bills in the Oregon Legislature that staff is monitoring. HB 4105, which could repeal the public purpose charge, has not received a hearing as of yet. HB 4041A is a modification to the current Property Assessed Clean Energy bill and it allows private financing to be a part of PACE financing. This applies to only non-residential properties. HB 4126A is a bill to allow small electric utilities to use unbundled Renewable Energy Certificates to meet more of their Renewable Portfolio Standard obligations. It also allows the OPUC to conduct a study, and if results are positive, examine on a case-by-case basis green tariffs requested by electric utilities. The bill passed both houses. SB 1520 was recommended for do-pass in both houses, and the bill exempts shares or interests in community renewable projects from securities registration requirements. SB 1570 did not see activity; it would have repealed the 2015 sunset for the Alternative Fuels Program. HB 4146 did not see any activity; it would have transferred management of low-income public purpose funds from Oregon Housing and Community Services to electric utilities.

The session is winding down, and *sine die* by law may not be later than March 9. If there is significant activity from now to the end of the session, staff will update the board.

Roger Hamilton left at 4:15 p.m.

Ken Canon left at 4:30 p.m.

Integrated Solutions Implementation Quarterly Update, Scott Clark

Background on the full project was provided, including description of the completed Phase 1 and the in-progress Phase 2. Phase 2 is replacement of Energy Trust's project tracking system, currently FastTrack. FastTrack is the system of record for savings and generation, and it is not optimally serving the organization's project tracking needs. Staff assessed three options in 2013, including buying software, extending the existing Customer Relationship Management (CRM) system, or building a customized application. The decision in late 2013 was to extend the existing CRM system.

The benefits are the cost of building or buying was relatively the same, staff is familiar with CRM and the implementation can be done in smaller more manageable increments. The project timeline is starting this February and continuing into early 2015. An overview of the budget was given, including \$1.2 million carried over from 2013 to 2014. If necessary, it's expected only about \$235,000 will be carried over to 2015.

Adjourn

The meeting adjourned at 4:35 p.m.

The next regular meeting of the Energy Trust Board of Directors will be held on Wednesday, April 2, 2014, at 12:15 p.m. at Energy Trust of Oregon, Inc., 421SW Oak Street, Suite 300, Portland, Oregon.

Alan Meyer, Secretary

Board Decision

Amending the Lost Opportunities Policy

April 2, 2014

RESOLUTION 702 AMENDING THE LOST OPPORTUNITIES POLICY

WHEREAS:

1. In 2002, the board adopted a Lost Opportunities Policy to provide guidance on the correct balance between “Lost Opportunities,” opportunities for efficient equipment installation at the time of new construction, and retrofit programs, which provide incentives to replace or augment working equipment with more efficient equipment.
2. The existing policy is consistent with Energy Trust program design, but through the routine 3-year review, Energy Trust’s board Policy Committee identified two minor typographical errors and proposes correction at this time.

It is therefore **RESOLVED** that the Board of Directors of Energy Trust of Oregon, Inc., hereby amends the Energy Trust Lost Opportunities policy as shown in the attachment.

Moved by: _____ Seconded by: Roger Hamilton

Vote: In favor: Abstained:

 Opposed:

ATTACHMENT

Summary:

The Energy Trust Board needs to provide guidance to the staff on a number of issues that will be important in designing Trust programs. This decision memo addresses lost opportunities. In their discussions, the Conservation Advisory Council and the Energy Policy Committee concluded that these guidelines are consistent with the PUC guidelines and advance Trust objectives.

Purpose:

Give Trust staff guidance on technical and policy issues as it develops new Energy Trust programs.

Background:

Energy Trust staff has developed a series of issue papers and reviewed them with the CAC and the Energy Policy Committee; here are summaries of these discussions:

Analysis:

Lost Opportunities

Issue: To What Extent should the Energy Trust emphasize avoiding lost opportunities in their efficiency programs?

Lost Opportunities can occur if efficiency is not built in at times when new equipment is being selected and new facilities are constructed. At these times, efficiency features can be installed that are impractical or much more costly to install at other times. For example it is not often cost-effective to throw away a working air conditioner simply to replace it with a more efficient unit. However, when that air conditioner fails or is nearing failure, it may be cost-effective to pay for the incremental cost of purchasing the most efficient possible new unit instead of a standard new unit.

The Energy Trust, following the examples set by Oregon's utilities, may set up specialized programs and incentives to work with designers, developers, vendors and customers to assure that high-efficiency equipment and designs are selected and installed during these events.

The key question is the correct balance between Lost Opportunities and "retrofit" programs. Retrofit programs pay to replace or augment working equipment with more efficient equipment. While there are situations where the Energy Trust can increase emphasis on Lost Opportunities, it is not clear that there are enough of these opportunities to completely ~~utilize~~ utilize the Energy Trust efficiency budget. Furthermore, equity considerations argue that programs should be made available for some customers who rarely make capital investments on their own (e.g., small commercial customers and some public entities). Furthermore, given the high levels of Oregon building codes and national equipment standards, some Lost Opportunity savings are more expensive per kWh than some retrofit savings.

Recommendations:

- ***The Energy Trust should favor acquisition of Lost Opportunities*** and focus some of its budget and program design efforts in that direction.
- However, ***this should be considered a "decision-tipper"*** in setting priorities, considered in the context of other issues and values.
- ***The Energy Trust should encourage comprehensive treatment of an end-use where this is practical*** to avoid creating lost opportunities by doing half the job.
- ***Financial resources should also be reserved for retrofit programs***, especially where these are low cost or serve customers who would not otherwise be served.
- ***Work with partners who have special resources*** to efficiently capture lost opportunities. ~~e.g.~~, Northwest Alliance, Consortium for Energy Efficiency, Oregon Office of Energy.

The board approved the resolution to direct staff to use the policy recommendations on lost opportunities at its February 27, 2002 board meeting.

Tab 2



Energy Trust of Oregon

Lynn Kingston, Partner
Jennifer Ehman, Partner
Ashley Osten, Manager

April 2, 2014



Report to the Board

MOSS ADAMS L.L.P.

Certified Public Accountants | Business Consultants

Acumen. Agility. Answers.



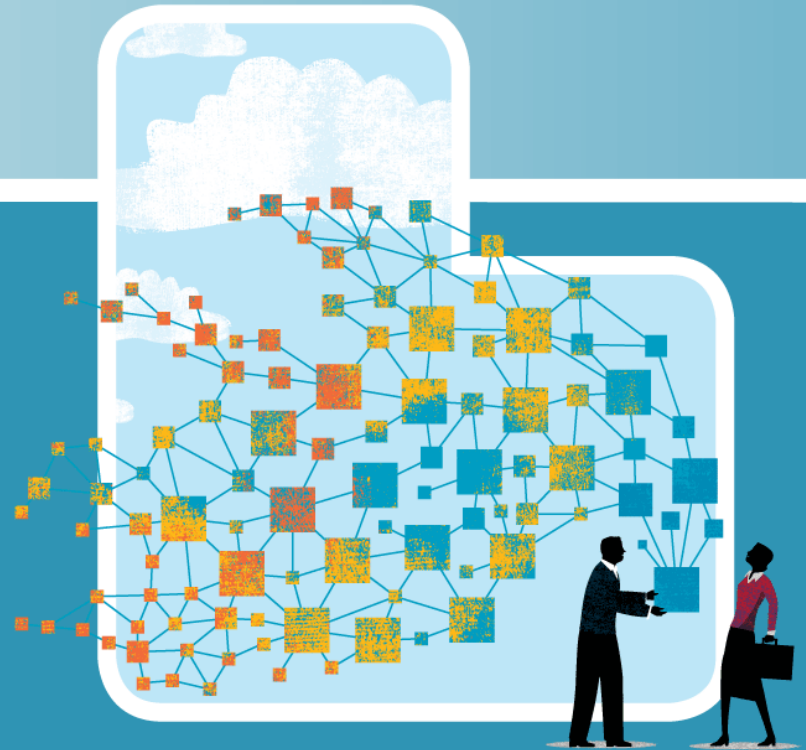
AGENDA

Auditor's Opinion

The Audit Process

Communication with Those
Charged with Governance

AUDITOR'S OPINION



MOSS-ADAMS LLP

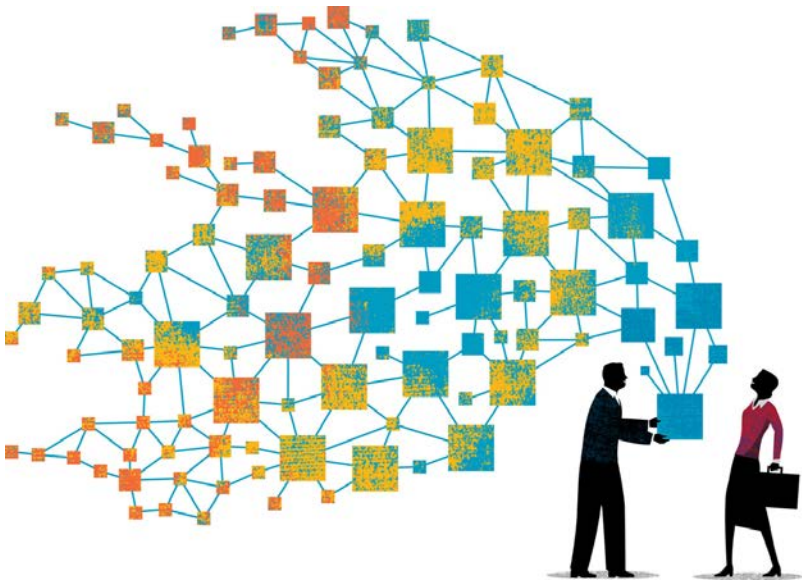
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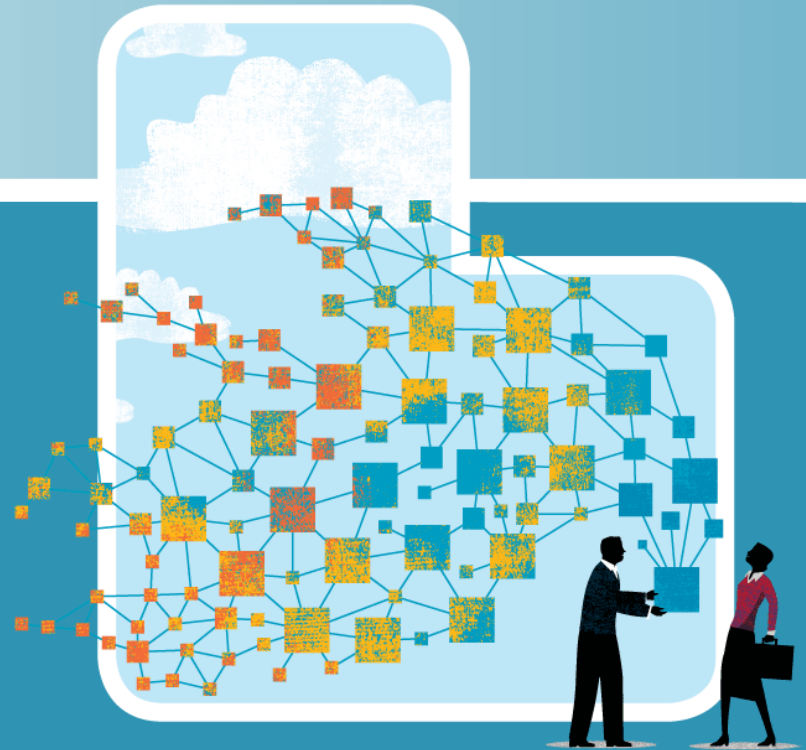
AUDITOR'S OPINION ON THE FINANCIAL STATEMENTS

Unmodified Opinion

- Financial Statements are presented *fairly* in accordance with accounting principles generally accepted in the United States of America.



THE AUDIT PROCESS

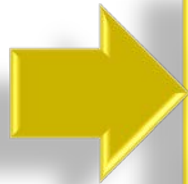


MOSS-ADAMS LLP

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THE AUDIT PROCESS



Pre-audit meeting with the Audit Committee to discuss the process

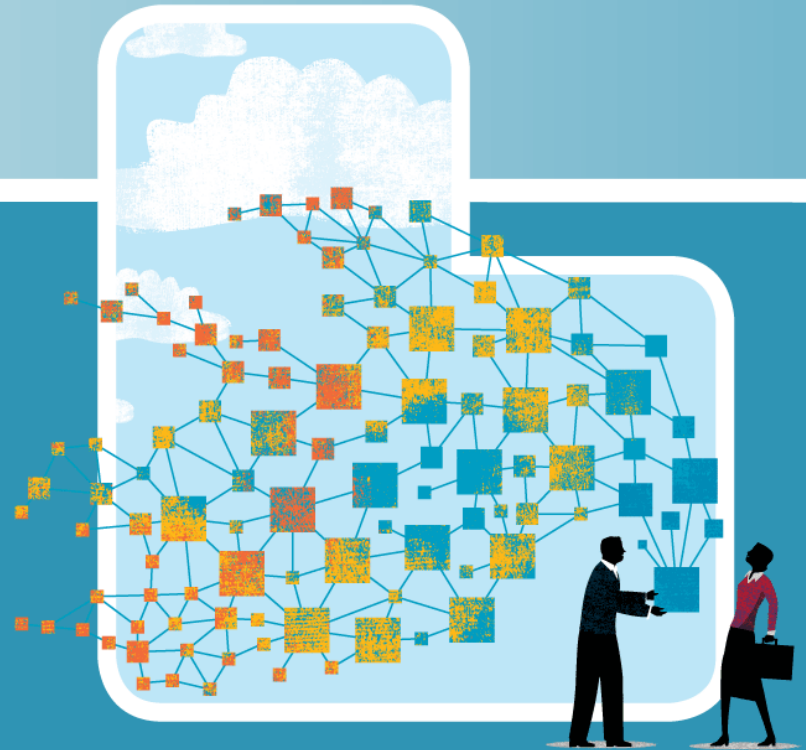


- No subsequent change in audit scope
- Reviewed selected internal controls
 - Performed required audit procedures



Management and staff well prepared for the audit

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE



MOSS-ADAMS_{LLP}
Certified Public Accountants | Business Consultants

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INTERNAL CONTROLS

**Material
weaknesses**

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graph LR; A[Material weaknesses] --> C[Nothing noted that should be communicated to the Board]; B[Significant deficiencies] --> C;
```

**Significant
deficiencies**

**Nothing noted that should be
communicated to the Board**

THANK YOU

Report of Independent Auditors
and Financial Statements for

Energy Trust of Oregon, Inc.

December 31, 2013 and 2012

CONTENTS

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REPORT OF INDEPENDENT AUDITORS	1-2
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Statements of activities	11
Statements of functional expenses	12-13
Statements of cash flows	14
Notes to financial statements	15-24

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Energy Trust of Oregon, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Energy Trust of Oregon, Inc., which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

REPORT OF INDEPENDENT AUDITORS
(continued)

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Energy Trust of Oregon, Inc. as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Management's discussion and analysis on pages 3 to 9 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Moss Adams LLP

Portland, Oregon
March 19, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

ENERGY TRUST OF OREGON, INC. MANAGEMENT'S DISCUSSION AND ANALYSIS

The following narrative overview and analysis of Energy Trust of Oregon Inc.'s financial activities is provided for readers of our annual financial statements. This discussion has been prepared by management and should be read in conjunction with the organization's financial statements and notes. Although the primary focus of this document is the results of activity for the calendar year ended December 31, 2013, comparative data is also presented for previous years as a reference point. We offer this supplemental information to illustrate issues and trends related to Energy Trust's financial health. The financial statements, notes and this discussion are the responsibility of management.

Financial Highlights

- Energy Trust's assets exceeded its liabilities at December 31, 2013, by \$77.9 million (net position). Of this amount, \$0.1 million is temporarily restricted and the remainder, \$77.8 million, is unrestricted. Energy Trust entered into contractual commitments for various energy efficiency and renewable generation project incentives that will result in future year payments not accrued as liabilities in these financial statements. As of December 31, 2013 these commitments are estimated at \$54.0 million.
- During 2013, Energy Trust's total net position increased by \$32.3 million. Following are some significant financial highlights accounting for the increase from the prior year.
 - Revenue increased by \$16.2 million or 11.3 percent over 2012. Total revenue of \$162.6 million was slightly lower (1.7 percent) than the amount budgeted, \$165.3 million. Energy Trust revenues are established annually in collaboration with its affiliated private utilities and the Oregon Public Utility Commission in an amount deemed necessary to acquire all cost-effective energy efficiency and conservation and develop renewable generation in accordance with annually approved goals. Revenue estimates are provided by utilities and are relatively stable and predictable, although weather and other changes in energy consumption can cause some variability.
 - Operating expenses decreased by \$25.1 million or 16.2 percent under 2012. Total expenses of \$130.3 million were also significantly lower (23.4 percent) than the amount budgeted, \$170.2 million. Energy conservation and renewable generation incentive payments declined by \$23.5 million from the prior year (to \$67.8 million) and were 31 percent under budget.
- Even with significantly lower operating expenditures, energy savings acquired exceeded stretch goals for electricity, and nearly met stretch goals for gas. Electric efficiency savings totaled 57.8 average megawatts (aMW), achieving 104 percent of the 2013 stretch goal of 55.8 aMW. Natural gas savings totaled 5.3 million annual therms of gas, achieving 97 percent of the 2013 stretch goal of 5.4 million annual therms. Energy Trust secured a significant amount of energy savings in 2013 at lower than anticipated costs. A number of large commercial and industrial projects, including two data centers, as well as various low-cost behavioral based conservation programs, helped deliver a large amount of low cost savings.

ENERGY TRUST OF OREGON, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

- Energy Trust achieved total renewable energy generation of 2.87 aMW, achieving 72 percent of the 2013 conservative goal of 4.0 aMW. Several planned 2013 projects were delayed and are expected to complete in 2014.

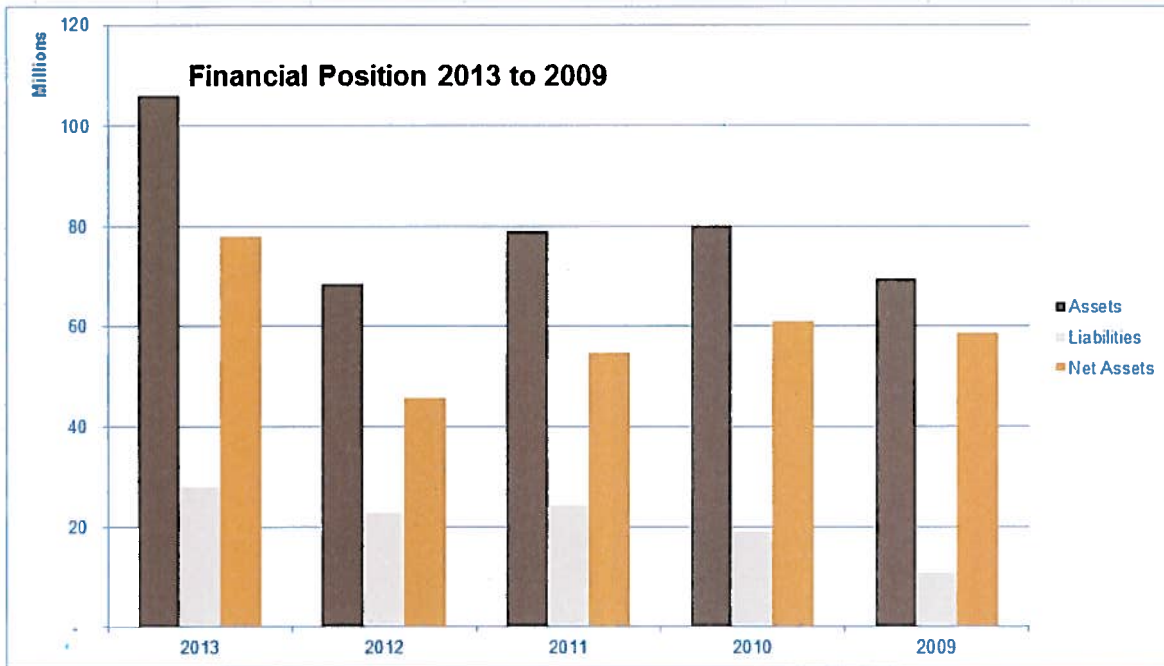
Overview of the Financial Statements

This discussion and analysis is intended to serve as an overview to Energy Trust's financial statements. The financial statements consist of the following:

The *statements of financial position* show the various assets owned or controlled, related liabilities and other obligations, and the various categories of net position. As noted earlier, net assets may serve over time as a useful indicator of Energy Trust's financial position. Energy Trust assets exceeded liabilities by \$77.9 million at year end. Almost all Energy Trust assets are held in cash and investments; capital and other assets comprise less than four percent of the total. Liabilities are centered in accounts payable, and reflect primarily year-end incentive payments. Energy Trust carries no long term debt.

Statements of Financial Position					
<small>(in millions of dollars)</small>					
	<u>2013</u>	<u>2012</u>	<u>Change '13 to '12</u>	<u>2011</u>	<u>Change '12 to '11</u>
Cash & Investments	101.7	64.0	37.7	73.1	(9.1)
Restricted Cash	0.1	0.5	(0.4)	1.0	(0.5)
All other Assets	4.0	4.0	(0.0)	4.9	(0.9)
Total Assets	105.8	68.5	37.3	79.0	(10.5)
Total Liabilities	27.9	22.8	5.1	24.3	(1.5)
Board Designated Net Assets	0.1	0.5	(0.4)	1.0	(0.5)
Assets Available for Programs & Operations	77.8	45.2	32.6	53.7	(8.5)
Total Liabilities & Assets	105.8	68.5	37.3	79.0	(10.5)

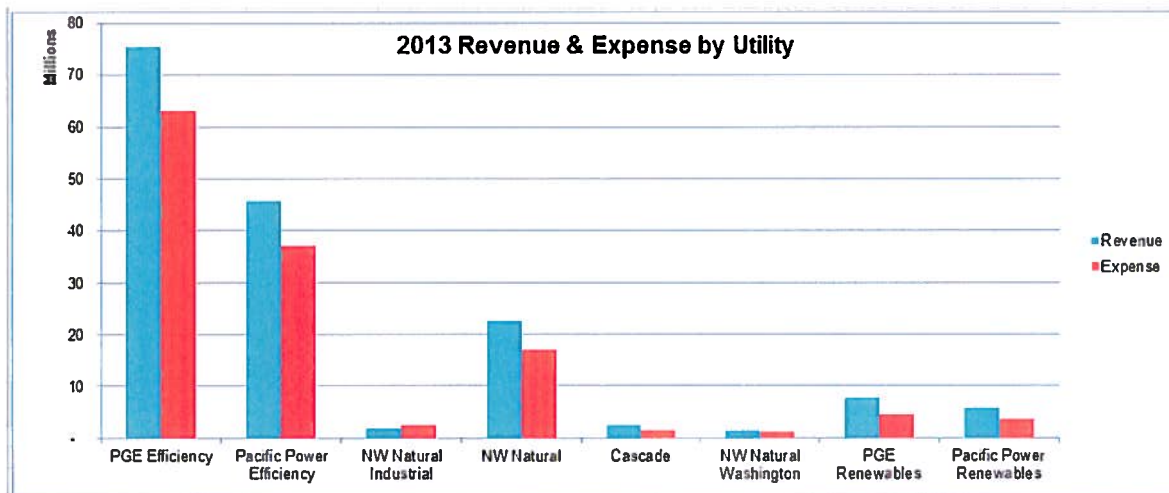
ENERGY TRUST OF OREGON, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS



The *statements of activities* show the various revenues and expenses, reconciling the beginning net position to the end of year total. These statements show how Energy Trust's net assets changed during the year. Net assets increased substantially, by \$32.3 million in 2013, due to a significant operating surplus. Revenues increased moderately while spending decreased as a result of Energy Trust securing a significant amount of energy savings at lower than anticipated costs.

Statements of Activities					
(in millions of dollars)					
	2013	2012	Change '13 to '12	2011	Change '12 to '11
Public Purpose Funding	88.0	82.9	5.1	83.9	(1.0)
Incremental Funding	74.5	63.2	11.3	49.1	14.0
Other Income	0.1	0.3	(0.2)	0.2	0.1
Total Funding	162.6	146.4	16.2	133.2	13.1
Program Expenses	126.0	150.2	(24.2)	135.6	14.5
Administrative Expenses	4.3	5.2	(0.9)	4.0	1.2
Total Expenses	130.3	155.4	(25.1)	139.6	15.7
Increase (Decrease) in Net Assets	32.3	(9.0)	41.3	(6.4)	(2.6)

ENERGY TRUST OF OREGON, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

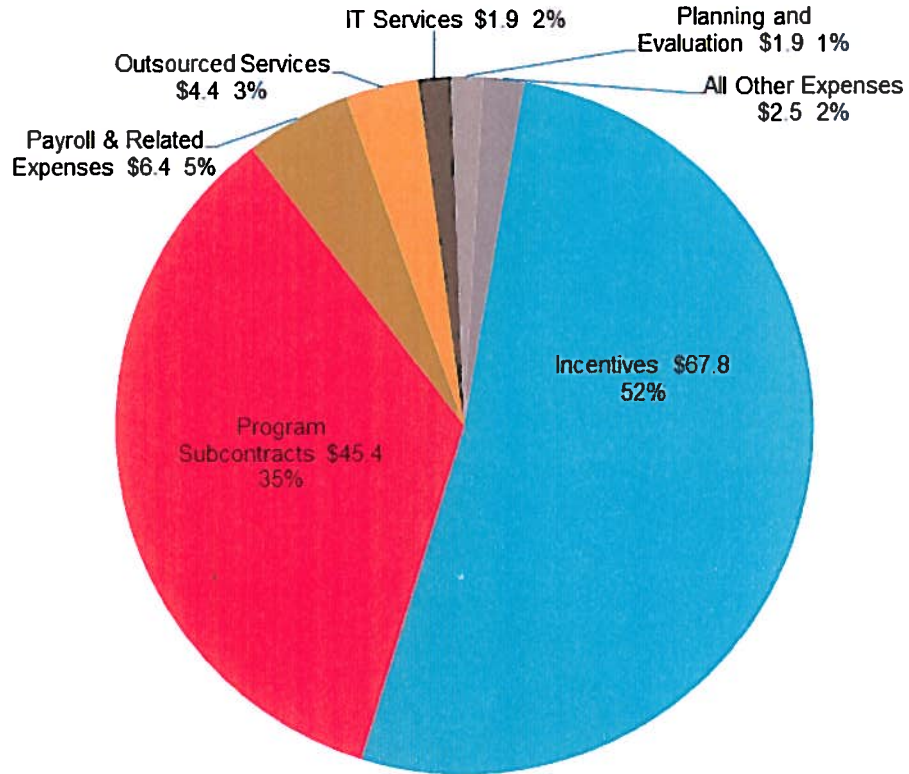


The *statement of functional expenses* shows costs by major category organized into program and administrative categories. In 2013, program expenses comprised 96.7 percent of total costs; administrative expenses of 3.3 percent made up the remainder.

Statement of Functional Expenses					
<i>(in millions of dollars)</i>					
	2013	2012	Change '13 to '12	2011	Change '12 to '11
Energy Efficiency	118.1	128.4	(10.3)	117.6	10.7
Renewable Resources	7.9	21.8	(13.9)	18.0	3.8
Program Expenses	126.0	150.2	(24.2)	135.6	14.5
Management & General	2.6	3.4	(0.8)	2.5	0.9
Communications & Outreach	1.7	1.8	(0.1)	1.5	0.3
Administrative Expenses	4.3	5.2	(0.9)	4.0	1.2
Total Expenses	130.3	155.4	(25.1)	139.6	15.7

ENERGY TRUST OF OREGON, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

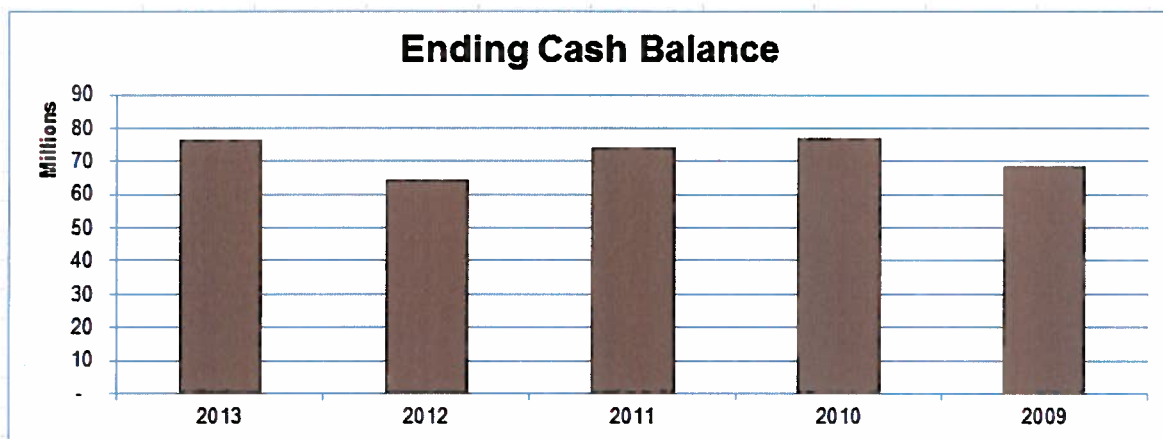
2013 Functional Expenses (millions of dollars)



ENERGY TRUST OF OREGON, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

The *statement of cash flows* shows various cash activities by type, reconciling beginning cash and cash equivalents to the ending cash and cash equivalents amount, which is shown in the Statements of Financial Position. Energy Trust cash receipts come primarily from public purpose and supplemental funding, derived from a small percentage charge on utility customer bills. Outflows are predominantly payments for incentives and program contracts, as well as payments for payroll, outsourced services, IT, and other operating expenses. Outflows also include investment purchases. Overall, cash receipts exceeded cash payments for the year, and cash and cash equivalents increased by \$12.5 million in 2013. The increase can be tied to the growth in net assets shown in the Statement of Activities.

Statement of Cash Flows					
(in millions of dollars)	2013	2012	Change '13 to '12	2011	Change '12 to '11
Net Cash Used in Operating Activities	37.5	(9.3)	46.8	(1.7)	(7.6)
Net Cash Provided by Investing	(25.0)	0.2	(25.2)	7.2	(7.0)
(Decrease) Increase in Cash	12.5	(9.1)	21.6	5.5	(14.6)
Cash Beginning of Year	<u>64.0</u>	<u>73.1</u>	<u>(9.1)</u>	<u>67.6</u>	<u>5.5</u>
Cash End of Year	<u>76.5</u>	<u>64.0</u>	<u>12.5</u>	<u>73.1</u>	<u>(9.1)</u>



ENERGY TRUST OF OREGON, INC. MANAGEMENT'S DISCUSSION AND ANALYSIS

Key Economic Factors and Budget Information for Next Year

- Oregon's economy continues to recover from the 2008 recession. The state's unemployment rate still exceeds the national average, but dropped from 8.3 percent to 7.0 percent in 2013. Personal income growth is projected to increase 5.1 percent in 2014.
- The improved economic conditions create opportunities for energy efficiency projects in certain market segments, such as new construction. They also may lead to increased opportunities to attract capital investments in facility improvements and equipment. However, even though the economy is showing favorable signs of rebuilding, not all parts of the state are recovering. It is also expected the energy efficiency market will remain challenging due mainly to:
 - The ongoing adjustment in the marketplace stemming from the loss of state business energy tax credits
 - Cost effectiveness challenges stemming primarily from low natural gas prices that lengthen project payback and make customer investment in energy efficient projects less compelling
 - Market maturation and saturation - the "easy fruit" has in certain segments already been picked and a portion of future savings is expected to come from underserved and harder-to-reach parts of the market.
- The budget for 2014 anticipates slightly lower revenue (1.4 percent) due to anticipated gas tariff rate adjustments.
- Planned spending in 2014 is expected to increase by approximately 3.5 percent. Approximately ninety percent of the increase can be tied to anticipated higher incentive and program delivery costs. New strategies are needed to reach more and different customers. This entails higher volume, smaller projects which yield lower savings and higher transaction costs.
- More analysis is needed to determine if 2013 results—specifically the attainment of certain types of energy savings at less-than-expected cost—will continue or likely not reoccur.

Most of these factors were known and considered in preparing Energy Trust's budget for 2014.

FINANCIAL STATEMENTS

ENERGY TRUST OF OREGON, INC.
STATEMENTS OF FINANCIAL POSITION

ASSETS

	December 31,	
	2013	2012
Cash and cash equivalents	\$ 76,484,638	\$ 64,005,610
Restricted cash and cash equivalents	77,988	462,691
Short-term investments	25,270,363	-
Other receivables	4,027	119,373
Accrued interest receivable	4,249	4,422
Advances paid to contractor	2,015,420	2,109,014
Prepaid expenses	526,087	265,829
Property and equipment, net	815,468	1,052,337
Other assets	614,102	473,830
Total assets	\$ 105,812,342	\$ 68,493,106

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$ 26,333,338	\$ 21,493,244
Accrued payroll and related expenses	1,184,189	995,073
Deferred rent liability	364,244	323,237
Total liabilities	27,881,771	22,811,554

COMMITMENTS AND CONTINGENCIES

NET ASSETS

Unrestricted		
Board-designated for specific purposes	77,988	462,691
Available for programs and general operations	77,852,583	45,218,861
Total net assets	77,930,571	45,681,552
Total liabilities and net assets	\$ 105,812,342	\$ 68,493,106

ENERGY TRUST OF OREGON, INC.
STATEMENTS OF ACTIVITIES

	Years Ended December 31,	
	2013	2012
Funding		
Public purpose funding	\$ 87,989,637	\$ 82,917,693
Incremental funding	74,475,379	63,163,316
Interest income	96,391	133,373
Contribution revenue	13,430	30,515
Other efficiency funding	-	123,728
Consulting revenue	-	3,055
Other income	-	200
	<u>162,574,837</u>	<u>146,371,880</u>
Expenses		
Program expenses		
Energy efficiency	118,136,627	128,359,197
Renewable resources	7,918,895	21,817,900
Consulting services	-	2,012
	<u>126,055,522</u>	<u>150,179,109</u>
Administrative expenses		
Management and general	2,592,480	3,371,812
Communication and outreach - general	1,677,816	1,804,623
	<u>4,270,296</u>	<u>5,176,435</u>
Total expenses	<u>130,325,818</u>	<u>155,355,544</u>
INCREASE (DECREASE) IN NET ASSETS	32,249,019	(8,983,664)
NET ASSETS, beginning of year	<u>45,681,552</u>	<u>54,665,216</u>
NET ASSETS, end of year	<u>\$ 77,930,571</u>	<u>\$ 45,681,552</u>

ENERGY TRUST OF OREGON, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Energy Efficiency	Renewable Resources	Consulting Services	Total Program Expenses	Management and General	Communication and Outreach - General	Total Administrative Expenses	Total Expenses
EXPENSES								
Incentives and program management	\$ 106,925,779	\$ 6,236,419	\$ -	\$ 113,162,198	\$ -	\$ -	\$ -	\$ 113,162,198
Payroll and related expenses	2,804,042	835,895	-	3,639,937	1,892,490	862,012	2,754,502	6,394,439
Outsourced services	3,298,598	381,093	-	3,679,691	151,676	568,505	720,181	4,399,872
Planning and evaluation	1,848,883	83,478	-	1,932,361	-	-	-	1,932,361
Customer service management	980,836	23,313	-	1,004,149	-	-	-	1,004,149
Trade Allies Network	344,662	15,599	-	360,261	-	-	-	360,261
Supplies	8,021	2,366	-	10,387	8,642	3,089	11,731	22,118
Postage and shipping	3,537	872	-	4,409	1,620	826	2,446	6,855
Telephone	3,593	1,587	-	5,180	1,841	856	2,697	7,877
Printing and publications	90,242	5,008	-	95,250	821	6,434	7,255	102,505
Occupancy expenses	202,991	64,134	-	267,125	118,134	60,739	178,873	445,998
Insurance	30,876	9,755	-	40,631	17,969	9,239	27,208	67,839
Equipment	18,745	34,589	-	53,334	5,552	2,854	8,406	61,740
Travel	42,108	16,967	-	59,075	21,685	4,158	25,843	84,918
Meetings, trainings, and conferences	28,845	12,171	-	41,016	37,988	6,059	44,047	85,063
Bank fees	-	100	-	100	5,343	-	5,343	5,443
Depreciation	50,300	17,823	-	68,123	29,273	15,051	44,324	112,447
Dues, licenses, and fees	79,301	16,239	-	95,540	25,832	3,007	28,839	124,379
Miscellaneous	3,433	-	-	3,433	18	-	18	3,451
IT services	1,371,835	161,487	-	1,533,322	273,596	134,987	408,583	1,941,905
Total expenses	\$ 118,136,627	\$ 7,918,895	\$ -	\$ 126,055,522	\$ 2,592,480	\$ 1,677,816	\$ 4,270,296	\$ 130,325,818

See accompanying notes.

ENERGY TRUST OF OREGON, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Energy Efficiency	Renewable Resources	Consulting Services	Total Program Expenses	Management and General	Communication and Outreach - General	Total Administrative Expenses	Total Expenses
EXPENSES								
Incentives and program management	\$ 116,873,751	\$ 20,087,444	-	\$ 136,961,195	-	-	\$ -	\$ 136,961,195
Payroll and related expenses	2,475,334	812,426	1,544	3,289,304	1,839,853	795,023	2,634,876	5,924,180
Outsourced services	3,966,293	443,896	-	4,410,189	211,900	648,071	859,971	5,270,160
Planning and evaluation	1,711,594	85,186	-	1,796,780	17,352	-	17,352	1,814,132
Customer service management	642,029	21,849	-	663,878	-	-	-	663,878
Trade Allies Network	359,851	26,338	-	386,189	-	-	-	386,189
Supplies	38,201	6,650	3	44,854	10,459	6,835	17,294	62,148
Postage and shipping	3,740	1,088	1	4,829	1,987	1,834	3,821	8,650
Telephone	4,104	2,159	1	6,264	2,878	810	3,688	9,952
Printing and publications	92,772	3,647	-	96,419	741	23,092	23,833	120,252
Occupancy expenses	180,711	65,205	60	245,976	119,124	61,505	180,629	426,605
Insurance	26,608	9,601	9	36,218	17,540	9,056	26,596	62,814
Equipment	10,028	35,808	3	45,839	738,113	3,413	741,526	787,365
Travel	41,348	21,475	376	63,199	29,793	3,948	33,741	96,940
Meetings, trainings, and conferences	22,039	10,778	-	32,817	41,966	4,735	46,701	79,518
Bank fees	-	-	-	-	5,030	-	5,030	5,030
Depreciation	45,999	22,662	15	68,676	30,322	15,656	45,978	114,654
Dues, licenses, and fees	93,476	15,095	-	108,571	9,472	3,004	12,476	121,047
Miscellaneous	2,738	30	-	2,768	218	31,371	31,589	34,357
IT services	1,768,581	146,563	-	1,915,144	295,064	196,270	491,334	2,406,478
Total expenses	\$ 128,359,197	\$ 21,817,900	\$ 2,012	\$ 150,179,109	\$ 3,371,812	\$ 1,804,623	\$ 5,176,435	\$ 155,355,544

See accompanying notes.

ENERGY TRUST OF OREGON, INC.
STATEMENTS OF CASH FLOWS

	Years Ended December 31,	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received in public purpose funding	\$ 87,989,637	\$ 82,917,693
Cash received in incremental funding	74,475,379	63,163,316
Cash received from other funders	108,262	15,466
Interest received	96,564	135,400
Cash received from other sources	13,430	30,715
Cash received from other efficiency funding	-	123,728
Cash received from consulting revenue	-	3,055
Cash paid to contractors, suppliers, and employees	<u>(125,223,546)</u>	<u>(155,711,596)</u>
Net cash from operating activities	<u>37,459,726</u>	<u>(9,322,223)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	-	120,000
Acquisition of property and equipment	(95,038)	(396,441)
Purchases of short-term investments	(25,270,363)	-
Decrease in restricted cash and cash equivalents	<u>384,703</u>	<u>476,064</u>
Net cash from investing activities	<u>(24,980,698)</u>	<u>199,623</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	12,479,028	(9,122,600)
CASH AND CASH EQUIVALENTS, beginning of year	<u>64,005,610</u>	<u>73,128,210</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 76,484,638</u>	<u>\$ 64,005,610</u>
RECONCILIATION OF INCREASE (DECREASE) IN NET ASSETS TO NET CASH USED IN OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 32,249,019	\$ (8,983,664)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	331,907	259,983
Loss on disposal of property and equipment	-	789,438
Net changes in:		
Other receivables	115,346	(118,222)
Accrued interest receivable	173	2,027
Advances paid to contractor	93,594	329,710
Prepaid expenses	(260,258)	27,873
Other assets	(140,272)	(110,033)
Accounts payable and accrued expenses	4,840,094	(2,023,310)
Accrued payroll and related expenses	189,116	211,828
Deferred rent liability	<u>41,007</u>	<u>292,147</u>
Net cash from operating activities	<u>\$ 37,459,726</u>	<u>\$ (9,322,223)</u>

See accompanying notes.

ENERGY TRUST OF OREGON, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Organization

Energy Trust of Oregon, Inc. (Energy Trust), a nonprofit 501(c)(3) organization, began collecting public purpose revenues in March 2002. By the terms of its grant agreement with the Oregon Public Utility Commission (OPUC), it is charged with investing in cost-effective energy conservation, funding above-market costs of renewable energy resources and encouraging energy efficiency market transformation efforts in Oregon.

All Energy Trust funds originally came from a 1999 energy restructuring law, which required Oregon's two largest investor-owned utilities to collect a three percent public purpose charge from their customers. A portion of that charge is transferred to Energy Trust, and the remainder is dedicated to energy conservation efforts in low-income housing and K-12 schools, as well as low-income housing improvements. The sunset date for collection of the public purpose charge is 2026.

The law authorized the OPUC to direct a majority of these public purpose funds to a non-governmental entity for investment. Energy Trust was created for this sole purpose. In November 2001, Energy Trust entered into a grant agreement with the OPUC to guide Energy Trust's electric energy work. The grant agreement was developed with extensive input from key stakeholders and interested parties, and it has been amended several times since 2001. The agreement is reviewed annually by the OPUC and is automatically extended annually for an additional three years unless Energy Trust or the OPUC give notice otherwise.

In 2007, the Oregon Senate passed Bill 838 (OSB 838), which allowed electric utilities to request an increase in rates to pursue additional energy conservation opportunities. In 2008, PacifiCorp and Portland General Electric elected to send funds related to OSB 838 to Energy Trust to pursue energy conservation opportunities for retail electricity purchasers of less than one average megawatt. This precludes Energy Trust from providing services with this funding to some larger commercial and industrial customers. These funds are reported separately in the statement of activities as "incremental funding." The funds received from PacifiCorp and Portland General Electric may be used for conservation efforts in addition to activity funded by the public purpose funds.

In addition to its work under the 1999 energy restructuring law, Energy Trust administers natural gas conservation programs for residential and commercial customers of NW Natural. Under the terms of the 2003 agreement with the OPUC, NW Natural collects and transfers to Energy Trust a surcharge of the total monthly amount billed to non-industrial customers. Energy Trust uses these funds for energy efficiency efforts to benefit NW Natural's Oregon residential and commercial customers. In 2009, Energy Trust began administering energy efficiency programs for qualified industrial customers of NW Natural.

ENERGY TRUST OF OREGON, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 – Organization (continued)

In 2006, Energy Trust began administering natural gas conservation programs for residential and commercial customers of Cascade Natural Gas Corporation (Cascade) under public purpose agreements. Each agreement provides for a different methodology for determining the amount of funds to be provided to Energy Trust.

In 2009, Energy Trust entered into a Washington Customer's Public Purpose Funds Transfer Agreement with NW Natural. Under the terms of the agreement, NW Natural agrees to transfer funds (Washington Funds) and customer information to Energy Trust to design and administer cost-effective energy efficiency programs for existing homes and businesses to NW Natural customers in Washington. In 2010, the agreement was amended to include similar programs for builders constructing new homes in NW Natural's Washington service territory. The agreement expires on December 31, 2014.

Note 2 – Summary of Significant Accounting Policies

Basis of accounting – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of presentation – Energy Trust is required to report information regarding its financial position and activities according to three classes of net assets under generally accepted accounting principles:

- **Unrestricted** – Net assets that are not subject to donor stipulations.
- **Temporarily restricted** – Net assets subject to donor imposed stipulations that may or will be met, either by actions of Energy Trust and/or the passage of time. When a restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. There were no temporarily restricted net assets at December 31, 2013 or 2012.
- **Permanently restricted** – Net assets subject to donor imposed stipulations which must be maintained permanently by Energy Trust. Generally, the donors of these assets permit the use of all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted net assets at December 31, 2013 or 2012.

Concentrations of credit risk – Energy Trust's cash and cash equivalents may subject Energy Trust to concentrations of credit risk, as the market value of securities is dependent on the ability of the issuer to honor its contractual commitments. All of its non-interest bearing cash balances were fully insured at December 31, 2012 due to a temporary federal program in effect from December 31, 2010 through December 31, 2012. Under the program, there was no limit to the amount of insurance for eligible accounts. In 2013, insurance coverage reverted to \$250,000 per depositor at each financial institution, and Energy Trust's non-interest bearing cash balances may, again, exceed federally insured limits. Energy Trust has not experienced any losses in such accounts to date.

ENERGY TRUST OF OREGON, INC.
NOTES TO FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Cash and cash equivalents – For purposes of financial statement classification, Energy Trust considers all unrestricted, highly-liquid investments with an initial maturity of three months or less to be cash and cash equivalents. Cash and cash equivalents consist of the following at December 31:

	<u>2013</u>	<u>2012</u>
Cash	\$ 76,484,638	\$ 18,576,017
Certificates of deposit	-	45,429,593
	<u>\$ 76,484,638</u>	<u>\$ 64,005,610</u>

Restricted cash and cash equivalents – Energy Trust has money market instruments with a value of \$77,988 and \$462,691 reported as restricted cash and cash equivalents at December 31, 2013 and 2012, respectively. These funds are held in CDARs accounts for the benefit of program recipients, as designated by the Board of Directors of Energy Trust.

Short-term investments – Short-term investments consist of certificates of deposit that have initial maturities generally ranging from four to twelve months. Certificates are generally non-negotiable and non-transferable, and may incur substantial penalties for withdrawal prior to maturity. Interest income is included in the statement of activities and is recognized when earned.

Property and equipment – Property and equipment are stated at cost less accumulated depreciation and are depreciated using the straight-line method over their estimated useful lives, which generally range from three to five years. It is Energy Trust’s policy to capitalize property and equipment over \$5,000.

Deferred rent liability – Energy Trust leases office space under a non-cancellable lease. The lease contains a provision for increases in rental rates as well as abated rent. Rent expense is recognized on the straight-line basis with the difference between the expense and rent payments being recognized as deferred rent. Deferred rent was \$364,244 and \$323,237 for the years ended December 31, 2013 and 2012, respectively.

Revenue recognition – All funding is considered available for unrestricted use unless specifically restricted by the donor. Public purpose and incremental funding are recognized when funds are received from the funding source. Consulting revenue and other income are recognized at the time services are provided and the revenues are earned.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Contributions, including unconditional promises to give, are recognized as revenue in the period pledged. Contributions of assets other than cash are recorded at their estimated fair value on the date of their contribution.

ENERGY TRUST OF OREGON, INC.
NOTES TO FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Expense allocation – The costs of providing various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising – Energy Trust expenses advertising costs as incurred. Advertising costs include activities to create or stimulate a desire to use Energy Trust's services that are provided without charge. Advertising expense amounted to \$1,279,658 and \$1,189,269 for the years ended December 31, 2013 and 2012, respectively.

Income taxes – Energy Trust is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. No provision for income taxes is made in the accompanying financial statements, as Energy Trust has no activities subject to unrelated business income tax. Energy Trust is not a private foundation.

Energy Trust recognizes the tax benefit from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Energy Trust recognizes interest and penalties related to income tax matters, if any, in administrative expense.

Energy Trust had no unrecognized tax benefits at December 31, 2013 or December 31, 2012. No interest and penalties were accrued for the years ended December 31, 2013 or 2012. Energy Trust files an exempt organization return in the U.S. federal jurisdiction and is no longer subject to income tax examinations by taxing authorities for years before 2010 for its federal filings.

Renewable energy certificates – In the process of funding above-market costs of renewable energy resources, Energy Trust negotiates the contractual ownerships of Renewable Energy Certificates (REC) with funding recipients. A single REC represents one megawatt-hour of generation of qualifying electricity from eligible resources including, among others, solar, wind, and biomass. In 2011, Energy Trust amended policy 4.15.000-P to remove provisions allowing the sale of RECs. As of December 31, 2013 and 2012, the fair value of RECs has not been recorded as it is not considered material to the financial statements.

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ENERGY TRUST OF OREGON, INC.

NOTES TO FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Fair value of financial instruments – At December 31, 2013 and 2012, the carrying values of cash and cash equivalents, restricted cash, receivables, accounts payable and accrued expenses, and accrued payroll and related expenses approximate fair value due to the short-term nature of these instruments. Energy Trust has determined these financial instruments to be Level 1 measurements in the fair value hierarchy. See Note 5.

Subsequent events – Subsequent events are events or transactions that occur after the statement of financial position date but before the financial statements are issued. Energy Trust recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. Energy Trust's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before the financial statements are available to be issued.

Energy Trust has evaluated subsequent events through March 19, 2014, which is the date the financial statements were issued.

Note 3 – Property and Equipment

Property and equipment consist of the following at December 31:

	<u>2013</u>	<u>2012</u>
Computer equipment and software	\$ 1,401,967	\$ 1,347,388
Office equipment and furniture	600,662	600,662
Leasehold improvements	<u>313,333</u>	<u>287,385</u>
	2,315,962	2,235,435
Less accumulated depreciation	<u>1,500,494</u>	<u>1,183,098</u>
	<u>\$ 815,468</u>	<u>\$ 1,052,337</u>

Note 4 – Lines of Credit

Energy Trust maintains an unsecured line of credit in the amount of \$4,000,000. Interest on the line is based on the prime rate less 0.5% (2.75% at December 31, 2013). The line matures on September 5, 2014. As of December 31, 2013 and 2012, no borrowings were outstanding under the line of credit.

ENERGY TRUST OF OREGON, INC.
NOTES TO FINANCIAL STATEMENTS

Note 5 – Fair Value Measurements

Accounting literature defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. Energy Trust determines fair value based on quoted prices when available or through the use of alternative approaches, such as matrix or model pricing, when market quotes are not readily accessible or available. The valuation techniques used are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect Energy Trust's market assumptions. These two types of inputs create the following fair value hierarchy:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active and model-derived valuations whose inputs are observable or whose significant value drivers are unobservable.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available. Energy Trust's own data used to develop unobservable inputs is adjusted for market consideration when reasonably available.

Energy Trust used the following methods and significant assumptions to estimate fair value for its assets measured and carried at fair value in the financial statements:

Short-term investments – The carrying value approximates fair value based on the short-term maturity of these investments.

Deferred compensation assets – Deferred compensation assets are comprised of investments for which fair value is obtained from an independent pricing service. The fair value measurements consider observable data that may include dealer quotes, cash flows, or the U.S. Treasury yield curve. Deferred compensation assets are recorded in other assets within the statement of financial position.

ENERGY TRUST OF OREGON, INC.
NOTES TO FINANCIAL STATEMENTS

Note 5 – Fair Value Measurements (continued)

The following table presents the fair value measurements of assets recognized in the accompanying statements of financial position measured at fair value on a recurring basis, and indicates the fair value hierarchy of the valuation techniques utilized by Energy Trust to determine such fair value:

	Fair Value Measurements at Report Date Using:			
	Fair Value at December 31, 2013	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Deferred compensation assets:				
U.S. mutual funds	\$ 552,641	\$ 552,641	\$ -	\$ -
Short-term investments:				
Certificates of deposit	25,270,363	-	25,270,363	-
 Total assets measured at fair value	 \$ 25,823,004	 \$ 552,641	 \$ 25,270,363	 \$ -

	Fair Value Measurements at Report Date Using:			
	Fair Value at December 31, 2012	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Deferred compensation assets:				
U.S. mutual funds	\$ 409,369	\$ 409,369	\$ -	\$ -
 Total assets measured at fair value	 \$ 409,369	 \$ 409,369	 \$ -	 \$ -

Assets are to be classified in the table above by recurring or non-recurring measurement status. Recurring assets are initially measured at fair value and are required to be remeasured at fair value in the financial statements at each reporting date. There were no assets measured on a non-recurring basis at December 31, 2013 or 2012.

As of December 31, 2013 and 2012, Energy Trust does not have any liabilities that are required to be measured in accordance with fair value standards.

ENERGY TRUST OF OREGON, INC.
NOTES TO FINANCIAL STATEMENTS

Note 6 – Public Purpose Funding and Incremental Funding

Public purpose funding and incremental funding received are as follows for the years ended December 31:

	<u>2013</u>	<u>2012</u>
Public purpose funding		
Portland General Electric		
Energy efficiency	\$ 26,484,406	\$ 28,119,658
Renewable resources	7,789,199	8,033,565
	<u>34,273,605</u>	<u>36,153,223</u>
PacifiCorp		
Energy efficiency	20,069,558	19,637,424
Renewable resources	5,740,135	5,530,615
	<u>25,809,693</u>	<u>25,168,039</u>
Northwest Natural - Oregon		
Energy efficiency	<u>24,201,756</u>	<u>18,990,363</u>
Northwest Natural - Washington		
Energy efficiency	<u>1,291,102</u>	<u>1,261,914</u>
Cascade		
Energy efficiency	<u>2,413,481</u>	<u>1,369,612</u>
Avista		
Energy efficiency	<u>-</u>	<u>(25,458)</u>
Total public purpose funding	<u><u>\$ 87,989,637</u></u>	<u><u>\$ 82,917,693</u></u>
Incremental funding		
Portland General Electric	\$ 48,918,174	\$ 39,630,039
PacifiCorp	<u>25,557,205</u>	<u>23,533,277</u>
	<u><u>\$ 74,475,379</u></u>	<u><u>\$ 63,163,316</u></u>
Other efficiency funding		
Clark County PUD	<u>\$ -</u>	<u>\$ 123,728</u>
Total other efficiency funding	<u><u>\$ -</u></u>	<u><u>\$ 123,728</u></u>

ENERGY TRUST OF OREGON, INC.
NOTES TO FINANCIAL STATEMENTS

Note 7 – Operating Lease Commitments

Energy Trust leases its administrative offices under an operating lease agreement which expires in June 2019. Energy Trust also leases various office equipment under operating lease agreements. At December 31, 2013, the aggregate annual commitments under the terms of these leases are payable as follows for the years ending December 31:

2014	\$	650,075
2015		649,393
2016		670,068
2017		692,643
2018		715,616
Thereafter		<u>430,229</u>
	\$	<u>3,808,024</u>

Total rent expense under operating leases was \$633,515 and \$603,165 for the years ended December 31, 2013 and 2012, respectively.

Note 8 – Retirement Plans

Retirement plan – Energy Trust provides all employees with a qualified profit sharing retirement plan as prescribed under Section 401(k) of the Internal Revenue Code. Generally, employees who have completed at least three consecutive months of work may elect to make voluntary contributions to the plan on a pre-tax basis, up to the limits allowed by law. Employees select from various investment options. On a discretionary basis, as determined annually by the Board of Directors, Energy Trust may make contributions to the plan. For each of the years ended December 31, 2013 and 2012, Energy Trust contributed to the plan an amount equal to 6% of the compensation earned by each eligible employee during the period. Employees are immediately vested in all contributions to the plan. Retirement plan expense recorded by Energy Trust was \$395,114 and \$349,142 for the years ended December 31, 2013 and 2012, respectively.

Deferred compensation plan – Energy Trust sponsors a non-qualified deferred compensation plan for selected employees. Investments are owned by Energy Trust and managed individually by each participant. At the time an employer contribution is made, the Board will, in its sole discretion, determine whether the employer contribution will be initially fully vested or will become vested in accordance with vesting terms designated by the Board of Directors. Until paid to participants, plan assets are subject to the claims of Energy Trust’s creditors.

ENERGY TRUST OF OREGON, INC.
NOTES TO FINANCIAL STATEMENTS

Note 8 - Retirement Plans (continued)

Energy Trust made discretionary contributions to the plan totaling \$37,089 and \$52,344 during the years ended December 31, 2013 and 2012, respectively. Energy Trust recorded an asset and a liability in the amount of \$552,641 and \$409,369 as of December 31, 2013 and 2012, respectively. The deferred compensation asset and liability are recorded in other assets and accrued payroll and related expenses, respectively, in the statement of financial position.

Note 9 - Contractual Commitments

Energy Trust enters into contract commitments for various goods and services. As of December 31, 2013, Energy Trust expects to pay no more than \$17,000,000 in future periods under these commitments. Expenditures for these commitments are recorded in the period in which they are incurred.

Energy Trust entered into incentive funding agreements for energy efficiency and renewable resource projects not completed as of December 31, 2013 totaling approximately \$54,000,000. These amounts will be paid in the period in which they are completed.

Energy Trust also has projects and incentive payment requests in progress that did not meet its recognition criteria at both December 31, 2013 and 2012. These amounts are unquantifiable and, as such, not disclosed in the notes to the financial statements.

Note 10 - Board-Designated Net Assets

Due to the long-term nature of certain renewable energy projects, the Board of Directors of Energy Trust has authorized amounts to be segregated into escrow accounts to be used for larger long-term projects. The funds held in escrow accounts are to be paid out under criteria specific to each project. In the financial statements, these funds are considered designated for those specific projects.

Note 11 - Related Party Transactions

Energy Trust, along with a number of other northwest regional utilities, provides funding to Northwest Energy Efficiency Alliance (NEEA). Energy Trust benefits from the arrangement by achieving low cost, long lasting electric energy savings through NEEA's regional market transformation activities. Since 2010, Energy Trust's executive director has served on NEEA's board of directors. Total payments to NEEA were \$8,070,000 and \$8,082,000 for the years ended December 31, 2013 and 2012, respectively.

Board Decision

Audited Financial Statements

April 2, 2014

RESOLUTION 699 ACCEPTANCE OF AUDITED FINANCIAL REPORT

BE IT RESOLVED: That Energy Trust of Oregon, Inc., Board of Directors accepts the auditor's report on the financial statements, including an unmodified opinion, submitted by Moss Adams LLP for the calendar year ended December 31, 2013.

Moved by:

Seconded by:

Vote:

In favor:

Abstained:

Opposed:

Tab 3

Board Decision

Authorizing the Executive Director to Amend a Contract with Coates Kokes, Inc.

April 2, 2014

Summary

Authorize the executive director to amend a contract with Coates Kokes, Inc. (“Coates Kokes”) for continued creative agency services through 2015 and to authorize more than \$500,000 in expenditures, which exceeds the executive director’s signing authority.

Background

Energy Trust has contracted with a creative services agency since 2008 to deliver a range of advertising and marketing services for Energy Trust programs and customer services. Over the years, the agency of record has delivered print, television, and online advertising campaigns promoting specific program offers, marketing templates; imagery, messaging and guidelines for use in program marketing; new web site design and content; market research to inform Energy Trust initiatives, and more.

The agency assists marketing staff in Communications & Customer Service and Energy Programs with marketing strategy, creative development and public relations services to achieve the following objectives:

- Increase awareness of Energy Trust program offerings, customer services, and web site among eligible customers in all service territories;
- Motivate customer engagement in Energy Trust program offers and customer services by communicating the value and benefits associated with taking action;
- Promote simple and clear action steps to get customers started on the path to making energy efficiency and renewable energy improvements;
- Accomplish energy efficiency savings and renewable generation goals through customer participation in programs and services;
- Support a positive customer experience through relatable marketing and customer communications—delivered via direct outreach, direct mail and email, energytrust.org and social media, earned media, and paid advertising.

As the Energy Trust creative services agency of record since 2011, Coates Kokes has provided strategic direction for advertising of Energy Trust program offers and customer services, and developed a number of advertisements and marketing concepts Energy Trust has used to successfully motivate and engage residential and business customers. Energy Trust has benefitted from Coates Kokes’ expertise in marketing energy efficiency programs gained from significant experience working with other utilities and energy programs in the Pacific Northwest.

All programs, those managed internally and those delivered by Program Management Contractors, develop marketing communications using brand guidelines established by Energy Trust with support from Coates Kokes to ensure an identifiable, consistent brand and voice. Coates Kokes has helped Energy Trust develop clear messaging to engage all customer types, and also provides residential public relations strategies and services that complement paid advertising.

Specific examples of marketing and creative services work delivered by Coates Kokes in recent years include:

- EPS logo, certificate development and advertising that helped us release this new product to consumers and trade allies alike – for new home buyers and now for existing home owners
- Business sector advertising for print media outlets – “Energy efficiency never clocks out” and “Why pay for energy you don’t need”
- Refrigerator recycling television advertising spot – “Empty nester”
- Focus Groups in Medford, Bend and Portland to refine Existing Homes’ Custom Home Energy Report, EPS certificate, provide insights for web site improvements
- Employee engagement posters for commercial Strategic Energy Management program
- 5,000th Solar Home press release, infographic and supporting materials to increase awareness of the adoption of solar energy throughout the state

Discussion

- In 2010, Coates Kokes was selected through a competitive request for proposals (RFP) process to be Energy Trust’s creative agency of record, and Energy Trust and Coates Kokes entered into a two year contract for creative agency services after the selection. In accordance with Energy Trust competitive procurement procedures, the creative agency services were subject to another competitive RFP process in 2012.
- The 2012 RFP added Energy Trust residential program public relations services to the creative agency services scope. Coates Kokes was selected for this expanded work and awarded a two year contract (2013-2014) with an option for a one year extension (through 2015).
- The objectives of the Coates Kokes contract are consistent with emerging areas of strategic direction for Energy Trust, and may be further refined with the adoption of the Energy Trust 2015-2019 Strategic Plan.
- Coates Kokes has provided excellent service and direction to Energy Trust, consistently delivering creative concepts on time and within expectations, and expanding the range of options for engagement with customers and the media.
- Additional contract funding is necessary for the 2014 scope of work for Coates Kokes that exceeds the executive director’s contract signing authority. Energy Trust’s board approved 2014 budget authorizes sufficient funds for these creative agency services.
- Included in the budget were funds to develop and support a comprehensive advertising strategy, a significant multi-year advertising campaign to achieve increased customer awareness of programs and services, new creative for commercial and residential programs that highlight solar energy, and additional residential public relations.
- Energy Trust and Coates Kokes have identified a 2014 budget of \$372,000 for these expanded efforts. This would bring the total two-year contract amount to nearly \$700,000, with additional funds expected for the third contract year consistent with 2015 budget and action plans.
- Energy Trust staff, therefore, proposes adding funds to the current Coates Kokes contract, which will bring the contract beyond the Executive Director’s signing authority for 2014, and expanding the creative agency scope to include but not be limited to,

development and support of a comprehensive advertising strategy to support customer awareness and engagement, and 2014-2015 advertising campaign to drive up lagging customer awareness of programs and services. In addition, staff proposes extending the Coates Kokes contract for an additional one year term through December 2015 with permission to negotiate 2015 scope and contract payments by staff consistent with the 2015 board-adopted annual budget.

- Energy Trust expects to issue another RFP for creative agency services in the third quarter of 2015 for a new two-year contract to be established in 2016.

Recommendation

Authorize the executive director to sign contract amendment with Coates Kokes, Inc. to extend its current creative agency services agreement with Energy Trust through December 2015 and authorize funding for the agreement to exceed \$500,000.

RESOLUTION 700

**AUTHORIZE THE EXECUTIVE DIRECTOR
TO AMEND A CONTRACT WITH COATES KOKES, INC.**

WHEREAS:

1. In January 2011, Energy Trust chose Coates Kokes, Inc. (“Coates Kokes”) to perform creative agency services following a competitive process. Creative agency services were rebid again in late 2012, and Coates Kokes was again selected to provide these services.
2. The contract awarded to Coates Kokes, Inc. in 2012 provides for a two year term beginning in February 2013, with an agreement that an additional term could be added if the parties agreed (the “2013 Agreement”) Contract funding authorized under the 2013 Agreement was less than \$500,000, thereby within the Energy Trust executive director’s signing authority.
3. Energy Trust wishes to expand the scope of the 2013 Agreement to provide for development and support of a longer term marketing strategy and to develop and support a comprehensive advertising strategy, as well as a significant multi-year advertising campaign to achieve increased customer awareness of programs and services.
4. To accomplish these efforts, Energy Trust proposes an extension of the 2013 Agreement through December 31, 2015, and to authorize additional funding for the contract of \$372,000 for 2014 and amounts for 2015 consistent with the board-approved 2015 budget and action plan, an amount above the \$500,000 limit of the executive director’s signing authority.

It is therefore RESOLVED:

That the Board of Directors of Energy Trust of Oregon, Inc., hereby authorizes the executive director to sign amendments to the Coates Kokes current contract for creative agency services to (1) extend such contract through December 2015 and (2) authorize expenditures above \$500,000 and in amounts consistent with the board’s annual budgets and action plans.

Moved by:

Seconded by:

Vote:

In favor:

Abstained:

Opposed:[list name(s) and, if requested, reason for "no" vote]

Board Decision

Authorizing a Contract with Online Business Systems

April 2, 2014

Summary

Authorize the executive director to extend and amend a contract with Online Enterprises Inc. dba Online Business Systems (“OBS”) to authorize more than \$500,000 in expenditures, which exceeds the executive director’s signing authority.

Discussion

- As reported to the board of directors in February 2014, Energy Trust reached the decision to build a replacement to Fast Track through Phase 2 of the Integrated Solutions Implementation Project (ISI). Following that decision, Energy Trust conducted a competitive request for qualifications (RFQ) process to engage technical resources and services to supplement Energy Trust’s internal technical team. Through the RFQ process, OBS was selected based on both the qualities of the firm and on interviews with the specific staff that would be working at Energy Trust.
- OBS has been a Microsoft Certified Partner for twelve years and has a Microsoft development practice that will add valuable depth to the staff working on site. Both Energy Trust internal staff and OBS on-site personnel will be able to leverage the knowledge and experience of the entire OBS Microsoft development practice to more quickly solve technical issues and to build a superior application.
- In March 2014, Energy Trust contracted with OBS for initial and foundational work under a contract through May 30, 2014. The not-to-exceed budget for this foundational contract work is \$250,000.
- Staff proposes extending the OBS contract through December 2014 and increasing the not-to-exceed budget by \$550,000, for a new contract maximum budget of \$800,000. This contract extension and added budget is to support the planned ISI Phase 2 Fast Track replacement and ongoing business intelligence development for Energy Trust.
- Resources under this proposed OBS contract are currently anticipated as follows:
 - 2 Developers, all of 2014, full time
 - 1 Business Systems Analyst, all of 2014, full time
 - 1 Software Architect, all of 2014, part time
 - 1 User Experience Consultant, half of 2014, part time
 - 1 Quality Assurance Consultant, full time, two months
- This contract and resource amounts are within the remaining board approved ISI budget of \$1.4 million.
- In the event additional OBS technical resources and services are needed to complete the ISI Phase 2 Fast Track replacement for a period beyond 2014, staff would propose extending the OBS contract for an additional term as appropriate and with permission to negotiate additional scope and contract payments by staff consistent with the board approved ISI budget.

Recommendation

Authorize the executive director to sign an agreement with OBS for technical resources to support the ISI Phase 2 development of a Fast Track replacement and ongoing business intelligence development and to authorize funding for the agreement to exceed \$500,000.

RESOLUTION 701

AUTHORIZE THE EXECUTIVE DIRECTOR TO SIGN A CONTRACT WITH ONLINE ENTERPRISES INC. DBA ONLINE BUSINESS SYSTEMS

WHEREAS:

- 1. Following a competitive process completed in February 2014, Energy Trust chose Online Enterprises Inc., dba Online Business Systems (“OBS”) to provide technical resources to support Energy Trust’s Integrated Solutions Implementation Project (ISI) Phase 2, Fast Track replacement (“ISI Phase 2”).**
- 2. Energy Trust and OBS have entered into a contract through May 2014 with a not-to-exceed budget of \$250,000 for foundational work associated with ISI Phase 2 (the “OBS Agreement”).**
- 3. Energy Trust wishes to extend the term of this foundational contract and authorize additional budget for technical resources and services to support the completion of ISI Phase 2 and ongoing business intelligence development. To accomplish these purposes, Energy Trust proposes to extend the OBS agreement through December 31, 2014, to authorize additional funding for the contract of \$550,000 and amounts for 2015, if needed, consistent with the board’s annual budgets and action plans.**

It is therefore RESOLVED:

That the Board of Directors of Energy Trust of Oregon, Inc., hereby authorizes the executive director to sign a contract with Online Enterprises Inc. dba Online Business Systems for technical resources and services consistent with those described in this resolution and to authorize expenditures above \$500,000 and in amounts consistent with the board’s annual budgets and action plans.

Moved by:

Seconded by:

Vote:

In favor:

Abstained:

Opposed:[list name(s) and, if requested, reason for "no" vote]

Tab 4

Evaluation Committee Meeting

January 31, 2014 12:00 pm - 3:00 pm

Attendees

Evaluation Committee Members

Alan Meyer, Board Member
Mark Kendall, Board Member (phone)
Anne Root, Board Member (phone)

Energy Trust Staff

Steve Lacey, Director of Operations
Peter West, Director of Energy Programs
Fred Gordon, Director of Planning and Evaluation
Phil Degens, Evaluation Manager
Sarah Castor, Evaluation Sr. Project Manager
Dan Rubado, Evaluation Project Manager
Erika Kociolek, Evaluation Project Manager
Spencer Haley, Data Analyst
Belinda Judelman, Evaluation Intern
Jackie Goss, Planning Engineer
Diane Ferington, Residential Sector Lead
Jessica Rose, Business Sector Project Manager
Sue Fletcher, Communications and Customer Service Sr. Manager
Shelly Carlton, Strategic Marketing Manager
Susan Jamison, Residential Marketing Manager

Other Attendees

Lauren Gage, Bonneville Power Administration (phone)
Becky Walker, PECl
Cindy Strecker, PECl

1. 2011 New Buildings Impact Evaluation

Presented by Sarah Castor

The contractor for this impact evaluation was Cadmus. Site visits were from March-August of 2013. This was the second year of a two year impact evaluation. Cadmus also evaluated the three previous program years of the New Buildings program. The purpose of the evaluation was to true up the savings for the 2011 program year.

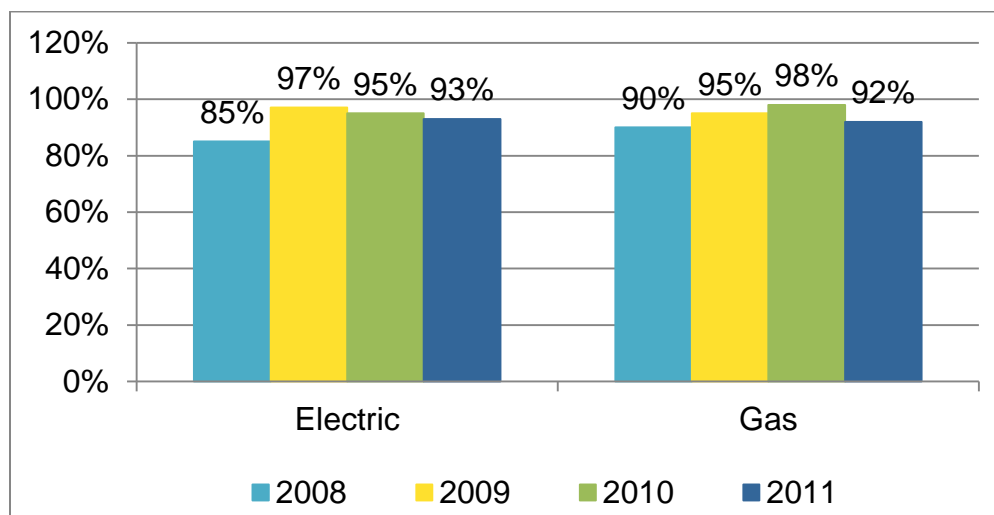
Methods: A sample was selected to represent all program tracks and major measure categories with the exception of the Path to Net Zero Pilot. Sixteen of the sites were the largest saving projects of 2011, except one large data center project that was not visited because the post-occupancy analysis was not completed. We will be visiting that site in 2014. The other 24 projects were smaller and included building and measure types of interest. The overall sample represents 75% of the electric and 64% of the gas savings for 2011, which gives us good confidence and precision levels. It included 228 measures representing over 30 million kWh and 500,000 therms of savings.

The evaluation methods included a document review of project files and calculation workbooks. The evaluators also reviewed the energy simulation models for all projects that had them. This was easier than in previous years, because the models were available in most cases, although there were still a few issues. Site visits checked the operating conditions of each building. Engineering analysis included a review of savings inputs and calculations, and simulation models when applicable, which were calibrated with actual usage data.

2011 Results:

Measure Category	Total Measures	Reported Savings		Evaluated Savings		Realization Rate	
		Electricity (kWh)	Gas (therms)	Electricity (kWh)	Gas (therms)	Electricity Savings	Gas Savings
Standard Food Service	174	2,002,170	39,461	1,997,594	40,580	100%	103%
Standard HVAC	186	512,989	97,883	509,288	102,628	99%	105%
Standard Lighting	469	3,717,814	0	3,524,029	0	95%	N/A
Standard Motors	79	497,527	0	333,077	0	67%	N/A
Standard Water Heating	143	365,385	42,257	425,977	42,135	117%	100%
Custom	100	9,657,102	218,370	8,468,144	182,800	88%	84%
Custom Food Service	42	1,739,329	71,626	1,732,462	70,395	100%	98%
LEED	33	5,409,556	308,900	5,104,045	277,759	94%	90%
Retired Measures	6	103,649	9,805	103,649	9,805	100%	100%
Total 2011	1,232	24,005,521	788,302	22,284,382	726,100	93%	92%

Overall, there was a 93% realization rate for electric savings and a 92% realization rate for gas. However, there was quite a bit of variation at the measure category level. The analysis represents over 1,200 measures and overall there were good realization rates for the program. A comparison over time shows very consistent realization rates over the past four years.

Historical Realization Rates:

Alan asked which realization rates are applied to program savings. Sarah responded that we take the overall realization rates for gas and electric for a given year and apply them to the program savings for that year during True-Up. For forecasting purposes, a 3-year rolling average of realization rates is used.

Cadmus found significant differences between the estimated and realized savings in a few places. However, the vast majority of realized savings were very close to what the program estimated. We will now look at the realization rates for each measure category more closely and discuss the reasons for deviations from 100%.

Standard Food Service: 100% electric realization and 103% for gas. One gas fryer had better than reported savings and few fridges and anti-sweat heater controls saved less than expected. The vast majority of measures were accurate.

Standard HVAC: 99% electric realization and 105% for gas. An error was identified in a calculation spreadsheet for economizers; one gas project had higher than expected savings.

Standard Lighting: 97% electric realization. There were a few minor, isolated issues with installed fixture counts, operating hours and assumed baselines.

Motors: 67% electric realization. There were several motors that only met the code requirement. Two variable speed drives (VSDs) were not installed. Motor projects often have discrepancies. Alan asked if we ask for the incentive back when we find equipment that is not installed or not what was claimed. Sarah responded that we don't take money back based on what we find in the evaluation process. Fred added that we don't pay the incentive if we realize that the equipment was not installed during the QC process. Peter said there is a dollar amount threshold where QC is automatically triggered. Sarah and Jessica both agreed that this threshold is \$5,000 in incentives. Above that, there is 100% QC and below that, QC is only done on a random sample of projects.

Standard Water Heating: 117% electric realization and 100% for gas. Tank water heaters performed better than expected. One tankless water heater project was on a hot water recirculation loop, so the savings were lower than expected because the water coming in was

already pre-heated. Tankless units were installed in one residential application that was originally reported as mixed use and probably shouldn't have been part of the program. This project had low water usage and therefore low savings. There was a shower wand project where the wrong heating fuel was recorded and it also had a low water heating load. Jackie asked if the water heaters that performed better than expected did so because they had high usage. Sarah responded that it was a result of a discrepancy in the energy usage estimated at the beginning.

Custom Food Service: 100% electric realization and 98% for gas. One error was found in the assumption of the water heater efficiency level. Otherwise savings in this category were sound.

Custom Track: 88% electric realization and 84% for gas. Increased server loads at a data center created additional savings for one project. In custom lighting, there was one project with lower operating hours than assumed, which reduced the realization rate. Peter asked since this is the largest savings category (so it gets the biggest weighted average) and the low realization rate is pulling down the overall program realization rate, did we look into this more deeply? Sarah responded that we did look at these projects more closely. Cadmus and PECl looked into the data center project very closely.

For custom HVAC, a central utility plant project for a hospital complex was found to be operating at a lower load than assumed, which reduced the savings significantly. At the time of the evaluation, the participant reported that the plant was serving all planned loads, but we recently found out that load was added to the plant after the site visit. Also, an underperforming cooling tower may be limiting the load that can be placed at the plant, so there are a number of things going on with this project and we will probably need to revisit this site next year. Peter asked if we could improve the engineering estimate for this project. Sarah said no, Cadmus couldn't find anything that the program did wrong in estimating the savings. It was just a matter of customer decisions changing the outcome. Mark asked if we could get more detail on the cooling tower issue. Sarah responded that it may not be that big of a factor. Cindy (PECl) said that she didn't have enough information to know if the cooling tower was a major problem. Jessica said that it shows that we just need to follow up with the evaluators and the customers when there is a situation like this and figure out when the appropriate time is to evaluate. The Program will be talking to this customer next year to reevaluate. Fred said that this is not a unique situation with large customers and that it makes it difficult to know when to evaluate big projects. With large projects you sometimes have to wait to evaluate them and there is more variance because they are large and there aren't as many of them.

Steve asked if custom projects often have more variance. Phil said that custom projects are generally large and there are fewer of them, so you have a small sample size to work with and therefore more variance. Also, with large projects, it sometimes takes several years for the project to complete and for all the kinks and quirks to get worked out with the operations and occupancy. It can be hard to know when to go in and look at them. We are thinking for mega-projects that we will go in and look at them at two or three different points in time and see how they are operating. Fred said that the core area we have trouble with is industrial throughput and modeling heating and cooling systems because they have operating issues and we don't know everything about our customers' systems.

Peter said that he appreciated the information and that it applies to large data centers. He felt that with this evaluation, this one project may be driving down the entire realization rate. Phil said that we will set this site aside and look at separately in the final numbers and see how much of an impact it makes. Sarah said that we will be going back next year and taking another

look. Phil said that similar to mega-projects, we will be keeping track of the site. We may want to consider providing additional incentives if large projects like this achieve certain benchmarks. Doing it this way gives us better assurance of the savings. Jessica asked, is the project is being isolated from the rest of the custom projects in the realization rate? Sarah said no, it is factored in with the rest of the custom projects. Peter said that it is not accurate to penalize the rest of the custom track for this one large project. Mark said that it is difficult to nail down the savings with these large projects and that they do have a big impact, but at a point there are diminishing returns on reevaluating them. Once we have better information about this site we will revise the realization rate.

Fred said that for industrial we pulled greenhouses out of the analysis, and asked when we should pull things out that are their own class. He asked if this project was its own class or part of another class of large custom projects. Alan said the concern is that custom projects were overrepresented in the sample and will disproportionately impact the realization rate. Peter said that was the issue he was addressing, that the average is being skewed too much. Sarah said that custom projects are over-represented in the sample because there is more variation. Phil said that very large projects are often “custom” and are included in the certainty sample. We need to go back to Cadmus and see if taking this project out impacts the realization rate. Peter asked if we do that, and look at this in more detail, will it change our minds on how to deal with this type of situation? Fred said that we don’t know what the projects that we didn’t sample look like. They might all be like this too. Phil agreed. Sarah clarified that when Cadmus calculates the overall realization rates, they weight each category’s realization rate by the savings for that category and then roll them up to the program level. So, while custom projects were over-sampled due to the high variability, the result was weighted so that the impact on the overall realization rate was proportional to the overall savings of the category.

Cadmus has been hired to do the 2012 evaluation as well and we added a task to go back and look at this project and the large data center project. It will be up to Planning to decide whether we want to apply this “preliminary” realization rate to the Program during true up or wait until we have more info. Peter said on the Program side, with mega-projects, having an incentive based on performance means you pay some upfront and then engage with the customer so that we can learn what happens. Phil said that that having an incentive based on performance wouldn’t have helped in this case because initially, it wasn’t thought to be a phased project. Fred said that there are mega-projects and “mini-megaprojects” where we may also need to look at savings more closely. Sometimes mini-megaproject savings are just as big, but we just pay less.

LEED: 10 projects were evaluated in this category with significant variation in project level realization rates. There was 94% electric realization and 90% for gas. It was closer to 100% than in previous years. This year was better overall, but there was still a lot of variation. Program staff does site visits for all large projects and visits a sample of the small ones. They do not rerun the simulation models unless there are obvious discrepancies. Fred said that in the interest of supporting customers; interest in LEED, we utilize the LEED modeling process, which is different from what we would otherwise do and which means we relinquish some control. So, it is a relief and reassuring that the projects have a good realization rate.

Energy Use Intensity (EUI) Analysis: Thirty projects were compared with buildings in two other reference studies by building type. Some projects couldn’t be compared to their reference building type because there was nothing quite comparable in the reference studies. Supermarkets and restaurants had higher EUIs than the reference study sites. The reason for this is unclear. The Oregon projects compared were very efficient, advanced buildings. One of the reference studies was an analysis of post-1985 buildings in PGE territory and another was

an Ecotope study. Fred said that these sites can have radically different EUIs based on what exactly the sites are used for and what they do there. Square footage from the Program sample was not that different from the reference studies, so the discrepancies must have been from some other factors. Health facilities, high rise apartments, and warehouses in the Program sample had lower EUIs than the reference study buildings. Peter said that with EUI it doesn't seem to really mean anything. Sarah responded that we can't really tell much from this about the Program. We've looked at this for a few years and don't get much out of it. Fred said this is a caution against using standardized metrics for evaluating efficiency. Phil says that part of a good resource assessment is getting good EUIs on current buildings. Sarah said that once the Commercial Building Stock Assessment (CBSA) is completed, it may be a better reference study for comparison. Peter commented that to get something meaningful, you still need to start with a building that looks exactly like the reference buildings.

Recommendations: Develop sanity checks to approve projects, like the water heaters in the residential application; although it's probably not worth a lot of effort to correct strange anomalies that probably won't be repeated. Obtain energy simulation models during the Program year. We've seen this recommendation the last couple years. The Program does collect simulation models as part of the project file but there are still some cases where we don't have the models. For most projects they are there. Maintain consistent documentation on simulation model files and ensure simulation models match approved savings. Encourage participants to enable energy management system (EMS) trends. Cadmus found that some customers had not enabled trends on their EMS systems. It would be helpful for customers if they looked at the energy trend data from their EMS system and the Program could remind customers that this would be a useful feature for them.

Obtain calculation sheets for exceptional calculations. Require energy metering for projects not served directly by utility services. These were cases on campuses where meters served multiple buildings; individual buildings didn't have meters. It is hard to know how much these buildings are using, so it might be a good idea to try to get campuses to install meters. Energy Trust could even offer a small incentive to get them to do it. Ensure that incentives correctly account for all utility types. There was an issue with a steam plant's efficiency level not being taken into account when estimating savings for one project.

Mark commented that on page 36 of the report, the high EUI for restaurants indicates we should look into this. Sarah said that we can look at this again with new reference studies, but there is not much else we can do with this right now. Phil said that each building type probably has a large variance in EUI. We can figure that out once we get the CBSA results back. Mark didn't know if we would plan to address this issue or not, but it appeared to be a legitimate variance that we should learn more about.

Energy Trust Take: Preliminary 2011 realization rates are good. The largest project will be evaluated next year; the central utility plant project will be revisited. The Program has made corrections to the calculation workbooks where the evaluators identified errors. Many of the recommendations were implemented in previous years, but it just takes a while for the evaluation process to catch up to present day. We need to discuss how best to evaluate and claim savings for phased projects like data centers, utility plants, etc. Another question is how to calculate program realization rates based on that type of information. Mark commented that the high realization rates indicate a job well done.

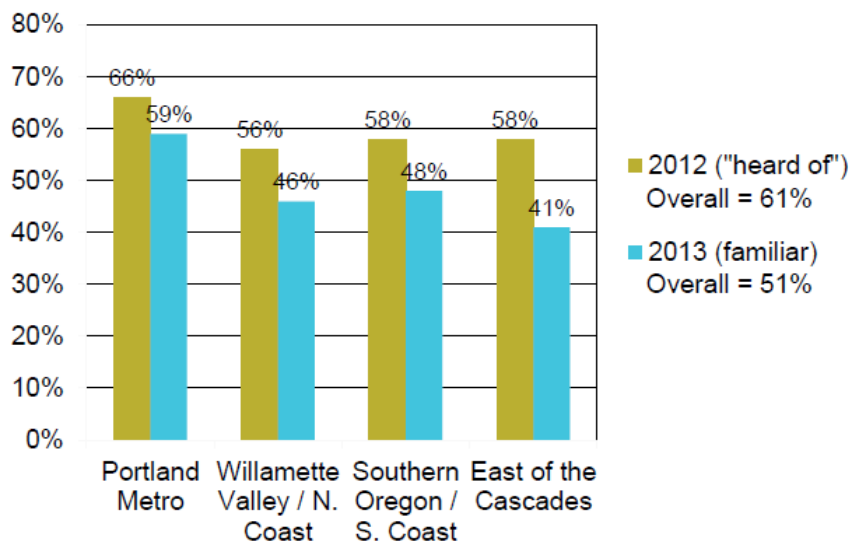
2. 2013 Residential Awareness Survey

Presented by Sarah Castor

Background: This is the sixth annual residential awareness survey. We hired two contractors to do this work, Benenson Strategy Group and Issues & Answers. Benenson developed the survey and analyzed the data, and Issues & Answers fielded the survey. We chose to work with these two firms because we didn't think any one firm that responded to the RFP had the skills to do the survey development and analysis and field the survey. The purpose of the survey was to gain insight into utility customer awareness and perceptions of Energy Trust and energy efficiency, and inform communications strategy moving forward.

Survey Methodology: The survey was completed with 850 residential customers – a base sample of 800 surveys and an oversample of 50 for Cascade Natural Gas, which tends to be underrepresented. Surveys took place in July 2013 and were conducted by phone. This year, the sample was 50% cell phone. Centers for Disease Control data show that 38% of households are cell phone only, and another 12-14% complete most calls by cell phone, so we increased the cell phone sample compared to past years (in the past, we only had about 20% cell phones in the sample). This gives us a more accurate look at residential customers in Oregon, but also leads to differences in results compared to previous years. To participate in the survey, respondents had to be a customer of at least one of the four utilities, and had to be responsible for paying bills and making household decisions. On the analysis side, respondents were weighted to represent geography and utilities. We examined respondent demographics to confirm the weighting looks like the general public – they compare well to Census data.

Findings: This graph shows familiarity with Energy Trust by region – as you can see, the numbers are different from 2012 results. We think a large part of that is related to how we asked this question in 2013, which is different than previous years. In the past, we asked if customers had heard of Energy Trust. In 2013, we asked how familiar customers were with Energy Trust: “a great deal,” “some, not a lot,” “not very much,” or “nothing at all.” Overall, 51% said they were familiar with Energy Trust compared to 61% of respondents that had heard of Energy Trust in 2012.



We can see that awareness for all regions is down relative to last year by about the same amount (7-10 percentage points). The drop was slightly higher for East of the Cascades – important to keep in mind this is a smaller sample, and we get higher variation with a smaller sample.

Looking at familiarity by utility, NW Natural customers were most familiar with Energy Trust, followed by PGE, Pacific Power, and Cascade Natural Gas. Alan asked, why do we care whether or not people are familiar with Energy Trust if we can achieve our goals without customers knowing who we are? Are we assuming that customers are more likely to engage with us if they are aware of Energy Trust? Sue responded that familiarity is the gateway to engagement. There are opportunities and moments where, for example, equipment has to be replaced and a contractor or retailer directs customers to us and the incentives we offer. We want people to be aware of us so that any time they have an energy concern, they know we are a resource that they can use. We hope customers can have an understanding of what we can offer to them so they can take advantage of us at any time.

Awareness, Perceptions and Participation: Very few respondents reported being very familiar with Energy Trust, and among those who are familiar, few were able to name a specific service or incentive. However, this didn't stop respondents from having a favorable view of Energy Trust, especially among reported participants and those that reported recently seeing an ad. We asked respondents if they had ever participated with Energy Trust or received a check. The reported rate of participation was 21%, the same as the previous year. We did attempt to verify participation by asking for respondents' addresses. We received valid addresses for about a third of the sample, which limits comparison, but 39% of respondents that provided valid addresses were verified as participants. This is similar to previous years – participation tends to be underreported. Anne asked if we call the same people year after year for this survey. Sarah responded that this is a random sample, so we would only call the same people if they ended up in the sample two years in a row by chance. The intent is to not talk to the same people, and we do not keep track of the numbers that are called. Self-reported participants tend to be located in Portland Metro, live in gas-heated homes, and own their homes. When asked about participation, most people reported that they had received a rebate for appliances or kits, or recycled their refrigerator or freezer. We also asked how satisfied respondents were with their participation experience. 83% reported that they were satisfied, and only 3% said they were

unsatisfied. Just over half of self-reported participants said they are at least somewhat likely to participate in the next year.

Taking Action and Motivation for Action: We asked all customers about any energy saving actions taken in the past year and interest in taking actions in the future. 73% of respondents said they have taken an energy saving action in the past year. Actions varied from small, behavioral changes, such as turning down the thermostat, to large projects that qualify for Energy Trust incentives. Most actions taken were small changes (turning off lights, turning down the thermostat). 68% said they are likely to take action in the next 12 months, and 62% reported that they are concerned about energy use (although only 18% are very concerned). Interestingly, having an efficient home does not necessarily reduce interest in taking further action.

The most important motivation to taking action is reported to be saving money, followed by comfort and not wasting energy. Protecting the environment is a distant fourth, but is an indicator of participation and likelihood to participate in the future. Those who are motivated by saving money are not the most likely to take actions in the future.

Barriers to Energy Efficiency: A majority of respondents believe energy efficiency and renewables are expensive and difficult. Two-thirds want to make their home more efficient, but say they can't afford it. Alan commented that he sees a relationship between this conclusion and the previous statement about motivations for taking action. 80% say they know what steps to take to save energy, suggesting that not knowing isn't what is making taking action difficult for customers. It must be other barriers, such as not having the money, not having time, or other circumstances. A third of respondents believe energy efficiency will make their home less comfortable. We think what is going on is people thinking of energy efficiency as putting on a sweater and turning down the thermostat.

Actions Taken and Planned: The specific actions taken and planned are about the same in terms of order. Behavioral actions are the most commonly reported; incentive-eligible actions are less common. 82% report using CFLs and 44% report using LEDs (reported LED use is up significantly from last year, 19%). Alan asked if that is even possible – it seems like a large jump. Fred said that sales have increased dramatically, but also suggested that people may be confusing CFLs and LEDs. Sarah noted that we made sure to state in the question that folks should not consider Christmas lights or nightlights when answering whether they have LEDs in their home. Phil commented that respondents could have one bulb – many people are testing these products out, and they are very predominant now in Home Depot, Fred Meyer, and other retailers.

Communications and Messaging: 63% of respondents recall hearing about Energy Trust in the past year. As you'll recall, we saw earlier that 51% said they were familiar with Energy Trust. As respondents go through the survey, it makes people think more and more about Energy Trust – this jump is likely the effect of assisted recall (the familiarity question was unaided). Most of respondents said they heard about Energy Trust through mass media or bill inserts. 10% reported seeing an ad online (this is a small percentage, but given our relatively limited online ads, this isn't bad). Sue added that this is a trend we want to watch over time as we grow our presence in this space. Most respondents would prefer to receive information through bill inserts or postal mail. There is not as much interest in electronic communications from Energy Trust.

The most convincing reasons to participate are incentives, lower energy bills, and reducing waste (the same results as in past years). Messages about carbon emissions and a network of qualified contractors are not as compelling. Comfort fell in the middle, but was not at the top.

Customer Types: The contractor developed a way to describe customers based on their past participation and likelihood to participate in the future:

- Primary Target (39%) – Have not participated, but are likely to participate. This group is concerned about energy use; is interested in reducing waste; and they live in smaller homes, are more likely to be renters, and are less likely to live in Portland Metro.
- Loyalists (12%) – Have participated and are likely to participate. This group is concerned about energy use; is interested in protecting the environment; and has higher incomes and is more likely to live in Portland Metro.
- Hard to Reach (40%) – Have not participated and are not likely to participate. This group is not very concerned about energy use and is interested in comfort.
- Retention (9%) – Have participated and are not likely to participate. This group is not very concerned about energy use and is interested in comfort. They have already taken action, but would have a hard time doing more.

Alan commented that the Loyalist and Retention groups both are more likely to be in Portland Metro and have higher incomes, and the Primary Target and Hard to Reach group are a larger portion of the population, but are less likely to be in Portland Metro. This causes some concern, since utilities are collecting money from everyone and this suggests we are giving it back to customers with higher incomes in Portland Metro. Sarah responded that this is self-reported participation, and most of the utility customers we serve are located in the Portland Metro area. Steve commented that this is an area of opportunity for us moving forward. Sarah noted that we are working on Savings Within Reach and financing offerings to try to reach lower-income customers. Susan asked if the “renters” include customers renting both single family homes and apartments. Fred commented that we have a lot of participation in the multifamily market, so many customers’ residences might have participated with us and they do not realize it.

Energy Trust Take: Awareness, as measured by familiarity, has room to grow. Knowledge of Energy Trust is not deep, but perceptions are very positive. Residential focus groups conducted last year also indicated awareness has slipped a bit. Sue commented that we are interested in general awareness; we want customers to remember our organization, to stick with us and turn to us. There is a benefit to having awareness year-round, across measures, and for customers to know that we are a resource to help them save energy.

Customers are noticing online advertising, and people that had noticed an online ad had favorable views of Energy Trust, indicating this is a good way to reach people. Energy Trust needs to counter perceptions that efficiency is expensive, difficult, and reduces comfort. Energy Trust plans to use more targeted marketing to match customers with the right actions for them, using data on past participation and utility usage data. We are conducting a short version of the survey in February to assess awareness during the heating season. Typically, this study is done in the summer, when Energy Trust is not doing much advertising and customers are not thinking about energy use. We will repeat the full study in the summer.

Alan asked if we have a sense of whether the study itself motivates action. Sarah said we don’t track the information needed to look into that. Sue mentioned that after the residential focus groups, you could hear people say, “I didn’t know they offered those incentives, I’m going to go check the website” so there probably is some effect, but it’s hard to quantify. Peter asked if

people that say energy efficiency is too expensive are evaluating upfront or other costs, and whether programs should be putting more time into financing and on-bill repayment. Sarah responded that focus groups indicated customers are thinking about upfront cost. Sue commented that it might be helpful for the next survey to know whether financing matters, i.e. would customers have done a project sooner if they had access to financing. Diane noted that in the trade ally survey, allies estimated 30% of customers use financing. Fred responded that financing can mean a lot of things to different people.

Wrap-Up & Next Steps

It would be helpful to have subsequent evaluation committee meetings coincide with board meetings so folks from out of town can attend in-person. The next board meeting is February 26th. Erika will send out a follow-up e-mail to see if folks can attend a meeting the morning before the February board meeting.

Tab 5

Notes on January 2014 Financial Statements

March 13, 2014

Revenue

Jan-14	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Var</u>	<u>YTD %</u>
PGE	8,757,067	8,091,786	665,281	8%
PAC	5,539,243	5,141,544	397,699	8%
NWN	2,795,122	2,416,994	378,128	16%
CNG	635,345	344,468	290,877	84%
Investment Income	10,744	6,500	4,244	65%
Total	17,737,521	16,001,292	1,736,229	11%

Reserves

Total Reserves at the end of January are below. There were no incentives paid out during January, which increased our balances from the previous year end.

Reserves

	<u>Actual 12/31/13</u>	<u>Actual 12/31/14</u>
	<u>Amount</u>	<u>Amount</u>
PGE	24,483,032	30,071,012
PacifiCorp	11,560,814	14,919,432
NW Natural	8,569,670	10,788,879
Cascade	658,260	1,241,508
NWN Industrial	356,235	304,214
NWN Washington	473,674	420,835
PGE Renewables	12,041,462	12,768,689
PAC Renewables	11,793,715	12,317,718
Contingency Reserve	5,000,000	5,000,000
Contingency Available	2,993,710	3,004,454
Total	77,930,572	90,836,741

Expenses

Last year at this time total spending was \$5.76 million. This year total spending was \$4.83 million. Primarily because we did not pay out any incentives during January, expenses were \$3.7 million below budget.

Incentives thru Jan 2014		Total Incentives Year-to-Date 2013			
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Var %</u>	
Existing Buildings	0	686,368	686,368	100.0%	
New Buildings	0	316,571	316,571	100.0%	
Production Efficiency	0	0	0		
Existing Homes	0	156,962	156,962	100.0%	
New Homes & Products	0	10,042	10,042	100.0%	
Washington Programs - All	0	35,835	35,835	100.0%	
Solar	0	633,834	633,834	100.0%	
Open Solicitation	0	185,992	185,992	100.0%	
Total Incentives	0	2,025,604	2,025,604	100.0%	
Energy Efficiency Only	0	1,205,778	1,205,778	100%	

Jan 2014 v Jan 2013		Total Incentives Year-to-Year Comparison			
	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>	<u>Var %</u>	
Existing Buildings	0	66,590	66,590	100%	
New Buildings	0	499,999	499,999	100%	
Production Efficiency	0	279,017	279,017	100%	
Existing Homes	0	1,044	1,044	100%	
New Homes & Products	0	127,857	127,857	100%	
Washington Programs - All	0	0	0		
Solar	0	128,170	128,170	100%	
Other	0	32,900	32,900	100%	
Total Incentives	0	1,135,573	1,135,573	100%	
Energy Efficiency Only	0	974,507	974,507	100%	

Energy Trust of Oregon, Inc
BALANCE SHEET
January 31, 2014
(Unaudited)

	JAN 2014	DEC 2013	JAN 2013	Change from one month ago	Change from one year ago
Current Assets					
Cash & Cash Equivalents	71,554,818	76,484,638	60,336,148	(4,929,820)	11,218,670
Restricted Cash (Escrow Funds)	77,988	0	381,052	77,988	(303,064)
Investments	24,277,860	25,270,363	0	(992,502)	24,277,860
Restricted Investments (Escrow Funds)	0	77,988	0	(77,988)	0
Receivables	3,082	8,276	69,993	(5,194)	(66,911)
Prepaid Expenses	677,122	526,087	825,394	151,035	(148,272)
Advances to Vendors	1,335,049	2,015,420	1,403,471	(680,371)	(68,422)
Total Current Assets	97,925,918	104,382,771	63,016,057	(6,456,853)	34,909,861
Fixed Assets					
Computer Hardware and Software	1,401,967	1,401,967	1,347,388	0	54,579
Leasehold Improvements	313,333	313,333	287,385	0	25,948
Office Equipment and Furniture	600,662	600,662	600,662	0	0
Total Fixed Assets	2,315,962	2,315,962	2,235,435	0	80,527
Less Depreciation	(1,527,617)	(1,500,494)	(1,210,368)	(27,123)	(317,249)
Net Fixed Assets	788,345	815,468	1,025,067	(27,123)	(236,722)
Other Assets					
Rental Deposit	61,461	61,461	64,461	0	(3,000)
Deferred Compensation Asset	555,557	552,641	414,234	2,917	141,323
Total Other Assets	617,019	614,102	478,696	2,917	138,323
Total Assets	99,331,282	105,812,341	64,519,820	(6,481,059)	34,811,462
Current Liabilities					
Accounts Payable and Accruals	6,870,075	26,326,508	7,222,640	(19,456,433)	(352,565)
Deposits Held for Others	0	0	42,692	0	(42,692)
Salaries, Taxes, & Benefits Payable	698,912	631,548	597,495	67,365	101,418
Total Current Liabilities	7,568,987	26,958,055	7,862,826	(19,389,068)	(293,839)
Long Term Liabilities					
Deferred Rent	363,173	364,244	327,062	(1,070)	36,111
Deferred Compensation Payable	555,557	552,641	414,234	2,917	141,323
Other Long-Term Liabilities	6,830	6,830	14,444	0	(7,614)
Total Long-Term Liabilities	925,560	923,714	755,740	1,846	169,820
Total Liabilities	8,494,548	27,881,769	8,618,566	(19,387,222)	(124,019)
Net Assets					
Temporarily Restricted Net Assets	77,988	77,988	381,052	0	(303,064)
Unrestricted Net Assets	90,758,747	77,852,585	55,520,202	12,906,163	35,238,545
Total Net Assets	90,836,735	77,930,572	55,901,254	12,906,163	34,935,481
Total Liabilities and Net Assets	99,331,282	105,812,341	64,519,820	(6,481,059)	34,811,462

BS-Acct-YTD-001

Energy Trust of Oregon
Cash Flow Statement-Indirect Method
Monthly 2014

	<u>January</u>	<u>Year to Date</u>
Operating Activities:		
<i>Revenue less Expenses</i>	12,906,165	\$ 12,906,165
<i>Non-cash items:</i>		
Depreciation	27,123	\$ 27,123
Loss on disposal of assets		\$ -
Receivables	3,902	\$ 3,902
Interest Receivable	1,292	\$ 1,292
Advances to Vendors	680,371	\$ 680,371
Prepaid expenses and other costs	(151,035)	\$ (151,035)
Accounts payable	(19,456,433)	\$ (19,456,433)
Payroll and related accruals	70,280	\$ 70,280
Deferred rent and other	(3,988)	\$ (3,988)
Cash rec'd from / (used in) Operating Activities	(5,922,323)	\$ (5,922,323)
Investing Activities:		
Cash rec'd from Investments	992,503	\$ 992,503
(Acquisition)/Disposal of Capital Assets	-	\$ -
Cash rec'd from / (used in) Investing Activities	992,503	\$ 992,503
Cash at beginning of Period	76,484,637	76,484,637
Increase/(Decrease) in Cash	(4,929,820)	(4,929,820)
Cash at end of period	\$ 71,554,817	\$ 71,554,817

Energy Trust of Oregon
Cash Flow Projection
January 2014 - December 2015

Actual	Adjusted 2014 Budget											
	January	February	March	April	May	June	July	August	September	October	November	December
Cash In:												
Public purpose and Incr funding	17,726,777	16,300,000	15,600,000	14,600,000	12,100,000	11,300,000	12,500,000	11,500,000	11,100,000	13,200,000	12,200,000	14,800,000
From other sources	3,902	-	-	-	-	-	-	-	-	-	-	-
Investment Income	12,036	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Total cash in	17,742,715	16,306,000	15,606,000	14,606,000	12,106,000	11,306,000	12,506,000	11,506,000	11,106,000	13,206,000	12,206,000	14,806,000
Cash Out:	22,672,537	5,200,000	15,600,000	11,700,000	17,400,000	13,800,000	13,000,000	10,700,000	14,900,000	13,900,000	13,600,000	26,200,000
Net cash flow for the month	(4,929,822)	11,106,000	3,552,516	2,906,003	(2,320,989)	1,543,254	3,387,048	(859,044)	3,308,520	3,384,264	2,450,490	(11,394,000)
Beginning Balance: Cash & MM	76,484,640	94,863,031	105,969,031	109,521,547	112,427,545	82,336,039	83,879,294	87,266,342	86,407,299	89,715,819	93,100,082	95,550,571
Ending cash & MM	71,554,818	105,969,031	109,521,547	112,427,545	110,106,553	83,879,294	87,266,342	86,407,299	89,715,819	93,100,082	95,550,571	84,156,570
Dedicated funds Adjustment	(20,900,000)	(21,000,000)	(21,100,000)	(19,000,000)	(19,600,000)	(19,000,000)	(19,500,000)	(19,600,000)	(20,100,000)	(20,100,000)	(20,600,000)	(20,000,000)
Committed Funds Adjustment	(39,500,000)	(47,800,000)	(46,100,000)	(44,400,000)	(43,400,000)	(41,900,000)	(41,200,000)	(41,300,000)	(41,100,000)	(42,200,000)	(44,100,000)	(50,300,000)
Cash Reserve	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Ending Cash & MM, adj by Above	6,154,818	32,169,031	37,321,547	44,027,545	21,936,047	23,179,294	27,866,342	27,307,299	27,615,819	31,000,082	25,850,571	8,856,570
Escrow Cash Balance												
Beginning Balance	77,988	77,988	77,988	-	-	-	-	-	-	-	-	-
Net Escrow (Payments)/Funding			(77,988)									
Interest Paid on Escrow Balances												
Ending Escrow Balance¹	77,988	77,988	-	-	-	-	-	-	-	-	-	-

¹Included in "Ending cash & MM" above

Dedicated funds adjustment: reduction in available cash for commitments to Renewable program projects with board approval, or when board approval not required, with signed agreements
Committed funds adjustment: reduction in available cash for commitments to Efficiency program projects with signed agreements
Cash reserve: reduction in available cash to cover cashflow variability and winter revenue risk
Escrow: dedicated funds set aside in separate bank accounts

Energy Trust of Oregon
Cash Flow Projection
January 2014 - December 2015

	2015 Round 2 Budget											
	January	February	March	April	May	June	July	August	September	October	November	December
Cash In:												
Public purpose and Incr funding	15,500,000	16,100,000	15,400,000	14,100,000	11,800,000	11,000,000	11,900,000	11,100,000	10,700,000	12,600,000	11,800,000	14,400,000
From other sources												
Investment Income	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Total cash in	15,508,000	16,108,000	15,408,000	14,108,000	11,808,000	11,008,000	11,908,000	11,108,000	10,708,000	12,608,000	11,808,000	14,408,000
Cash Out:	29,400,000	8,300,000	12,200,000	12,000,000	10,200,000	13,200,000	13,200,000	12,300,000	13,500,000	12,200,000	13,700,000	30,300,000
Net cash flow for the month	(13,892,000)	7,808,000	3,208,000	2,108,000	1,608,000	(2,192,000)	(1,292,000)	(1,192,000)	(2,792,000)	408,000	(1,892,000)	(15,892,000)
Beginning Balance: Cash & MM	84,156,570	70,264,570	78,072,570	81,280,570	83,388,570	84,996,570	82,804,570	81,512,570	80,320,570	77,528,570	77,936,570	76,044,570
Ending cash & MM	70,264,570	78,072,570	81,280,570	83,388,570	84,996,570	82,804,570	81,512,570	80,320,570	77,528,570	77,936,570	76,044,570	60,152,570
Dedicated funds Adjustment	(19,500,000)	(20,000,000)	(19,200,000)	(19,200,000)	(19,500,000)	(19,000,000)	(19,000,000)	(18,900,000)	(18,900,000)	(18,400,000)	(18,200,000)	(18,000,000)
Committed Funds Adjustment	(52,000,000)	(60,700,000)	(60,300,000)	(60,100,000)	(60,000,000)	(59,300,000)	(58,700,000)	(58,100,000)	(57,900,000)	(57,500,000)	(57,200,000)	(56,300,000)
Cash Reserve	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Ending Cash & MM, adj by Above	-	-	-	-	496,570	-	-	-	-	-	-	-
Escrow Cash Balance												
Beginning Balance	-	-	-	-	-	-	-	-	-	-	-	-
Net Escrow (Payments)/Funding												
Interest Paid on Escrow Balances	-	-	-	-	-	-	-	-	-	-	-	0
Ending Escrow Balance¹	-	-	-	-	-	-	-	-	-	-	-	0

¹Included in "Ending cash & MM" above

Dedicated funds adjustment: reduction in available cash for commitments to Renewable program projects with board approval, or when board approval not required, with signed agreements

Committed funds adjustment: reduction in available cash for commitments to Efficiency program projects with signed agreements

Cash reserve: reduction in available cash to cover cashflow variability and winter revenue risk

Escrow: dedicated funds set aside in separate bank accounts

Energy Trust of Oregon, Inc
INCOME STATEMENT - ACTUAL AND PRIOR YR COMPARISON
For the Month Ending January 31, 2014
(Unaudited)

	January				YTD			
	Actual	Actual Prior Year	Prior Year Variance	Variance %	Actual	Actual Prior Year	Prior Year Variance	Variance %
<u>REVENUES</u>								
Public Purpose Funds-PGE	3,552,247	3,318,895	233,352	7%	3,552,247	3,318,895	233,352	7%
Public Purpose Funds-PacifiCorp	2,733,813	2,296,514	437,299	19%	2,733,813	2,296,514	437,299	19%
Public Purpose Funds-NW Natural	2,795,122	2,985,499	(190,376)	(6%)	2,795,122	2,985,499	(190,376)	(6%)
Public Purpose Funds-Cascade	635,345	358,374	276,971	77%	635,345	358,374	276,971	77%
Total Public Purpose Funds	9,716,527	8,959,282	757,245	8%	9,716,527	8,959,282	757,245	8%
Incremental Funds - PGE	5,204,820	4,755,924	448,896	9%	5,204,820	4,755,924	448,896	9%
Incremental Funds - PacifiCorp	2,805,430	2,259,807	545,624	24%	2,805,430	2,259,807	545,624	24%
Revenue from Investments	10,744	7,302	3,442	47%	10,744	7,302	3,442	47%
TOTAL REVENUE	17,737,521	15,982,314	1,755,207	11%	17,737,521	15,982,314	1,755,207	11%
<u>EXPENSES</u>								
Program Subcontracts	3,263,692	3,205,350	(58,342)	(2%)	3,263,692	3,205,350	(58,342)	(2%)
Incentives	0	1,135,576	1,135,576	100%	0	1,135,576	1,135,576	100%
Salaries and Related Expenses	931,556	815,621	(115,935)	(14%)	931,556	815,621	(115,935)	(14%)
Professional Services	437,843	378,431	(59,413)	(16%)	437,843	378,431	(59,413)	(16%)
Supplies	3,182	2,931	(251)	(9%)	3,182	2,931	(251)	(9%)
Telephone	4,046	4,038	(7)	(0%)	4,046	4,038	(7)	(0%)
Postage and Shipping Expenses	389	1,137	748	66%	389	1,137	748	66%
Occupancy Expenses	60,068	54,425	(5,643)	(10%)	60,068	54,425	(5,643)	(10%)
Noncapitalized Equip. & Depr.	51,528	45,832	(5,696)	(12%)	51,528	45,832	(5,696)	(12%)
Call Center	14,369	53,843	39,474	73%	14,369	53,843	39,474	73%
Printing and Publications	27,826	35,258	7,432	21%	27,826	35,258	7,432	21%
Travel	3,618	4,391	774	18%	3,618	4,391	774	18%
Conference, Training & Mtng Exp	11,014	5,978	(5,036)	(84%)	11,014	5,978	(5,036)	(84%)
Interest Expense and Bank Fees	0	177	177	100%	0	177	177	100%
Insurance	8,622	7,800	(822)	(11%)	8,622	7,800	(822)	(11%)
Dues, Licenses and Fees	13,606	11,821	(1,785)	(15%)	13,606	11,821	(1,785)	(15%)
TOTAL EXPENSES	4,831,358	5,762,609	931,251	16%	4,831,358	5,762,609	931,251	16%
TOTAL REVENUE LESS EXPENSES	12,906,163	10,219,705	2,686,458	26%	12,906,163	10,219,705	2,686,458	26%

IS-Acct-YTD-PY

Energy Trust of Oregon, Inc
INCOME STATEMENT - ACTUAL AND YTD BUDGET COMPARISON
For the Month Ending January 31, 2014
(Unaudited)

	January				YTD			
	Actual	Budget	Budget Variance	Variance %	Actual	Budget	Budget Variance	Variance %
REVENUES								
Public Purpose Funds-PGE	3,552,247	3,335,863	216,384	6%	3,552,247	3,335,863	216,384	6%
Public Purpose Funds-PacifiCorp	2,733,813	2,549,489	184,324	7%	2,733,813	2,549,489	184,324	7%
Public Purpose Funds-NW Natural	2,795,122	2,416,994	378,128	16%	2,795,122	2,416,994	378,128	16%
Public Purpose Funds-Cascade	635,345	344,468	290,877	84%	635,345	344,468	290,877	84%
Total Public Purpose Funds	9,716,527	8,646,813	1,069,714	12%	9,716,527	8,646,813	1,069,714	12%
Incremental Funds - PGE	5,204,820	4,755,924	448,896	9%	5,204,820	4,755,924	448,896	9%
Incremental Funds - PacifiCorp	2,805,430	2,592,055	213,375	8%	2,805,430	2,592,055	213,375	8%
Revenue from Investments	10,744	6,500	4,244	65%	10,744	6,500	4,244	65%
TOTAL REVENUE	17,737,521	16,001,292	1,736,229	11%	17,737,521	16,001,292	1,736,229	11%
EXPENSES								
Program Subcontracts	3,263,692	4,472,090	1,208,398	27%	3,263,692	4,472,090	1,208,398	27%
Incentives	0	2,025,605	2,025,605	100%	0	2,025,605	2,025,605	100%
Salaries and Related Expenses	931,556	986,226	54,671	6%	931,556	986,226	54,671	6%
Professional Services	437,843	723,397	285,553	39%	437,843	723,397	285,553	39%
Supplies	3,182	4,588	1,407	31%	3,182	4,588	1,407	31%
Telephone	4,046	5,391	1,345	25%	4,046	5,391	1,345	25%
Postage and Shipping Expenses	389	1,183	794	67%	389	1,183	794	67%
Occupancy Expenses	60,068	64,275	4,207	7%	60,068	64,275	4,207	7%
Noncapitalized Equip. & Depr.	51,528	196,627	145,098	74%	51,528	196,627	145,098	74%
Call Center	14,369	15,000	631	4%	14,369	15,000	631	4%
Printing and Publications	27,826	11,858	(15,968)	(135%)	27,826	11,858	(15,968)	(135%)
Travel	3,618	17,773	14,155	80%	3,618	17,773	14,155	80%
Conference, Training & Mtng Exp	11,014	29,120	18,106	62%	11,014	29,120	18,106	62%
Interest Expense and Bank Fees	0	417	417	100%	0	417	417	100%
Insurance	8,622	9,167	545	6%	8,622	9,167	545	6%
Miscellaneous Expenses	0	268	268	100%	0	268	268	100%
Dues, Licenses and Fees	13,606	15,313	1,708	11%	13,606	15,313	1,708	11%
TOTAL EXPENSES	4,831,358	8,578,298	3,746,940	44%	4,831,358	8,578,298	3,746,940	44%
TOTAL REVENUE LESS EXPENSES	12,906,163	7,422,994	5,483,169	74%	12,906,163	7,422,994	5,483,169	74%

IS-Acct-YTD-001

Energy Trust of Oregon, Inc
Statement of Functional Expenses
For the Month Ending January 31, 2014

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communications & Customer Service	Total Admin Expenses	Total	Budget	Variance	% Var
Program Expenses										
Incentives/ Program Management & Deliver	3,252,915	10,776	3,263,691				3,263,691	6,497,695	3,234,004	50%
Payroll and Related Expenses	279,334	80,402	359,736	191,779	66,634	258,413	618,149	614,347	(3,802)	-1%
Outsourced Services	237,765	20,360	258,125	15,574	22,989	38,563	296,688	609,480	312,792	51%
Planning and Evaluation	271,696	9,366	281,062	197		197	281,259	238,470	(42,789)	-18%
Customer Service Management	52,133	2,150	54,283				54,283	59,317	5,034	8%
Trade Allies Network	30,065	1,361	31,426				31,426	41,769	10,343	25%
Total Program Expenses	4,123,909	124,415	4,248,324	207,550	89,623	297,173	4,545,497	8,061,078	3,515,581	44%
Program Support Costs										
Supplies	980	289	1,269	548	278	826	2,095	3,239	1,144	35%
Postage and Shipping Expenses	117	36	153	68	34	102	255	690	435	63%
Telephone	84	26	110	228	25	253	363	1,037	674	65%
Printing and Publications	26,281	238	26,519	954	354	1,308	27,827	11,448	(16,379)	-143%
Occupancy Expenses	18,113	5,512	23,625	10,452	5,295	15,747	39,372	41,744	2,372	6%
Insurance	2,600	791	3,391	1,500	760	2,260	5,651	5,954	303	5%
Equipment	878	3,776	4,654	507	257	764	5,418	2,002	(3,416)	-171%
Travel	1,552	623	2,175	328	753	1,081	3,256	13,881	10,625	77%
Meetings, Trainings & Conferences	3,774	323	4,097	1,676	122	1,798	5,895	20,995	15,100	72%
Interest Expense and Bank Fees								417	417	100%
Depreciation & Amortization	4,101	1,248	5,349	2,366	1,199	3,565	8,914	8,831	(83)	-1%
Dues, Licenses and Fees	1,550	4,300	5,850	699	640	1,339	7,189	14,131	6,942	49%
Miscellaneous Expenses								196	196	100%
IT Services	121,451	15,521	136,972	25,455	17,200	42,655	179,627	392,659	213,032	54%
Total Program Support Costs	181,481	32,682	214,163	44,783	26,916	71,699	285,862	517,220	231,358	45%
TOTAL EXPENSES	4,305,390	157,097	4,462,487	252,333	116,538	368,871	4,831,358	8,578,298	3,746,940	44%

OPUC measure vs. 9%

3.29%

Exp-Acct-YTD-002

Energy Trust of Oregon, Inc
Year to Date by Program/Service Territory
For the Month Ending January 31, 2014
(Unaudited)

	ENERGY EFFICIENCY								
	PGE	PacifiCorp	Total	NWN Industrial	NW Natural	Cascade	Oregon Total	NWN WA	ETO Total
REVENUES									
Public Purpose Funding	\$2,741,384	\$2,123,367	\$4,864,751		\$2,795,122	\$635,345	\$8,295,218		\$8,295,218
Incremental Funding	5,204,820	2,805,430	8,010,250				8,010,250		8,010,250
Revenue from Investments									
TOTAL PROGRAM REVENUE	7,946,204	4,928,797	12,875,001		2,795,122	635,345	16,305,468		16,305,468
EXPENSES									
Program Management (Note 3)	212,574	135,622	348,196	8,153	88,062	9,610	454,021	13,463	467,484
Program Delivery	1,518,911	1,017,517	2,536,428	34,592	265,442	24,863	2,861,325	14,018	2,875,343
Incentives	0	0	0	0	0	0	0	0	0
Program Eval & Planning Svcs.	202,614	133,793	336,406	2,599	76,382	6,182	421,569	12,745	434,314
Program Marketing/Outreach	120,055	76,232	196,287	1,042	43,686	3,399	244,414	2,715	247,129
Program Quality Assurance	2,206	2,212	4,418	0	2,201	91	6,710	0	6,710
Outsourced Services	4,130	3,405	7,535	17	3,021	160	10,733	0	10,733
Trade Allies & Cust. Svc. Mgmt.	33,270	25,306	58,576	191	20,070	1,228	80,064	2,133	82,197
IT Services	56,482	36,883	93,365	787	22,685	1,784	118,621	2,830	121,451
Other Program Expenses	27,934	19,328	47,262	668	10,395	803	59,128	901	60,029
TOTAL PROGRAM EXPENSES	2,178,176	1,450,297	3,628,473	48,049	531,943	48,120	4,256,585	48,805	4,305,390
ADMINISTRATIVE COSTS									
Management & General (Notes 1 & 2)	123,166	82,008	205,173	2,717	30,079	2,721	240,690	2,760	243,450
Communications & Customer Svc (Notes 1 & 2)	56,883	37,874	94,757	1,255	13,892	1,257	111,160	1,274	112,434
Total Administrative Costs	180,048	119,882	299,930	3,972	43,970	3,978	351,850	4,034	355,884
TOTAL PROG & ADMIN EXPENSES	2,358,224	1,570,179	3,928,404	52,021	575,913	52,097	4,608,435	52,839	4,661,274
TOTAL REVENUE LESS EXPENSES	5,587,980	3,358,618	8,946,597	(52,021)	2,219,209	583,248	11,697,033	(52,839)	11,644,194
Cumulative Carryover at 12/31/13	24,483,032	11,560,814	36,043,846	356,235	8,569,670	658,260	45,628,011	473,674	46,101,685
Change in net assets this year	5,587,980	3,358,618	8,946,597	(52,021)	2,219,209	583,248	11,697,033	(52,839)	11,644,194
Ending Net Assets - Reserves	30,071,012	14,919,432	44,990,443	304,214	10,788,879	1,241,508	57,325,044	420,835	57,745,879
Ending Reserve by Category									
Program Reserves (Efficiency and Renewables)	30,071,012	14,919,432	44,990,443	304,214	10,788,879	1,241,508	57,325,044	420,835	57,745,879
Assets Released for General Purpose									
Emergency Contingency Pool									
TOTAL NET ASSETS CUMULATIVE	30,071,012	14,919,432	44,990,443	304,214	10,788,879	1,241,508	57,325,044	420,835	57,745,879

Note 1) Both Management & General and Communications & Customer Service Expenses (Administrative) have been allocated based on total expenses.

Note 2) Administrative costs are allocated for management reporting only. GAAP for Not for Profit organizations does not allow allocation of administrative costs to program exp

Note 3) Program Management costs include both outsourced and internal staff.

Energy Trust of Oregon, Inc
Year to Date by Program/Service Territory
For the Month Ending January 31, 2014
(Unaudited)

	RENEWABLE ENERGY			Other	TOTAL	Approved budget	Change	% Change
	PGE	PacifiCorp	Total		All Programs			
REVENUES								
Public Purpose Funding	\$810,863	\$610,446	\$1,421,309		\$9,716,527	\$8,646,813	\$1,069,714	12.4%
Incremental Funding					8,010,250	7,347,979	662,271	9.0%
Revenue from Investments				10,744	10,744	6,500	4,244	65.3%
TOTAL PROGRAM REVENUE	810,863	610,446	1,421,309	10,744	17,737,521	16,001,292	1,736,229	10.9%
EXPENSES								
Program Management (Note 3)	42,354	41,381	83,735		551,219	534,540	(16,679)	-3.1%
Program Delivery	2,536	4,907	7,443		2,882,786	3,931,314	1,048,528	26.7%
Incentives	0	0	0		0	2,025,605	2,025,605	100.0%
Program Eval & Planning Svcs.	4,584	4,781	9,365		443,679	420,596	(23,083)	-5.5%
Program Marketing/Outreach	792	891	1,683		248,812	498,723	249,911	50.1%
Program Quality Assurance	0	0	0		6,710	21,250	14,540	68.4%
Outsourced Services	9,137	9,540	18,677		29,410	114,963	85,553	74.4%
Trade Allies & Cust. Svc. Mgmt.	1,657	1,853	3,510		85,707	101,085	15,378	15.2%
IT Services	7,597	7,924	15,521		136,972	299,419	162,447	54.3%
Other Program Expenses	8,586	8,574	17,160		77,189	74,200	(2,989)	-4.0%
TOTAL PROGRAM EXPENSES	77,242	79,852	157,097		4,462,487	8,021,695	3,559,211	44.4%
ADMINISTRATIVE COSTS								
Management & General (Notes 1 & 2)	4,374	4,509	8,883		252,333	314,527	62,194	19.8%
Communications & Customer Svc (Notes 1 & 2)	2,020	2,082	4,102		116,538	242,078	125,542	51.9%
Total Administrative Costs	6,394	6,591	12,985		368,871	556,605	187,736	33.7%
TOTAL PROG & ADMIN EXPENSES	83,636	86,443	170,079		4,831,358	8,578,298	3,746,940	43.7%
TOTAL REVENUE LESS EXPENSES	727,227	524,003	1,251,230	10,744	12,906,163	7,422,992	5,483,176	73.9%
Cumulative Carryover at 12/31/13	12,041,462	11,793,715	23,835,177	7,993,710	77,930,572	62,609,764	15,320,808	24.5%
Change in net assets this year	727,227	524,003	1,251,230	10,744	12,906,163	7,422,992	5,483,176	73.9%
Ending Net Assets - Reserves	12,768,689	12,317,718	25,086,407	8,004,454	90,836,735	70,032,756	20,803,984	29.7%
Ending Reserve by Category								
Program Reserves (Efficiency and Renewables)	12,768,689	12,317,718	25,086,407	3,004,454	85,836,740			
Assets Released for General Purpose Emergency Contingency Pool				5,000,000	5,000,000			
TOTAL NET ASSETS CUMULATIVE	12,768,689	12,317,718	25,086,407	3,004,454	90,836,740	70,032,756	20,803,984	29.7%

Note 1) Both Management & General and Communications & Customer Service Expenses (Administrative) have been allocated based on total expenses.

Note 2) Administrative costs are allocated for management reporting only. GAAP for Not for Profit organizations does not allow allocation of administrative costs to program expenses.

Note 3) Program Management costs include both outsourced and internal staff.

Energy Trust of Oregon, Inc
Program Expense by Service Territory
For the Month Ending January 31, 2014
(Unaudited)

	PGE	Pacific Power	Subtotal Elec.	NWN Industrial	NW Natural Gas	Cascade	Subtotal Gas	Oregon Total	NWN WA	ETO Total	YTD Budget	Variance	% Var
Energy Efficiency													
Commercial													
Existing Buildings	585,259	276,496	861,755	6,969	121,216	19,877	148,062	1,009,817	22,200	1,032,017	2,054,323	1,022,306	50%
New Buildings	244,608	100,806	345,414	2,473	32,003	5,139	39,615	385,029		385,029	903,711	518,682	57%
NEEA	149,186	112,545	261,731					261,731		261,731	227,174	(34,557)	-15%
Total Commercial	979,053	489,847	1,468,900	9,442	153,219	25,016	187,677	1,656,577	22,200	1,678,777	3,185,208	1,506,431	47%
Industrial													
Production Efficiency	549,529	404,865	954,394	42,581	22,310	4,948	69,839	1,024,233		1,024,233	1,019,270	(4,963)	0%
NEEA	70,371	53,087	123,458					123,458		123,458	114,037	(9,421)	-8%
Total Industrial	619,900	457,952	1,077,852	42,581	22,310	4,948	69,839	1,147,691		1,147,691	1,133,307	(14,384)	-1%
Residential													
Existing Homes	332,299	333,278	665,577		327,719	13,505	341,224	1,006,801	17,740	1,024,541	1,314,925	290,384	22%
New Homes/Products	214,342	128,697	343,039		72,664	8,629	81,293	424,332	12,898	437,230	1,536,144	1,098,914	72%
NEEA	212,632	160,407	373,039					373,039		373,039	301,339	(71,700)	-24%
Total Residential	759,273	622,382	1,381,655		400,383	22,134	422,517	1,804,172	30,638	1,834,810	3,152,408	1,317,598	42%
Energy Efficiency Program Costs	2,358,224	1,570,179	3,928,404	52,021	575,913	52,097	680,033	4,608,435	52,839	4,661,274	7,470,923	2,809,645	38%
Renewables													
Solar Electric (Photovoltaic)	42,114	47,404	89,518					89,518		89,518	827,713	738,195	89%
Other Renewable	41,526	39,040	80,566					80,566		80,566	279,662	199,096	71%
Renewables Program Costs	83,636	86,443	170,079					170,079		170,079	1,107,375	937,291	85%
Cost Grand Total	2,441,860	1,656,622	4,098,483	52,021	575,913	52,097	680,033	4,778,514	52,839	4,831,358	8,578,300	3,746,947	44%

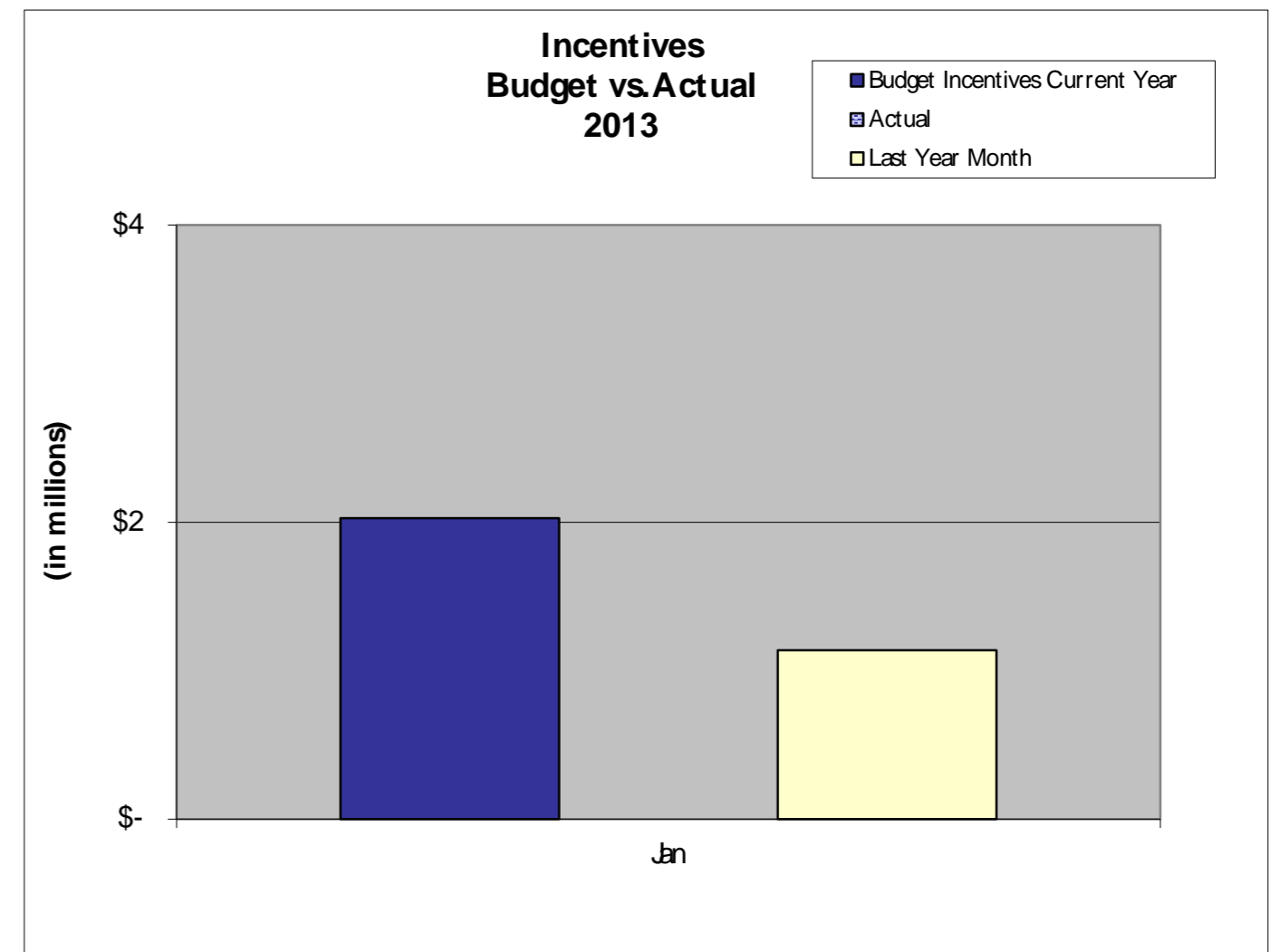
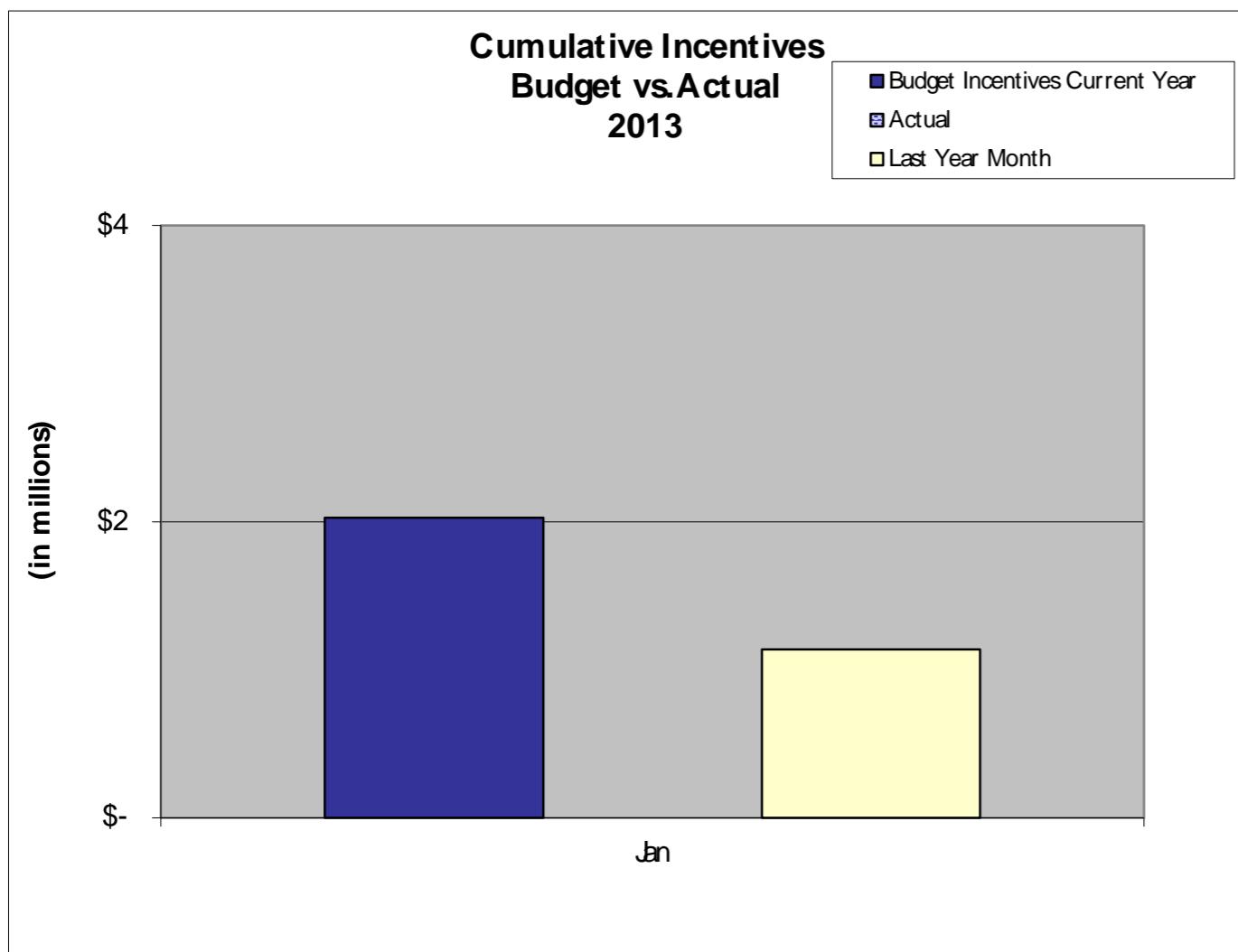
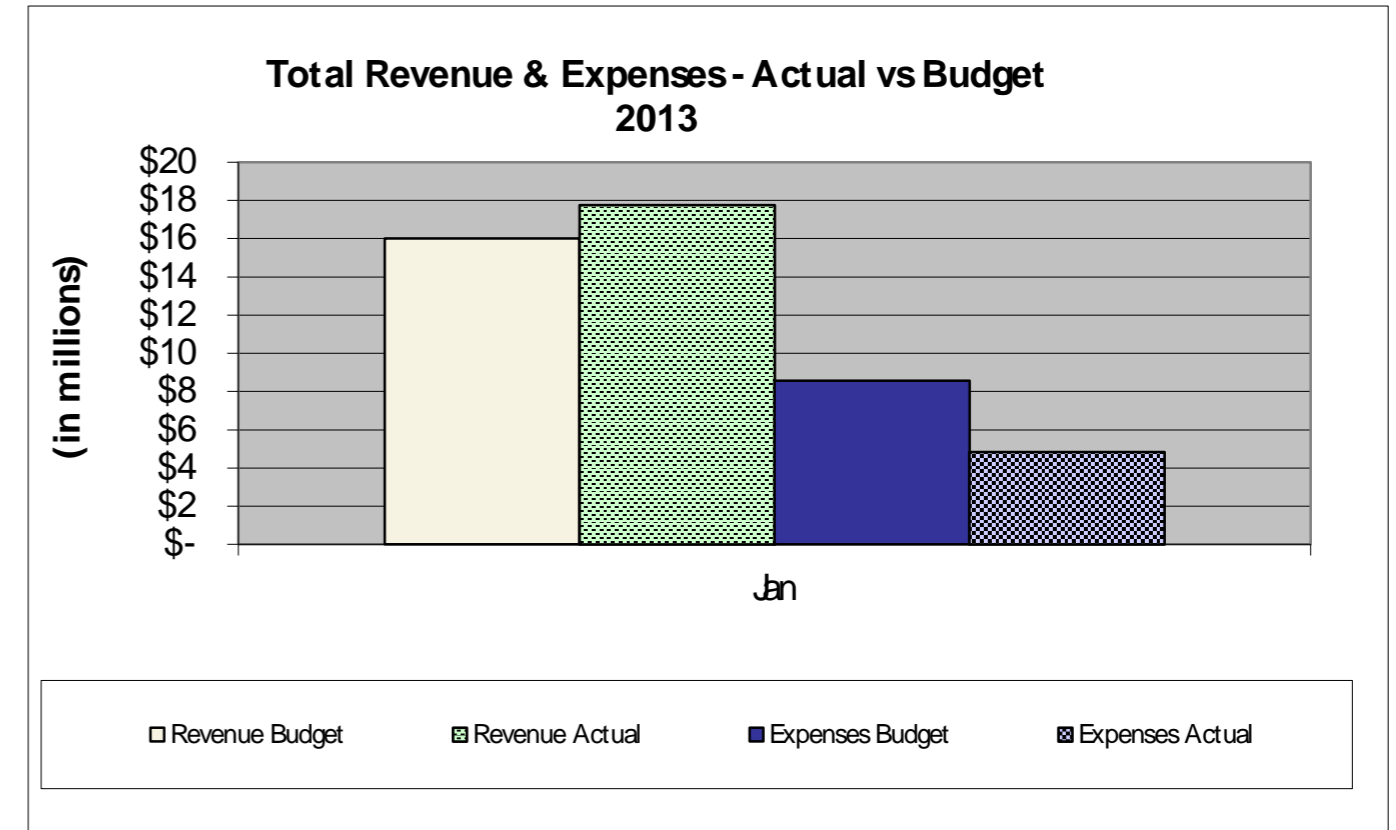
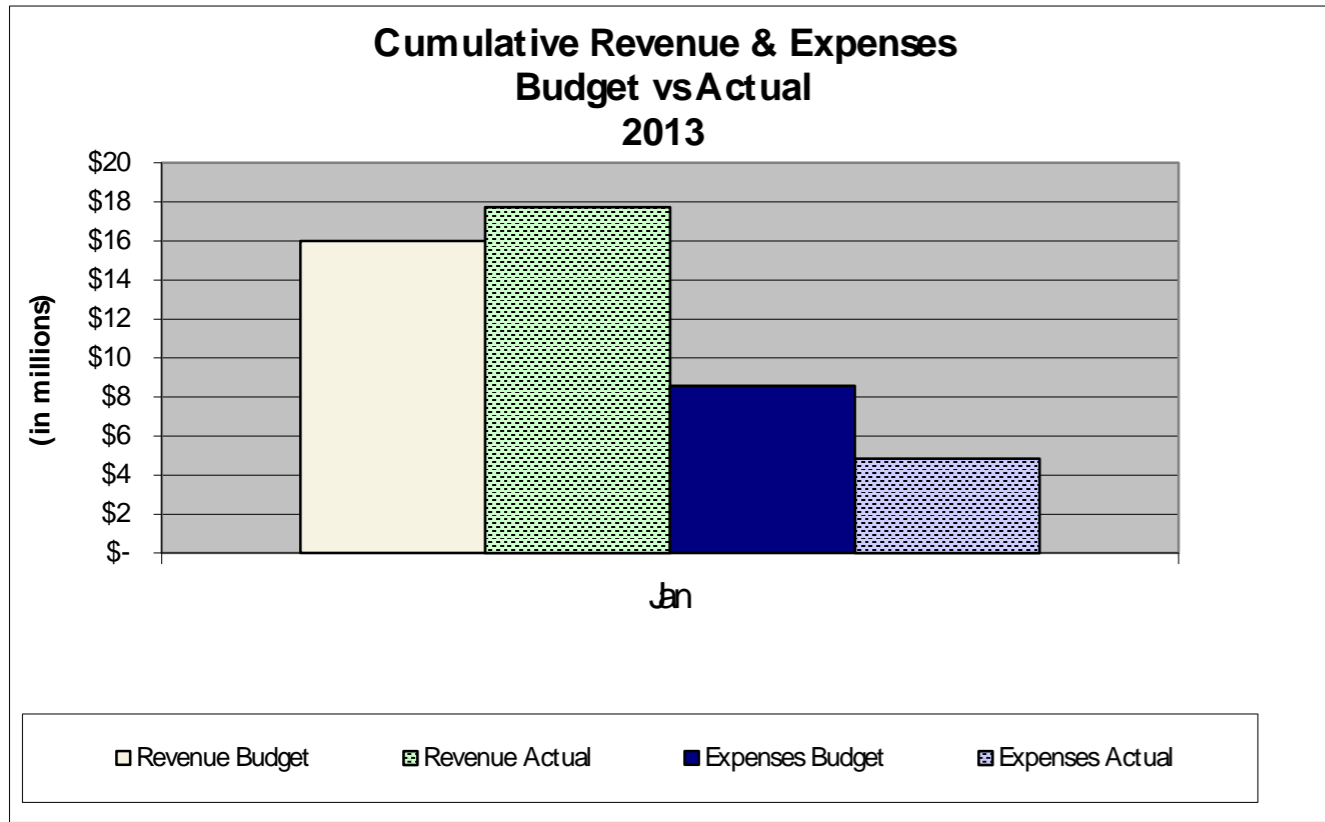
Energy Trust of Oregon, Inc.
ADMINISTRATIVE EXPENSES
For the Month and Year to Date Ended January 31, 2014
(Unaudited)

EXPENSES	MANAGEMENT & GENERAL							COMMUNICATIONS & CUSTOMER SERVICE						
	MONTHLY ACTUAL	QUARTERLY BUDGET	QUARTER REMAINING	ACTUAL	BUDGET	YTD VARIANCE	% VAR	MONTHLY ACTUAL	QUARTERLY BUDGET	QUARTER REMAINING	ACTUAL	BUDGET	YTD VARIANCE	% VAR
Outsourced Services	\$14,983	\$136,017	\$121,035	\$14,983	\$45,339	\$30,356	67%	\$22,989	\$265,300	\$242,311	\$22,989	\$88,433	\$65,445	74%
Legal Services	592	13,750	13,159	592	4,583	3,992	87%							
Salaries and Related Expenses	191,779	524,938	333,159	191,779	174,979	(16,800)	-10%	66,634	298,515	231,881	66,634	99,505	32,871	33%
Supplies		1,950	1,950		650	650	100%		240	240		80	80	100%
Telephone	180	545	365	180	182	2	1%		210	210		70	70	100%
Postage and Shipping Expenses									250	250		83	83	100%
Noncapitalized Equipment									250	250		83	83	100%
Printing and Publications	954	75	(879)	954	25	(929)	-3714%	354	1,750	1,396	354	583	230	39%
Travel	328	13,305	12,977	328	4,435	4,107	93%	753	9,500	8,747	753	3,167	2,414	76%
Conference, Training & Mtngs	1,676	35,360	33,684	1,676	11,787	10,110	86%	122	5,500	5,378	122	1,833	1,711	93%
Interest Expense and Bank Fees		1,250	1,250		417	417	100%							
Miscellaneous Expenses		180	180		60	60	100%							
Dues, Licenses and Fees	699	2,150	1,451	699	717	18	2%	640	400	(240)	640	133	(507)	-380%
Shared Allocation (Note 1)	15,490	46,650	31,160	15,490	15,550	60	0%	7,847	31,522	23,675	7,847	10,507	2,660	25%
IT Service Allocation (Note 2)	25,455	135,530	110,075	25,455	55,644	30,189	54%	17,200	91,577	74,377	17,200	37,598	20,398	54%
Planning & Eval (Note 3)	197	489	292	197	159	(38)	-24%							
TOTAL EXPENSES	252,333	912,190	659,857	252,333	314,526	62,194	20%	116,538	705,014	588,475	116,538	242,077	125,539	52%

Note 1) Represents allocation of Shared (General Office Management) Costs
Note 2) Represents allocation of Shared IT Costs
Note 3) Represents allocation of Planning & Evaluation Costs

Exp-Prog-YTD-001

Administrative Expenses 1st Month of Quarter



For contracts with costs
through: 2/1/2014

Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
Administration							
Administration Total:			7,311,402	2,510,777	4,800,625		
Communications & Outreach							
Communications & Outreach Total:			3,408,386	1,978,778	1,429,608		
Energy Efficiency Programs							
Northwest Energy Efficiency Alliance	Regional Energy Eff Initiative	Portland	39,138,680	29,860,217	9,278,463	1/1/10	7/1/15
ICF Resources, LLC	PMC BE 2014	Fairfax	8,860,987	444,854	8,416,133	1/1/14	12/31/14
CLEAResult Consulting Inc	2014 HES PMC	Austin	7,595,520	523,209	7,072,312	1/1/14	12/31/14
Fluid Market Strategies LLC	2013 HES PMC	Portland	7,416,843	7,255,972	160,871	1/1/13	12/31/13
Portland Energy Conservation, Inc.	PMC NHP 2014	Portland	6,965,473	223,813	6,741,660	1/1/14	12/31/14
Portland Energy Conservation, Inc.	PMC NHP 2013	Portland	6,315,684	6,217,983	97,701	1/1/13	12/31/13
Portland Energy Conservation, Inc.	2013 NBE PMC	Portland	4,736,060	4,591,461	144,599	1/1/13	12/31/13
Portland Energy Conservation, Inc.	2014 NBE PMC	Portland	4,735,000	251,606	4,483,394	1/1/14	12/31/14
Intel Corporation	Intel D1X Megaproject	Hillsboro	4,000,000	4,000,000	0	11/15/12	12/31/14
Lockheed Martin Services, Inc.	2014 MF PMC	Cherry Hill	3,569,068	209,280	3,359,788	1/1/14	12/31/14
Lockheed Martin Services, Inc.	2013 MF PMC	Cherry Hill	2,816,996	2,743,984	73,012	1/1/13	12/31/13
Portland General Electric	PDC - PE 2014	Portland	2,314,600	150,722	2,163,878	1/1/14	12/31/14
OPOWER, Inc.	OPOWER Agreement	Arlington	2,092,200	2,084,920	7,280	3/2/10	3/31/14
Oregon State University	CHP Project - OSU	Corvallis	2,024,263	1,920,000	104,263	12/20/10	1/31/16
Energy 350 Inc	PDC - PE 2014	Portland	1,976,000	168,077	1,807,923	1/1/14	12/31/14
Portland General Electric	PDC - PE 2013		1,936,000	1,881,563	54,437	1/1/13	12/31/13
Cascade Energy, Inc.	PDC - PE 2013	Walla Walla	1,775,055	1,758,426	16,629	1/1/13	12/31/13
NEXANT, INC.	PDC - PE 2014	San Francisco	1,429,461	88,706	1,340,755	1/1/14	12/31/14
RHT Energy Solutions	PDC - PE 2013	Medford	1,293,651	1,267,328	26,323	1/1/13	12/31/13
Cascade Energy, Inc.	PDC - PE 2014 Small Industrial	Walla Walla	1,234,100	98,878	1,135,222	1/1/14	12/31/14
Cascade Energy, Inc.	PDC - PE 2013 Small Industrial	Walla Walla	1,147,500	1,137,500	10,000	1/1/13	12/31/13
RHT Energy Solutions	PDC - PE 2014	Medford	1,145,000	124,221	1,020,779	1/1/14	12/31/14
Evergreen Consulting Group, LLC	PE Lighting PDC 2014	Tigard	1,092,000	113,613	978,387	1/1/14	12/31/14
Evergreen Consulting Group, LLC	PE Lighting PDC 2013	Tigard	1,071,000	1,034,256	36,744	1/1/13	12/31/13
Northwest Power & Conservation Council	Annual Work Plan		874,652	845,716	28,936	3/20/12	12/31/14
NEXANT, INC.	PDC - PE 2013	San Francisco	825,818	725,618	100,200	1/1/13	12/31/13
Ecova Inc	Plug Load Solutions Funding	Spokane	499,950	409,144	90,806	1/1/13	12/31/13
SBW Consulting, Inc.	BE Program Impact Evaluation	Bellevue	489,000	459,000	30,000	1/15/12	10/30/13
Evoworx Inc.	EnergySavvy Online Audit Tool	Seattle	472,500	355,384	117,116	1/1/12	12/31/14
Clean Energy Works Oregon Inc	Clean Energy Works	Portland	448,500	300,000	148,500	1/1/10	2/28/14
OPOWER, Inc.	OPower Personal Energy Reports	Arlington	425,850	199,456	226,394	8/1/13	7/31/15
Navigant Consulting Inc	Analytical Model & Study	Boulder	412,052	170,093	241,959	8/12/13	4/30/14
CLEAResult Consulting Inc	2014 HES WA PMC	Austin	277,600	10,784	266,816	1/1/14	12/31/14
Fluid Market Strategies LLC	2013 HES WA PMC	Portland	265,000	250,016	14,984	1/1/13	12/31/13
The Cadmus Group Inc.	BE Impact Evaluation 2012	Watertown	250,000	5,528	244,473	1/1/14	12/31/14
Energy 350 Inc	PDC Transition Agreement	Portland	200,000	199,855	145	9/1/13	12/31/13

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For contracts with costs
through: 2/1/2014

Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
ICF Resources, LLC	NWN WA BE 2013	Fairfax	191,538	183,200	8,338	1/1/13	12/31/13
ICF Resources, LLC	NWN WA BE 2014	Fairfax	191,538	9,136	182,402	1/1/14	12/31/14
The Cadmus Group Inc.	NBE Program Impact Evaluation	Watertown	186,000	0	186,000	1/15/14	9/30/14
Home Performance Contractors Guild of Oregon	Existing Homes Program Support	Portland	155,000	125,000	30,000	1/1/12	3/31/14
D&R International LTD	Market Lift Program	Silver Spring	150,000	222	149,778	1/1/13	3/31/14
Abt SRBI Inc.	Fast Feedback Surveys	New York	118,000	0	118,000	1/31/14	2/29/16
J. Hruska Global	Quality Assurance Services	Columbia City	115,000	107,042	7,958	1/1/13	12/31/14
Navigant Consulting Inc	CORE Improvement Pilot Eval	Boulder	115,000	47,111	67,889	9/1/12	9/1/15
ICF Resources, LLC	NWN DSM Initiative 2014	Fairfax	113,850	4,753	109,097	1/1/14	12/31/14
The Cadmus Group Inc.	RTU Tune-up Evaluation	Watertown	105,000	0	105,000	1/1/14	12/31/14
Research Into Action, Inc.	Existing Homes Process Eval	Portland	94,000	93,112	888	9/9/13	4/30/14
Ecotope, Inc.	Gas Hearth Study	Seattle	90,000	68,403	21,597	10/10/13	9/1/15
Energy Efficiency Funding Group Inc	ESP Certificate Program	San Francisco	80,000	61,475	18,525	12/16/13	3/30/14
PWP, Inc.	NBE Process Evaluation	Gaithersburg	80,000	0	80,000	1/15/14	12/31/14
Pollinate Inc	Web Application Development	Portland	75,500	74,941	559	1/1/12	12/31/13
Research Into Action, Inc.	Products Process Evaluation	Portland	75,240	74,032	1,208	7/1/13	4/1/14
The Cadmus Group Inc.	Commercial Op Pilot Eval	Watertown	75,000	58,118	16,882	7/1/11	12/31/13
Evergreen Economics	New Homes Process Eval - 2013	Portland	70,000	68,293	1,707	6/24/13	3/31/14
Pivotal Energy Solutions LLC	New Homes Database	Gilbert	60,000	24,000	36,000	10/1/13	3/1/14
Research Into Action, Inc.	BE Process Eval - 2013	Portland	51,000	45,230	5,770	10/1/13	3/31/14
ICF Resources, LLC	OSU CHP Performance Monitoring	Fairfax	50,000	13,383	36,618	7/1/13	6/30/14
KEMA Incorporated	NEEA 2014 Lighting Survey	Oakland	47,500	0	47,500	12/2/13	7/30/14
PWP, Inc.	Comm SEM Initiative Evaluation	Gaithersburg	45,000	38,183	6,817	7/1/12	6/30/14
Portland General Electric	Utility Data Payment - OPOWER	Portland	40,000	19,928	20,072	8/1/10	2/28/14
PWP, Inc.	SEM Intro Pilot Evaluation	Gaithersburg	40,000	9,975	30,025	10/28/13	10/2/15
NW Natural	Info Transfer & Reimbursement	Portland	35,000	21,263	13,737	7/12/10	2/28/14
The Cadmus Group Inc.	Lighting Pilot Evaluation	Watertown	35,000	22,619	12,381	4/1/12	12/31/14
WegoWise Inc	Wegowise Benchmarking License	Boston	35,000	35,000	0	5/14/12	5/14/14
Apex Analytics LLC	Nest Pilot Evaluation	Boulder	32,000	9,895	22,105	11/15/13	10/31/14
Btan Consulting	ESP Cert Boot Camp Evaluation	Madison	30,000	0	30,000	2/1/14	4/30/15
Energy Center of Wisconsin	Billing Analysis Review	Madison	30,000	1,110	28,890	11/1/13	12/31/14
MetaResource Group	Intel D1X Megaproject	Portland	30,000	6,168	23,832	10/10/11	12/31/14
Michael Blasnick & Associated	Billing Analysis Process	Boston	30,000	3,938	26,063	1/1/10	12/31/14
The Cadmus Group Inc.	Pay For Performance Pilot Eval	Watertown	30,000	1,665	28,335	9/25/13	12/31/14
Pivotal Energy Solutions LLC	License Agreement	Gilbert	29,500	0	29,500	3/1/14	12/31/14
Issues & Answers Network Inc	Residential Awareness 2014	Virginia Beach	26,285	0	26,285	11/1/13	3/31/14
Stellar Processes, Inc.	BE Measure Evaluation	Portland	25,250	19,125	6,125	10/24/12	10/24/14
Northwest Food Processors Association	NW Industrial EE Summit 2014	Portland	25,000	17,500	7,500	7/16/13	1/15/14
Triple Point Energy Inc.	SEM Workshops	Portland	24,240	18,395	5,845	4/29/13	1/15/14

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Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
Forrest Marketing	Commerical Financing Study	Portland	24,000	24,000	0	8/30/13	3/1/14
Oregon Assoc. of Clean Water Agencies	SEM Training - Round III		19,920	8,000	11,920	5/23/13	6/15/14
Oregon Department of Energy	Oregon Leaders Project	Salem	15,000	15,000	0	9/19/11	1/31/14
Cascade Energy, Inc.	PDC Transition Agreement	Walla Walla	14,000	6,997	7,003	1/1/14	3/10/14
MetaResource Group	Energy Performance Score Eval	Portland	13,000	6,600	6,400	9/1/13	3/31/14
Consumer Opinion Services Inc	Residential Phone Surveys	Seattle	12,000	4,615	7,385	9/1/13	10/31/14
World Trade Center Catering	World Trade Center Catering	Portland	11,868	0	11,868	2/3/14	4/3/14
Lane Community College, NEEI Science Division	2014 Scholarship Grant	Eugene	10,600	0	10,600	1/1/14	12/31/14
Portland State University Foundation	Green Modular Classroom Proj	Portland	10,500	10,500	0	6/13/12	7/31/14
American Council for and Energy Efficient Economy	Advancing EE Programs		10,000	10,000	0	12/19/13	9/30/14
American Council for and Energy Efficient Economy	High Participation Rates		10,000	10,000	0	12/23/13	12/31/14
American Council for and Energy Efficient Economy	Game-Based EE Programs		10,000	10,000	0	12/23/13	10/31/14
American Council for and Energy Efficient Economy	Extended Motor Products Label		10,000	10,000	0	12/23/13	3/31/15
Bridgetown Printing Company	January 2014 Bill Insert	Portland	8,509	8,509	0	1/1/14	12/31/14
City of Portland Bureau of Planning & Sustainability	City of Portland Workshops	Portland	8,000	0	8,000	1/1/14	12/31/14
Northwest Environmental Business Council	Future Energy Conference 2014	Portland	6,500	0	6,500	2/13/14	12/31/14
Cascadia Region Green Building Council	Cascadia Green Bldgs Sponsor	Portland	5,000	0	5,000	1/15/14	1/15/15
Social Enterprises Inc.	GoGreen Sponsorship - 2014	Portland	5,000	0	5,000	3/14/14	10/31/14
Portland General Electric	Energy Monitoring Tool		1,190	1,190	0	10/3/13	11/30/13
Energy Efficiency Programs Total:			125,158,591	73,488,804	51,669,787		
Joint Programs							
D&R International LTD	Better Data Better Design	Silver Spring	133,500	25,000	108,500	4/30/13	4/30/14
Portland State University	Technology Forecasting		87,437	58,598	28,839	11/7/11	12/31/14
Abt SRBI Inc.	Fast Feedback Survey	New York	65,000	64,999	1	3/1/13	2/28/14
E Source Companies LLC	E Source Service Agreement	Boulder	36,500	0	36,500	2/1/14	1/31/15
KRH Consulting	Work Load Mangement	Portland	24,900	18,202	6,698	4/23/13	10/1/14
Navigant Consulting Inc	P&E Consultant Services	Boulder	22,530	0	22,530	1/15/14	12/30/15
Pinnacle Economics Inc	Economic Impacts Study	Camas	20,720	0	20,720	2/1/14	2/1/15
CoStar Realty Information Inc	Property Data	Baltimore	19,220	15,990	3,230	6/1/11	5/31/14
Glumac Inc	Planning Technical Analysis	Portland	15,000	15,000	0	10/17/12	10/17/14
The Cadmus Group Inc.	Evaluation Consultant	Watertown	14,940	14,940	0	6/20/13	2/28/15
American Council for and Energy Efficient Economy	ACEEE Sponsorships - 2014		7,500	7,500	0	1/1/14	12/31/14
Bruins Analysis and Consulting	Fast Feedback Reporting	Bremerton	6,000	0	6,000	6/1/14	4/30/15
Joint Programs Total:			453,247	220,229	233,018		
Renewable Energy Program							
Outback Solar LLC	Outback Solar	Portland	5,000,000	4,950,000	50,000	5/9/12	5/9/37
Sunway 3, LLC	Prologis PV installation		3,405,000	3,396,044	8,956	9/30/08	9/30/28
JC-Biomethane LLC	Biogas Plant Project Funding	Eugene	2,000,000	500,000	1,500,000	10/18/12	10/18/32

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Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
Rough & Ready Lumber Company	Biopower Funding Agreement	Cave Junction	1,685,088	1,685,088	0	7/21/06	7/21/26
Oregon Institute of Technology	Geothermal Resource Funding	Klamath Falls	1,550,000	0	1,550,000	9/11/12	9/11/32
Central Oregon Irrigation District	COID Juniper Phase 2	Redmond	1,281,820	0	1,281,820	7/19/13	7/19/33
Alder Solar LLC	Habilitation Center PV	Portland	1,236,750	1,224,244	12,506	1/18/08	12/31/28
Central Oregon Irrigation District	Juniper Ridge Hydroelectric	Redmond	1,000,000	1,000,000	0	10/31/08	6/30/31
Farm Power Misty Meadows LLC	Misty Meadows Biogas Facility	Mount Vernon	1,000,000	250,000	750,000	10/25/12	10/25/27
Three Sisters Irrigation District	TSID Hydro	Sisters	1,000,000	0	1,000,000	4/25/12	4/25/32
Stahlbush Island Farms, Inc.	Funding Assistance Agreement	Corvallis	827,000	827,000	0	6/24/09	6/24/29
RBS Asset Finance Inc	Black Cap Solar PV Funding	Chicago	600,000	600,000	0	10/1/12	10/1/37
Tioga Solar VI, LLC	Photovoltaic Project Agreement	San Mateo	570,760	497,399	73,361	2/1/09	2/1/30
C Drop Hydro LLC	C Drop Project - Klamath Irrig	Idaho Falls	490,000	490,000	0	11/1/11	11/1/31
Oregon Institute of Technology	Geothermal Resource Funding	Klamath Falls	487,000	487,000	0	3/2/10	3/2/30
City of Medford	750kW Combined Heat & Power	Medford	450,000	225,000	225,000	10/20/11	10/20/31
City of Pendleton	Pendleton Microturbines	Pendleton	450,000	150,000	300,000	4/20/12	4/20/32
RES - Ag FGO LLC	Biogas Manure Digester Project	Washington	441,660	331,245	110,415	10/27/10	10/27/25
RES - Ag FGO LLC	Biogas Manure Digester - FGO	Washington	441,660	110,415	331,245	10/27/10	10/27/25
K2A Properties, LLC	Doerfler Wind Farm Project	Aumsville	230,000	191,182	38,818	5/20/10	5/20/30
Confederated Tribes of the Umatilla Indian Reservation	Small Wind Project Funding	Pendleton	170,992	0	170,992	7/25/13	12/31/28
Farmers Irrigation District	Low Line Canal Pressurization	Hood River	150,000	150,000	0	9/26/12	11/30/32
Bloomberg LP	Insight Services	San Francisco	114,800	77,083	37,717	4/1/11	1/1/15
Farmers Irrigation District	Indian Creek Corridor Project	Hood River	100,000	100,000	0	1/5/10	1/4/29
Wallowa Resources Community Solutions, Inc.	Upfront Hydroelectric Project		100,000	13,490	86,510	10/1/11	10/1/15
Stoller Vineyards, Inc.	Stoller Vineyards PV	Dayton	79,815	77,390	2,425	12/1/05	12/1/26
Oregon Military Department	Kingsley Field Geothermal Proj	Salem	75,000	0	75,000	11/26/13	8/29/14
Wallowa Resources Community Solutions Inc	Integrated Biomass Energy Camp	Enterprise	70,000	70,000	0	2/1/12	1/31/27
Deschutes Valley Water District	Early Development Assistance	Madras	68,373	0	68,373	7/23/13	12/31/14
City of Portland Water Bureau	Vernon Hydro	Portland	65,000	65,000	0	11/15/10	11/15/30
City of Klamath Falls	Klamath Falls Biopower Project	Klamath Falls	49,927	0	49,927	1/9/14	12/31/14
University of Oregon	UO SMRL Contribution - 2013	Eugene	45,000	45,000	0	3/9/13	3/9/14
MC Energy LLC	Small Wind Incentive	Spokane	43,250	43,250	0	9/21/10	9/21/25
Clean Energy States Alliance	CESA Year 11 (2014)		39,500	39,500	0	7/1/13	6/30/14
United Wind Inc	Wind Consultant	Brooklyn	37,500	27,500	10,000	2/6/12	3/31/14
Harold Hartman dba Lynhart Farms	17.5 kW PV project	Malin	32,500	31,386	1,114	5/25/07	5/25/27
Mariah Wind LLC	Development Assistance Funding	Victor	28,300	0	28,300	10/25/13	12/31/14
SPS of Oregon Inc	Spaur Microhydro	Wallowa	25,000	25,000	0	7/23/10	7/23/30
University of Oregon	UO SRML Contribution - 2014	Eugene	24,999	0	24,999	3/10/14	3/10/15

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Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
Robert Migliori	42kW wind energy system	Newberg	24,125	11,641	12,484	4/11/07	1/31/24
Solar Oregon	Outreach Services	Portland	24,000	24,000	0	1/1/13	12/31/13
Solar Oregon	Education & Outreach Services	Portland	24,000	2,000	22,000	1/1/14	12/31/15
Farmers Conservation Alliance	Small-Scale Hydro Plant Review	Hood River	17,500	0	17,500	1/2/14	6/30/14
Warren Griffin	Griffin Wind Project	Salem	13,150	9,255	3,895	10/1/05	10/1/20
Corbett Water District	Corbett Water District Hydro	Corbett	12,000	16,559	-4,559	4/16/12	6/30/32
Clean Energy States Alliance	CESA ITAC		10,000	0	10,000	1/1/14	12/31/14
Garrad Hassan America Inc	RE Consulting Services	San Diego	6,841	6,841	0	6/11/13	2/28/15
OSEIA-Oregon Solar Energy Industries Assoc	OSEIA 2014 Conference		5,000	0	5,000	2/6/14	12/31/14
eFormative Options LLC	RE Evaluation Consultant	Vashon	3,000	3,000	0	3/1/13	2/28/15
Renewable Energy Program Total:			25,606,310	17,752,511	7,853,799		
Grand Totals:			161,937,937	95,951,100	65,986,837		

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Notes on February 2014 Financial Statements

March 18, 2014

Revenue

Feb-14	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Var</u>	<u>YTD %</u>
PGE	17,585,027	16,540,529	1,044,498	6%
PAC	11,120,611	9,565,565	1,555,046	16%
NWN	6,474,010	5,733,083	740,927	13%
CNG	1,087,062	688,935	398,127	58%
Investment Income	20,240	13,000	7,240	56%
Total	36,286,950	32,541,112	3,745,838	12%

Reserves

Total Reserves at the end of February are below. As is typical for this time of year, revenue exceeds cash requirements out so the reserves grow in size.

Reserves

	<u>Actual 12/31/13</u>	<u>Actual 2/28/14</u>	<u>% Change</u>
	<u>Amount</u>	<u>Amount</u>	
PGE	24,483,032	34,312,666	40.1%
PacifiCorp	11,560,814	17,499,277	51.4%
NW Natural	8,569,670	12,696,961	48.2%
Cascade	658,260	1,564,805	137.7%
NWN Industrial	356,235	190,820	-46.4%
NWN Washington	473,674	869,077	83.5%
PGE Renewables	12,041,462	13,127,746	9.0%
PAC Renewables	11,793,715	12,675,327	7.5%
Contingency Reserve	5,000,000	5,000,000	0.0%
Contingency Available	2,993,710	3,013,950	0.7%
Total	77,930,572	100,950,629	29.5%

Expenses

Last year at this time total spending was \$13.1 million. This year total spending is \$13.2 million. Incentive spending is also nearly the same: \$3.5 million last year vs. \$3.2 million so far this year.

Incentives thru Feb 2014	Total Incentives Year-to-Date 2014			
	Actual	Budget	Variance	Var %
Existing Buildings	419,424	2,135,568	1,716,144	80%
New Buildings	106,055	632,080	526,025	83%
Production Efficiency	534,160	611,379	77,219	13%
Existing Homes	550,846	940,892	390,046	41%
New Homes & Products	975,275	1,147,127	171,852	15%
Washington Programs - All	45,358	81,630	36,272	44%
Solar	544,639	1,181,128	636,489	54%
Open Solicitation	20,717	197,992	177,275	90%
Total Incentives	3,196,474	6,927,796	3,731,322	53.9%
Energy Efficiency Only	2,631,118	5,548,676	2,917,558	53%

Feb 2014 v Feb 2013	Total Incentives Year-to-Year Comparison			
	Current Year	Prior Year	Variance	Var %
Existing Buildings	419,424	205,295	(214,129)	-104%
New Buildings	106,055	854,970	748,915	88%
Production Efficiency	534,160	1,192,745	658,585	55%
Existing Homes	550,846	151,278	(399,568)	-264%
New Homes & Products	975,275	697,832	(277,443)	-40%
Washington Programs - All	45,358	1,608	(43,750)	
Solar	544,639	327,706	(216,933)	-66%
Other	20,717	42,691	21,974	51%
Total Incentives	3,196,474	3,474,121	277,647	8%
Energy Efficiency Only	2,631,118	3,103,728	472,610	15%

Energy Trust of Oregon, Inc
BALANCE SHEET
February 28, 2014
(Unaudited)

	FEB 2014	JAN 2014	DEC 2013	FEB 2013	Change from one month ago	Change from Beg. of Year	Change from one year ago
Current Assets							
Cash & Cash Equivalents	82,634,304	71,554,818	76,484,638	73,655,712	11,079,486	6,149,665	8,978,592
Restricted Cash (Escrow Funds)	77,993	77,988	0	381,090	5	77,993	(303,097)
Investments	23,285,020	24,277,860	25,270,363	0	(992,840)	(1,985,343)	23,285,020
Restricted Investments (Escrow Funds)	0	0	77,988	0	0	(77,988)	0
Receivables	2,468	3,082	8,276	3,782	(614)	(5,808)	(1,314)
Prepaid Expenses	576,285	677,122	526,087	774,071	(100,837)	50,198	(197,786)
Advances to Vendors	656,419	1,335,049	2,015,420	670,127	(678,629)	(1,359,001)	(13,708)
Total Current Assets	107,232,488	97,925,918	104,382,771	75,484,782	9,306,570	2,849,717	31,747,706
Fixed Assets							
Computer Hardware and Software	1,401,967	1,401,967	1,401,967	1,353,958	0	0	48,009
Leasehold Improvements	313,333	313,333	313,333	287,385	0	0	25,948
Office Equipment and Furniture	600,662	600,662	600,662	600,662	0	0	0
Total Fixed Assets	2,315,962	2,315,962	2,315,962	2,242,005	0	0	73,957
Less Depreciation	(1,554,740)	(1,527,617)	(1,500,494)	(1,237,821)	(27,123)	(54,246)	(316,919)
Net Fixed Assets	761,222	788,345	815,468	1,004,184	(27,123)	(54,246)	(242,962)
Other Assets							
Rental Deposit	64,461	61,461	61,461	64,461	3,000	3,000	0
Deferred Compensation Asset	499,637	555,557	552,641	419,121	(55,921)	(53,004)	80,516
Total Other Assets	564,098	617,019	614,102	483,582	(52,921)	(50,004)	80,516
Total Assets	108,557,809	99,331,282	105,812,341	76,972,549	9,226,526	2,745,467	31,585,260
Current Liabilities							
Accounts Payable and Accruals	6,072,573	6,870,075	26,326,508	8,704,252	(797,502)	(20,253,934)	(2,631,679)
Deposits Held for Others	0	0	(0)	42,691	0	0	(42,691)
Salaries, Taxes, & Benefits Payable	666,033	698,912	631,548	631,967	(32,879)	34,485	34,067
Total Current Liabilities	6,738,606	7,568,987	26,958,055	9,378,910	(830,381)	(20,219,449)	(2,640,304)
Long Term Liabilities							
Deferred Rent	362,103	363,173	364,244	330,887	(1,070)	(2,141)	31,216
Deferred Compensation Payable	499,637	555,557	552,641	419,121	(55,921)	(53,004)	80,516
Other Long-Term Liabilities	6,830	6,830	6,830	14,404	0	0	(7,574)
Total Long-Term Liabilities	868,569	925,560	923,714	764,412	(56,991)	(55,145)	104,158
Total Liabilities	7,607,176	8,494,548	27,881,769	10,143,322	(887,372)	(20,274,594)	(2,536,146)
Net Assets							
Temporarily Restricted Net Assets	77,993	77,988	77,988	381,090	5	5	(303,097)
Unrestricted Net Assets	100,872,640	90,758,747	77,852,585	66,448,137	10,113,893	23,020,056	34,424,503
Total Net Assets	100,950,633	90,836,735	77,930,572	66,829,227	10,113,898	23,020,061	34,121,406
Total Liabilities and Net Assets	108,557,809	99,331,282	105,812,341	76,972,549	9,226,526	2,745,467	31,585,260

BS-Acct-YTD-001

Energy Trust of Oregon
Cash Flow Projection
January 2014 - December 2015

	Actual		Adjusted Budget									
	January	February	March	April	May	June	July	August	September	October	November	December
Cash In:												
Public purpose and Incr funding	17,726,777	18,539,933	15,400,000	14,400,000	11,900,000	11,100,000	12,200,000	11,300,000	10,900,000	12,900,000	12,000,000	14,600,000
From other sources	3,902	(49)	-	-	-	-	-	-	-	-	-	-
Investment Income	12,036	10,159	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Total cash in	17,742,715	18,550,043	15,406,000	14,406,000	11,906,000	11,106,000	12,206,000	11,306,000	10,906,000	12,906,000	12,006,000	14,606,000
Cash Out:	22,672,537	7,470,551	14,800,000	11,500,000	17,500,000	13,900,000	13,100,000	10,900,000	15,000,000	14,100,000	13,800,000	26,400,000
Net cash flow for the month	(4,929,822)	11,079,492	3,552,516	2,906,003	(2,320,989)	1,543,254	3,387,048	(859,044)	3,308,520	3,384,264	2,450,490	(11,794,000)
Beginning Balance: Cash & MM	76,484,640	71,554,817	82,634,309	86,186,825	89,092,823	82,336,039	83,879,294	87,266,342	86,407,299	89,715,819	93,100,082	95,550,571
Ending cash & MM	71,554,817	82,634,309	86,186,825	89,092,823	86,771,832	83,879,294	87,266,342	86,407,299	89,715,819	93,100,082	95,550,571	83,756,570
Dedicated funds Adjustment	(20,900,000)	(21,000,000)	(21,100,000)	(19,000,000)	(19,600,000)	(19,000,000)	(19,500,000)	(19,600,000)	(20,100,000)	(20,100,000)	(20,600,000)	(20,000,000)
Committed Funds Adjustment	(39,500,000)	(47,800,000)	(46,100,000)	(44,400,000)	(43,400,000)	(41,900,000)	(41,200,000)	(41,300,000)	(41,100,000)	(42,200,000)	(44,100,000)	(50,300,000)
Cash Reserve	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Ending Cash & MM, adj by Above	6,154,817	8,834,309	13,986,825	20,692,823	21,936,047	23,179,294	27,866,342	27,307,299	27,615,819	31,000,082	25,850,571	8,456,570
Escrow Cash Balance												
Beginning Balance	77,989	77,989	77,993	-	-	-	-	-	-	-	-	-
Net Escrow (Payments)/Funding												
Interest Paid on Escrow Balances		4										
Ending Escrow Balance¹	77,989	77,993	77,993	-	-	-	-	-	-	-	-	-

¹Included in "Ending cash & MM" above

Dedicated funds adjustment: reduction in available cash for commitments to Renewable program projects with board approval, or when board approval not required, with signed agreements
 Committed funds adjustment: reduction in available cash for commitments to Efficiency program projects with signed agreements
 Cash reserve: reduction in available cash to cover cashflow variability and winter revenue risk
 Escrow: dedicated funds set aside in separate bank accounts

Energy Trust of Oregon
Cash Flow Projection
January 2014 - December 2015

2015 Round 2 Budget												
	January	February	March	April	May	June	July	August	September	October	November	December
Cash In:												
Public purpose and Incr funding	15,500,000	16,100,000	15,400,000	14,100,000	11,800,000	11,000,000	11,900,000	11,100,000	10,700,000	12,600,000	11,800,000	14,400,000
From other sources												
Investment Income	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Total cash in	15,508,000	16,108,000	15,408,000	14,108,000	11,808,000	11,008,000	11,908,000	11,108,000	10,708,000	12,608,000	11,808,000	14,408,000
Cash Out:	29,600,000	8,400,000	12,200,000	12,000,000	10,200,000	13,200,000	13,200,000	12,300,000	13,500,000	12,200,000	13,700,000	30,300,000
Net cash flow for the month	(14,092,000)	7,708,000	3,208,000	2,108,000	1,608,000	(2,192,000)	(1,292,000)	(1,192,000)	(2,792,000)	408,000	(1,892,000)	(15,892,000)
Beginning Balance: Cash & MM	83,756,570	69,664,570	77,372,570	80,580,570	82,688,570	84,296,570	82,104,570	80,812,570	79,620,570	76,828,570	77,236,570	75,344,570
Ending cash & MM	69,664,570	77,372,570	80,580,570	82,688,570	84,296,570	82,104,570	80,812,570	79,620,570	76,828,570	77,236,570	75,344,570	59,452,570
Dedicated funds Adjustment	(19,500,000)	(20,000,000)	(19,200,000)	(19,200,000)	(19,500,000)	(19,000,000)	(19,000,000)	(18,900,000)	(18,900,000)	(18,400,000)	(18,200,000)	(18,000,000)
Committed Funds Adjustment	(52,000,000)	(60,700,000)	(60,300,000)	(60,100,000)	(60,000,000)	(59,300,000)	(58,700,000)	(58,100,000)	(57,900,000)	(57,500,000)	(57,200,000)	(56,300,000)
Cash Reserve	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Ending Cash & MM, adj by Above	-	-	-	-	-	-	-	-	-	-	-	-
Escrow Cash Balance												
Beginning Balance	-	-	-	-	-	-	-	-	-	-	-	-
Net Escrow (Payments)/Funding	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid on Escrow Balances	-	-	-	-	-	-	-	-	-	-	-	-
Ending Escrow Balance1	-	-	-	-	-	-	-	-	-	-	-	-

1Included in "Ending cash & MM" above

Dedicated funds adjustment: reduction in available cash for commitments to Renewable program projects with board approval, or when board approval not required, with signed agreements

Committed funds adjustment: reduction in available cash for commitments to Efficiency program projects with signed agreements

Cash reserve: reduction in available cash to cover cashflow variability and winter revenue risk

Escrow: dedicated funds set aside in separate bank accounts

Energy Trust of Oregon, Inc
INCOME STATEMENT - ACTUAL AND PRIOR YR COMPARISON
For the Month Ending February 28, 2014
(Unaudited)

	February				YTD			
	Actual	Actual Prior Year	Prior Year Variance	Variance %	Actual	Actual Prior Year	Prior Year Variance	Variance %
REVENUES								
Public Purpose Funds-PGE	3,655,960	3,605,501	50,458	1%	7,208,206	6,924,396	283,810	4%
Public Purpose Funds-PacifiCorp	2,770,813	2,698,318	72,495	3%	5,504,626	4,994,832	509,794	10%
Public Purpose Funds-NW Natural	3,151,710	4,096,072	(944,362)	(23%)	5,946,833	7,081,571	(1,134,738)	(16%)
Public Purpose Funds-Cascade	451,718	390,987	60,730	16%	1,087,062	749,361	337,701	45%
Total Public Purpose Funds	10,030,200	10,790,878	(760,678)	(7%)	19,746,727	19,750,160	(3,433)	(0%)
Incremental Funds - PGE	5,172,001	4,824,404	347,597	7%	10,376,820	9,580,328	796,493	8%
Incremental Funds - PacifiCorp	2,810,555	2,661,280	149,276	6%	5,615,986	4,921,086	694,899	14%
NW Natural - Washington	527,177	0	527,177		527,177	0	527,177	
Revenue from Investments	9,496	6,618	2,878	43%	20,240	13,920	6,320	45%
TOTAL REVENUE	18,549,429	18,283,180	266,249	1%	36,286,950	34,265,494	2,021,456	6%
EXPENSES								
Program Subcontracts	3,868,764	3,579,256	(289,507)	(8%)	7,132,455	6,784,606	(347,849)	(5%)
Incentives	3,196,474	2,338,545	(857,929)	(37%)	3,196,474	3,474,121	277,647	8%
Salaries and Related Expenses	794,813	795,350	538	0%	1,726,368	1,610,971	(115,397)	(7%)
Professional Services	379,867	440,991	61,124	14%	817,711	819,422	1,711	0%
Supplies	6,546	2,226	(4,320)	(194%)	9,728	5,157	(4,571)	(89%)
Telephone	4,443	4,320	(123)	(3%)	8,489	8,358	(130)	(2%)
Postage and Shipping Expenses	1,419	492	(927)	(189%)	1,808	1,628	(179)	(11%)
Occupancy Expenses	52,065	53,614	1,549	3%	112,133	108,038	(4,095)	(4%)
Noncapitalized Equip. & Depr.	66,213	52,610	(13,603)	(26%)	117,742	98,442	(19,299)	(20%)
Call Center	11,964	56,913	44,949	79%	26,332	110,756	84,423	76%
Printing and Publications	14,448	7,105	(7,343)	(103%)	42,274	42,363	89	0%
Travel	6,727	6,757	30	0%	10,345	11,149	804	7%
Conference, Training & Mtng Exp	16,295	6,958	(9,337)	(134%)	27,309	12,936	(14,373)	(111%)
Interest Expense and Bank Fees	2,000	77	(1,923)	(2499%)	2,000	254	(1,746)	(688%)
Insurance	8,622	7,800	(822)	(11%)	17,244	15,600	(1,644)	(11%)
Miscellaneous Expenses	40	0	(40)		40	0	(40)	
Dues, Licenses and Fees	4,832	2,194	(2,638)	(120%)	18,438	14,015	(4,423)	(32%)
TOTAL EXPENSES	8,435,531	7,355,207	(1,080,324)	(15%)	13,266,889	13,117,816	(149,073)	(1%)
TOTAL REVENUE LESS EXPENSES	10,113,898	10,927,973	(814,075)	(7%)	23,020,061	21,147,678	1,872,383	9%

IS-Acct-YTD-PY

Energy Trust of Oregon, Inc
INCOME STATEMENT - ACTUAL AND YTD BUDGET COMPARISON
For the Month Ending February 28, 2014
(Unaudited)

	February				YTD			
	Actual	Budget	Budget Variance	Variance %	Actual	Budget	Budget Variance	Variance %
REVENUES								
Public Purpose Funds-PGE	3,655,960	3,624,338	31,621	1%	7,208,206	6,960,201	248,006	4%
Public Purpose Funds-PacifiCorp	2,770,813	2,210,354	560,459	25%	5,504,626	4,759,843	744,783	16%
Public Purpose Funds-NW Natural	3,151,710	3,316,089	(164,379)	(5%)	5,946,833	5,733,083	213,749	4%
Public Purpose Funds-Cascade	451,718	344,468	107,250	31%	1,087,062	688,935	398,127	58%
Total Public Purpose Funds	10,030,200	9,495,249	534,951	6%	19,746,727	18,142,062	1,604,665	9%
Incremental Funds - PGE	5,172,001	4,824,404	347,597	7%	10,376,820	9,580,328	796,492	8%
Incremental Funds - PacifiCorp	2,810,555	2,213,668	596,888	27%	5,615,986	4,805,723	810,263	17%
NW Natural - Washington	527,177	0	527,177		527,177	0	527,177	
Revenue from Investments	9,496	6,500	2,996	46%	20,240	13,000	7,240	56%
TOTAL REVENUE	18,549,429	16,539,821	2,009,608	12%	36,286,950	32,541,112	3,745,837	12%
EXPENSES								
Program Subcontracts	3,868,764	3,816,864	(51,900)	(1%)	7,132,455	8,288,954	1,156,498	14%
Incentives	3,196,474	4,902,188	1,705,714	35%	3,196,474	6,927,793	3,731,319	54%
Salaries and Related Expenses	794,813	986,226	191,414	19%	1,726,368	1,972,453	246,084	12%
Professional Services	379,867	721,397	341,529	47%	817,711	1,444,794	627,083	43%
Supplies	6,546	4,588	(1,958)	(43%)	9,728	9,177	(551)	(6%)
Telephone	4,443	5,391	948	18%	8,489	10,781	2,293	21%
Postage and Shipping Expenses	1,419	1,183	(235)	(20%)	1,808	2,367	559	24%
Occupancy Expenses	52,065	64,275	12,210	19%	112,133	128,550	16,417	13%
Noncapitalized Equip. & Depr.	66,213	75,637	9,423	12%	117,742	272,263	154,522	57%
Call Center	11,964	15,000	3,036	20%	26,332	30,000	3,668	12%
Printing and Publications	14,448	11,858	(2,589)	(22%)	42,274	23,717	(18,557)	(78%)
Travel	6,727	17,773	11,045	62%	10,345	35,545	25,200	71%
Conference, Training & Mtng Exp	16,295	29,245	12,950	44%	27,309	58,365	31,056	53%
Interest Expense and Bank Fees	2,000	417	(1,583)	(380%)	2,000	833	(1,167)	(140%)
Insurance	8,622	9,167	545	6%	17,244	18,333	1,089	6%
Miscellaneous Expenses	40	268	228	85%	40	537	497	93%
Dues, Licenses and Fees	4,832	17,313	12,481	72%	18,438	32,627	14,189	43%
TOTAL EXPENSES	8,435,531	10,678,789	2,243,258	21%	13,266,889	19,257,088	5,990,199	31%
TOTAL REVENUE LESS EXPENSES	10,113,898	5,861,031	4,252,867	73%	23,020,061	13,284,025	9,736,036	73%

IS-Acct-YTD-001

Energy Trust of Oregon, Inc
Statement of Functional Expenses
For the Two Months Ending February 28, 2014

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communications & Customer Service	Total Admin Expenses	Total	Budget	Variance	% Var
Program Expenses										
Incentives/ Program Management & Deliver	9,740,315	588,614	10,328,929			0	10,328,929	15,216,747	4,887,818	32%
Payroll and Related Expenses	499,194	153,202	652,396	318,189	135,809	453,998	1,106,394	1,228,694	122,300	10%
Outsourced Services	550,121	29,168	579,289	25,235	41,326	66,561	645,850	1,219,960	574,110	47%
Planning and Evaluation	420,292	14,488	434,780	305		305	435,085	463,770	28,685	6%
Customer Service Management	101,868	4,200	106,068			0	106,068	115,756	9,688	8%
Trade Allies Network	62,047	2,808	64,855			0	64,855	81,219	16,364	20%
Total Program Expenses	11,373,838	792,481	12,166,319	343,729	177,136	520,865	12,687,184	18,326,146	5,638,962	31%
Program Support Costs										
Supplies	3,359	731	4,090	2,324	712	3,036	7,126	6,475	(651)	-10%
Postage and Shipping Expenses	541	172	713	315	167	482	1,195	1,380	185	13%
Telephone	339	108	447	378	105	483	930	2,074	1,144	55%
Printing and Publications	41,405	495	41,900	20	354	374	42,274	22,895	(19,379)	-85%
Occupancy Expenses	33,579	10,658	44,237	19,561	10,382	29,943	74,180	83,487	9,307	11%
Insurance	5,164	1,639	6,803	3,008	1,597	4,605	11,408	11,906	498	4%
Equipment	1,595	7,523	9,118	929	493	1,422	10,540	4,005	(6,535)	-163%
Travel	4,277	2,446	6,723	1,236	1,889	3,125	9,848	27,761	17,913	65%
Meetings, Trainings & Conferences	16,560	2,211	18,771	2,214	122	2,336	21,107	42,115	21,008	50%
Interest Expense and Bank Fees			0	2,000		2,000	2,000	833	(1,167)	-140%
Depreciation & Amortization	8,145	2,585	10,730	4,745	2,518	7,263	17,993	17,665	(328)	-2%
Dues, Licenses and Fees	3,130	4,849	7,979	699	640	1,339	9,318	30,260	20,942	69%
Miscellaneous Expenses	40		40			0	40	391	351	90%
IT Services	251,349	32,122	283,471	52,680	35,596	88,276	371,747	679,696	307,949	45%
Total Program Support Costs	369,483	65,538	435,021	90,110	54,574	144,684	579,705	930,942	351,237	38%
TOTAL EXPENSES	11,743,321	858,019	12,601,340	433,839	231,710	665,549	13,266,889	19,257,088	5,990,199	31%

OPUC measure vs. 9%

3.03%

Exp-Acct-YTD-002

Energy Trust of Oregon, Inc
Year to Date by Program/Service Territory
For the Two Months Ending February 28, 2014
(Unaudited)

	ENERGY EFFICIENCY						Oregon Total	NWN WA	ETO Total
	PGE	PacifiCorp	Total	NWN Industrial	NW Natural	Cascade			
REVENUES									
Public Purpose Funding	\$5,567,260	\$4,274,339	\$9,841,599		\$5,946,833	\$1,087,062	\$16,875,494		\$16,875,494
Incremental Funding	10,376,820	5,615,986	15,992,806				15,992,806	527,177	16,519,983
Revenue from Investments									
TOTAL PROGRAM REVENUE	15,944,080	9,890,325	25,834,405		5,946,833	1,087,062	32,868,300	527,177	33,395,477
EXPENSES									
Program Management (Note 3)	417,041	260,063	677,104	18,278	181,434	20,321	897,137	23,139	920,276
Program Delivery	3,293,999	2,153,666	5,447,665	56,170	670,659	82,239	6,256,733	22,637	6,279,370
Incentives	1,210,852	763,068	1,973,920	68,901	504,161	38,778	2,585,760	45,358	2,631,118
Program Eval & Planning Svcs.	346,287	232,190	578,477	6,557	133,012	11,256	729,302	16,513	745,815
Program Marketing/Outreach	244,308	149,375	393,682	1,881	95,591	8,061	499,216	5,772	504,988
Program Quality Assurance	4,000	3,926	7,926	0	4,734	183	12,843	0	12,843
Outsourced Services	57,201	32,865	90,065	578	22,881	1,952	115,476	0	115,476
Trade Allies & Cust. Svc. Mgmt.	63,665	48,477	112,142	499	44,201	2,691	159,533	4,382	163,915
IT Services	113,318	73,770	187,088	2,117	52,139	4,148	245,493	5,856	251,349
Other Program Expenses	57,036	36,213	93,249	2,134	19,451	1,831	116,666	1,506	118,172
TOTAL PROGRAM EXPENSES	5,807,707	3,753,612	9,561,319	157,117	1,728,263	171,461	11,618,159	125,163	11,743,321
ADMINISTRATIVE COSTS									
Management & General (Notes 1 & 2)	199,947	129,229	329,176	5,409	59,500	5,903	399,989	4,309	404,298
Communications & Customer Svc (Notes 1 & 2)	106,792	69,021	175,813	2,889	31,779	3,153	213,634	2,302	215,936
Total Administrative Costs	306,739	198,250	504,989	8,298	91,279	9,056	613,623	6,611	620,234
TOTAL PROG & ADMIN EXPENSES	6,114,443	3,951,862	10,066,305	165,414	1,819,539	180,520	12,231,778	131,774	12,363,556
TOTAL REVENUE LESS EXPENSES	9,829,634	5,938,463	15,768,096	(165,415)	4,127,291	906,545	20,636,518	395,403	21,031,921
Cumulative Carryover at 12/31/13	24,483,032	11,560,814	36,043,846	356,235	8,569,670	658,260	45,628,011	473,674	46,101,685
Change in net assets this year	9,829,634	5,938,463	15,768,096	(165,415)	4,127,291	906,545	20,636,518	395,403	21,031,921
Ending Net Assets - Reserves	34,312,666	17,499,277	51,811,942	190,820	12,696,961	1,564,805	66,264,529	869,077	67,133,606
Ending Reserve by Category									
Program Reserves (Efficiency and Renewables)	34,312,666	17,499,277	51,811,942	190,820	12,696,961	1,564,805	66,264,529	869,077	67,133,606
Assets Released for General Purpose									
Emergency Contingency Pool									
TOTAL NET ASSETS CUMULATIVE	34,312,666	17,499,277	51,811,942	190,820	12,696,961	1,564,805	66,264,529	869,077	67,133,606

Note 1) Both Management & General and Communications & Customer Service Expenses (Administrative) have been allocated based on total expenses.

Note 2) Administrative costs are allocated for management reporting only. GAAP for Not for Profit organizations does not allow allocation of administrative costs to program exp

Note 3) Program Management costs include both outsourced and internal staff.

Energy Trust of Oregon, Inc
Year to Date by Program/Service Territory
For the Two Months Ending February 28, 2014
(Unaudited)

	RENEWABLE ENERGY			Other	TOTAL	Approved budget	Change	% Change
	PGE	PacifiCorp	Total		All Programs			
REVENUES								
Public Purpose Funding	\$1,640,946	\$1,230,287	\$2,871,233		\$19,746,727	\$18,142,063	\$1,604,664	8.8%
Incremental Funding					16,519,983	14,386,050	\$2,133,933	14.8%
Revenue from Investments				20,240	20,240	13,000	\$7,240	55.7%
TOTAL PROGRAM REVENUE	1,640,946	1,230,287	2,871,233	20,240	36,286,950	32,541,113	\$3,745,837	11.5%
EXPENSES								
Program Management (Note 3)	74,425	85,432	159,857		1,080,133	1,071,411	(8,722)	-0.8%
Program Delivery	6,626	9,965	16,591		6,295,961	7,203,789	907,828	12.6%
Incentives	380,367	184,989	565,356		3,196,474	6,927,793	3,731,319	53.9%
Program Eval & Planning Svcs.	7,592	6,896	14,488		760,303	828,035	67,732	8.2%
Program Marketing/Outreach	2,266	1,517	3,783		508,771	999,230	490,459	49.1%
Program Quality Assurance	0	0	0		12,843	42,500	29,657	69.8%
Outsourced Services	15,740	9,645	25,385		140,861	230,424	89,563	38.9%
Trade Allies & Cust. Svc. Mgmt.	4,728	2,281	7,009		170,924	196,973	26,049	13.2%
IT Services	16,529	15,594	32,123		283,472	518,292	234,820	45.3%
Other Program Expenses	18,787	14,641	33,428		151,600	150,523	(1,077)	-0.7%
TOTAL PROGRAM EXPENSES	527,061	330,959	858,019		12,601,340	18,168,970	5,567,628	30.6%
ADMINISTRATIVE COSTS								
Management & General (Notes 1 & 2)	17,992	11,548	29,540		433,839	614,078	180,240	29.4%
Communications & Customer Svc (Notes 1 & 2)	9,609	6,168	15,777		231,710	474,040	242,327	51.1%
Total Administrative Costs	27,601	17,716	45,317		665,549	1,088,118	422,567	38.8%
TOTAL PROG & ADMIN EXPENSES	554,662	348,675	903,337		13,266,889	19,257,088	5,990,199	31.1%
TOTAL REVENUE LESS EXPENSES	1,086,284	881,612	1,967,896	20,240	23,020,061	13,284,025	9,736,036	73.3%
Cumulative Carryover at 12/31/13	12,041,462	11,793,715	23,835,177	7,993,710	77,930,572	62,609,764	15,320,808	24.5%
Change in net assets this year	1,086,284	881,612	1,967,896	20,240	23,020,057	13,284,025	9,736,032	73.3%
Ending Net Assets - Reserves	13,127,746	12,675,327	25,803,073	8,013,950	100,950,633	75,893,789	25,056,840	33.0%
Ending Reserve by Category								
Program Reserves (Efficiency and Renewables)	13,127,746	12,675,327	25,803,073	3,013,950	95,950,629			
Assets Released for General Purpose								
Emergency Contingency Pool				5,000,000	5,000,000			
TOTAL NET ASSETS CUMULATIVE	13,127,746	12,675,327	25,803,073	8,013,950	100,950,629	75,893,789	25,056,840	33.0%

Note 1) Both Management & General and Communications & Customer Service Expenses (Administrative) have been allocated based on total expenses.

Note 2) Administrative costs are allocated for management reporting only. GAAP for Not for Profit organizations does not allow allocation of administrative costs to program expenses.

Note 3) Program Management costs include both outsourced and internal staff.

Energy Trust of Oregon, Inc
Program Expense by Service Territory
For the Two Months Ending February 28, 2014
(Unaudited)

	PGE	Pacific Power	Subtotal Elec.	NWN Industrial	NW Natural Gas	Cascade	Subtotal Gas	Oregon Total	NWN WA	ETO Total	YTD Budget	Variance	% Var
Energy Efficiency													
Commercial													
Existing Buildings	1,562,034	720,881	2,282,915	22,155	348,735	44,056	414,946	2,697,861	60,518	2,758,379	4,909,050	2,150,671	44%
New Buildings	578,404	255,518	833,922	7,464	88,397	21,112	116,973	950,895		950,895	1,786,051	835,156	47%
NEEA	286,563	216,179	502,742					502,742		502,742	451,729	(51,013)	-11%
Total Commercial	2,427,001	1,192,578	3,619,579	29,619	437,132	65,168	531,919	4,151,498	60,518	4,212,016	7,146,830	2,934,814	41%
Industrial													
Production Efficiency	1,294,384	858,860	2,153,244	135,795	91,125	24,178	251,098	2,404,342		2,404,342	2,667,133	262,791	10%
NEEA	135,555	102,261	237,816					237,816		237,816	226,592	(11,224)	-5%
Total Industrial	1,429,939	961,121	2,391,060	135,795	91,125	24,178	251,098	2,642,158		2,642,158	2,893,725	251,567	9%
Residential													
Existing Homes	760,179	746,162	1,506,341		894,637	34,516	929,153	2,435,494	38,229	2,473,723	3,249,283	775,560	24%
New Homes/Products	1,085,172	741,078	1,826,250		396,645	56,658	453,303	2,279,553	33,027	2,312,580	3,441,995	1,129,415	33%
NEEA	412,152	310,923	723,075					723,075		723,075	599,321	(123,754)	-21%
Total Residential	2,257,503	1,798,163	4,055,666		1,291,282	91,174	1,382,456	5,438,122	71,256	5,509,378	7,290,599	1,781,221	24%
Energy Efficiency Program Costs	6,114,443	3,951,862	10,066,305	165,414	1,819,539	180,520	2,165,473	12,231,778	131,774	12,363,552	17,331,154	4,967,602	29%
Renewables													
Solar Electric (Photovoltaic)	513,919	230,491	744,410					744,410		744,410	1,556,146	811,736	52%
Other Renewable	40,743	118,184	158,927					158,927		158,927	369,789	210,862	57%
Renewables Program Costs	554,662	348,675	903,337					903,337		903,337	1,925,935	1,022,598	53%
Cost Grand Total	6,669,105	4,300,537	10,969,642	165,414	1,819,539	180,520	2,165,473	13,135,115	131,774	13,266,889	19,257,088	5,990,199	31%

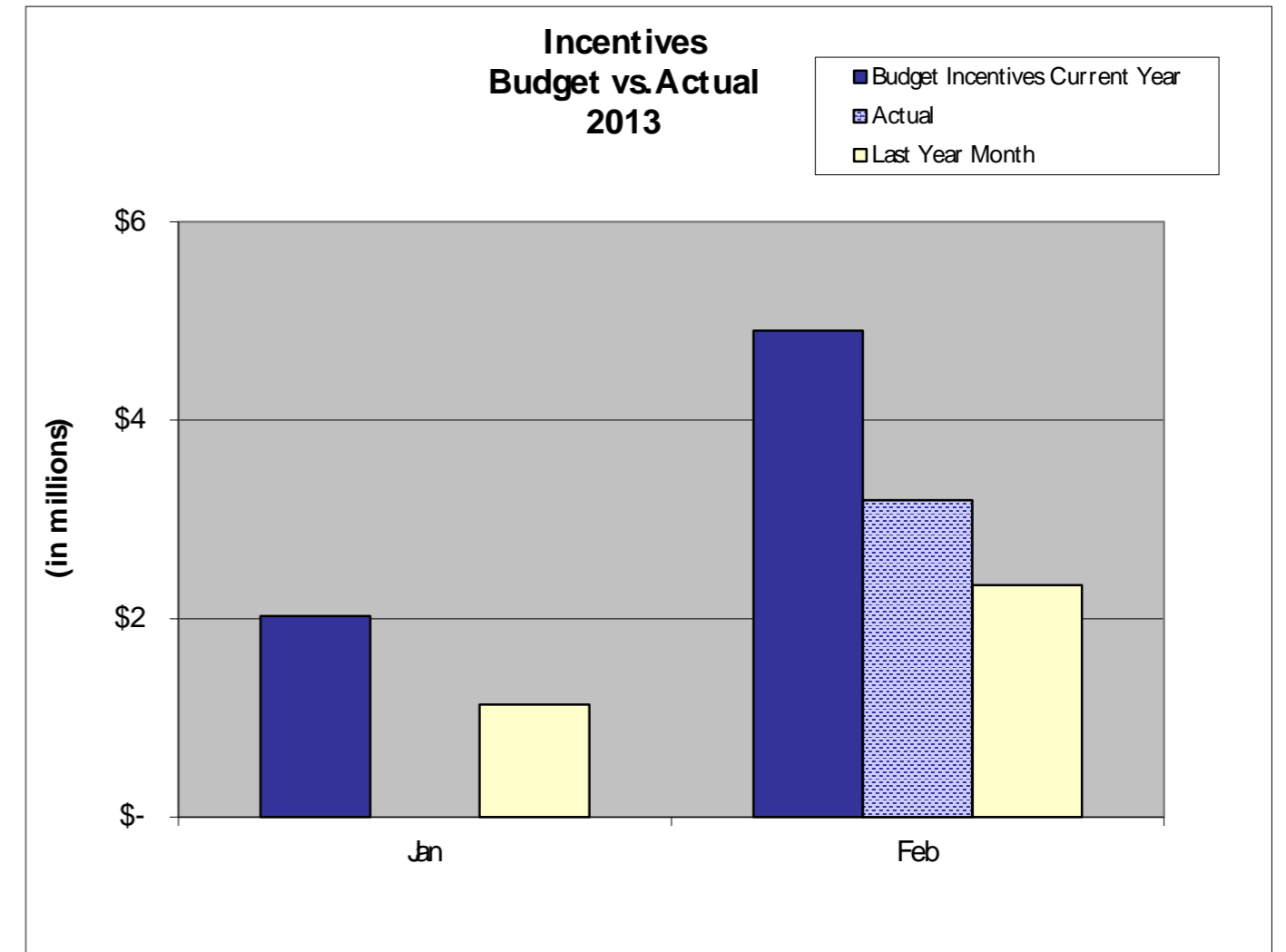
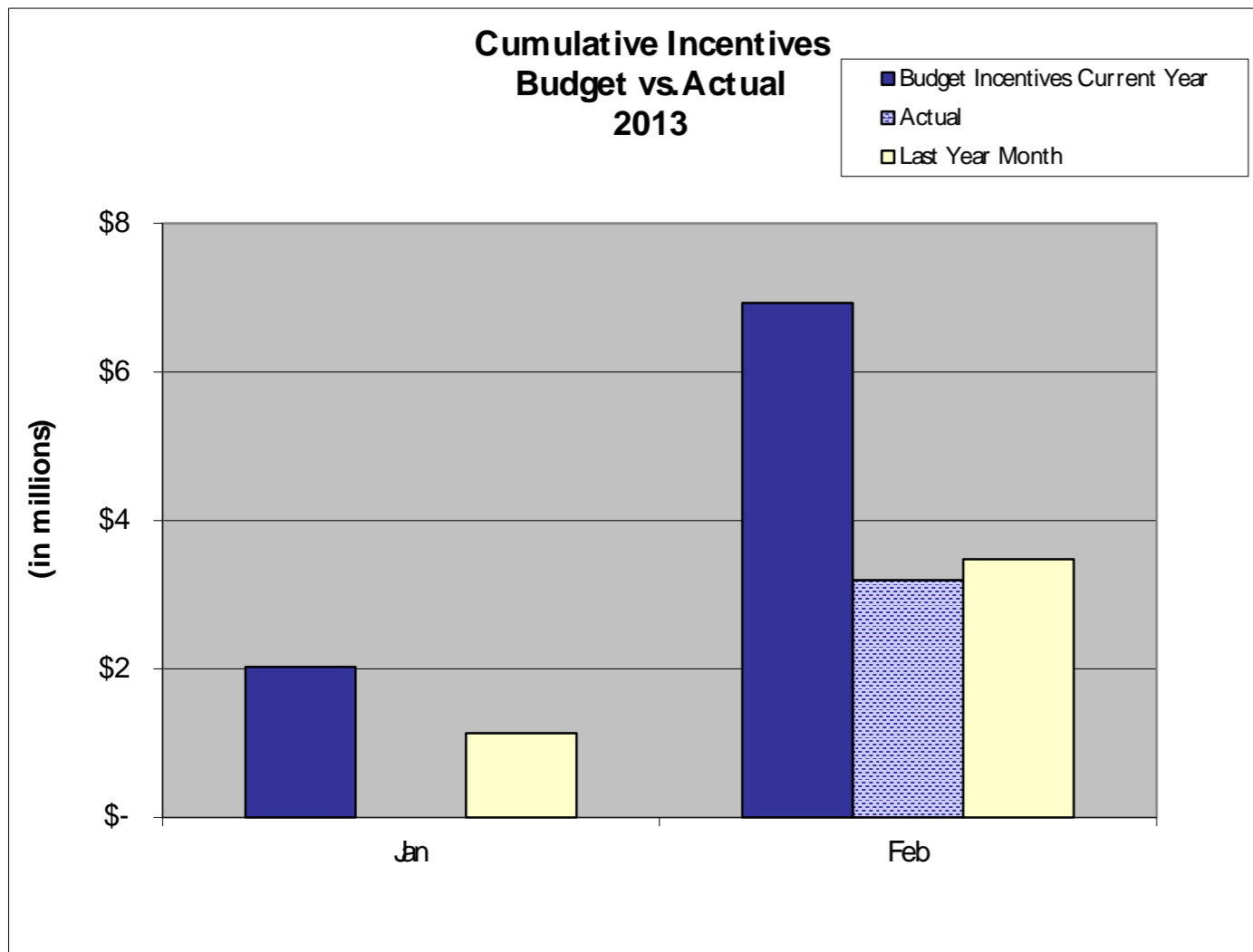
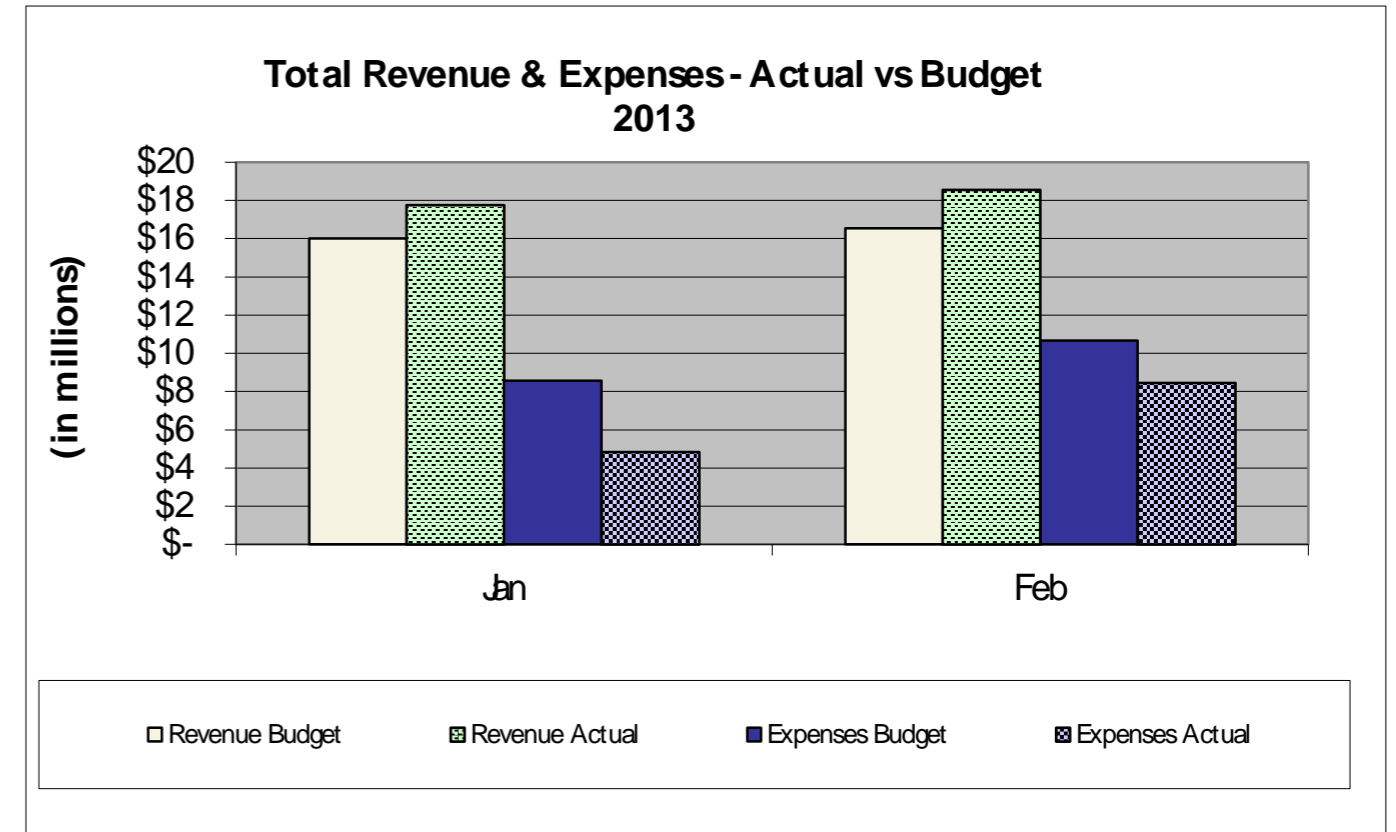
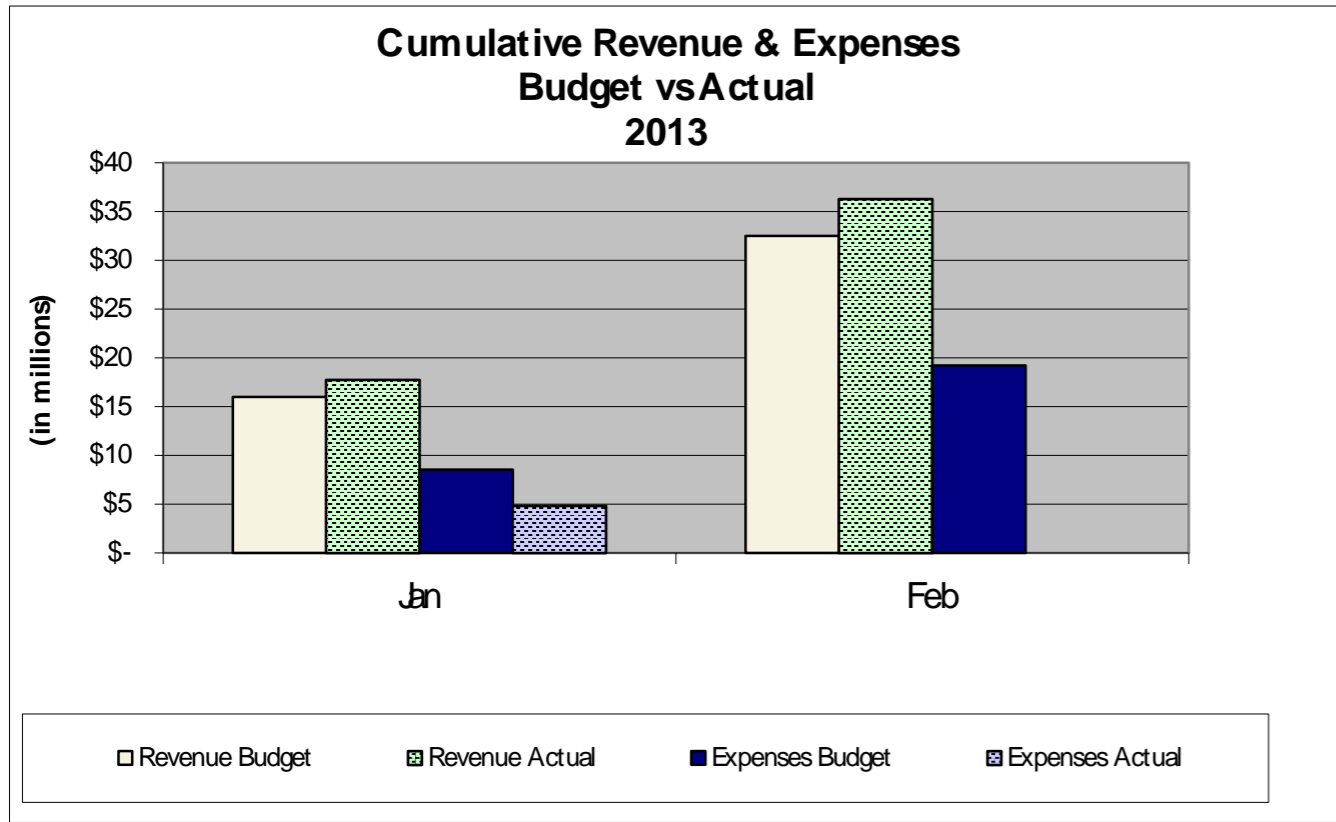
Energy Trust of Oregon, Inc.
ADMINISTRATIVE EXPENSES
For the Two Months and Year to Date Ended February 28, 2014
(Unaudited)

	MANAGEMENT & GENERAL						COMMUNICATIONS & CUSTOMER SERVICE					
	ACTUAL	Quarter BUDGET	REMAINING	ACTUAL	YTD BUDGET	VARIANCE	ACTUAL	Quarter BUDGET	REMAINING	ACTUAL	YTD BUDGET	VARIANCE
EXPENSES												
Outsourced Services	\$24,644	\$136,017	\$111,374	\$24,644	\$90,678	\$66,034	\$41,326	\$265,300	\$223,974	\$41,326	\$176,867	\$135,540
Legal Services	592	13,750	13,159	592	9,167	8,575						
Salaries and Related Expenses	318,167	524,938	206,771	318,167	349,959	31,792	135,798	298,515	162,717	135,798	199,010	63,212
Supplies	982	1,950	968	982	1,300	318		240	240		160	160
Telephone	180	545	365	180	363	183		210	210		140	140
Postage and Shipping Expenses								250	250		167	167
Noncapitalized Equipment								250	250		167	167
Printing and Publications	20	75	55	20	50	30	354	1,750	1,396	354	1,167	813
Travel	1,236	13,305	12,069	1,236	8,870	7,634	1,889	9,500	7,611	1,889	6,333	4,444
Conference, Training & Mtngs	2,214	35,360	33,146	2,214	23,573	21,359	122	5,500	5,378	122	3,667	3,545
Interest Expense and Bank Fees	2,000	1,250	(750)	2,000	833	(1,167)						
Miscellaneous Expenses		180	180		120	120						
Dues, Licenses and Fees	699	2,150	1,451	699	1,433	734	640	400	(240)	640	267	(373)
Shared Allocation (Note 1)	30,120	46,650	16,530	30,120	31,100	980	15,985	31,522	15,537	15,985	21,015	5,029
IT Service Allocation (Note 2)	52,680	135,530	82,849	52,680	96,320	43,639	35,596	91,577	55,981	35,596	65,083	29,487
Planning & Eval	305	489	185	305	309	5						
TOTAL EXPENSES	433,839	912,190	478,351	433,839	614,076	180,237	231,710	705,014	473,304	231,710	474,041	242,331

Note 1) Represents allocation of Shared (General Office Management) Costs
Note 2) Represents allocation of Shared IT Costs

Exp-Prog-YTD-002

Administrative Expenses 2nd Month of Quarter



For contracts with costs
through: 3/1/2014

Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
Administration							
Administration Total:			7,311,402	2,545,971	4,765,431		
Communications & Outreach							
Communications & Outreach Total:			3,408,386	2,047,945	1,360,441		
Energy Efficiency Programs							
Northwest Energy Efficiency Alliance	Regional Energy Eff Initiative	Portland	39,138,680	30,538,847	8,599,833	1/1/10	7/1/15
ICF Resources, LLC	PMC BE 2014	Fairfax	8,860,987	1,090,939	7,770,048	1/1/14	12/31/14
CLEAResult Consulting Inc	2014 HES PMC	Austin	7,595,520	1,048,491	6,547,029	1/1/14	12/31/14
Fluid Market Strategies LLC	2013 HES PMC	Portland	7,416,843	7,255,972	160,871	1/1/13	12/31/13
Portland Energy Conservation, Inc.	PMC NHP 2014	Portland	6,965,473	859,421	6,106,052	1/1/14	12/31/14
Portland Energy Conservation, Inc.	PMC NHP 2013	Portland	6,315,684	6,217,983	97,701	1/1/13	12/31/13
Portland Energy Conservation, Inc.	2013 NBE PMC	Portland	4,736,060	4,591,461	144,599	1/1/13	12/31/13
Portland Energy Conservation, Inc.	2014 NBE PMC	Portland	4,735,000	581,573	4,153,427	1/1/14	12/31/14
Intel Corporation	Intel D1X Megaproject	Hillsboro	4,000,000	4,000,000	0	11/15/12	12/31/14
Lockheed Martin Services, Inc.	2014 MF PMC	Cherry Hill	3,569,068	468,684	3,100,384	1/1/14	12/31/14
Lockheed Martin Services, Inc.	2013 MF PMC	Cherry Hill	2,816,996	2,743,984	73,012	1/1/13	12/31/13
Portland General Electric	PDC - PE 2014	Portland	2,314,600	274,937	2,039,663	1/1/14	12/31/14
OPOWER, Inc.	OPOWER Agreement	Arlington	2,092,200	2,084,920	7,280	3/2/10	3/31/14
Oregon State University	CHP Project - OSU	Corvallis	2,024,263	1,920,000	104,263	12/20/10	1/31/16
Energy 350 Inc	PDC - PE 2014	Portland	1,976,000	168,077	1,807,923	1/1/14	12/31/14
Portland General Electric	PDC - PE 2013		1,936,000	1,881,563	54,437	1/1/13	12/31/13
Cascade Energy, Inc.	PDC - PE 2013	Walla Walla	1,775,055	1,761,635	13,420	1/1/13	12/31/13
NEXANT, INC.	PDC - PE 2014	San Francisco	1,429,461	193,388	1,236,073	1/1/14	12/31/14
RHT Energy Solutions	PDC - PE 2013	Medford	1,293,651	1,267,328	26,323	1/1/13	12/31/13
Cascade Energy, Inc.	PDC - PE 2014 Small Industrial	Walla Walla	1,234,100	181,208	1,052,892	1/1/14	12/31/14
Cascade Energy, Inc.	PDC - PE 2013 Small Industrial	Walla Walla	1,147,500	1,137,500	10,000	1/1/13	12/31/13
RHT Energy Solutions	PDC - PE 2014	Medford	1,145,000	217,602	927,398	1/1/14	12/31/14
Evergreen Consulting Group, LLC	PE Lighting PDC 2014	Tigard	1,092,000	195,283	896,717	1/1/14	12/31/14
Evergreen Consulting Group, LLC	PE Lighting PDC 2013	Tigard	1,071,000	1,034,256	36,744	1/1/13	12/31/13
Northwest Power & Conservation Council	Annual Work Plan		874,652	845,716	28,936	3/20/12	12/31/14
NEXANT, INC.	PDC - PE 2013	San Francisco	825,818	725,618	100,200	1/1/13	12/31/13
Ecova Inc	Plug Load Solutions Funding	Spokane	499,950	409,144	90,806	1/1/13	12/31/13
SBW Consulting, Inc.	BE Program Impact Evaluation	Bellevue	489,000	459,000	30,000	1/15/12	10/30/13
Evoworx Inc.	EnergySavvy Online Audit Tool	Seattle	472,500	355,384	117,116	1/1/12	12/31/14
Clean Energy Works Oregon Inc	Clean Energy Works	Portland	448,500	300,000	148,500	1/1/10	2/28/14
OPOWER, Inc.	OPower Personal Energy Reports	Arlington	425,850	199,456	226,394	8/1/13	7/31/15
Navigant Consulting Inc	Analytical Model & Study	Boulder	412,052	170,093	241,959	8/12/13	4/30/14
CLEAResult Consulting Inc	2014 HES WA PMC	Austin	277,600	16,835	260,765	1/1/14	12/31/14
Fluid Market Strategies LLC	2013 HES WA PMC	Portland	265,000	250,016	14,984	1/1/13	12/31/13
The Cadmus Group Inc.	BE Impact Evaluation 2012	Watertown	250,000	14,407	235,593	1/1/14	12/31/14
Energy 350 Inc	PDC Transition Agreement	Portland	200,000	339,492	-139,492	9/1/13	12/31/13

*The city indicated is the contractor's mailing address, not necessarily the location where work was performed.

For contracts with costs
through: 3/1/2014

Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
ICF Resources, LLC	NWN WA BE 2013	Fairfax	191,538	183,200	8,338	1/1/13	12/31/13
ICF Resources, LLC	NWN WA BE 2014	Fairfax	191,538	17,055	174,483	1/1/14	12/31/14
The Cadmus Group Inc.	NBE Program Impact Evaluation	Watertown	186,000	9,069	176,931	1/15/14	9/30/14
Home Performance Contractors Guild of Oregon	Existing Homes Program Support	Portland	155,000	138,685	16,315	1/1/12	3/31/14
D&R International LTD	Market Lift Program	Silver Spring	150,000	222	149,778	1/1/13	3/31/14
Abt SRBI Inc.	Fast Feedback Surveys	New York	118,000	1,055	116,945	1/31/14	2/29/16
J. Hruska Global	Quality Assurance Services	Columbia City	115,000	113,175	1,825	1/1/13	12/31/14
Navigant Consulting Inc	CORE Improvement Pilot Eval	Boulder	115,000	68,219	46,781	9/1/12	9/1/15
ICF Resources, LLC	NWN DSM Initiative 2014	Fairfax	113,850	10,767	103,083	1/1/14	12/31/14
The Cadmus Group Inc.	RTU Tune-up Evaluation	Watertown	105,000	4,913	100,088	1/1/14	12/31/14
Research Into Action, Inc.	Existing Homes Process Eval	Portland	94,000	94,000	0	9/9/13	4/30/14
Ecotope, Inc.	Gas Hearth Study	Seattle	90,000	86,566	3,434	10/10/13	9/1/15
Energy Efficiency Funding Group Inc	ESP Certificate Program	San Francisco	80,000	67,970	12,030	12/16/13	3/30/14
PWP, Inc.	NBE Process Evaluation	Gaithersburg	80,000	14,187	65,813	1/15/14	12/31/14
Pollinate Inc	Web Application Development	Portland	75,500	74,941	559	1/1/12	12/31/13
Research Into Action, Inc.	Products Process Evaluation	Portland	75,240	75,240	0	7/1/13	4/1/14
The Cadmus Group Inc.	Commercial Op Pilot Eval	Watertown	75,000	60,188	14,812	7/1/11	12/31/13
Evergreen Economics	New Homes Process Eval - 2013	Portland	70,000	68,293	1,707	6/24/13	3/31/14
Pivotal Energy Solutions LLC	New Homes Database	Gilbert	60,000	24,000	36,000	10/1/13	3/1/14
Research Into Action, Inc.	BE Process Eval - 2013	Portland	51,000	51,000	0	10/1/13	3/31/14
ICF Resources, LLC	OSU CHP Performance Monitoring	Fairfax	50,000	22,790	27,210	7/1/13	6/30/14
KEMA Incorporated	NEEA 2014 Lighting Survey	Oakland	47,500	23,750	23,750	12/2/13	7/30/14
PWP, Inc.	Comm SEM Initiative Evaluation	Gaithersburg	45,000	39,233	5,767	7/1/12	6/30/14
Portland General Electric	Utility Data Payment - OPOWER	Portland	40,000	19,928	20,072	8/1/10	2/28/14
PWP, Inc.	SEM Intro Pilot Evaluation	Gaithersburg	40,000	11,725	28,275	10/28/13	10/2/15
NW Natural	Info Transfer & Reimbursement	Portland	35,000	21,263	13,737	7/12/10	2/28/14
The Cadmus Group Inc.	Lighting Pilot Evaluation	Watertown	35,000	23,814	11,186	4/1/12	12/31/14
WegoWise Inc	Wegowise Benchmarking License	Boston	35,000	35,000	0	5/14/12	5/14/14
Apex Analytics LLC	Nest Pilot Evaluation	Boulder	32,000	11,000	21,000	11/15/13	10/31/14
Btan Consulting	ESP Cert Boot Camp Evaluation	Madison	30,000	2,188	27,813	2/1/14	4/30/15
Energy Center of Wisconsin	Billing Analysis Review	Madison	30,000	1,110	28,890	11/1/13	12/31/14
MetaResource Group	Intel D1X Megaproject	Portland	30,000	8,343	21,657	10/10/11	12/31/14
Michael Blasnick & Associated	Billing Analysis Process	Boston	30,000	3,938	26,063	1/1/10	12/31/14
The Cadmus Group Inc.	Pay For Performance Pilot Eval	Watertown	30,000	1,665	28,335	9/25/13	12/31/14
Pivotal Energy Solutions LLC	License Agreement	Gilbert	29,500	0	29,500	3/1/14	12/31/14
Issues & Answers Network Inc	Residential Awareness 2014	Virginia Beach	26,285	0	26,285	11/1/13	3/31/14
Stellar Processes, Inc.	BE Measure Evaluation	Portland	25,250	19,125	6,125	10/24/12	10/24/14
Northwest Food Processors Association	NW Industrial EE Summit 2014	Portland	25,000	17,500	7,500	7/16/13	1/15/14
Triple Point Energy Inc.	SEM Workshops	Portland	24,240	18,395	5,845	4/29/13	1/15/14

*The city indicated is the contractor's mailing address, not necessarily the location where work was performed.

For contracts with costs
through: 3/1/2014

Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
Forrest Marketing	Commerical Financing Study	Portland	24,000	24,000	0	8/30/13	3/1/14
Oregon Assoc. of Clean Water Agencies	SEM Training - Round III		19,920	8,000	11,920	5/23/13	6/15/14
Oregon Department of Energy	Oregon Leaders Project	Salem	15,000	15,000	0	9/19/11	1/31/14
Cascade Energy, Inc.	PDC Transition Agreement	Walla Walla	14,000	9,876	4,124	1/1/14	3/10/14
MetaResource Group	Energy Performance Score Eval	Portland	13,000	12,450	550	9/1/13	3/31/14
Consumer Opinion Services Inc	Residential Phone Surveys	Seattle	12,000	5,538	6,462	9/1/13	10/31/14
World Trade Center Catering	World Trade Center Catering	Portland	11,868	11,478	390	2/3/14	4/3/14
Lane Community College, NEEI Science Division	2014 Scholarship Grant	Eugene	10,600	0	10,600	1/1/14	12/31/14
Portland State University Foundation	Green Modular Classroom Proj	Portland	10,500	10,500	0	6/13/12	7/31/14
American Council for and Energy Efficient Economy	Advancing EE Programs		10,000	10,000	0	12/19/13	9/30/14
American Council for and Energy Efficient Economy	High Participation Rates		10,000	10,000	0	12/23/13	12/31/14
American Council for and Energy Efficient Economy	Game-Based EE Programs		10,000	10,000	0	12/23/13	10/31/14
American Council for and Energy Efficient Economy	Extended Motor Products Label		10,000	10,000	0	12/23/13	3/31/15
Bridgetown Printing Company	January 2014 Bill Insert	Portland	8,509	8,509	0	1/1/14	12/31/14
City of Portland Bureau of Planning & Sustainability	City of Portland Workshops	Portland	8,000	8,000	0	1/1/14	12/31/14
Northwest Environmental Business Council	Future Energy Conference 2014	Portland	6,500	6,500	0	2/13/14	12/31/14
Cascadia Region Green Building Council	Cascadia Green Bldgs Sponsor	Portland	5,000	5,000	0	1/15/14	1/15/15
Social Enterprises Inc.	GoGreen Sponsorship - 2014	Portland	5,000	5,000	0	3/14/14	10/31/14
Portland General Electric	Energy Monitoring Tool		1,190	1,190	0	10/3/13	11/30/13
Energy Efficiency Programs Total:			125,158,591	77,414,762	47,743,829		
Joint Programs							
D&R International LTD	Better Data Better Design	Silver Spring	133,500	25,000	108,500	4/30/13	4/30/14
Portland State University	Technology Forecasting		87,437	58,598	28,839	11/7/11	12/31/14
Abt SRBI Inc.	Fast Feedback Survey	New York	65,000	64,999	1	3/1/13	2/28/14
E Source Companies LLC	E Source Service Agreement	Boulder	36,500	36,500	0	2/1/14	1/31/15
KRH Consulting	Work Load Mangement	Portland	24,900	18,202	6,698	4/23/13	10/1/14
Navigant Consulting Inc	P&E Consultant Services	Boulder	22,530	0	22,530	1/15/14	12/30/15
Pinnacle Economics Inc	Economic Impacts Study	Camas	20,720	0	20,720	2/1/14	2/1/15
CoStar Realty Information Inc	Property Data	Baltimore	19,220	16,536	2,684	6/1/11	5/31/14
Glumac Inc	Planning Technical Analysis	Portland	15,000	15,000	0	10/17/12	10/17/14
The Cadmus Group Inc.	Evaluation Consultant	Watertown	14,940	14,940	0	6/20/13	2/28/15
American Council for and Energy Efficient Economy	ACEEE Sponsorships - 2014		7,500	7,500	0	1/1/14	12/31/14
Bruins Analysis and Consulting	Fast Feedback Reporting	Bremerton	6,000	0	6,000	6/1/14	4/30/15
Joint Programs Total:			453,247	257,275	195,972		
Renewable Energy Program							
Outback Solar LLC	Outback Solar	Portland	5,000,000	4,950,000	50,000	5/9/12	5/9/37
Sunway 3, LLC	Prologis PV installation		3,405,000	3,396,044	8,956	9/30/08	9/30/28
JC-Biomethane LLC	Biogas Plant Project Funding	Eugene	2,000,000	500,000	1,500,000	10/18/12	10/18/32

*The city indicated is the contractor's mailing address, not necessarily the location where work was performed.

For contracts with costs
through: 3/1/2014

Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
Rough & Ready Lumber Company	Biopower Funding Agreement	Cave Junction	1,685,088	1,685,088	0	7/21/06	7/21/26
Oregon Institute of Technology	Geothermal Resource Funding	Klamath Falls	1,550,000	0	1,550,000	9/11/12	9/11/32
Central Oregon Irrigation District	COID Juniper Phase 2	Redmond	1,281,820	0	1,281,820	7/19/13	7/19/33
Alder Solar LLC	Habilitation Center PV	Portland	1,236,750	1,224,244	12,506	1/18/08	12/31/28
Central Oregon Irrigation District	Juniper Ridge Hydroelectric	Redmond	1,000,000	1,000,000	0	10/31/08	6/30/31
Farm Power Misty Meadows LLC	Misty Meadows Biogas Facility	Mount Vernon	1,000,000	250,000	750,000	10/25/12	10/25/27
Three Sisters Irrigation District	TSID Hydro	Sisters	1,000,000	0	1,000,000	4/25/12	4/25/32
Stahlbush Island Farms, Inc.	Funding Assistance Agreement	Corvallis	827,000	827,000	0	6/24/09	6/24/29
RBS Asset Finance Inc	Black Cap Solar PV Funding	Chicago	600,000	600,000	0	10/1/12	10/1/37
Tioga Solar VI, LLC	Photovoltaic Project Agreement	San Mateo	570,760	497,399	73,361	2/1/09	2/1/30
C Drop Hydro LLC	C Drop Project - Klamath Irrig	Idaho Falls	490,000	490,000	0	11/1/11	11/1/31
Oregon Institute of Technology	Geothermal Resource Funding	Klamath Falls	487,000	487,000	0	3/2/10	3/2/30
City of Medford	750kW Combined Heat & Power	Medford	450,000	225,000	225,000	10/20/11	10/20/31
City of Pendleton	Pendleton Microturbines	Pendleton	450,000	150,000	300,000	4/20/12	4/20/32
RES - Ag FGO LLC	Biogas Manure Digester Project	Washington	441,660	331,245	110,415	10/27/10	10/27/25
RES - Ag FGO LLC	Biogas Manure Digester - FGO	Washington	441,660	110,415	331,245	10/27/10	10/27/25
K2A Properties, LLC	Doerfler Wind Farm Project	Aumsville	230,000	191,182	38,818	5/20/10	5/20/30
Confederated Tribes of the Umatilla Indian Reservation	Small Wind Project Funding	Pendleton	170,992	0	170,992	7/25/13	12/31/28
Farmers Irrigation District	Low Line Canal Pressurization	Hood River	150,000	150,000	0	9/26/12	11/30/32
Bloomberg LP	Insight Services	San Francisco	114,800	77,083	37,717	4/1/11	1/1/15
Farmers Irrigation District	Indian Creek Corridor Project	Hood River	100,000	100,000	0	1/5/10	1/4/29
Wallowa Resources Community Solutions, Inc.	Upfront Hydroelectric Project		100,000	13,490	86,510	10/1/11	10/1/15
Stoller Vineyards, Inc.	Stoller Vineyards PV	Dayton	79,815	77,390	2,425	12/1/05	12/1/26
Oregon Military Department	Kingsley Field Geothermal Proj	Salem	75,000	0	75,000	11/26/13	8/29/14
Wallowa Resources Community Solutions Inc	Integrated Biomass Energy Camp	Enterprise	70,000	70,000	0	2/1/12	1/31/27
Deschutes Valley Water District	Early Development Assistance	Madras	68,373	0	68,373	7/23/13	12/31/14
City of Portland Water Bureau	Vernon Hydro	Portland	65,000	65,000	0	11/15/10	11/15/30
City of Klamath Falls	Klamath Falls Biopower Project	Klamath Falls	49,927	0	49,927	1/9/14	12/31/14
University of Oregon	UO SMRL Contribution - 2013	Eugene	45,000	45,000	0	3/9/13	3/9/14
MC Energy LLC	Small Wind Incentive	Spokane	43,250	43,250	0	9/21/10	9/21/25
Clean Energy States Alliance	CESA Year 11 (2014)		39,500	39,500	0	7/1/13	6/30/14
United Wind Inc	Wind Consultant	Brooklyn	37,500	27,500	10,000	2/6/12	3/31/14
Harold Hartman dba Lynhart Farms	17.5 kW PV project	Malin	32,500	31,386	1,114	5/25/07	5/25/27
Mariah Wind LLC	Development Assistance Funding	Victor	28,300	0	28,300	10/25/13	12/31/14
SPS of Oregon Inc	Spaur Microhydro	Wallowa	25,000	25,000	0	7/23/10	7/23/30
University of Oregon	UO SRML Contribution - 2014	Eugene	24,999	0	24,999	3/10/14	3/10/15

*The city indicated is the contractor's mailing address, not necessarily the location where work was performed.

For contracts with costs
through: 3/1/2014

Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
Robert Migliori	42kW wind energy system	Newberg	24,125	11,641	12,484	4/11/07	1/31/24
Solar Oregon	Outreach Services	Portland	24,000	24,000	0	1/1/13	12/31/13
Solar Oregon	Education & Outreach Services	Portland	24,000	2,000	22,000	1/1/14	12/31/15
Farmers Conservation Alliance	Small-Scale Hydro Plant Review	Hood River	17,500	0	17,500	1/2/14	6/30/14
Warren Griffin	Griffin Wind Project	Salem	13,150	9,255	3,895	10/1/05	10/1/20
Corbett Water District	Corbett Water District Hydro	Corbett	12,000	16,559	-4,559	4/16/12	6/30/32
Clean Energy States Alliance	CESA ITAC		10,000	10,000	0	1/1/14	12/31/14
Garrad Hassan America Inc	RE Consulting Services	San Diego	6,841	6,841	0	6/11/13	2/28/15
OSEIA-Oregon Solar Energy Industries Assoc	OSEIA 2014 Conference		5,000	5,000	0	2/6/14	12/31/14
eFormative Options LLC	RE Evaluation Consultant	Vashon	3,000	3,000	0	3/1/13	2/28/15
Renewable Energy Program Total:			25,606,310	17,767,511	7,838,799		
Grand Totals:			161,937,937	100,033,464	61,904,473		

*The city indicated is the contractor's mailing address, not necessarily the location where work was performed.

Financial Glossary

(for internal use) - updated August 9, 2012

Administrative Costs

Costs that, by nonprofit accounting standards, have general objectives which enable an organization's programs to function. The organization's programs in turn provide direct services to the organization's constituents and fulfill the mission of the organization.

i.e. management and general and general communication and outreach expenses

I. Management and General

- Includes governance/board activities, interest/financing costs, accounting, payroll, human resources, general legal support, and other general organizational management costs.
- Receives an allocated share of indirect costs.

II. General Communications and Outreach

- Expenditures of a general nature, conveying the nonprofit mission of the organization and general public awareness.
- Receives an allocated share of indirect costs.

Allocation

- A way of grouping costs together and applying them to a program as one pool based upon an allocation base that most closely represents the activity driver of the costs in the pool.
- Used as an alternative to charging programs on an invoice-by-invoice basis for accounting efficiency purposes.
- An example would be accumulating all of the costs associated with customer management (call center operations, Energy Trust customer service personnel, complaint tracking, etc). The accumulated costs are then spread to the programs that benefited by using the ratio of calls into the call center by program (i.e. the allocation base).

Allocation Cost Pools

- Employee benefits and taxes.
- Office operations. Includes rent, telephone, utilities, supplies, etc.
- Information Technology (IT) services.
- Planning and evaluation general costs.
- Customer service and trade ally support costs.
- General communications and outreach costs.
- Management and general costs.
- Shared costs for electric utilities.
- Shared costs for gas utilities.
- Shared costs for all utilities.

Auditor's Opinion

- An accountant's or auditor's opinion is a report by an independent CPA presented to the board of directors describing the scope of the examination of the organization's books, and certifying that the financial statements meet the AICPA (American Institute of Certified Public Accountants) requirements of GAAP (generally accepted accounting principles).

- Depending on the audit findings, the opinion can be unqualified or qualified regarding specific items. Energy Trust strives for and has achieved in all its years an unqualified opinion.
- An unqualified opinion indicates agreement by the auditors that the financial statements present an accurate assessment of the organization's financial results.
- The OPUC Grant Agreement requires an unqualified opinion regarding Energy Trust's financial records.
- Failure to follow generally accepted accounting principles (GAAP) can result in a qualified opinion.

Board-approved Annual Budget

- Funds approved by the board for *expenditures* during the budget year (subject to board approved program funding caps and associated policy) for the stated functions.
- Funds approved for *capital* asset expenditures.
- Approval of the general allocation of funds including commitments and cash outlays.
- Approval of expenditures is based on assumed revenues from utilities as forecasted in their annual projections of public purpose collections and/or contracted revenues.

Carryover Funds

- In any one year, the amount by which revenues exceed expenses for that year in a designated category that will be added to the cumulative balance and brought forward for expenditure to the next budget year.
- In any one year, if expenditures exceed revenues, the negative difference is applied against the cumulative carryover balance.
- Does not equal the cash on hand due to noncash expense items such as depreciation.
- Tracked by major utility funder and at high level program area--by EE vs RE, not tracked by program.

Commitments

- Represents funds obligated to identified efficiency program participants in the form of signed applications or agreements and tracked in the project forecasting system.
- If the project is not demonstrably proceeding within agreed upon time frame, committed funds return to incentive pool. Reapplication would then be required.
- Funds are expensed when the project is completed.
- Funds may be held in the operating cash account, or in escrow accounts.

Contract obligations

- A signed contract for goods or services that creates a legal obligation.
- Reported in the monthly Contract Status Summary Report.

Cost-Effectiveness Calculation

- Programs and measures are evaluated for cost-effectiveness.
- The cost of program savings must be lower than the cost to produce the energy from both a utility and societal perspective.
- Expressed as a ratio of energy savings cost divided by the presumed avoided utility and societal cost of energy.
- Program cost-effectiveness evaluation is "fully allocated," i.e. includes all of the program costs plus a portion of Energy Trust administrative costs.

Dedicated Funds

- Represents funds obligated to identified renewable program participants in the form of signed applications or agreements and tracked in the project forecasting system.

- May include commitments, escrows, contracts, board designations, master agreements.
- Methodology utilized to develop renewable energy activity-based budgets amounts.

Direct Program Costs

- Can be directly linked to and reflect a causal relationship to one individual program/project; or can easily be allocated to two or more programs based upon usage, cause, or benefit.

Direct Program Evaluation & Planning Services

- Evaluation services for a specific program rather than for a group of programs.
- Costs incurred in evaluating programs and projects and included in determining total program funding caps.
- Planning services for a specific program rather than for a group of programs.
- Costs incurred in planning programs and projects and are included in determining program funding expenditures and caps.
- Evaluation and planning services attributable to a number of programs are recorded in a cost pool and are subsequently allocated to individual programs.

Escrowed Program (Incentive) Funds

- Cash deposited into a separate bank account that will be paid out pursuant to a contractual obligation requiring a certain event or result to occur. Funds can be returned to Energy Trust if such event or result does not occur. Therefore, the funds are still “owned” by Energy Trust and will remain on the balance sheet.
- The funds are within the control of the bank in accordance with the terms of the escrow agreement.
- When the event or result occurs, the funds are considered “earned” and are transferred out of the escrow account (“paid out”) and then are reflected as an expense on the income statement for the current period.

Expenditures/Expenses

- Amounts for which there is an obligation for payment of goods and/or services that have been received or earned within the month or year.

FastTrack Projects Forecasting

Module developed in FastTrack to provide information about the timing of future incentive payments, with the following definitions:

- Estimated-Project data may be inaccurate or incomplete. Rough estimate of energy savings, incentives and completion date by project and by service territory.
- Proposed-Project that has received a written incentive offer but no agreement or application has been signed. Energy savings, incentives and completion date to be documented by programs using this phase. For Renewable projects-project that has received Board approval.
- Accepted-Used for renewable energy projects in 2nd round of application; projects that have reached a stage where approval process can begin.
- Committed-Project that has a signed agreement or application reserving incentive dollars until project completion. Energy savings/generations, incentives and completion date by project and by service territory must be documented in project records and in FastTrack. If project not demonstrably proceeding within agreed upon time frame, committed funds return to incentive pool. Reapplication would then be required.
- Dedicated-Renewable project that has been committed, has a signed agreement, and if required, has been approved by the board of directors.

Incentives**I. Residential Incentives**

- Incentives paid to a residential program participant (party responsible for payment for utility service in particular dwelling unit) exclusively for energy efficiency and renewable energy measures in the homes or apartments of such residential customers.

II. Business Incentives

- Incentives paid to a participant other than a residential program participant as defined above following the installation of an energy efficiency or renewable energy measure.
- Above market cost for a particular renewable energy project.

III. Service Incentives

- Incentives paid to an installation contractor which serves as a reduction in the final cost to the participant for the installation of an energy efficiency or renewable energy measure.
- Payment for services delivered to participants by contractors such as home reviews and technical analysis studies.
- End-user training, enhancing participant technical knowledge or energy efficiency practices proficiency such as “how to” sessions on insulation, weatherization, or high efficiency lighting.
- CFL online home review fulfillment and PMC direct installations.
- Technical trade ally training to enhance program knowledge.
- Incentives for equipment purchases by trade allies to garner improvements of services and diagnostics delivered to end-users, such as duct sealing, HVAC diagnosis, air filtration, etc.

Indirect Costs

- Shared costs that are “allocated” for accounting purposes rather than assigning individual charges to programs.
- Allocated to all programs and administration functions based on a standard basis such as hours worked, square footage, customer phone calls, etc.
- Examples include rent/facilities, supplies, computer equipment and support, and depreciation.

IT Support Services

- Information technology costs incurred as a result of supporting all programs.
- Includes FastTrack energy savings and incentive tracking software, data tracking support of PMCs and for the program evaluation functions.
- Includes technical architecture design and physical infrastructure.
- Receives an allocation of indirect shared costs.
- Total costs subsequently allocated to programs and administrative units.

Outsourced Services

- Miscellaneous professional services contracted to third parties rather than performed by internal staff.
- Can be incurred for program or administrative reasons and will be identified as such.

Program Costs

- Expenditures made to fulfill the purposes or mission for which the organization exists and are authorized through the program approval process.
- Includes program management, incentives, program staff salaries, planning, evaluation, quality assurance, program-specific marketing and other costs incurred solely for program purposes.
- Can be direct or indirect (i.e. allocated based on program usage.)

Program Delivery Expense

- This will include all PMC labor and direct costs associated with: incentive processing, program coordination, program support, trade ally communications, and program delivery contractors.
- Includes contract payments to NEEA for market transformation efforts.
- Includes performance compensation incentives paid to program management contractors under contract agreement if certain incentive goals are met.
- Includes professional services for items such as solar inspections, anemometer maintenance and general renewable energy consulting.

Program Legal Services

- External legal expenditures and internal legal services utilized in the development of a program-specific contract.

Program Management Expense

- PMC billings associated with program contract oversight, program support, staff management, etc.
- ETO program management staff salaries, taxes and benefits.

Program Marketing/Outreach

- PMC labor and direct costs associated with marketing/outreach/awareness efforts to communicate program opportunities and benefits to rate payers/program participants.
- Awareness campaigns and outreach efforts designed to reach participants of individual programs.
- Co-op advertising with trade allies and vendors to promote a particular program benefit to the public.

Program Quality Assurance

- Independent in-house or outsourced services for the quality assurance efforts of a particular program (distinguished from program quality control).

Program Reserves

- Negotiated with utilities annually, with a goal of providing a cushion of approximately 5% above funds needed to fulfill annual budgeted costs. Management may access up to 50% of annual program reserve without prior board approval (resolution 633, 2012).

Program Support Costs

- Source of information is contained in statement of functional expense report.
- Portion of costs in OPUC performance measure for program administration and support costs.
 - Includes expenses incurred directly by the program.
 - Includes allocation of shared and indirect costs incurred in the following categories: supplies; postage and shipping; telephone; printing and publications; occupancy expenses; insurance; equipment; travel; business meetings; conferences and training; depreciation and amortization; dues, licenses,

subscriptions and fees; miscellaneous expense; payroll & related expense; outsourced services; and an allocation of information technology department cost.

Project Specific Costs (for Renewable Energy)

- Expenses directly related to identified projects or identified customers to assist them in constructing or operating renewable projects. Includes services to prospective as well as current customers.
- Must involve direct contact with the project or customer, individually or in groups, and provide a service the customer would otherwise incur at their own expense.
- Does not include general program costs to reach a broad (unidentified) audience such as websites, advertising, program development, or program management.
- Project-Specific costs may be in the categories of; Incentives, Staff salaries, Program delivery, Legal services, Public relations, Creative services, Professional services, Travel, Business meetings, Telephone, or Escrow account bank fees.

Savings Types

- **Working Savings/Generation:** the estimate of savings/generation that is used for data entry by program personnel as they approve individual projects. They are based on deemed savings/generation for prescriptive measures, and engineering calculations for custom measures. They do not incorporate any evaluation or transmission and distribution factors.
- **Reportable Savings/Generation:** the estimate of savings/generation that will be used for public reporting of Energy Trust results. This includes transmission and distribution factors, evaluation factors, and any other corrections required to the original working values. These values are updated annually, and are subject to revision each year during the “true-up” as a result of new information or identified errors.
- **Contract Savings:** the estimate of savings that will be used to compare against annual contract goals. These savings figures are generally the same as the reportable savings at the time that the contract year started. For purposes of adjusting working savings to arrive at this number, a single adjustment percentage (a SRAF, as defined below) is agreed to at the beginning of the contract year and is applied to all program measures. This is based on the sum of the adjustments between working and reportable numbers in the forecast developed for the program year.
- **Savings Realization Adjustment Factors (SRAF):** are savings realization adjustment factors applied to electric and gas working savings measures in order to reflect more accurate savings information through the benefit of evaluation and other studies. These factors are determined by the Energy Trust and used for annual contract amendments. The factors are determined based on the best available information from:
 - Program evaluations and/or other research that account for free riders, spill-over effects and measure impacts to date; and
 - Published transmission and distribution line loss information resulting from electric measure savings.

Total Program and Admin Expenses (line item on income statement)

- Used only for cost effectiveness calculations, levelized cost calculations and in management reports used to track funds spent/remaining by service territory.
- Includes all costs of the organization--direct, indirect, and an allocation of administration costs to programs.
- Should not be used for external financial reporting (not GAAP).

Total Program Expenses (line item on income statement)

- All indirect costs have been allocated to program costs with the exception of administration (management and general costs and communications & outreach).
- Per the requirements of Generally Accepted Accounting Principles (GAAP) for nonprofits, administrative costs should not be allocated to programs.
- There is no causal relationship—costs would not go away if the program did not exist.

Trade Ally Programs & Customer Service Management

- Costs associated with Energy Trust sponsorship of training and development of a trade ally network for a variety of programs.
- Trade Ally costs are tracked and allocated to programs based on the number of allies associated with that program.
- Costs in support of assisting customers which benefit all Energy Trust programs such as call center operations, customer service manager, complaint handling, etc.
- Customer service costs are tracked and allocated based on # of calls into the call center per month.

True Up

- True-up is a once-a-year process where we take everything we've learned about how much energy programs actually save or generate, and update our reports of historic performance and our software tools for forecasting and analyzing future savings.
- Information incorporated includes improved engineering models of savings (new data factor), anticipated results of future evaluations based on what prior evaluations of similar programs have shown (anticipated evaluation factor), and results from actual evaluations of the program and the year of activity in question (evaluation factor).
- Results are incorporated in the Annual Report (for the year just past) and the True-up Report (for prior years).
- Sometimes the best data on program savings or generation is not available for 2-3 years, especially for market transformation programs. So for some programs, the savings are updated through the annual true-up 2 or 3 times

Tab 6

Policy Committee Meeting

March 17, 2014, 3:30–5:00 pm

Attending by phone and videoconference

Roger Hamilton, Rick Applegate, Ken Canon, John Reynolds

Attending at Energy Trust offices

Alan Meyer, Margie Harris, Steve Lacey, Peter West, Fred Gordon, Amber Cole, Scott Clark, and Debbie Menashe

Policies for Review

The board's Lost Opportunities Policy is up for routine, three-year review. Staff reported that the policy operates well and proposed no changes, but Committee members John Reynolds and Alan Meyer identified a couple of small typographical errors that should be corrected. The revised and corrected policy will be submitted to the board for approval on the consent agenda for the next full board meeting. Committee members asked staff whether the Lost Opportunities policy continues to be useful. Staff members responded that the policy is consistent with our programs, and while it may not be referred to with regularity, it still provides a meaningful principle. The Policy Committee agreed, and recommends that the policy continue in place, revised as indicated below, until the next three-year review:

Summary:

The Energy Trust Board needs to provide guidance to the staff on a number of issues that will be important in designing Trust programs. This decision memo addresses lost opportunities. In their discussions, the Conservation Advisory Council and the Energy Policy Committee concluded that these guidelines are consistent with the PUC guidelines and advance Trust objectives.

Purpose:

Give Trust staff guidance on technical and policy issues as it develops new Energy Trust programs.

Background:

Energy Trust staff has developed a series of issue papers and reviewed them with the CAC and the Energy Policy Committee; here are summaries of these discussions:

Analysis:

Lost Opportunities

Issue: To What Extent should the Energy Trust emphasize avoiding lost opportunities in their efficiency programs?

Lost Opportunities can occur if efficiency is not built in at times when new equipment is being selected and new facilities are constructed. At these times, efficiency features can be installed that are impractical or much more costly to install at other times. For example it is not often cost-effective to throw away a working air conditioner simply to replace it with a more efficient unit. However, when that air conditioner fails or is nearing failure, it may be

cost-effective to pay for the incremental cost of purchasing the most efficient possible new unit instead of a standard new unit.

The Energy Trust, following the examples set by Oregon's utilities, may set up specialized programs and incentives to work with designers, developers, vendors and customers to assure that high-efficiency equipment and designs are selected and installed during these events.

The key question is the correct balance between Lost Opportunities and "retrofit" programs. Retrofit programs pay to replace or augment working equipment with more efficient equipment. While there are situations where the Energy Trust can increase emphasis on Lost Opportunities, it is not clear that there are enough of these opportunities to completely ~~utilities-utilize~~ the Energy Trust efficiency budget. Furthermore, equity considerations argue that programs should be made available for some customers who rarely make capital investments on their own (e.g., small commercial customers and some public entities). Furthermore, given the high levels of Oregon building codes and national equipment standards, some Lost Opportunity savings are more expensive per kWh than some retrofit savings.

Recommendations:

- **The Energy Trust should favor acquisition of Lost Opportunities** and focus some of its budget and program design efforts in that direction.
- However, **this should be considered a "decision-tipper"** in setting priorities, considered in the context of other issues and values.
- **The Energy Trust should encourage comprehensive treatment of an end-use where this is practical** to avoid creating lost opportunities by doing half the job.
- **Financial resources should also be reserved for retrofit programs**, especially where these are low cost or serve customers who would not otherwise be served.
- **Work with partners who have special resources** to efficiently capture lost opportunities. e.g., Northwest Alliance, Consortium for Energy Efficiency, Oregon Office of Energy.

The board approved the resolution to direct staff to use the policy recommendations on lost opportunities at its February 27, 2002 board meeting.

Staff also advised the Policy Committee that it is considering recommending revisions to the current Fuel Switching Policy. Energy Trust's tool for estimating customer energy efficiency savings and payback is under development and soon to be deployed for the Existing Homes Savings Within Reach program for moderate income consumers. Staff is interested in having the tool provide payback estimations for customers who intend to engage with our programs but currently heat with oil or propane. In these cases, the Energy Trust estimator tool could provide valuable payback information in connection with either efficient gas or efficient electric heating system measures. Providing technical payback information for converting from a different fuel source to either a gas or electric heating system could be viewed as a contravention of the current policy language. Current language addresses economic analyses for installing a high efficiency alternative to a baseline gas and electric heating system.

Committee members discussed the possible change and asked for more information on the way in which contractors would access and use the tool. In addition, some concern was expressed that Energy Trust has some self-interest in providing incentives for consumers wishing to switch to fuel for which Energy Trust receives public purpose funds.

Steve Lacey will be discussing the general concept with OPUC staff, and staff will, with reference to OPUC staff guidance, propose revised policy language to the Policy Committee. In the interest of supporting program offerings in a timely way, Committee members suggest that proposed policy language changes be circulated via email. If appropriate, and no further committee discussion is deemed warranted, committee members could refer a revised policy to the full board for its next meeting if timing permits.

Energy Trust Performance Measures Adopted by the OPUC

Steve reported on the OPUC's recent adoption of the 2014 Performance Measures for Energy Trust in UM 1158. 2014 Performance Measures don't deviate significantly from 2013 Performance Measures, but the 2014 performance measures for efficiency reflect the new single goal structure, designated by utility, in accordance with utility IRP goals for 2014. The OPUC's final order on this matter has not yet been posted. Margie will make a final report on the performance measures as part of her staff report at the full board meeting on April 2.

Preview of Board Meeting Action Items

Approval of extension of creative services agency agreement with Coates Kokes, Inc.

Amber presented information to the committee on a proposed extension of its existing creative agency services agreement with Coates Kokes, Inc. This would extend the current two-year contract for a third year, through 2015, and allow for executive director approval of expenditures beyond the \$500,000 contract threshold. The committee discussed the proposal and asked a number of questions regarding the nature of the creative agency services, concerned that they be focused on driving customers to Energy Trust programs. The proposal will be presented to the full board at its next meeting.

Approval of extension of contract with Online Business Services for ISI Phase 2 Build stage services.

Following up on his presentation at the last full board meeting regarding the next stage of ISI Phase 2, Scott presented information to the committee regarding a proposed contract extension with Online Enterprises, Inc., dba Online Business Services (OBS). OBS was selected as the successful vendor out of a competitive process to provide technical resources and support for the "build" phase of the ISI Phase 2, the Fast Track replacement phase. Initial and preliminary work is underway with OBS, and the proposed budget for these services is within the board-approved budget for SI Phase 2 build stage. However, the OBS build stage contract scope will require authorized contract funding in excess of the executive director's contract signing authority. The committee confirmed that funding for this work had already been approved as part of the ISI budget. The proposal will be presented to the full board at its next meeting.

Status Reports and Updates

Cost Effectiveness Docket

Fred updated the committee on the Cost Effectiveness docket underway. The UM 1622 docket is focused specifically on gas measures. In discussions with OPUC staff, it is clear that they view this as an opportunity to apply the UM 551 cost-effectiveness exception structure to current measures. They do not view this docket as an opportunity to re-open UM 551. OPUC staff has also advised us that they expect to run any public engagement process under this docket. Therefore, Energy Trust staff will continue to focus on an analysis of gas measures, and identify exceptions, primarily under the UM 551 exceptions for non-energy benefits, market transformation, and pilots. In addition, Energy Trust staff will propose other relevant considerations for cost effectiveness exceptions and also a more streamlined exception process for measures that are close; the process envisioned would allow for exception approval by staff rather than the commission in certain prescribed conditions.

Margie also advised the committee that there is a broader question that we want to put before the OPUC in this process, and that is around an expansion of the TRC (total resource cost test) so long as the utility test is met. There is a fair amount of public sentiment on this broader cost-effectiveness issue, and Margie is concerned that if the OPUC does not consider this sentiment and open up UM 551 either in this gas docket or in a new docket, other interested stakeholders may take the issue to the legislature. Energy Trust is trying to navigate this issue to provide the OPUC with an appropriate and useful process.

Fred mentioned that there are other dockets pending and expected related to cost effectiveness. A similar docket for electric measures will be opened soon. HB 2801, passed by the 2013 legislature, provides for measuring “whole building” cost-effectiveness through bundled measures. In addition, SB 844, providing an opportunity for carbon reduction programs managed by the gas utilities, will relate to gas measures.

Short Legislative Session

The 2014 short session of the Oregon Legislature ended on March 7th. Debbie distributed an updated version of the tracked bills document previously distributed to the board and briefly updated the committee on the session. As reported at the last board meeting, passage of legislation relating to PACE financing and renewable energy community project securities exemptions are of interest to Energy Trust, but no other Energy Trust significant legislation was passed in this session. We will monitor and report again as the 2015 longer legislative session gets underway.

The meeting adjourned at 5:05 pm.

Tab 7

Renewable Energy Advisory Council Meeting Notes

February 5, 2014

Attending from the council:

Erik Anderson, PacifiCorp
Brittany Andrus, Oregon Public Utility
Commission
Bruce Barney, Portland General Electric
Alishia Dunlap, Pacific Power
Matt Krumenauer, Oregon Department of
Energy
Frank Vignola, University of Oregon
Dick Wanderscheid, Bonneville
Environmental Foundation

Attending from Energy Trust:

Jackie Callahan
Fred Gordon
Hannah Hacker
Jennifer Hall

Jed Jorgensen
Betsy Kauffman
Dave McClelland
Dave Moldal
Elaine Prause
Thad Roth
Gayle Roughton
Peter West

Others attending:

Bill Eddie, One Energy Renewables
Thomas Farringer, Oregon Solar Energy
Industries Association
Wendy Koelfgen, Clean Energy Works
John Reynolds, Energy Trust board of
directors

1. Welcome and introductions

Betsy Kauffman called the meeting to order at 9:30 a.m. and reviewed the agenda. The minutes from the November meeting were approved. The agenda, notes and presented materials are available on Energy Trust's website at www.energytrust.org/About/public:meetings/REACouncil.aspx.

2. 2013 wrap-ups and look ahead for each technology

Thad Roth presented sector-wide 2013 preliminary annual results. Energy Trust 2013 annual results will be published April 15 in the annual report to the Oregon Public Utility Commission. The results presented at today's meeting are preliminary and reflect the best data available at this time. Any changes to these numbers are expected to be minor. The 2013 results are the last to include conservative and stretch goals. Beginning in 2014, Energy Trust will track progress toward a single goal.

The renewables sector achieved 72 percent of its conservative goal for 2013. This represents projects completed in 2013. It excludes funding commitments to projects that will begin generating power in future years. Biopower projects were the largest producers of generation brought on line in 2013.

Renewable energy projects in 2013 achieved 1 average megawatt in Pacific Power territory and 1.87 aMW in PGE territory. The conservative goal was 4 aMW. A number of projects on the non-solar side anticipated to complete in 2013 have been pushed out to 2014 or 2015. Three non-solar projects fell into that category. At this time one of those projects is expected to complete in 2014. Two other projects face significant challenges. These projects account for the difference between the 2.87 aMW achieved in 2013 and the 4 aMW goal.

Staff members presented the background and current status of each technology, and provided a look ahead to 2014.

Jed Jorgenson presented activities supporting hydropower projects. Energy Trust enabled 11 hydropower projects to come on line, most of which were irrigation district projects. Another five projects are currently moving forward. Not all projects represent new capacity. In some cases a pipe is added to increase generation. As the program has progressed, costs have risen, a reflection of the changing marketplace.

Bruce Barney: Does a dedicated project refer to something in progress that will eventually complete?

Jed: Yes.

Bruce: So construction on some dedicated projects may not have started?

Jed: That is correct.

In 2013, one project reached commercial operation, and commitments were made to four installations in Pacific Power territory. Six project applications were reviewed, including phase two of Central Oregon Irrigation District, Warm Springs and others that previously were reviewed by the Renewable Energy Advisory Council. Another of the projects was the City of Astoria. This project ran into some fish passage issues in the past. Energy Trust was part of the group that worked on resolving those problems, enabling this project move forward. Project development assistance was provided at 10 sites and these represent the pipeline now.

Looking forward, although market fundamentals continue to be poor, hydropower projects can still be viable. The technology has capacity factor advantages. For example, some projects can access winter water flows and run year-round. Grants are available, especially for projects with water savings. Low-interest financing for municipal projects is available through the Oregon Department of Energy. Bonneville Environmental Foundation is working with Farmers Irrigation District on a new financing approach in which farmers finance part of a project. If enough participate, the farmers can see a return on that financing as a reduction in payments to the district for their water. If successful, this approach might be applied to other types of projects.

The program will target two of the six opportunities for hydropower in Oregon. The top priority is irrigation canal pressurization. This is the easiest pathway is for hydropower projects, because irrigation districts have the most potential for financing and grants. A secondary priority is pressure reduction valve replacements. These typically are municipal projects, which face greater challenges. Other opportunities include non-powered dam retrofits, upgrades at existing small hydropower facilities, aquifer storage and recovery systems and micro-hydropower on natural streams. The program is open to these types of projects but is not targeting them.

Plans for 2014 include more work in the field, as 2013 did not allow for that. The main focus for the year will be on building the pipeline of potential projects. Work will happen with Bonneville Environmental Foundation and Farmers Conservation Alliance around outreach to possible irrigation projects, using past projects and the Farmer's Conservation Alliance study done in 2013 to provide more information and highlight benefits of hydro.

John Reynolds: Roughly how many possible projects are in the municipal category?

Jed: There are quite a few. The City of Portland has one in northeast Portland. The City of Astoria has a project. Bonneville Environmental Foundation is moving forward with a project in

the City of Corvallis. There also is some opportunity in the City of Joseph. We will press harder this year on the municipal opportunities.

Peter West: It is a struggle from a customer perspective to deliver potable water for consumption. They must have a fail-safe system. When you talk about electrical generation, you have to start at the very beginning. You have to find the opportunities to connect to the grid right there and you have to go from underground to above ground, then it's electricity and water so there's even a psychological conversation around this. It seems basic to us but you really have to bring the customer along.

Jed: The operating examples that we now have will be helpful in those conversations.

Betsy Kauffman addressed geothermal technologies. One geothermal project has been funded so far, at the Oregon Institute of Technology, OIT. This was a 280 kW system, and the project is going very well. A second project at OIT—1.5 MW—was in the 2013 budget for completion but shifted to 2014, which is a major reason why the sector did not meet its generation goals. There is additional activity going on in Oregon, with no Energy Trust involvement, that helps the climate for geothermal. This includes a project by U.S. Geothermal Inc. in eastern Oregon that is selling power to Idaho Power and a project by Sunrise Valley Electric Co-op in the Paisley area. In 2013, Energy Trust did a study in the Paisley area with the same family as this project. They have some U.S. Department of Agriculture funding and some project development assistance funding from Energy Trust, but that is the only the beginning of the analysis that needs to happen. Energy Trust has also committed to two studies in the Klamath Falls area.

Looking ahead to 2014, we are seeing the same challenging fundamentals as the other technologies. Low avoided cost rates make it very hard for projects to pencil out. Some unique challenges for geothermal include the fact that it is an expensive technology. The risks and costs are all upfront; a lot of money is required just to prove out the resource. However, it also has some strategic advantages such as a high capacity factor and occasional U.S. Department of Energy funding.

Energy Trust is offering project development assistance in larger chunks—up to \$150,000 for larger projects through a competitive process and up to \$40,000 through a noncompetitive process. This is proving to be popular and is catching the attention of geothermal developers. Although this support represents a small portion of a developer's overall costs, it helps developers to leverage other funding. Completion of the larger OIT project will also be a great opportunity to learn the actual costs of a project. The strategy for this technology is to remain opportunistic.

Betsy Kauffman next addressed small wind activities. Energy Trust's first small wind turbine was installed in 2006, and a small wind initiative was rolled out in 2008. Since then, a range of turbines have been installed from 1.5 to 225 kW, most of them in the 10 to 20 kW range. Capacity is almost 700 kW and generation is about 0.1 aMW. Incentives total about \$1.2 million.

The Small Wind Certification Council is up and running, certifying turbines to specific standards. There are 300 or so manufacturers of small wind turbines but only about 15 have been certified. Certification by the council doesn't speak to company business practices. In general, installations are down about 50 percent. We can speculate as to why, but we aren't certain.

There was some decline in the program in 2013. Three turbines were installed, and some project development assistance was provided. Energy Trust continues to market

throughout the service territory. The Anemometer Loan Program is no longer available. Additional changes include new developers and new buying opportunities. United Wind and XZERES Wind are rolling out leasing programs similar to the SolarCity model, in which the customer pays a certain amount of money each month. The customer does not own the turbine but gets the benefits. This approach has the potential to renew demand. Moving forward to 2014, a 50 kW turbine will go up in a few weeks with Umatilla Tribe. There will be a trade ally training during this installation as well. This year Energy Trust will take a hard look at the small wind program to see how it's going and whether adjustments need to be made.

Bruce: Is that 50 percent decline in installations just in the small wind category?

Betsy: Yes.

Bruce: And what delineates small wind?

Betsy: I consider a small wind turbine to be up to 250 kW. Some small wind programs include up to a 1 MW turbine, but we don't feel that the larger turbines work in a standard program. This statistic probably includes turbines up to 1.5 MW.

Bruce: Are the 300 manufacturers you mentioned working globally?

Betsy: Yes.

Bruce: Do we have any manufacturers in the Northwest?

Betsy: Yes, XZERES, but they most of their sales are in the United Kingdom.

Bruce: Are they certified?

Betsy: They have a limited certification. They are certified in the U.K. The small wind certification takes that as a "limited" certification, but they have not achieved full certification yet.

Bruce: Does Energy Trust have a certification requirement?

Betsy: Yes, we have made an exception for XZERES. We require not only certification but listing on the Interstate Turbine Advisory Council, which also considers business practices.

Frank Vignola: Why did you end the anemometer program?

Betsy: There were a lot of reasons. Initially we thought we could erect this equipment, let someone gather data for a period of time and then move the device to another location. As it turned out, the costs of refurbishing and moving the equipment were almost as high as buying new equipment. Energy Trust typically does not own equipment, so the program just wasn't a good fit. Also, we initially thought that the biggest barrier to community wind projects was a lack of data, but found there were other market problems as well. We were spending a lot of money to address a secondary barrier. If someone wants to install an anemometer, we share the costs.

Matt Krumenauer: Are United Wind and the other companies providing their own capital for the leasing programs or working with financing programs?

Betsy: I know United Wind has gotten significant funding from outside investors, which speaks well about the finance community's confidence in the company. I think XZERES did as well but I'm not sure about its source.

Dave Moldal addressed biopower activities, focusing on biogas and excluding two woody biomass projects. In total, the program has provided about \$11 million in incentives, with anticipated generation of about 63,000 MWh. The first cogeneration project was supported in 2005 at the Gresham Wastewater Treatment Plant. To date, Energy Trust has supported six projects at five wastewater treatment plants, three projects at dairy digesters, one food processor project and one merchant biogas project.

Two projects reached commercial operation in 2013. The JC-Biomethane project in Junction City achieved commercial operation in September. It is running smoothly and

almost at full capacity. The second project to achieve commercial operation was the Farm Power Misty Meadows dairy digester in Tillamook. It is delivering power through Tillamook Public Utility District to Pacific Power. Last year, incentives were approved for two biopower projects using anaerobic digestion: the City of Gresham for expansion of its cogeneration system and Clean Water Services for an expansion of the cogeneration system at its Durham Advanced Wastewater Treatment Plant. Last year also was the first full year of generation for both the Pendleton Wastewater Treatment Plant and the Medford Wastewater Treatment Plant. In addition, the Forest Glen Oaks dairy digester achieved its target generation for a second incentive in 2013.

As with the other technologies, there are some challenging market fundamentals for biopower. The program sees the greatest opportunity with net-metered biopower projects at wastewater treatment plants, which can benefit from co-digestible high strength organic waste tipping fee revenue and increasing generation to offset plant load. This year, we will provide project development assistance for a pre-design study at Klamath Falls Spring Street Wastewater Treatment Plant. Energy Trust also intends to support a fats, oils and greases, FOG, market assessment and an anaerobic digestion case study.

Bruce: Did you say Salem was doing an expansion?

Dave Moldal: The Salem Wastewater Treatment Plant has a great opportunity to expand its cogeneration system.

John: Do you try to find markets for the projects that are producing excess hot water?

Dave Moldal: That is an opportunity that we haven't promoted yet.

Thad: In most cases, project operators are using heat from the cogeneration engine to heat the digester, so part of the energy being produced is used there. I think wastewater treatment plants use some, if not all, of the waste heat as a standard operating practice.

Dave McClelland addressed the Solar program. Incentives were reduced by about 50 percent in 2012, which reduced the pipeline for 2013 and impacted contractors. They had to scale down, and it is not easy to scale back up. There were 880 solar electric projects and only 73 solar water heating projects in 2013. A total of \$4.3 million in incentives were paid. Over the past 10 years, Energy Trust has supported more than 6,000 solar electric projects and 1,400 solar water heating projects with a total of about \$69 million in incentives.

The decrease in incentives in 2012 depleted the pipeline for 2013, and the first quarter was the worst in about four years. Activity began rebuilding in 2013 and finished strong. The residential market has shifted toward third party ownership models, beginning in 2011. This shift expanded the market and added additional customers, particularly in PGE territory and the Portland market. This drove dramatic growth in 2011 that was not sustainable at the incentive rate at that time. In 2012, more projects were installed than applications received. Through cost reductions, the market did increase in 2013, even though there wasn't a residential incentive increase last year. Q4 2013 was the second best quarter in solar activity since the beginning of 2011, and there is still some room for growth. Q4 2013 cost us half as much in incentives as Q4 2011, the only higher-performing quarter. While this activity suggests the effectiveness of lower incentives, many smaller contractors in PGE territory are having difficulties sustaining their businesses. The new incentives are targeted to them.

Commercial solar has been a similar story, but the rebound has been much slower. In Q1 2013, more incentive dollars were cancelled than new dollars reserved. Because of

this, incentives were raised in both PGE and Pacific Power territories, and a good response was noted in Q2. In Q3, activity leveled off again. Energy Trust increased the PGE business incentives a second time in October; they are now almost back to where they were before the reductions in 2012. As Oregon no longer offers a Business Energy Tax Credit, projects have access only to federal tax credits, federal depreciation and Energy Trust incentives. Some grants and other opportunities for funding are available, particularly in Pacific Power territory, and account for much of the activity in that area. The program began 2014 with a much stronger pipeline than it did in 2013.

Market barriers include a lack of awareness and feelings of missing out on a good deal. A commercial solar market assessment is in review and has led the program to shift to more targeted marketing. A targeted marketing campaign last fall produced a number of leads. Costs are continuing to come down, more so for commercial installations than for residential projects, which have been hovering under \$5 per watt. The program is optimistic about prospects for 2014.

Bruce: I wasn't aware that there was differential in residential incentives based on ownership.
Dave McClelland: Yes, we increased incentives this year but only for direct-owned projects in PGE territory. We found some additional above-market costs for direct-owned systems. In Pacific Power territory, we don't have room to move up our residential incentive but we did increase the incentive cap.

Frank: What is the range in solar prices?

Dave McClelland: For residential solar, we have few contractors that are in the \$6-7 per watt range and some down to around \$3 per watt, so the range is wide. The average is about \$5. For commercial solar, we do some have economies of scale. Small projects are comparable to residential prices but larger projects can be in the \$2-3 per watt range.

The federal government has aggressive goals for price reductions. They would like to bring costs down to \$1 per watt by 2020. For utility scale projects, the goal is \$1 per watt. Trends we notice suggest the goals may be reasonable. Most of the cost reduction has been driven by lower module costs. The non-hardware costs haven't changed much over the last five or six years. Soft costs have become a bigger portion of the overall costs, and that is where Energy Trust is focusing. If we want to continue expanding our program with a flat budget, we have to be able to reduce incentives over the next few years. To do this, we are increasing our focus on soft cost reduction.

Last year was difficult year of rebuilding. We were down one staff person for the entire year. I started as the program manager in May, Gayle was hired in August, Jennifer was hired in December and we just hired a new assistant. We have revised roles with a functional focus that aligns with the areas of soft cost reduction we are targeting. We also have the opportunity to develop some longer-term plans for our program, aiming for greater market stability. We have a stronger pipeline and customer interest, suggesting 2014 could be a very good year. We have set aside \$1 million for larger projects available through a competitive process.

Erik Anderson: Do you have any thoughts on why commercial pricing seems to be equivalent to other states but residential pricing hasn't reduced as much as it has in other states?

Thomas Farringer: The average system size disparity from residential to commercial would be my guess.

Dave McClelland: I think soft costs are a big part of it right now.

Peter: What are permit costs in the other states?

Thomas: Significantly lower. The City of Portland has high permit rates.

Jennifer Hall: City of Portland costs are more than twice those in other areas.

Dave McClelland: A lot of our projects are in the City of Portland.

Fred: Has the feed-in tariff affected your results?

Dave McClelland: The tariff has had a big effect on consumer interest. In particular on the commercial side, the feed-in tariff has attracted more activity. The pilot program is ending this year, so activity may shift back to seeking Energy Trust's incentives.

Bruce: At the end of 2013, the PGE average net metered site is over 5 kW.

Dave McClelland: In particular with third party systems, we are seeing very large systems going in and the average system size inching up. With direct-owned systems, there is only so much that the customer is willing to bite off.

Peter: How does the average net-metered Energy Trust size compare to feed-in tariff average size?

Bruce: The feed-in tariff average size is much bigger. I don't have the exact number; I think the average is 7-8 kW.

Frank: Do you ever think about working with community solar projects?

Dave McClelland: Yes, there are a lot of models for community solar projects. The City of Portland has Solar Forward, for example. At this point we haven't seen a model that we think is going to take off in Oregon, so we haven't put our weight behind any. We are open to the community approach and are keeping our eye on it. A lot of customers can't put a solar system on their own roof, so I think there is demand and interest in community ownership.

Thad: Just a reminder, Energy Trust is focused on our standard solar program and a range of other technologies. The budget reflects this focus and has been endorsed by the OPUC. If we have some unallocated funds in the second half of the year, there may be opportunity to fund something more unique like a community solar project, but the approved budget does not provide for this.

3. Energy Trust Strategic Plan update

Every five years, Energy Trust engages in a strategic planning process. Elaine Prause gave an update on the organization-wide process.

Elaine: We are looking for feedback from members of our advisory councils at different points in the process of writing a new strategic plan. Strategic planning is a requirement of our grant agreement with the OPUC. We must produce a plan at least every five years. The last plan was developed in 2009. That strategic plan produced some big changes. Responding to SB 838, the plan shifted our mandate to support new renewables under 20 MW, while utilities could now provide additional funding to acquire efficiency within their integrated resource plans.

The strategic plan must have a mission. We aren't sure yet if this plan will change our current mission in any way. We also must have goals for what we think we will achieve in the next five years and strategies for how we will achieve these goals. We also must seek input on this plan, including yours. Energy Trust's board of directors is leading this process, with staff supporting the process.

The process started last June. Since then we have been gathering information and trying to flesh out the critical challenges. We are creating a draft plan that will be

discussed by the board at its annual retreat in June. We will engage in outreach over the summer and hope to finalize the plan before our budget and action plan process in the fall. We hope to seek Renewable Energy Advisory Council and Conservation Advisory Council review of strategic issues and priorities in March or April meetings. In June, we will review the draft plan with the advisory groups and gather comments over the summer.

Betsy: This is an early look at strategic issues for the renewables sector. We are considering whether our overall approach is optimal, given current and expected market challenges. Our approach has been to offer a set of standard incentives while supporting a portfolio of technologies and growing projects through project development assistance. Does this approach still work? Should we offer more information and technical assistance in addition to financial assistance? Does the portfolio treatment still make sense?

Our overall strategy will be affected by Oregon's decreasing support for distributed generation. We are examining prospects for increased renewable generation over the next 10 years. Market conditions have changed from the situation five to seven years ago, when Oregon was expanding the Business Energy Tax Credit and enacting the Renewable Portfolio Standard. We will look at the potential for distributed generation on a statewide level and whether that vision will expand to other states. How do we continue to move projects forward in Oregon when companies may decide to do business elsewhere?

Elaine: For energy efficiency, we think the plan will look quite different than our last plan. It will be challenging to maintain growth at the same level of acquisition. What would our business model impacts be if the resources decline? We can also seek new resources. There are a lot of choices for new markets and new visions. An outside-the-box option could be an expansion of our goals, perhaps adding a greenhouse gas reduction goal or an economic development goal. A third-party contractor did a benchmarking study to see what organizations similar to Energy Trust are doing. Many of these organizations have different goals, such as lowering greenhouse gases. Do we need a 10-year vision; is a five-year focus too limiting? If we set a 10-year vision, we can establish goals for the short term that support reaching that longer term vision. As we are in the beginning stages of planning, many options are available to consider.

Frank: I think that what Energy Trust does is a subset of a much bigger picture. It is important to bring in the utilities and government agencies to figure out where we're all heading in terms of energy and uses. Then Energy Trust can figure out the role it can play. Without a bigger picture, you aren't going to see what you should be doing. You could consider bringing together some other players to encourage the Northwest Power and Conservation Council to set the overall agenda for what we want to achieve in the Northwest and consider how Energy Trust fits in. How do we achieve sustainability with a system that can grow as our energy needs grow?

Elaine: That is a great point; we keep coming back to that. The 10-year energy plan was a good starting point, but we wish things were a lot clearer. We will consider what we can do to affect that discussion.

Matt: I was going to offer a similar thought. It seems like a good time to be going through this effort. At the same time as your strategic plan, the seventh power plan is in development, the Oregon Department of Energy is doing a strategic plan and so is Northwest Energy Efficiency Alliance. The utilities are developing Integrated Resource Plans. There are also regional transmission and grid issues we are encountering. It seems like a good time for Energy Trust to

be aware of this bigger context. I can take this thought and come back to you with suggestions for how we can be informed by your efforts and vice versa.

Betsy: What is the timing for the Oregon Department of Energy's strategic plan?

Matt: Originally December 2013, but it's in progress now.

Thad: We have done some outreach to the utilities and the state.

Fred: We are thinking about how this strategic plan can support state policies. If the state wishes to go in a certain direction, then how could we help? We have an on-the-ground view on what it takes to get there, but someone else needs to say where the state wants to go.

Public comment

No public comment.

4. Meeting adjournment

Betsy thanked the council members for their participation and adjourned the meeting at 11:34 a.m. The next full council meeting is March 12, 2014.

Conservation Advisory Council Meeting Notes

February 5, 2014

Attending from the Council:

Jim Abrahamson, Cascade Natural Gas
Brittany Andrus, Oregon Public Utility
Commission
Jeff Bissonette, Fair and Clean Energy
Coalition
Warren Cook, Oregon Department of
Energy
Anne Snyder Grassmann, Portland General
Electric
Don MacOdrum, Home Performance Guild
of Oregon
Holly Meyer, NW Natural
Stan Price, Northwest Energy Efficiency
Council

Attending from Energy Trust:

Adam Bartini
Taylor Bixby
Tom Beverly

Amber Cole
Kim Crossman
Diane Ferington
Sue Fletcher
Fred Gordon
Jackie Goss
Marshall Johnson
Spencer Moersfelder
Elaine Prause
Julianne Thacher
Peter West

Others attending:

Jeremy Anderson, WISE
Dave Backen, Evergreen Consulting
Keith Barrow, NW Natural
Christina Cabrales, Conservation Services
Group
Wendy Koelfgen, Clean Energy Works
Ryan Clemmer, Clean Energy Works

1. Welcome and introductions

Kim Crossman convened the meeting at 1:30 p.m. and reviewed the agenda. The agenda, notes and presentation materials are available on Energy Trust's website at www.energytrust.org/About/public-meetings/CACMeetings.aspx.

2. Preliminary results for 2013

Peter West presented preliminary savings results.

Peter: Preliminary savings results are the best available data as of this time, and results may change as the annual report to the OPUC is compiled. The annual report will be delivered to the OPUC by mid-April, including financials and progress toward other goals.

Energy efficiency savings for 2013 exceeded electric stretch goals. Energy Trust achieved 104 percent of the electric stretch goal and 97 percent of the gas stretch goal. Savings surpassed three of the four utility IRP goals: 122 percent of PGE, 133 percent of Pacific Power, 138 percent of NW Natural and 86 percent for Cascade Natural Gas.

I want to thank staff at Energy Trust, trade allies and supporting organizations for these achievements. Meeting gas goals was especially challenging due to cost-effectiveness constraints.

Energy Trust savings by sector include those deriving from work by Northwest Energy Efficiency Alliance, NEEA, supported by Energy Trust funds.

Commercial sector programs reached 106 percent of the stretch goal for electric savings and 101 percent of the stretch savings goal for gas savings. Industrial savings represented 101 percent of the stretch electric goal and 92 percent of the stretch gas goal. Residential sector programs achieved 104 percent of the stretch electric goal and 97 percent of the stretch gas goal.

The results by sector reflect relative opportunities in the markets. The commercial sector produced the highest savings, for both electric and gas, in part because this sector had the greatest growth potential. Electric savings in the industrial sector slightly exceeded residential sector savings, while the residential sector is now the second largest source of gas savings. Residential programs have been around much longer and have served a deeper share of the market, so savings in the residential sector are harder to achieve over time.

Multifamily, New Buildings and New Homes and Products performed well in 2013 across the board. These programs reached stretch goals for three out of the four utilities and came just shy of meeting stretch goal for the fourth. NEEA's results also were strong. Production Efficiency achieved outstanding results in PGE and NW Natural territories.

The commercial Strategic Energy Management, SEM, offering has struggled with enrollment. Expectations were based on industrial sector SEM performance and have proved to be optimistic. More often than in the industrial sector, commercial SEM projects have backed out or been scaled back. Commercial businesses appear to have greater capacity constraints. These concerns are being evaluated this year.

The Oregon Department of Energy and Energy Trust collaborated effectively to enroll schools. Fewer projects finished than expected. Even with a strong 2014 pipeline, more resources will be needed to improve the close rate for schools projects.

Residential results would have been higher had the program continued promoting Energy Saver Kits. Energy Trust made a strategic decision to reduce kit distribution by more than 70 percent, hoping there would be an uptick in weatherization. However, both tracks of Home Performance produced 50 percent less in savings than the previous year, while the number of projects decreased by about 30 percent. The outcome of the cost-effectiveness docket at the OPUC will be a key factor for this track.

Mark Johnson: What's included in the kits?

Peter: Energy Saver Kits include faucet aerators, showerheads and lighting, and can be obtained online, through promotions or through school projects.

Andria Jacob: The savings in Home Performance was switched from modeled to deemed. Did that cause part of the issue?

Peter: Yes. But the drop in the number of projects was a surprise.

Holly Meyer: Perhaps this is due to the time needed for the program to switch from Energy Saver Kits to Home Performance.

Peter: Yes, more patience may be needed. We did well in residential overall, reaching 104 percent of the electric stretch goal and 97 percent of the gas goal. While weatherization projects are an area of concern, the measure counts for installed equipment were up in most every

category in Existing Homes. In 2014, we will push equipment further and look at how to turn weatherization around.

On the utility level, Energy Trust hit 99 percent of the stretch goal for PGE. In Production Efficiency, SEM was successful and a megaproject at Intel contributed to savings. PGE staff did a good job keeping things on track and deserve thanks for their great work.

Savings for Pacific Power came in at 113 percent of stretch (net; gross numbers are being prepared). Data centers and multifamily projects were particularly strong in Pacific Power territory.

Don Jones: I want to point out that NEEA's great results are on Sixth Power Plan baseline.

Peter: Energy Trust achieved 100 percent (rounded) of stretch goal for NW Natural. The industrial and commercial demand-side management effort has really taken off and finished close to double the expected achievement. ICF, Spencer and Existing Buildings did a great job. In addition, OPower delivered stronger results than expected.

Energy Trust finished at 73 percent of stretch goal for Cascade Natural Gas. New Buildings and New Homes and Products performed well. Energy Trust worked with Jim and Allison on an outreach effort with Cascade's field offices that resulted in more allies, connections and projects, although these efforts could not overcome the drop-off in Production Efficiency projects. Existing Buildings also experienced project evaporations, including a large Sunriver project. We hope to get back out in the field with Cascade Natural Gas staff to explore whether any of their connections can be engaged.

Again, it is important to acknowledge and thank the 2,700 trade allies, allied technical assistance contractors, designers, architects, code officials, real estate allies and all of the outreach staff who helped drive the 2013 accomplishments.

3. Conservation Advisory Council operating principles for 2014

Kim read the portions of the council charter and operating principles to the group and asked for thoughts on how well recent activity has aligned with them. Last year the Conservation Advisory Council took a close look at the charter and updated the operating principles.

Holly: Should we receive previous meeting notes one week in advance of the upcoming meeting?

Kim: Right now, the meeting notes go into the board packet, but not the next Conservation Advisory Council packet. Should we include them? Several council members responded positively.

Kim: We tried to create a shift toward shorter presentations and more room for discussion. Does anyone have feedback on that?

Holly: There is always kind of a tension around that goal. We're often trying to stay on schedule, but there isn't always enough time to discuss things. It may always be a problem.

Jim Abrahamson: You've tried to stay structured, which is helpful. Sometimes a 10 minute discussion becomes an hour, but it may be helpful. This group doesn't usually go off on tangents, so the extended discussion is valuable, in my opinion.

Kim: The discussions can be great, and we have to make continuous improvements on this.

Kim: We provide minutes in the board packets, and we've found that board members pay attention to these notes. There was interest in having a board member present at Conservation Advisory Council meetings, and last year we asked to have someone here. Mark Kendall joined us in 2013, to good effect.

Holly: Sometimes there is a delicate issue in the minutes, and we would like to review before the minutes go to the board. Can Conservation Advisory Council members review the minutes before they're finalized?

Kim: We've discussed that internally, and I have been informed that with monthly board meetings, timing is often very short to get the council minutes done and in their packet. Building in another round of review would break the system. If there is something concerning in the discussion, you can always let me know after the meeting and I'll review the notes with you.

Don Jones: At the Regional Technical Forum we approve the minutes at the next meeting. Even though we don't vote here, we should consider having a short review process at the beginning of each meeting.

Kim: Since we discussed attaching the minutes to the next packet, we can consider something like that.

Fred Gordon: The board members pay attention to whether or not the Conservation Advisory Council reviewed certain issues or decisions. Board members like to have the notes, but they don't assume that all perspectives are there.

Don Jones: Are the Conservation Advisory Council meetings recorded?

Kim: No, but it's an interesting concept to take to the communications team. We'll find out more.

Jim: Are minority opinions captured in the notes?

Kim: We try to pay attention to capturing minority thoughts in the notes, and you'll see the comments reflected there.

Holly: You do a fine job capturing things in the notes, and sometimes putting conversations back together. We just need to make sure everything is represented fairly.

Kim: Continuing on, should we insert a formal discussion of future agenda items? Can you make requests? Also, we presently have 18 people on the Conservation Advisory Council. Are there perspectives that should be added?

Holly: We talked about adding representation from Clean Energy Works.

Kim: They aren't officially on the council, but they are almost always present for the meetings.

Kim: Since we are at the beginning of a new year, I hope you will consider your participation. This is a great group, but if anyone is ready to pass on a Conservation Advisory Council assignment to someone else, please let me know. Some of the organizations do a great job of changing the assignment on a regular basis. Others of you have been here for years.

Should we make participation by phone available for all meetings? I feel that the meeting works better when people are in the room, but it's an option.

Wendy Gerlitz: I've worked on some advisory committees that meet only by phone, and that approach doesn't seem as effective. I suggest keeping it as is: make phone participation available, but only upon request.

Jim: I could go either way. I gain a lot by coming to the meetings in person, but there are times I need to be elsewhere and listen in. The phone connection really helps.

Kim: Do we need webinar capability for that? If not, we can continue emailing materials to you in advance.

Jim: It's fine that way.

Holly: We sometimes hear about things after decisions are made. When the operating principles were written early in Energy Trust's history, the council probably offered a more robust advisory opinion.

Kim: We are bringing issues here for discussion and advice before decisions are made, such as budget concepts and changes in residential incentives. Energy Trust has lot of in-house expertise, but there is also great expertise on the Conservation Advisory Council. We are definitely listening. There are informational items on the agenda, too, such as reporting on progress to goals and updates on what we are learning in implementing pilots, initiatives and programs. One of the key purposes of the Conservation Advisory Council is sharing that information. That's a valid function, but in some cases, such as trend reports, it appears that we could have given you the reports and used meeting time for something else. How much time should be spent on informational items versus discussion items?

Kim: I will send the operating principles out with a few things we've taken notes on. Please send me comments on the redlined items.

Don McOdrum: Did we take an official vote in 2013 to adopt these principles?

Kim: Yes, we did. So, we'll briefly review the operating principles each year to refresh our understanding of how we operate together.

Don Jones: What changes did we identify today?

Kim: I'll need to review the minutes. We discussed changes like sending the minutes in advance and having an option available to participate in meeting by phone. I will send the others to review.

4. What is coming to Conservation Advisory Council?

Kim: I sent a large spreadsheet with everything that has come to Conservation Advisory Council since 2010. It includes a review of topics covered in 2013. While we may recall the more contentious topics, a wide range of items come to this group.

I suggest we review and discuss the draft 2014 annual schedule, available as a handout. We report on progress toward goals and hand out dashboards in Q1. Then we do more extensive presentations of dashboards in Q2 and Q3, to help guide programmatic changes. The dashboards are primarily informational.

We cover the annual budget cycle, budget concepts and sector trend reports. Do you want those intensive, deep-dive sector presentations? We were thinking that discussing one or two relevant surprises from those reports may be more useful. We usually show course corrections in Q2 and Q3.

Holly: The high-level summary is very helpful. My vote is to have that.

Kim: A lot of the statistics are prepared for internal use and are also shared with the council.

Don Jones: The reports are useful and give us the ability to see information for industry comparisons. I could go for the highlights in many discussions.

Don MacOdrum: If we change the format so that you just present the highlights and give us the reports, many of us would read the report sections we need.

Kim: We know you're interested in pilots and anything new or cutting edge, so those will continue to be topics at Conservation Advisory Council meetings. We need feedback from you on other topics.

Andria: According to this schedule, we probably only review quarterly dashboards at one meeting, correct?

Kim: I have a placeholder in March and June, but those aren't firm dates. These are things we can move around and replace if we're not doing other things. Sometimes, there are moments when programs are facing decisions they want to put in front of the Conservation Advisory Council.

Andria: One of the most interesting things last year was having the customer presentations on SEM. For me it was energizing. I'm interested in emerging technologies and new items.

Holly: The value of the customer presentations depends if we're on the policy or market side in our jobs. I work on the policy side, so getting exposed to the market is great for me, but might not be as useful for other council members.

Kim: I put NEEA on the schedule for March as a guest speaker. I haven't reached out to them yet, but we'd like to have them.

Andria: All the issues about data and planning around data are another topic. It's a big issue, and we may have something to add.

Kim: Are you talking about our current utility data sharing agreements or, more broadly, the future use of data in programs?

Andria: I'm thinking of the future; and giving us some insight into how other players are doing things.

Kim: It's a big deal on the business side.

Jim: There was a round one budget issue last year related to timing of changes, and I linked that back to our utility and Energy Trust presentations. At the time, I asked how things might shift from one program to the next. The concept presentation was great, but at the October council meeting we were a bit behind the eight ball and had to scramble to get numbers. We want to get our arms around that a little better to avoid surprises in accounting. We have budget concepts in July and then we have round one and round two budgets right away without enough time.

Peter West: It may not land exactly as we have it on the schedule now. We could do the first round earlier, but then the values would probably change more by the second round. We're playing around with budget timing so concepts turn to numbers sooner. We can do the numbers earlier, but recognize that the budget values can shift quite a bit when estimates are made before things are fully baked. We need to think about what process would support more substantial input sooner within a timeframe that's reasonable.

Jim: This is probably more unique to Cascade Natural Gas because of our size. Changes that are relatively small to the others are big to us.

Kim: Round one is when we have numbers. The budget concepts are more about strategy and where the programs are going. Round one is where we finally get into the numbers behind them. We found the concepts process to be a great way to get feedback before calculations are made.

Jim: The concepts are great, but the therm impacts weren't figured in, and they had substantial impacts on us.

Don MacOdrum: I don't know if these things belong on Conservation Advisory Council planning documents, but the OPUC cost-effectiveness dockets are going to show up. Are they on the schedule?

Kim: They are in the planning column, but the dates may not be completely accurate.

Peter: Just as a caveat, we're not an alternate process to the OPUC.

Don MacOdrum: Once decisions are made, there will be reactions. I am looking for cost-effectiveness to be on the agenda after the decisions.

Kim: The topics on the schedule are probably what we want to cover, but the timing may shift. Best guesses are what's listed.

After going through last fall's residential measure changes, we're working internally to tune how we bring measure information to you each fall. Planning is taking the lead on this, working with program staff.

How we analyze measures came up as a discussion last fall. We did a deep dive into cost effectiveness last year that seemed helpful. Is that something we should do again? There was an idea that we could schedule part of the next council meeting to lay out the key variables used for measure analysis and to show the beginnings of a template for what we'll usually bring to this meeting regarding measure changes. There is a near-term constraint. The planning team is busy working on the strategic plan right now, so we're not confident that we can do a half day on this in Q1 or Q2.

Elaine: We decided to do a 45-minute presentation in the near term with a high-level walkthrough of examples, and check back to see if a half day meeting is needed.

Kim: We see a need for improvement, and are looking for ways to fit that in.

Holly: If that's all we can do, that's okay. The vibe at the last deep dive workshop was great, and I enjoyed the discussion. I would like to repeat that format.

Don MacOdrum: The informal conversations and networking were really good, also.

Kim: Will cost-effectiveness changes be the best topic? It seems we arrived here based on last year's discussions, but would something else be better?

Holly: I would be happy to focus on this topic, and there would be benefit. I don't know if the OPUC could use us as a sounding board for this item on their cost-effectiveness docket or if that last training should be taken to the next level.

Fred: At the next meeting, Juliet will probably talk about the process in the docket and how we move forward.

Brittany Andrus: Yes, an OPUC update at the next meeting would definitely be better.

Wendy Gerlitz: Is the SB 838 funding limitations topic in March or April?

Kim: In April, because we don't think we'll have 2013 results until late March. It's hard to discuss this subject without the results.

Holly: I wonder how the Conservation Advisory Council format worked from the audience's perspective.

Kim: Should we have a formal time for audience comments at the end of meetings, or do it as we go?

Jeremy Anderson: I think doing it as we go is fine.

Wendy Koelfgen: Should we ask for comments at the end of each item?

Kim: That's a good suggestion.

Wendy: Regarding the cost-effectiveness discussion, we would like to present some of our thoughts, also.

5. Energy Trust 2015-2019 Strategic Plan introduction

Elaine Prause: We'll look for your feedback at various points in the process of strategic planning. This type of plan is a requirement of our grant agreement with the OPUC. We need to do it at least every five years, or more often if something will cause dramatic changes. SB 838 funding was the last example, since it caused big changes for us.

The plan needs to include a mission, goals and strategies for reaching goals, and we need to actively seek input on the plan. The last time around, we established five-year savings and generation goals. There are also strategies outlined for how we reach those goals. The process is led by the Board Strategic Planning Committee. Mark Kendall is on that committee and will be a helpful to connection to the Conservation Advisory Council as we work through the process.

The current process started with the board retreat last June, and staff has been gathering information since then. We will come up with an issues list, and then create a draft plan that addresses these issues for board members to review at their retreat in June. We will reach out for review and comment and aim for board adoption by the end of 2014.

We're currently in the strategic issues phase. We gathered an extensive list of issues and grouped them into three general categories:

- Inside-the-box issues are within our current mandates and what we currently do.
- Expanding-the-box issues are not currently what we do, but could be added.
- Outside-the-box issues are outside our current scope or what we currently do. This would be something like: should Energy Trust have a greenhouse gas reduction goal?

Issues and questions we've been discussing so far include whether our current renewable energy approach is still workable. We've targeted five technologies, but is that still the best approach? The role of distributed generation is also important.

On the energy efficiency side, the 2010-2014 Strategic Plan was all about growth. The next plan will be all about resource potential. If we replicate the accomplishments of the last five years, we don't see enough resource to continue at that pace beyond five years. What should we do to grow the resource? Do we put a lot of money into innovation, or should others, for example? There are tradeoffs and decisions to make.

We looked at other states and organizations similar to Energy Trust and see that they have a variety of goals important to their regions. Should Energy Trust expand our goals to other criteria that are important to our state? The scope of the plan is in question as well. Our board has challenged our current five-year planning horizon. Should we set it out to 10 years instead of five?

Next steps include sending the list of strategic issues to you prior to the March Conservation Advisory Council meeting so you can have time to prepare for a discussion at that meeting.

Kim: Was anyone here during the last planning cycle five years ago or remember anything about it? (Heads shaking all around.) Do you want to read the previous strategic plan? (Numerous heads nodding, Kim will send out [2009-2014 Strategic Plan](#).)

Fred: You'll see this plan at a very high level. The strange thing looking back is that we did what it said in many ways. At an abstract level, the plan reflected what we wanted things to look like in Oregon, and we actually did some of those things.

Andria: Our organization is engaged in strategic planning right now. There is a part about how we do the things we choose to do. Will you have that? Values around implementation are helpful.

Elaine: We look at that, and we include things like actions to support the community. The plan outlines how we get our business done.

Fred: There are also value statements that were developed through another process. You can see them framed on the wall in many of our rooms. Value statements are about how we work with people. Some "how" statements go that way, and some get wrapped into the plan.

Holly: It's exciting to be part of this from the beginning. I came in right after it was finished the last time.

6. Energy Payback Estimator tool demonstration

Diane Ferington: Taylor Bixby is with me. Taylor worked with us as an intern before becoming an employee. He will demonstrate the tool, which he helped develop along with Matt Braman.

The Energy Payback Estimator is a new tool on the website that provides energy savings and costs for energy-efficiency measures. It uses deemed savings from the most current billing analyses. It will give customers more transparency around the energy savings they can expect when they consider installing measures in their homes.

The Energy Payback Estimator is accessible on the residential web pages, through a link on the left sidebar. It's also available from the Find a Contractor page. We'll have links on the EPS and financing pages. These are the four ways to get to the tool.

It's been in development for nearly two years. Utilities and trade ally groups have seen it, and we expect it to be live by mid-February. We'll continue to incorporate feedback but feel good about what we have right now.

We brought it to the Conservation Advisory Council as a concept about a year ago. It's used in Home Energy Reports right now. It uses the same back-end database. We're also considering it for a contractor-facing report and modeling tools. It's meant to be

used after the customer has received a bid and has an idea what they want to do. It's not meant to supplant other tools offering high-level ideas and next steps.

The tool shows a customer's energy use over the past year. Customers can use their utility account numbers to confirm this data if they choose. If they have both gas and electric accounts, they can use either account number. If they don't have their account numbers handy, they can select low, average or high usage from a dropdown box. They can also enter general information about their house.

Once the customer enters these basics, they can provide more information about their project. It's important for them to have a bid in hand so they can look at the payback and value of the measures.

Andria: From a customer point of view, you already have the Energy Savvy tool, so what does this do differently? If the customer is very early in the process, would they use Energy Savvy?

Diane: Energy Savvy will tell you what measures to consider. This one will give you better information about the energy savings for a given measure once you have measures in mind.

Taylor Bixby: You need at least one bid, or at least a clue of the market price for the measure, or the tool can't calculate payback.

Andria: It could be useful for comparing two bids.

Jim Abrahamson: Evaluating bids is one part of it, but it would be valuable for comparing the investments and outcomes from them. It gives a good, comprehensive look in terms of what the energy savings will be. It should drive things.

Mark Johnson: It can tell you more about what's cost effective. If a \$10,000 bid isn't cost effective, you need to look for something lower.

Jim: If you were looking at a greenhouse gas reduction goal, for example, a tool like this would be essential to reaching it.

Diane: EPS would also help with that.

Mark: Is it possible to see the savings behind this?

Taylor: Yes, the tables behind this are fairly easy to use and can be provided upon request.

Marshall Johnson: We brought cost estimates to the Conservation Advisory Council as a possibility a few years ago. We had used modeled savings in Home Performance before, but costs were overstated by about 50 percent. Consumers can get this information and project their savings and cost effectiveness. This is a way to protect customers and allies by giving good estimates. It grew out of that initial discussion.

Diane: The dropdown allows you to change your usage assumptions on the fly, also.

Taylor: The detail section gives estimated costs and incentive values specific to Washington or Oregon.

Mark: Can you look at the assumptions behind it? Like the assumed coefficient of performance, COP, on a heat pump?

Taylor: The assumptions around savings are made when evaluations assess the measure. Through our evaluations, we've already bracketed heat pumps into different efficiency ranges. The Energy Payback Estimator uses these ranges, and no further assumptions are made.

We include language about estimates on energy savings and plan to make these more prominent.

Anne Snyder Grassmann: Will you capture any of the customer information so you can get back to customers who use the estimator but don't follow through?

Diane: We don't now, but we could see some value in it.

Holly: That would be interesting because gas payback periods are long right now, and customers may need follow up.

Andria: I thought we were trying to get away from showing payback.

Holly: We worked on this with Juliet from the OPUC, and we decided that payback should be shown and other benefits associated with installation of measures should be emphasized as well.

Fred: We're trying to show the OPUC that people are doing savings for more reasons than just the investment values. We know this already, but we need to demonstrate it.

Jeremy Anderson: You are confident in your estimates, but it may not be clear to the customers that they're based on your deemed savings. There are tools available which will give vastly different estimates. That should not be hidden in the fine print. I would tell them there are multiple tools out there—personally, I would go to the Regional Technical Forum.

Peter: Where would you suggest putting it, Jeremy?

Jeremy: I'd prefer bullet points.

Holly: They are more likely to be read.

Peter: A specific idea would help. I appreciate the comments, but we could best use specifics about changes you would like to see.

Anne: From a consumer perspective, you want to highlight the tool. There's a lot of text. You have to scroll quite a bit. If you could make the text even more sparse, like using bullets to simplify it, the focus ends up more on the tool.

Taylor: There is a lot of text. The challenge is to balance providing enough detail without losing the tool in the text.

Holly: Some of us felt strongly about the wording. Will we get to see it before it goes live? The tone is important—even down to the name. Energy Payback Estimator sounds very accounting-oriented. Our concern is that customers might go forward with projects, even knowing they don't pay back, but seeing actual numbers might stop them.

Diane: The language, tone, name, fonts and colors are communications team items. We're noting these things and will take them to the right people, but the time it will take to address this will be after the initial launch.

Holly: Energy Investment Assessment is one possible name.

Peter: We're open to the suggestions. We would appreciate seeing specific markups incorporating your suggestions.

Anne: The back end data about who is using the tool would be interesting to see. How long they are taking to come back would be helpful.

Keith Barrow: Can a consumer go in with a different piece of equipment and come back to demonstrate the differences in payback and savings?

Taylor: That can be selected, but only within the fuel type.

Fred: We don't do a payback calculation on fuel switching. The tool would just say it doesn't compute.

Diane: Yes, the answer would be "n/a."

Jim: Isn't that part of the point? Won't this tool support that mental exercise?

Fred: No, it won't support it.

Jim: Since you provide information to customers, would there be an opportunity to guide customers to those tools?

Fred: The electric or gas ones?

Jim: Customers come to you looking for energy expertise, so maybe you tell them this tool isn't going to answer that type of question. Instead you might link to the appropriate utility tool.

Kim: Web folks don't like to do redirects if they can help it.

Mark: So the gas companies have given approval for saying a ductless heat pump is better than a gas furnace in some cases?

Holly: We're not comfortable with it, but it is what it is and we've agreed to it. However, as Taylor noted, the tool does not address this.

Fred: It's our policy to be studiously fuel neutral. There's nothing we can say that doesn't create an argument, so we don't say anything.

Jim: That position leads to this undesirable situation where customers that have paid for this tool will discover that it doesn't answer their questions because of a policy decision.

Diane: That's our governing grant agreement rules.

Jackie Goss: Does the tool include things we don't offer incentives for?

Taylor: It does show some: gas furnaces, for example.

Jim: On the basis of what I've learned from Energy Efficiency and Sustainable Technology, EEAST, meetings and Home Performance with ENERGY STAR® used for Clean Energy Works activities, will this tool be used by Clean Energy Works for estimating energy savings going into projects? I'm interested in checking my own Clean Energy Works project with this tool. I think it will give me a more accurate look at the energy savings.

Diane: Today, Clean Energy Works is using the object that delivers the savings values. They've used our deemed savings for about a year now.

Taylor: They use the same inputs for their estimates.

Jim: So there shouldn't be a difference between their tool and this one?

Marshall: Prior to January 2013, there was a different modeling tool in use. Evaluations showed a big variance and led us to develop this tool.

Jim: So this was finalized, in part, to address that problem. I had my Clean Energy Works project in the old days, so I would be interested to see this.

Wendy Koelfgen: Ryan Clemmer is our tool expert at Clean Energy Works, and can help.

Ryan Clemmer: It depends on how the tool is linked and the time frame of your Clean Energy Works project. We switched to this about a year ago. It really depends on when you came into the Clean Energy Works program. I'm happy to talk about that.

Don MacOdrum: As this tool is planned for rollout, there are no explicit consumer pieces pointing customers of Energy Trust or Clean Energy Works to it. It's consumer driven: if they notice it, they will use it.

Jim: Would a Clean Energy Works contractor use with this tool?

Fred: They would use a different tool, but the tool references these same numbers.

Diane: The consumer sees the end results, but a different interface.

Taylor: The same engine runs in the background.

Fred: There aren't interactive effects between things like age of a heat pump and savings from insulation.

7. Public Comment

There were no additional public comments.

8. Meeting Adjournment

Kim thanked the council members for their participation and adjourned the meeting at 4:30 p.m. The next full council meeting is April 23, 2014.

Tab 8

77th Legislative Assembly — Tracked Bill List

Report Date: March 24, 2014

Schedule: 249 bills introduced; Energy Trust monitored approximately a dozen bills throughout the short session; sine die occurred March 7, 2014.

Bill Number	Relating Clause Summary	Sponsor / Committee	Potential Impact	Status
HB 4005A <i>Enacted</i>	Increases number of enterprise zones that may be designated for electronic commerce. Relating to tax expenditures; prescribing an effective date. Establishes income tax credit for manufacturing facility if taxpayer makes capital investment. Provides for certification by Oregon Business Development Department.	Finance & Revenue Revenue	Extends up to \$10 million to manufacturers for jobs and capital investment milestones; described as replacement to expired manufacturer BETCs; could add activity boost to industrial programs	Governor signed 3/13
HB 4041A <i>Enacted</i>	Relating to the facilitation of financing for energy improvements by local governments. Expands energy improvement program by authorizing local governments to facilitate private financing of energy improvements by property owners. Prohibits local government from entering into loan agreement or facilitating financing agreement under program unless owner of qualifying real property receives written consent from mortgagees. Modifies definition of "qualifying real property" to exclude single-family residential dwellings.	Senate Environment & Natural Resources House Energy & Environment	Effort on commercial financing via Property Assessed Clean Energy program	Governor signed 3/6
HB 4042 A <i>Enacted</i>	Relating to net metering of energy produced by marine resources. Adds renewable marine energy to types of energy for which availability of net metering is required.	Senate Rural Communities & Economic Development House Energy		Governor signed 3/6
HB 4043 <i>Not enacted</i>	Relating to utilities. Restricts use of electricity by electric cooperative if facility generating electricity emits amount of greenhouse gases per megawatt-hour greater than any generating facility that generates electricity distributed or sold by Bonneville Power Administration. Becomes operative on date that Initiative Petition 3 (2014) becomes effective. Becomes operative only if Initiative Petition 3 (2014) becomes law	Energy & Environment	Known to be counter bill to UEC ballot measure if HB 4126 does not pass	In committee on adjournment.

Bill Number	Relating Clause Summary	Sponsor / Committee	Potential Impact	Status
HB 4101 <i>Not enacted</i>	Relating to a severance tax on the harvest of timber; appropriating money; prescribing an effective date; providing for revenue raising that requires approval by a three-fifths majority. Imposes severance tax on harvest of timber from forestlands in Oregon at rate of \$15 per thousand feet, board measure, to fund income tax credit for milling of logs in Oregon and for distribution to counties. Applies to tax years beginning on or after January 1, 2015.	Rep. Holvey Rep. Buckley Revenue	Funds processing of logs in state versus out of state/country; not expected to affect Biopower program	In committee on adjournment
HB 4105 <i>Not enacted</i>	Repeals annual public purpose expenditure standard. Repeals certain statutes related to annual public purpose expenditure standard and abolishes related funds. Transfers duties, functions and powers related to small scale local energy projects from Public Purpose Fund Administrator to Director of State Department of Energy. Makes conforming changes.	Rep. Jason Conger Energy & Environment	Repeals ORS 297.300 (audit of Energy Trust records) and 757.612 (PPC), 757.617 (annual PPC report), 757.687 (PPC); transfers to ODOE duties under ORS 470.500-.710 (EEAST); repeals 456.587 (OHCS funds)	In committee on adjournment
HB 4126 A <i>Awaiting signature by Governor</i>	Relating to utilities. Allows consumer-owned utilities to use certain amount of unbundled renewable energy certificates to meet renewable portfolio standard under certain circumstances. Directs Public Utility Commission to conduct study on allowing electric companies to offer voluntary renewable energy tariffs to nonresidential customers (“green tariffs”). Specifies factors for commission to consider, including impact that such tariffs would have on other customers. Authorizes such tariffs upon commission determination to allow such tariffs. Specifies that all costs associated with tariff are borne by nonresidential customer receiving services under tariff	Rep. Smith Senate Business & Transportation House Energy & Environment	The RPS compromise bill; Amendment 3 allows for OPUC to study case-by-case non-residential green tariff allowances for electric companies while prohibiting cost shifting; such allowance does not count toward RPS obligation; does not include large customer efficiency funding changes	Governor's office awaiting signature
HB 4146 <i>Not enacted</i>	Relating to moneys collected for energy-related purposes. Requires Housing and Community Services Department to cease activities that are related to moneys collected for new low-income weatherization and low-income electric bill payment assistance. Establishes regulatory framework for electric companies and Oregon Community Power to use such moneys to provide services similar to those currently provided by department. Abolishes Housing and Community Services Department Low-Income Electric Bill Payment Assistance Fund.	Rep. Bailey Energy & Environment	Repeals low-income weatherization and bill payment assistance public purpose charge to OHCS; directs electric utilities to collect rate set in coordination with OPUC	In committee on adjournment

Bill Number	Relating Clause Summary	Sponsor / Committee	Potential Impact	Status
SB 1501 <i>Not enacted</i>	Relating to energy savings performance contracts; declaring an emergency. Exempts energy savings performance contracts, under certain circumstances, from requirement to use competitive bidding process to award public improvement contracts. Specifies circumstances. Becomes operative July 1, 2014.	Sen. Monroe Business & Transportation		In committee on adjournment
SB 1511A <i>Not enacted</i>	Relating to radon. Prohibits engaging in business of radon level testing or radon mitigation work without Department of Consumer and Business Services certification. Requires department to adopt rules establishing qualifications for certification. Allows department to accept national association certificate as proof of qualifications. Requires that application for child care facility certification or registration include documentation of radon level testing. Requires school district board to provide State Board of Education with documentation of radon level testing for district schools offering prekindergarten to grade 12 education. Makes design and construction standards for radon mitigation applicable to certain residential buildings and certain public buildings that undergo basement remodeling or construction of additions.	Ways & Means Environment & Natural Resources	Requires K-12 public schools to test and mitigate for radon by certified radon contractor; not believed to affect residential programs after narrowing of bill's scope with amendment 1	In committee on adjournment
SB 1512 <i>Not enacted</i>	Relating to alterations in determined water rights in the Klamath Basin. Makes Klamath Basin water right determined and established in order of determination existing water right for purposes of statute governing leasing of existing water rights for in-stream use.	Environment & Natural Resources		In committee on adjournment
SB 1520B <i>Enacted</i>	Relating to securities registration for renewable energy cooperative corporations; declaring an emergency. Exempts from registration securities that renewable energy cooperative corporation issues to cooperative corporation members as evidence of membership in cooperative corporation or to show members' respective interests in assets, reserves or patronage dividends. Becomes operative July 1, 2014.	Sen. Starr House Business & Labor Senate Business & Transportation	Removes registration requirements for cooperatives looking to raise money from citizens to build renewable energy systems.	Governor signed 3/13

Bill Number	Relating Clause Summary	Sponsor / Committee	Potential Impact	Status
SB 1570 <i>Not enacted</i>	Relating to low carbon fuel standards; declaring an emergency. Repeals sunset on provisions related to low carbon fuel standards. Prohibits Environmental Quality Commission from requiring compliance with low carbon fuel standards if division of Oregon Department of Administrative Services that serves as office of economic analysis finds that projected incremental cost of compliance would exceed four percent of projected annual average cost of gasoline or diesel in Oregon. Requires commission to suspend requirements to comply with low carbon fuel standards upon certain findings by division. Allows commission to reinstate requirements to comply with low carbon fuel standards upon certain findings by division. Declares emergency, effective on passage.	Sen. Beyer Environment & Natural Resources		In committee on adjournment
SB 1578 B <i>Not enacted</i>	Relating to facilitation of economic development Modifies types of green energy technology for which at least 1.5 percent of total contract price of certain public improvement contract for construction or certain reconstruction or major renovation of public building must be spent.	House Energy & Environment Senate Rural Communities & Economic Development	Adds woody biomass as a fuel for space heating, water heating or CHP. Currently, only solar and geothermal qualify.	In committee on adjournment
SB 5703 <i>Awaiting signature by Governor</i>	Relating to state financial administration; declaring an emergency. Changes fund into which proceeds of certain lottery bonds are deposited for State Department of Energy. Changes recipient of lottery bond proceeds to be used for digital switching equipment in Gilliam, Sherman and Wheeler Counties. Declares emergency, effective on passage.	Joint Ways & Means	In addition to other bond proceeds authorizations, authorizes \$10 million in lottery bond proceeds funding to the Oregon Department of Energy for a grant to Clean Energy Works of Oregon for purposes described under ORS 470.575 (EAST).	Awaiting signature by Governor

Tab 9

Glossary of Energy Industry Terms

Glossary provided to the Energy Trust Board of Directors for general use. Definitions and acronyms are compiled from a variety of resources. Energy Trust policies on topics related to any definitions listed below should be referenced for the most up-to-date and comprehensive information. Last updated May 2013.

Above-Market Costs of New Renewable Energy Resources

The portion of the net present value cost of producing power (including fixed and operating costs, delivery, overhead and profit) from a new renewable energy resource that exceeds the market value of an equivalent quantity and distribution (across peak and off-peak periods and seasonally) of power from a non-differentiated source, with the same term of contract. Energy Trust board policy specified the methodology for calculating above-market costs.

Aggregate

Combining retail electricity consumers into a buying group for the purchase of electricity and related services. “Aggregator” is an entity that aggregates.

Air Sealing (Infiltration Control)

Conservation measures, such as caulking, better windows and weatherstripping, which reduce the amount of cold air entering or warm air escaping from a building.

Ampere (Amp)

The unit of measure that tells how much electricity flows through a conductor. It is like using cubic feet per second to measure the flow of water. For example, a 1,200 watt, 120-volt hair dryer pulls 10 amperes of electric current (watts divided by volts).

Anaerobic Digestion

A biochemical process by which organic matter is decomposed by bacteria in the absence of oxygen, producing methane and other byproducts.

Average Megawatt (aMW)

One megawatt of capacity produced continuously over a period of one year. 1 aMW equals 1 megawatt multiplied by the 8,760 hours in a year. 1 aMW equals 8,760 MWh or 8,760,000 kWh.

Avoided Cost

(Regulatory) The amount of money that an electric utility would need to spend for the next increment of electric generation they would need to either produce or purchase if not for the reduction in demand due to energy-efficiency savings or the energy that a co-generator or small-power producer provides. Federal law establishes broad guidelines for determining how much a qualifying facility (QF) gets paid for power sold to the utility.

Base Load

The minimum amount of electric power delivered or required over a given period of time at a steady rate.

Benefit/Cost Ratios

By law, Oregon public purpose funds may be invested only in cost-effective energy-efficiency measures—that is, efficiency measures must cost less than acquiring the energy from conventional sources, unless exempted by the OPUC.

Energy Trust calculates Benefit/Cost ratios (BCR) on a prospective and retrospective basis. Looking forward, all prescriptive measures and custom projects must have a total resource cost test BCR > 1.0 unless the OPUC has approved an exception. As required in the OPUC grant agreement, Energy Trust reports annually how cost effective programs were by comparing total costs to benefits, which also need to exceed 1.0.

Biomass

Solid organic wastes from wood, forest or field residues which can be heated to produce energy to power an electric generator.

Biomass Gas

A medium Btu gas containing methane and carbon dioxide, resulting from the action of microorganisms on organic materials such as a landfill.

Blower Door

Home Performance test conducted by a contractor (or energy auditor) to evaluate a home's air tightness. During this test a powerful fan mounts into the frame of an exterior door and pulls air out of the house to lower the inside air pressure. While the fan operates, the contractor can determine the house's air infiltration rate and better identify specific leaks around the house.

British Thermal Unit

The standard measure of heat energy. The quantity of heat required to raise the temperature of 1 pound of liquid water by 1 degree Fahrenheit at the temperature at which water has its greatest density (approximately 39 degrees Fahrenheit).

Cogeneration (Combined Heat & Power or CHP)

The sequential production of electricity and useful thermal energy, often by the recovery of reject heat from an electric generating plant for use in industrial processes, space or water heating applications. Conversely, may occur by using reject heat from industrial processes to power an electricity generator.

Compact Fluorescent Light Bulbs (CFL)

CFLs combine the efficiency of fluorescent lighting with the convenience of a standard incandescent bulb. There are many styles of compact fluorescent, including exit light fixtures and floodlights (lamps containing reflectors). Many screw into a standard light socket, and most produce a similar color of light as a standard incandescent bulb.

CFLs come with ballasts that are electronic (lightweight, instant, no-flicker starting, and 10–15 percent more efficient) or magnetic (much heavier and slower starting). Other types of CFLs include adaptive circulation and PL and SL lamps and ballasts. CFLs are designed for residential uses; they are also used in table lamps, wall sconces, and hall and ceiling fixtures of hotels, motels, hospitals and other types of commercial buildings with residential-type applications.

Conservation

While not specifically defined in the law or OPUC rules on direct access regulation, "conservation" is defined in the OPUC rule 860-027-0310(1)(a) as follows: Conservation means any reduction in electric power or natural gas consumption as the result of increases in efficiency of energy use, production or distribution. Conservation also includes cost-effective fuel switching.

Although fuel switching is part of the definition, this aspect of the rule has not been operationalized as of March 2013.

Cost Effective

Not specifically defined in SB 1149. The OPUC has a definition which refers to a definition from ORS 469.631 (4) stating that an energy resource, facility or conservation measure during its life cycle results in delivered power costs to the ultimate consumer no greater than the comparable incremental cost of the least-cost alternative new energy resource, facility or conservation measure. Cost comparison under this definition shall include but not be limited to: (a) cost escalations and future availability of fuels; (b) waste disposal and decommissioning cost; (c) transmission and distribution costs; (d) geographic, climatic and other differences in the state; and (e) environmental impact. ORS 757.612 (4) (SB 1149) exempts utilities from the requirements of ORS 469.631 to 469.645 when the public purpose charge is implemented.

By law, Oregon public purpose funds may be invested only in cost-effective energy-efficiency measures—that is, efficiency measures must cost less than acquiring the energy from conventional sources, unless exempted by the OPUC.

Cumulative Savings

Sum of the total annual energy savings over a certain time frame while accounting for measure savings “lives.” (For example, if a measure is installed for each of two years, the cumulative savings would be the sum of the measure installed in the first year, plus the incremental savings from the savings installed in the second year plus the savings in the second year from the measure installed in the first year.)

Decoupling

A rate provision which reduces or eliminates the degree to which utility profits are driven by the volume of electricity or gas sold. Decoupling is thought by its proponents to reduce utility disincentives to support efficiency. There are many specific variants employed in different states and with different utilities.

Direct Access

The ability of a retail electricity consumer to purchase electricity and certain ancillary services from an entity other than the distribution utility.

Economizer Air

A ducting arrangement and automatic control system that allows a heating, ventilation and air conditioning (HVAC) system to supply up to 100 percent outside air to satisfy cooling demands, even if additional mechanical cooling is required.

Energy Management System (EMS)

A system designed to monitor and control building equipment. An EMS can often be used to monitor energy use in a facility, track the performance of various building systems and control the operations of equipment.

ENERGY STAR®

ENERGY STAR is a joint Environmental Protection Agency and Department of Energy program that encourages energy conservation by improving the energy efficiency of a wide range of consumer and commercial products, enhancing energy efficiency in buildings and promoting energy management planning for businesses and other organizations.

Energy Use Intensity (EUI)

A metric that describes a building's energy use relative to its size. It is the total annual energy consumption (kBtu) divided by the total floor space of the building. EUI varies significantly by building type and by the efficiency of the building.

Environmental Protection Agency (EPA)

Founded in 1970, this independent agency was designed to "protect human health and safeguard the natural environment." It regulates a variety of different types of emissions, including the greenhouse gases emitted in energy use. It runs several national end-use programs, like ENERGY STAR, SmartWay, Smart Growth programs and green communities programs.

Evaluation

After-the-fact analysis of the effectiveness and results of programs. *Process and Market Evaluations* study the markets to be addressed and the effectiveness of the program strategy, design and implementation. They are used primarily to improve programs. *Impact evaluations* use post-installation data to improve estimates of energy savings and renewable energy generated.

Feed-in Tariff

A renewable energy policy that typically offers a guarantee of payments to project owners for the total amount of renewable electricity they produce; access to the grid; and stable, long-term contracts.

Footcandle

A unit of illuminance on a surface that is one foot from a uniform point source of light of one candle and is equal to one lumen per square foot

Free Rider

This evaluation term describes energy efficiency program participants who would have taken the recommended actions on their own, even if the program did not exist. Process evaluations include participant survey questions, which lead to the quantification of the level of free rider impacts on programs that is applied as a discounting factor to Energy Trust reported results.

Geothermal

Useful energy derived from the natural heat of the earth as manifested by hot rocks, hot water, hot brines or steam.

Green Tags (Renewable Energy Credits or RECs)

A Green Tag is a tradable commodity that represents the contractual rights to claim the environmental attributes of a certain quantity of renewable electricity. For wind farms, the environmental attributes include the reductions in emissions of pollutants and greenhouse gases that result from the delivery of the wind-generated electricity to the grid.

Here's how emission reductions occur: When wind farms generate electricity, the grid operators allow that electricity to flow into the grid because it is less expensive to operate, once it has been built, than generators that burn fossil fuels. But the electricity grid cannot have more electricity flowing into it than is flowing out to electricity users, so the grid operators have to turn down other generators to compensate. They generally turn down those that burn fossil fuels. By forcing the fossil fuel generators to generate less electricity, wind farms cause them to generate

fewer emissions of pollutants and greenhouse gases. These reductions in emissions are the primary component of Green Tags.

Green Tags were developed as a separate commodity by the energy industry to boost construction of new wind, solar, landfill gas and other renewable energy power plants. Green Tags allow owners of these power plants to receive the full value of the environmental benefits their plants generate. They also allow consumers to create the same environmental benefits as buying green electricity, or to neutralize the pollution from their consumption of fossil fuels.

Green Tags are bought and sold every day in the electricity market. Tens of millions of dollars in Green Tags are under contract today. They are measured in units, like electricity. Each kilowatt hour of electricity that a wind farm produces also creates a one-kilowatt hour Green Tag. Wind farm owners may sell Green Tags to other purchasers, remote or local, to obtain the extra revenues they need for their wind farms to be economically viable.

Gross Savings

Savings that are unadjusted for evaluation factors of free riders, spillover, and savings realization rates. Energy Trust reports all savings in net terms, not gross terms, unless otherwise stated in the publication.

Heat Pump

An HVAC system that works as a two-way air conditioner, moving heat outside in the summer and scavenging heat from the cold outdoors with an electrical system in the winter. Most use forced warm-air delivery systems to move heated air throughout the house.

Heating, Ventilation and Air Conditioning (HVAC)

The mechanical systems that provide thermal comfort and air quality in an indoor space are often grouped together because they are generally interconnected. HVAC systems include: central air conditioners, heat pumps, furnaces, boilers, rooftop units, chillers and packaged systems.

Hydroelectric Power (Hydropower)

The generation of electricity using falling water to turn turbo-electric generators.

Incremental Annual Savings

Energy savings in one year corresponding to the energy-efficiency measures implemented in that same year.

Incremental Cost

The difference in cost relative to a base case, including equipment and labor cost.

Instant-savings Measure (ISM)

Inexpensive energy-efficiency products installed at no charge, such as CFLs, low-flow showerheads and high-performance faucet aerators. Predominately used by the Existing Homes program and multifamily track to provide homeowners and renters with easy-to-install, energy-saving products.

Integrated Resources Planning (Least-Cost Planning)

A power-planning strategy that takes into account all available and reliable resources to meet current and future loads. This strategy is employed by each of the utilities served by Energy Trust, and for the region's electric system by the Northwest Power and Conservation Council.

The term “least-cost” refers to all costs, including capital, labor, fuel, maintenance, decommissioning, known environmental impacts and difficult to quantify ramifications of selecting one resource over another.

Interconnection

For all distributed generation—solar, wind, CHP, fuel cells, etc.—interconnection with the local electric grid provides back-up power and an opportunity to participate in net-metering and sell-back schemes when they are available. It’s important to most distributed generation projects to be interconnected with the grid, but adding small generators at spots along an electric grid can produce a number of safety concerns and other operational issues for a utility. Utilities, then, generally work with their state-level regulatory bodies to develop interconnection standards that clearly delineate the manner in which distributed generation systems may be interconnected.

Joule

A unit of work or energy equal to the amount of work done when the point of application of force of 1 newton is displaced 1 meter in the direction of the force. It takes 1,055 joules to equal a British thermal unit. It takes about 1 million joules to make a pot of coffee.

Kilowatt

One thousand (1,000) watts. A unit of measure of the amount of electricity needed to operate given equipment.

Large Customers (with reference to SB 838)

Customers using more than 1 aMW of electricity a year are not required to pay electric conservation charges under SB 838. Additionally, Energy Trust may not provide them with services funded under SB 838 provisions.

Least Cost

The term “least-cost” refers to all costs, including capital, labor, fuel, maintenance, decommissioning, known environmental impacts and difficult to quantify ramifications of selecting one resource over another.

Levelized Cost

The level of payment necessary each year to recover the total investment and interest payments (at a specified interest rate) over the life of the measure.

Local Energy Conservation

Conservation measures, projects or programs that are installed or implemented within the service territory of an electric company.

Low-income Weatherization

Repairs, weatherization and installation of energy-efficient appliances and fixtures for low-income residences for the purpose of enhancing energy efficiency. In Oregon, SB 1149 directs a portion of public purpose funds to Oregon Housing and Community Services to serve low-income customers. Energy Trust coordinates with low-income agencies and refers eligible customers.

Lumen

A measure of the amount of light available from a light source equivalent to the light emitted by one candle.

Lumens/Watt

A measure of the efficacy of a light fixture; the number of lumens output per watt of power consumed.

Market Transformation

Lasting structural or behavioral change in the marketplace and/or changes to energy codes and equipment standards that increases the adoption of energy-efficient technologies and practices. Market transformation is defined in the Oregon Administrative Rules.

Megawatt

The electrical unit of power that equals one million watts (1,000 kW).

Megawatt Hour

One-thousand kilowatt hours, or an amount of electrical energy that would supply 1,370 typical homes in the Western U.S. for one month. (This is a rounding up to 8,760 kWh/year per home based on an average of 8,549 kWh used per household per year [U.S. DOE EIA, 1997 annual per capita electricity consumption figures]).

Methane

A light hydrocarbon that is the main component of natural gas and marsh gas. It is the product of the anaerobic decomposition of organic matter, enteric fermentation in animals and is one of the greenhouse gases.

Monitoring, Targeting and Reporting (MT&R)

A systematic approach to measure and track energy consumption data by establishing a baseline in order to establish reduction targets, identify opportunities for energy savings and report results.

Municipal Solid Waste

Refuse offering the potential for energy recovery. Technically, residential, institutional and commercial discards. Does not include combustible wood by-products included in the term "mill residue."

Net Metering

An electricity policy for consumers who own (generally small) renewable energy facilities (such as wind, solar power or home fuel cells). "Net," in this context, is used in the sense of meaning "what remains after deductions." In this case, the deduction of any energy outflows from metered energy inflows. Under net metering, a system owner receives retail credit for at least a portion of the electricity they generate.

Net-to-Gross

Net-to-gross ratios are important in determining the actual energy savings attributable to a particular program, as distinct from energy efficiency occurring naturally (in the absence of a program). The net-to-gross ratio equals the net program load impact divided by the gross program load impact. This factor is applied to gross program savings to determine the program's net impact.

Net Savings

Savings that are adjusted for evaluation factors of free riders, spillover and savings realization rates. Energy Trust reports all savings in net terms, not gross terms, unless otherwise stated in the publication.

Nondifferentiated Source (Undifferentiated Source)

Power available from the wholesale market or delivered to retail customers.

Non-energy Benefit (NEB)

The additional benefits created by an energy-efficiency or renewable energy project beyond the energy savings or production of the project. Non-energy benefits often include things like water and sewer savings (e.g. clothes washers, dishwashers), improved comfort (e.g. air sealing, windows), sound deadening (e.g. insulation, windows), property value increase (e.g. windows, solar electric), improved health and productivity and enhanced brand.

Path to Net Zero Pilot (PTNZ)

The Path to Net Zero pilot was launched in 2009 by Energy Trust's New Buildings program to provide increased design, technical assistance, construction, and measurement and reporting incentives to commercial building projects that aimed to achieve exceptional energy performance. Approximately 13 buildings worked with New Buildings to develop strategies to save 60 percent more energy than Oregon's already stringent code through a combination of 50 percent energy efficiency and 10 percent renewable power. The pilot demonstrates that a wide range of buildings can achieve aggressive energy goals using currently available construction methods and technology, as well as by testing innovative design strategies.

Photovoltaic

Direct conversion of sunlight to electric energy through the effects of solar radiation on semi-conductor materials. Photovoltaic systems are one type of solar system eligible for Energy Trust incentives.

Public Utility Commissions

State agencies that regulate, among others, investor-owned utilities operating in the state with a protected monopoly to supply power in assigned service territories.

Public Utility Regulatory Act of 1978 (PURPA)

Federal legislation that requires utilities to purchase electricity from qualified independent power producers at a price that reflects what the utilities would have to pay for the construction of new generating resources. The Act was designed to encourage the development of small-scale cogeneration and renewable resources.

Qualifying Facility (QF)

A power production facility that generates its own power using cogeneration, biomass waste, geothermal energy, or renewable resources, such as solar and wind. Under PURPA, a utility is required to purchase power from a QF at a price equal to that which the utility would otherwise pay to another source, or equivalent to the cost if it were to build its own power plant.

Renewable Energy Resources

- a) Electricity-generation facilities fueled by wind, waste, solar or geothermal power or by low-emission nontoxic biomass based on solid organic fuels from wood, forest and field residues
- b) Dedicated energy crops available on a renewable basis
- c) Landfill gas and digester gas
- d) Hydroelectric facilities located outside protected areas as defined by federal law in effect on July 23, 1999

Renewable Portfolio Standard

A legislative requirement for utilities to meet specified percentages of their electric load with renewable resources by specified dates, or a similar requirement. May be referred to as Renewable Energy Standard.

Retrofit

A retrofit involves the installation of new, usually more efficient equipment into an existing building or process prior to the existing equipment's failure or end of its economic life. In buildings, retrofits may involve either structural enhancements to increase strength, or replacing major equipment central to the building's functions, such as HVAC or water heating systems. In industrial applications, retrofits involve the replacement of functioning equipment with new equipment.

Roof-top Units (RTU)

Packaged heating, ventilating and air conditioning unit that generally provides air conditioning and ventilating services for zones in low-rise buildings. Roof-top units often include a heating section, either resistance electric, heat pump or non-condensing gas (the latter are called "gas-paks"). Roof-top units are the most prevalent comfort conditioning systems for smaller commercial buildings. Generally small (<10 ton) commodity products, but very sophisticated high-efficiency versions are available, as are units larger than 50 tons.

R-Value

A unit of thermal resistance used for comparing insulating values of different material. It is basically a measure of the effectiveness of insulation in stopping heat flow. The higher the R-Value number, a material, the greater its insulating properties and the slower the heat flow through it. The specific value needed to insulate a home depends on climate, type of heating system and other factors.

SB 1149

The Oregon legislation enacted in 1999 allowing for the creation of a third party, nonprofit organization to receive approximately 74 percent of a 3 percent utility surcharge (public purpose charge) and deliver energy-efficiency and renewable energy programs to the funding Oregon ratepayers of Portland General Electric and Pacific Power. Energy Trust was approved by the OPUC to deliver the services. The rest of the surcharge is distributed to school districts and Oregon Housing and Community Services.

SB 838

SB 838, enacted in 2007, augmented Energy Trust's mission in many ways. Most prominently, it provided a vehicle for additional electric efficiency funding for customers under 1 aMW in load, and restructured the renewable energy role to focus on generation plants that produce less than 20 aMW. SB 838 is also the legislation creating the state's Renewable Portfolio Standard and extended Energy Trust's sunset year from 2012 to 2026.

SBW Consulting, Inc

A consulting firm based in Bellevue, WA, with expertise in facility energy assessments, utility conservation programs and program evaluations.

Sectors

For energy planning purposes, the economy is divided into four sectors: residential, commercial, industrial and irrigation.

Self-Directing Consumers

A retail electricity consumer that has used more than one average megawatt of electricity at any one site in the prior calendar year or an aluminum plant that averages more than 100 average megawatts of electricity use in the prior calendar year, that has received final certification from the Oregon Department of Energy for expenditures for new energy conservation or new renewable energy resources and that has notified the electric company that it will pay the public purpose charge, net of credits, directly to the electric company in accordance with the terms of the electric company's tariff regarding public purpose credits.

Societal Cost

Similar to the total resource cost as including the full cost to install a measure including equipment, labor and Energy Trust cost to administer and deliver the program, societal cost also includes any costs beyond those realized by the participant and Energy Trust associated with the energy-saving project. Typically additional societal benefits are seen with energy-efficiency projects that can be difficult to quantify and include in the Societal Cost Test for cost effectiveness.

Solar Power

Using energy from the sun to make electricity through the use of photovoltaic cells.

Solar Thermal

The process of concentrating sunlight on a relatively small area to create the high temperatures needed to vaporize water or other fluids to drive a turbine for generation of electric power.

Spillover

Additional measures that were implemented by the program participant for which the participant did not receive an incentive. They undertook the project on their own, influenced by prior program participation.

Therm

One hundred thousand (100,000) British thermal units (1 therm = 100,000 Btu).

Total Resource Cost

The OPUC has used the "total resource cost" (TRC) test as the primary basis for determining conservation cost-effectiveness as determined in Order No. 94-590 (docket UM 551). SB 1149 allows the "self-directing consumers" to use a simple payback of one to 10 years as the cost-effectiveness criterion.

Tidal Energy

Energy captured from tidal movements of water.

U-Value (U-Factor)

A measure of how well heat is transferred by the entire window—the frame, sash and glass—either into or out of the building. U-Value is the opposite of R-Value. The lower the U-Value number, the better the window will keep heat inside a home on a cold day.

Wave Energy

Energy captured by the cyclical movement of waves in the ocean or large bodies of water.

Watt

A unit of measure of electric power at a point in time, as capacity or demand. One watt of power maintained over time is equal to one joule per second.

Wind Power

Harnessing the energy stored in wind via turbines, which then convert the energy into electricity. Mechanical power of wind can also be used directly.

Weatherization

The activity of making a building (generally a residential structure) more energy efficient by reducing air infiltration, improving insulation and taking other actions to reduce the energy consumption required to heat or cool the building. In practice, “weatherization programs” may also include other measures to reduce energy used for water heating, lighting and other end uses.

Energy Industry Acronyms

AAMA	American Architectural Manufacturers Association	Trade group for window, door manufacturers
A/C	Air Conditioning	
ACEEE	American Council for an Energy-Efficient Economy	Environmental Advocacy, Researcher
AEE	Association of Energy Engineers	
AEO	Annual Energy Outlook	
AESP	Association of Energy Services Professionals	Energy services and energy efficiency trade org
A+E	Architecture + Energy	Outreach program for architects
AFUE	Annual Fuel Utilization Efficiency	The measure of seasonal or annual efficiency of a furnace or boiler
AgriMet	Agricultural Meteorology	Program for soil moisture data
AIA	American Institute of Architects	Trade organization
AIC	Association of Idaho Cities	Local government organization
aMW	Average Megawatt	A way to equally distribute annual energy over all the hours in one year; there are 8,760 hours in a year
AOI	Associated Oregon Industries	
APEM	Association of Professional Energy Managers	
ARI	Air-Conditioning and Refrigeration Institute	AC trade association
ASE	Alliance to Save Energy	Environmental advocacy organization
ASERTTI	Association of State Energy Research and Technology Transfer Institutions, Inc.	
ASHRAE	American Society of Heating, Refrigeration, and Air Conditioning Engineers	Technical (engineers) association
ASME	American Society of Mechanical Engineers	Professional organization
ASiMi	Advanced Silicon Materials LLC	Manufacturer of polysilicon with plants in Moses Lake and Butte Mountain
AWC	Association of Washington Cities	Local government trade organization
BACT	Best Achievable Control Technology	
BCR	Benefit/Cost ratio	See definition in text
BEF	Bonneville Environmental Foundation	Nonprofit that funds renewable energy projects
BETC	Business Energy Tax Credit	Oregon tax credit
BOC	Building Operator Certification	Alliance funded project that trains and certifies building operators
BOMA	Building Owners and Managers Association	
BPA	Bonneville Power Administration	Federal power authority
C&RD	Conservation & Renewable Discount	BPA program
CAC	Conservation Advisory Council	

CARES	Conservation and Renewable Energy System	Defunct consortium of Pacific Northwest PUDs
CCS	Communications and Customer Service	A group within Energy Trust
CCCT	Combined Cycle Combustion Turbine	
CEE	Consortium for Energy Efficiency	National energy efficiency group
CEWO	Clean Energy Works Oregon	
CFL	Compact Fluorescent Light bulb	
CHP	Combined Heat and Power	
CNG	Cascade Natural Gas	Investor-owned utility
ConAug	Conservation Augmentation Program	BPA program
CHT	Coefficient of Heat Transmission (U-Value)	A value that describes the ability of a material to conduct heat. The number of Btu that flow through 1 square foot of material, in one hour. It is the reciprocal of the R-Value (U-Value = 1/R-Value).
COU	Consumer-Owned Utility	
COP	Coefficient of Performance	The Coefficient of Performance is the ratio of heat output to electrical energy input for a heat pump
CT	Combustion Turbine	
CUB	Citizens' Utility Board of Oregon	Public interest group
Cx	Commissioning	
DG	Distributed Generation	
DSI	Direct Service Industries	Direct Access customers to BPA
DOE	Department of Energy	Federal agency
DSM	Demand Side Management	
EA	Environmental Assessment	
EASA	Electrical Apparatus Service Association	Trade association
ECM	Electrically Commutation Motor	An Electrically Commutation Motor, also known as a variable-speed blower motor, can vary the blower speed in accordance with the needs of the system
EE	Energy Efficiency	
EER	Energy Efficiency Ratio	The cooling capacity of the unit (in Btu/hour) divided by its electrical input (in watts) at standard peak rating conditions
EF	Energy Factor	An efficiency ratio of the energy supplied in heated water divided by the energy input to the water heater
EIA	Energy Information Administration	
EIC	Energy Ideas Clearinghouse	Washington State University program that provides energy-efficiency information, Alliance funded project
EMS	Energy Management System	See definition in text

EPA	Environmental Protection Agency	Federal agency
EPRI	Electric Power Resource Institute	Utility organization
EPS	Energy Performance Score	Brand name used by Energy Trust for the rating that assesses a newly built or existing home's energy use, carbon impact and estimated monthly utility costs
EQIP	Environmental Quality Incentive Program	
EREN	Energy Efficiency and Renewable Energy Network	DOE program
ESS	Energy Services Supplier	
EUI	Energy Use Intensity	See definition in text
EWEB	Eugene Water & Electric Board	Utility organization
FCEC	Fair and Clean Energy Coalition	Environmental advocacy organization
FEMP	Federal Energy Management Program	
FERC	Federal Energy Regulatory Commission	Federal regulator
GHG	Greenhouse gas	
HER	Home Energy Review	A free visit to a customer's home by an Energy Trust energy advisor to assess efficiency and provide personalized recommendations for improvement
HSPF	Heating Season Performance Factor	
HVAC	Heating, Ventilation and Air Conditioning	
ICNU	Industrial Consumers of Northwest Utilities	Trade interest group
ICF	ICF International	Existing Buildings Program Management Contractor
ICL	Institute for Conservation Leadership	
IDWR	Idaho Department of Water Resources	State agency
IEEE	Institute of Electrical and Electronic Engineers	Professional association
IESNA	Illuminating Engineering Society of America	
IOU	Investor-Owned Utility	
IRP	Integrated Resource Plan	
ISIP	Integrated Solutions Implementation Project	
ISM	Instant-Savings Measure	See definition in text
kW	Kilowatt	
kWh	Kilowatt Hours	8,760,000 kWh = 1 aMW
LBL	Lawrence Berkeley Laboratory	
LED	Lighting Emitting Diode	Solid state lighting technology
LEED	Leadership in Energy & Environmental Design	Building rating system from the U.S. Green Building Council
LIHEAP	Low Income Housing Energy Assistance Program	
LIWA	Low Income Weatherization Assistance	
LOC	League of Oregon Cities	Local government organization

MEEA	Midwest Energy Efficiency Alliance	Midwest Market Transformation organization, Alliance counterpart
MLCT	Montana League of Cities and Towns	Local government organization
MLGEO	Montana Local Government Energy Office	Local government organization
MT&R	Monitoring, Targeting and Reporting	See definition in text
MW	Megawatt	Unit of electric power equal to one thousand kilowatts
MWh	Megawatt Hour	Unit of electric energy, which is equivalent to one megawatt of power used for one hour
NAHB	National Association of Home Builders	Trade association
NCBC	National Conference on Building Commissioning	
NEB	Non-Energy Benefit	See definition in text
NEEA	Northwest Energy Efficiency Alliance	
NEEC	Northwest Energy Efficiency Council	Trade organization
NEEI	Northwest Energy Education Institute	Training organization
NEEP	Northeast Energy Efficiency Partnership	Northwest market transformation organization, Alliance counterpart
NEMA	National Electrical Manufacturer's Association	Trade organization
NERC	North American Electricity Reliability Council	
NFRC	National Fenestration Rating Council	
NRC	National Regulatory Council	Federal regulator
NRCS	Natural Resources Conservation Service	
NRDC	Natural Resources Defense Council	
NREL	National Renewable Energy Lab	
NRTA	Northwest Regional Transmission Authority	
NWEC	Northwest Energy Coalition	Environmental advocacy organization
NWBOA	Northwest Building Operators Association	Trade organization
NWFPA	Northwest Food Processors Association	Trade organization
NWN	NW Natural	Investor-owned utility
NWPPA	Northwest Public Power Association	Trade organization
NWPCC	Northwest Power and Conservation Council	Regional energy planning organization, "the council"
NYSERDA	New York State Energy Research & Development Authority	New York public purpose organization
OBA	Oregon Business Association	Business lobby group
OEFC	Oregon Energy Facility Siting Council	Authority to site energy facilities in Oregon
ODOE	Oregon Department of Energy	Oregon state energy agency
OPUC	Oregon Public Utility Commission	
OPUDA	Oregon Public Utility District Association	Utility trade organization
OPEC	Organization of Petroleum Exporting Countries	

ORECA	Oregon Rural Electric Cooperative Association	Utility trade organization
OSD	Office of Sustainable Development	
OSEIA	Solar Energy Industries Association of Oregon	Volunteer nonprofit organization dedicated to education/promotion
OTED	Office of Trade & Economic Development	Washington State agency
P&E	Planning and Evaluation	A group within Energy Trust
PDC	Program Delivery Contractor	Company contracted with Energy Trust to identify and deliver industrial and agricultural services to Energy Trust customers
PEA	Pacific Energy Associates	
PECI	Portland Energy Conservation, Inc.	Energy Trust Program Management Contractor
PGE	Portland General Electric	Investor-owned utility
PG&E	Pacific Gas & Electric	California investor-owned utility
PMC	Program Management Contractor	Company contracted with Energy Trust to deliver a program
PNGC	Pacific Northwest Generating Cooperatives	
PNUCC	Pacific Northwest Utilities Conference Committee	
PPC	Public Power Council	National trade group
PPL	Pacific Power	
PSE	Puget Sound Energy	Investor-owned utility
PTC	Production Tax Credit	
PTCS	Performance Tested Comfort Systems	Alliance project that promotes the efficiency of air-systems in residential homes
PTNZ	Path to Net Zero pilot	See definition in text
PUC	Public Utility Commission	Oregon and Idaho PUCs
PUD	Public Utility District	
PURPA	Public Utility Regulatory Policies Act	See definition in text
QF	Qualifying Facility	
RAC	Renewable Energy Advisory Council	
RE	Renewable Energy	
REIT	Real Estate Investment Trust	
RETC	Residential Energy Tax Credit	Oregon tax credit
RFI	Request for Information	
RFP	Request for Proposal	
RFQ	Request for Qualification	
RNP	Renewable Northwest Project	Renewable energy advocacy group
RSES	Refrigeration Service Engineers Society	Trade association
RTF	Regional Technical Forum	BPA funded research group
RTU	Rooftop HVAC Unit Tune Up	Rooftop HVAC unit tune up, an Existing Buildings incentive offering

SCCT	Single Cycle Combustion Turbine	
SCL	Seattle City Light	Public utility
SEED	State Energy Efficient Design	Established in 1991, requires all state facilities to exceed the Oregon Energy Code by 20 percent or more
SEER	Seasonal Energy Efficiency Ratio	A measure of cooling efficiency for air conditioners; the higher the SEER, the more energy efficient the unit
SGC	Super Good Cents	Alliance project & legacy BPA & utility program that promotes the sales of SGC homes
SIS	Scientific Irrigation Scheduling	Agricultural information program
SNOPUD	Snohomish Public Utility District	Washington State PUD
SEIA	Solar Energy Industries Association	Volunteer nonprofit organization dedicated to education/promotion
SWEET	Southwest Energy Efficiency Partnership	Southwest market transformation group, Alliance counterpart
T&D	Transmission & Distribution	
TNS	The Natural Step	
TRC	Total Resource Cost	See definition in text
TXV	Thermal Expansion Valve	
	University of Oregon Solar Monitoring Laboratory	Solar resource database
U-Value		The reciprocal of R-Value; the lower the number, the greater the heat transfer resistance (insulating) characteristics of the material
USGBC	U.S. Green Building Council	Sustainability advocacy organization responsible for LEED
VFD	Variable Frequency Drive	An electronic control to adjust motion
WAPUDA	Washington Public Utility District Association	Utility trade organization
WNP	Washington Nuclear Power Plant	
WPPSS	Washington Public Power Supply System	Also called "whoops"
WUTC	Washington Utilities and Transportation Commission	
Wx	Weatherization	
W	Watt	