Energy Trust Board of Directors Meeting

May 14, 2014

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128th Board Meeting

Wednesday, May 14, 2014
421 SW Oak Street, Suite 300
Portland, Oregon

	Agenda	Tab	Purpose
12:15pm	**Call to Order** *(Debbie Kitchin)* • Approve agenda		
	General Public Comment *The president may defer specific public comment to the appropriate agenda topic.*		
	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.* • April 2 Board meeting minutes	**1**	*Action*
12:20pm	**President's Report** *(Debbie Kitchin)*		
12:30pm	**Energy Programs** • Cascade Energy Contract Extension for Production Efficiency Streamlined Industrial Initiative ..... • Evergreen Consulting Group Contract Extension for Industrial Lighting.....	**2** **2**	*Information* *Information*
1:00pm	**Committee Reports** • Evaluation Committee *(Alan Meyer)*..... • Finance Committee *(Dan Enloe)* o Form 990..... • Policy Committee *(Roger Hamilton)* ..... • Strategic Planning Committee *(Rick Applegate)*	**3** **4** **5**	*Information* *Information* *Information*
2:00pm	**Break**		
2:15pm	**Staff Report** • Feature Presentation: Collaboration and Coordination: Our work with utility partners *(Amber Cole & Steve Lacey)*		
3:15pm	**Adjourn**		

The Energy Trust Board of Directors will hold

its annual strategic planning workshop on

Friday, June 13, 2014 at 8:00am–5:00pm *(breakfast available at 7:30am)*

Saturday, June 14, 2014 at 9:00am–12:30pm *(breakfast available at 8:30am)*

at Reed College, 3203 SE Woodstock Blvd, Portland

in the Choral Room of the Performing Arts Building.

Tab 1 Consent Agenda
- April 2 meeting minutes

Tab 2 Energy Programs
- Briefing Paper: Cascade Energy Contract Extension for Production Efficiency Streamlined Industrial Initiative
- Briefing Paper: Evergreen Consulting Group Contract Extension for Industrial Lighting

Tab 3 Evaluation Committee
- March 27 meeting notes
- April 28 meeting notes

Tab 4 Finance and Compensation Committees
- Notes on March 2013 financial statements
- March financials and contract summary report
- Form 990
- Financial glossary

Tab 5 Policy Committee
- April 29 meeting notes

Tab 6 Advisory Council Notes
- March 12 RAC meeting notes
- March 12 CAC meeting notes

Tab 7 Glossary of Acronyms and Terminology

Tab 1

Board Meeting Minutes—127th Meeting

April 2, 2014

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

Board members absent: Rick Applegate, Anne Root, Lisa Schwartz (ODOE special advisor)

Staff attending: Margie Harris, Ana Morel, Hannah Hacker, Debbie Menashe, Amber Cole, Steve Lacey, Peter West, Courtney Wilton, Fred Gordon, Scott Clark, Sue Fletcher, Matt Braman, Taylor Bixby, Julianne Thacher, Katie Wallace, Elizabeth Fox, Cheryle Easton, Diana Rockholm, Wendy Bredemeyer, Rachanney Ros, Greg Stokes, Alison Ebbott, Cheryl Gibson, Michelle Spampinato, Thad Roth, Oliver Kesting, Shelly Carlton, Susan Jamison, Dan Rubado

Others attending: 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), Lynn Kingston (Moss Adams), Jennifer Ehman (Moss Adams), Steve Kokes (Coates-Kokes), Dave Neufeld (Online Business Systems), Andrea Johnson (CLEAResult)

Business Meeting

President Debbie Kitchin called the meeting to order at 12:17 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.

MOTION: Approve consent agenda

Consent agenda includes:
1) February 26, 2014, board meeting minutes
2) Revise Lost Opportunity Policy—R702

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: Alan Meyer		Seconded by: Roger Hamilton
Vote:	In favor: 11	Abstained: 0
	Opposed: 0	

President's Report

Debbie Kitchin referenced the book "Consider The Fork," which analyzes the evolution of cooking equipment and utensils. She commented on the intersection food evolution has with energy demand as people change how they purchase, store and prepare their food. She likened this to intersections between energy use and other economic sectors. Debbie mentioned how people's use of energy can often be secondary to their specific purchase or consumption decisions. An example of how cultures evolve is the shift to refrigerating food. Debbie recommended the board keep in mind intersections between human behavior and energy use as we move into discussions on Energy Trust's strategic plan.

Debbie mentioned a recent board mentorship approach which includes matching longstanding board members with newer board members to assist with learning about the organization and its work.

Committee Reports

Finance Committee, Dan Enloe

The board reviewed the January and February financial statements. Revenues are on track, including with Cascade Natural Gas. The board commented on the low amount of incentives paid thus far in the year. Courtney Wilton mentioned the trend of lower incentives paid in the first few months is expected each year. The trend is largely a timing issue; the vast majority of incentives are paid in the last quarter of the year. During the start of any year, extra diligence is applied to determine whether the payment is attributed to prior year or current year activity. In January 2014, nearly all incentive payments made were accrued to December 2013, as staff closed the books on prior year activities. Given an uptick in incentives paid in February 2014 as compared to 2013, staff is not concerned.

A small text error was noted on the January financial statement labeling January reserves as December. Courtney will follow up with the board regarding the current presentation of forecasted cash flows.

Audit Committee

Review Results of Financial Audit by Moss Adams

Ken Canon introduced Lynn Kingston and Jennifer Ehman of Moss Adams LLP. This is the second year Moss Adams has conducted an independent financial audit for Energy Trust. The Audit Committee heard full details on the audit at the last Audit Committee meeting. Moss Adams summarized the audit process and results for the board. Moss Adams delivered an unmodified (unqualified) opinion on the 2013 financial statements, resulting in Energy Trust meeting its 2013

Oregon Public Utility Commission performance measure to demonstrate financial integrity. The audit process included meetings with the Audit Committee, approval of the audit scope, and performance of all audit procedures. The audit followed this standard process and Energy Trust staff was well prepared. Moss Adams reported that no items were noted to be communicated specifically to the board.

Moss Adams explained in detail the audit process and procedures undertaken, which starts with an organization-level review, assessment of prior year audits, full review of financial statements, and testing of financial "checks and balances" regarding payroll, receiving funds and fund disbursement transactions.

The board inquired if Moss Adams had any further thoughts on areas of improvement, even though Moss Adams indicated no material items needed to be communicated to the board. The board discussed how the 2012 audit included three recommendations all of which have been implemented by staff. Moss Adams reported none for 2013.

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: Ken Canon Seconded by: Dave Slavensky

Vote: In favor: 11 Abstained: 0

Opposed: 0

The board recognized the full Finance team and its contributions to Energy Trust obtaining an unmodified audit opinion.

Update on Management Review

Ken Canon updated the board on the Management Review, which is part of our grant agreement with the OPUC and required for completion every five years . Scoping of the review began in January and included input from the OPUC. The review will examine five major areas of the organization's operations, including benchmarking against other similar organizations in the Pacific Northwest. Through a request for proposals, three companies were selected for interviews out of seven responses to the RFP. After interviews, Coraggio Group was selected to conduct the Management Review. The review is expected to be complete and ready for the board's review at the July 2014 board meeting. Coraggio Group led a similar review for the Northwest Energy Efficiency Alliance, and has worked with Energy Trust in the past. Staff noted the critical intersection between the Coraggio Group's work on the Management Review and the drafting of the 2015-2019 Strategic Plan.

Operations

Amend Coates-Kokes Creative Services Contract—R700

Amber Cole, Communications & Customer Service director, introduced the resolution. As part of its support functions for Energy Trust, the group manages marketing for programs as a whole, and guides program marketing implemented by Program Management Contractors (PMCs). Marketing

efforts align with the organization's overall brand and program awareness strategy, and position Energy Trust as accessible, credible, helpful, customer-focused, solutions-oriented, approachable, clear and simple.

The current agency contractor, Coates-Kokes, provides overall advertising strategy, creative guidelines for marketing, advertising concepts and production, public relations strategy and implementation, market research and identified marketing projects, such as program awareness campaigns. The contributions of the agency contractor guide and complement program-specific marketing delivered by PMCs.

Amber described recent projects and research completed by Coates-Kokes. Energy Trust's advertising approach has two goals: to promote general awareness of programs available to customers and to market specifically for a particular program or offering. The focus, or call to action, of all Energy Trust advertising is to encourage customer participation and action.

The initial contract with Coates-Kokes originated from a competitive RFP in 2009. After the two-year contract expired, Coates-Kokes responded to and was selected for another two-year contract through an RFP in 2012. The current contract goes through 2014. The contract extension in Resolution 700 is to allow the executive director to sign an amended contract to extend the contract term to December 31, 2015. This action is necessary because an amended contract with increase the contract cap and exceed the $500,000 signing authority of the executive director. The amended contract will also support an expanded advertising campaign included in the 2014 budget and action plan. Coates-Kokes will be able to support additional marketing strategies and public relations to help raise customer awareness of Energy Trust programs, which lagged in 2013.

The board agreed on the value of television advertising in reaching rural-based audiences. The recent Residential Awareness Study was discussed, including one finding in the study around a drop in residential awareness of Energy Trust.

The board noted the length of PMC contracts are longer than this creative services contract. Amber explained the marketing approach at Energy Trust is relatively conservative and the need to stay flexible in contracting. She agreed the length of the marketing contracts is worth reconsideration. Margie also described the value Energy Trust gets through competitively bidding contracts.

In response to questions from the board, Amber described the proportion of advertising and marketing based by program and geography. Staff will follow-up with the board on awareness numbers based by region and marketing approaches used in each area.

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: Ken Canon		Seconded by: Kenneth Mitchell-Phillips
Vote:	In favor: 11	Abstained: 0
	Opposed: 0	

Approve Contract with Online Business Services—R701

Scott Clark, IT director, introduced the resolution. Last year, an assessment process determined replacement would be the most effective solution to upgrade Energy Trust's project tracking system, FastTrack. Earlier this year, IT staff distributed a Request for Qualifications for agencies to support staff in implementing the project. Online Business Systems was competitively selected based on its qualified staff and on its status as a Microsoft-certified partner, which aligns with Energy Trust's use of Microsoft products. The contract scope is for three technical full-time staff resources and three technical part-time staff resources to support Energy Trust completing the time-intensive project through the rest of this year. Resolution 701 requests board authorization for the executive director to sign a contract that exceeds $500,000.

Scott clarified the $250,000 original contract scope was largely for foundational project work , necessary to determine the remaining scope and costs for staffing resources required to complete the FastTrack replacement project. The board asked if the contract includes milestones. Scott clarified that the responsibility of the project lies with Energy Trust and the contract with Online Business Systems is limited-term staff augmentation.

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: John Reynolds		Seconded by: Mark Kendall
Vote:	In favor: 11	Abstained: 0
	Opposed: 0	

Board took a break from 1:27 p.m. to 1:42 p.m.

Committee Reports, continued

Evaluation Committee, Alan Meyer
The committee reviews all process evaluations, impact evaluations and awareness studies. The 2011 New Buildings Impact Evaluation and the 2013 Residential Awareness Study were reviewed at the January committee meeting.

The board discussed the realization rates reported in the 2011 New Buildings Impact Evaluation. Oliver Kesting, Business Sector Lead, mentioned the results of the study are incorporated into program strategy; in particular, the results related to motors will be addressed through PMC staff training on correctly reviewing invoices and making sure the invoices match the specifications. The

board expressed interest in learning more about the standard motor realization rate. Staff will follow-up on actions the program will take to improve the rate. Phil Degens, Evaluation Manager, noted also that with the increased code during 2011, the year evaluated in the study, motors installed were found to meet code instead of exceed code, also affecting savings realization rates. Staff added that savings from motor installations are small within the overall program savings.

Another finding in the New Buildings program evaluation addressed metering challenges on campuses. The board agreed with the evaluation recommendation to assist customers with financing to help with metering of individual buildings on a campus.

With respect to the 2013 Residential Awareness Study, it was noted that customers indicating they are "familiar" with Energy Trust decreased from 61 percent in 2012 to 51 percent in 2013 and that some of this decrease may be attributed to changes in the wording of questions. The board asked what the amount is of rural based customers vs. Portland metro area customers. Staff responded that about 50 percent of customers are in the Portland metro area. The board sought clarification on whether more education can be provided to those customer types listed as "hard to reach" and "retention." Staff clarified that the findings do indicate greater education can be valuable, and the next step is determining resources to dedicate to providing the education.

Policy Committee, Roger Hamilton

The Policy Committee reviews all policies on a rolling basis every three years. At the March meeting, the committee reviewed the Lost Opportunities Policy and recommended no changes. The purpose of the policy and recommendations to staff is described in the board packet. The committee also started a discussion about the Fuel Switching Policy, which provides that Energy Trust may not advocate fuel switching, but it may provide fuel-neutral technical information on efficiency options or provide fuel-specific information upon request by a consumer. The policy is of particular applicability given the completion of a recent online tool that provides residential customers with the ability to estimate payback on potential energy projects. The committee and staff discussed the applicability of the Fuel Switching policy to current and future online tools enabling calculation of payback information, especially its use by customers heating with propane or oil. Discussions on this issue will continue at the next Policy Committee meeting.

Staff briefly described bills passed during the 2014 Oregon Legislative session and signed by Governor Kitzhaber, including bills related to the Renewable Energy Standard, commercial "PACE" financing and exemptions from securities requirements for renewable energy cooperatives. Staff clarified SB 844, passed in 2013 and currently in OPUC rulemaking, authorizes rate recovery by natural gas companies for carbon reduction efforts separate from efforts funded by public purpose dollars.

In discussing public purpose funds, the board asked whether Energy Trust's larger than expected reserves comprised of unspent public purpose funds are of concern to the Energy Trust's utility funders. Lauren Shapton of PGE, and Don Jones, Jr. of Pacific Power each responded that Energy Trust and their respective utilities work collaboratively with Energy Trust in determining funding levels annually, and that reserve amounts are intended to provide adequate resources for achieving all cost-effective energy efficiency and to avoid frequent rate increases. Given current funding levels, PGE expects a minor rate decrease later this year, and Pacific Power is also looking at a modest decline in rates later in the year. Both utilities support and work closely with Energy Trust to monitor funding amounts.

Jim Abrahamson described recent Cascade Natural Gas rate setting actions and changes to the amount of funds collected through the public purpose charge. Cascade also continually monitors the charge to ensure funding is at the appropriate level.

The board noted the incorrect labeling of the Oregon Department of Energy as the Office of Energy in the Lost Opportunities Policy. The board moved to revise the policy accordingly, passed in the consent agenda.

Moved by: John Reynolds		Seconded by: Alan Meyer
Vote:	In favor: 11	Abstained: 0
	Opposed: 0	

Strategic Planning Committee, Rick Applegate
In Rick Applegate's absence, Debbie Menashe presented on the March meeting of the Strategic Planning Committee. The committee reviewed the latest draft papers on emerging strategic issues and opportunities, and heard from staff on feedback from Conservation Advisory Council and Renewable Energy Advisory Council members. A summary of the main issues stemming from the information gathering phase of the strategic planning process included issues around energy savings goals and renewable energy generation goals; goals related to climate change, including greenhouse gas reduction; goals related to peak load management; and opportunities to coordinate with similar organizations. Staff noted clear feedback from stakeholders, particularly CAC and RAC, was that Energy Trust should focus on strategies that are directly aligned with its current energy efficiency and renewable energy goals. Debbie outlined the next steps. The full board will be given another update on the Strategic Plan at the May board meeting.

Staff Report

Highlights, Margie Harris
Margie highlighted the Oregon Air National Guard's lighting projects that involved replacing more than 1,000 fixtures over the last two years. The Oregon Air National Guard expects to complete interior lighting upgrades and heating, ventilation and air conditioning (HVAC) system control improvements next.

Margie described the strong 2013 annual results, larger-than-expected year-end reserve amounts and budgeting process changes underway. 2013 results show high volume savings at exceptionally low cost. Staff completed analysis on the low cost savings acquisition, which is largely due to low-cost electrical savings from a variety of programs, including:

- New construction of data centers, which may not continue at this scale in the future
- Completion of a very large industrial project
- Behavioral savings from industrial Strategic Energy Management (SEM) and residential Personal Energy Reports through Opower, and,
- Market transformation savings from the Northwest Energy Efficiency Alliance.

Margie noted industrial electric savings acquisition declined from 2.5 cents per kilowatt hour levelized in 2011 to 2.1 cents per kWh levelized in 2013. Margie will follow up on the breakout of behavioral savings between industrial SEM compared and savings through Opower. The board suggested documentation and follow-up communication on these findings to inform the Management Review and strategic planning efforts.

Margie noted that 2013 savings lagged in the Existing Homes and Existing Buildings. Renewable energy generation was less than projected with several projects moving forward into 2014.

Margie emphasized that process improvements will be implemented in 2014 to enhance annual expenditure forecasting capability. In addition, Margie will be working with Courtney and other staff to address how annual budgets are established and to provide more detailed information about access to new utility specific program reserves. The board supports the collaborative budget setting process with each utility.

Margie followed up on a topic the board discussed at the last meeting related to growth in multifamily construction in the Portland metro. She described the New Buildings program approach to serving this market segment through the market solutions offering. This approach which makes it easier to incorporate energy efficiency into the design for buildings under 70,000 square feet by providing tailored packages of incentives and services by business type. She described a recently completed affordable housing building in Portland, The Magnolia. Peter West added the program supports about 50 percent of the square feet being constructed through its offerings.

A recent report by the American Council for an Energy-Efficient Economy (ACEEE) showed energy efficiency costs utilities two to three times less than traditional power sources. The report included electric efficiency and natural gas efficiency costs in 26 states around the nation, including Oregon.

Two companies contracting with Energy Trust—RHT Energy Solutions and Evergreen Consulting Group—were ranked in the Oregon Business's 100 Best Companies to Work For in Oregon.

Margie has been involved in development of NEEA's next strategic and business plans, working with board members to develop a draft proposal for the amount of funding NEEA will need in the next five years. This draft will be presented for public comment in April, with further board consideration in May.

Margie showed a table of the 2014 OPUC Performance Measures for Energy Trust. She mentioned this is the first year individual savings targets and levelized cost performance measures link directly to individual utility Integrated Resource Plans. The board mentioned Energy Trust's ongoing efforts to be customer focused and resolve customer concerns.

Melissa Cribbins left at 3:15 p.m.

Margie concluded her staff report by highlighting Agile Homes, one of the first Energy Trust trade ally builders in Eastern Oregon to offer customers Energy Trust's energy performance score. EPS is a core part of the New Homes program, and was launched for existing homes in 2013.

The board asked if the staff analysis on year-end savings and costs uncovered any trends that could inform the Strategic Plan in development. Margie mentioned a demographic analysis of our customer participation data that is in progress in the Planning group. She believes it will be helpful for the Strategic Plan once complete, and plans to share highlights at the board strategic planning work session.

The board asked if there is any follow up after receiving a letter from the Clean Energy Works executive director at the last board meeting. Staff has spoken with Rep. Jules Bailey and is in communication with Clean Energy Works staff to clarify how ratepayer dollars from Energy Trust are invested in Clean Energy Works projects.

Feature Presentation: Energy Trust's Energy Payback Estimator, Matt Braman & Taylor Bixby

Matt Braman described the new Energy Payback Estimator, designed to provide participants with information on energy savings and payback on potential investments. The tool is designed currently for Existing Homes participants who have contractor bids in hand and are exploring what projects to proceed with completing. Using information from contractor bids, customers input cost estimates to the tool. The tool uses Energy Trust data to compute estimated savings for qualifying measures. The tool can also incorporate and reflect utility usage data using the customer data Energy Trust now receives from utilities. Staff received valuable feedback from stakeholders in the past few months. The tool will be enhanced over time, including adding a survey at the end for participants to comment on their experience. Over the last two months, the tool has garnered 2,500 views, consistent with page views of other Energy Trust residential web pages even though it was not promoted. Before promoting the tool, staff wanted to be sure it worked well and initiate some improvements. Taylor Bixby demonstrated the Energy Payback Estimator. Next steps for the tool are to integrate it with the current energy audit tool on Energy Trust's website and begin promotion. The program may also pursue providing the report to contractors for their use as a sales tool. The board commented on the benefit customers may see by being able to compare contractor bids.

Adjourn

The meeting adjourned at 3:45 p.m.

The next regular meeting of the Energy Trust Board of Directors will be held on Wednesday, May 14, 2014, at 12:15 p.m. at Energy Trust of Oregon, Inc., 421 SW Oak Street, Suite 300, Portland, Oregon.

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Alan Meyer, Secretary

Tab 2

Briefing Paper:
Cascade Energy Contract Extension for Production Efficiency Streamlined Industrial Initiative

May 14, 2014

Summary

Staff recommends extending the program delivery contract with Cascade Energy, Inc. (Cascade) for the Production Efficiency Program's Streamlined Industrial Initiative (previously referred to as the Small Industrial Initiative) one additional year, from January 1, 2015 to December 31, 2015. Under the board resolution approving the three-year contract which expires at the end of 2014, the executive director may extend the contract for up to two one-year extensions, if extension criteria are met and the board does not object.

Background

The Streamlined Industrial Initiative (SII) serves industrial and agricultural customers through a variety of vendor-delivered prescriptive and simple calculation-based efficiency measures. These customers have previously been difficult to reach through the high-touch model typically used to serve medium to large industrial facilities. 57 projects were completed in 2007, the year SII launched, continually increasing to over 450 projects in 2013, surpassing 2,000 total projects in the fall of 2013. SII has helped to diversify the sources of Industry and Ag sector electric and gas energy savings and notably represented 48% of the sector gas savings in 2013.

In an open, competitive process, Energy Trust issued a request for qualifications for a Program Delivery Contractor (PDC) for SII in July 2011. Out of four respondents to the solicitation, Cascade was selected to be the PDC. The contract was given an initial three-year term with an option for two one-year extensions. The 2014 contract amount for Cascade's delivery of SII is $1,176,100. The current projected contract amount for 2015 is estimated to be $1,185,900, but may shift based upon program design or savings goal changes.

Discussion

The board resolution authorizing the current SII contract requires that staff first report to the board on Cascade's progress and performance before extending the contract. As discussed below, Cascade has satisfactorily performed across all of the contract extension criteria.

1a. Annual savings goals: In 2013, Cascade achieved 95% of their stretch electric savings goal, with 12.4 million kWh of savings, while also achieving 175% of their stretch gas goal with over 610,000 therms of savings. This was an exceptional year for gas savings performance, but also represented the highest amount of electric savings achieved through SII to date.

1b. Delivery budget management: Cascade continues to professionally manage their contracted delivery resources. As program designs and strategies continually change, Cascade has shown an adaptability to perform all necessary delivery functions within budget, while maintaining its core focus on acquiring energy savings.

1c. Project pipeline development: As of mid-April 2014, there were over 150 projects in the SII pipeline, totaling more than 8 million kWh and approximately 50,000 therms, healthy

numbers for this time of year, particularly on the electric side. As these projects are smaller, shorter-cycle projects, the great majority of these are expected to complete in the next four months, with additional projects continually developing throughout the year.

1d. Trade ally network development: Cascade has maintained its active and successful compressed air and irrigation trade ally networks, but has also appropriately recognized the need to diversify the sources of savings and types of vendors SII works with, including the current focus on fast-acting door and refrigeration controls vendors. Cascade is currently working on vendor-specific engagement planning to help continue growing the SII trade ally network.

1e. Data management: Cascade has demonstrated competency in accurately maintaining its internal database, which provides valuable project insight to Energy Trust staff on an annual and ad hoc basis. Individual project data and forms are managed very well, as project reviews and approvals generally flow seamlessly. Data security protocols for information transmittals are consistently adhered to and Cascade has demonstrated to Energy Trust that it has policies and procedures in place to protect sensitive information.

1f. Service to customers and trade allies: Cascade cultivates positive relationships with its vendor network and provides valuable assistance to trade allies and customers alike. Cascade is effective in helping to create efficient delivery processes that minimize administrative time and improve the customer experience.

1g. Marketing coordination: A focus area over the last year, Cascade has coordinated well with Energy Trust staff to better address the need to align Cascade's outreach activities with Energy Trust marketing support.

1h. Quality control: Excellent quality control processes are in place, including accurate development and version control of SII's Excel-based calculator tools, consistent onsite project verifications and continual coaching of SII vendors. Cascade's efforts have led to high technical realization rates for energy savings, as determined by third-party evaluators.

1i. Project reporting: Cascade is responsive to requests for information from Energy Trust, including regular project forecasting, and materials such as invoices and monthly reports are accurate and submitted on time.

2. Teamwork: Cascade has worked cooperatively with all PDCs on exchanging project leads and with Program Management Contractors on cross-program referrals. The new Industry and Agriculture program design for 2014 encourages greater cross-promotion of sector offerings to customers of all sizes. Cascade has acted as a valuable resource to other PDCs in training them on SII offerings and providing project-specific expertise, when needed.

Next Steps

Staff recommends that the contract with Cascade for delivery of SII be extended to the end of December 2015. If the board does not object, the executive director will exercise her authority to sign a one-year contract extension with Cascade Energy Engineering to continue delivery of SII.

Briefing Paper:
Evergreen Consulting Group Contract Extension for Industrial Lighting

May 14, 2014

Summary

Staff recommends extending the contract with Evergreen Consulting Group, LLC (Evergreen) for industrial lighting delivery services for the Production Efficiency Program (Program), one additional year, from January 1, 2015 to December 31, 2015. Under the board resolution approving the three-year contract which expires at the end of 2014, the executive director may extend the contract for up to two one-year extensions, if extension criteria are met and the board does not object.

Background

The Industrial Lighting Program Delivery Contractor (PDC) develops and trains Energy Trust's industrial lighting trade ally network, acts as a technical resource, helps develop useful calculator tools, coordinates with other program contractors, as needed, and facilitates submitted industrial lighting energy efficiency projects through the program to deliver energy savings.

In an open, competitive process, Energy Trust issued a request for qualifications for a PDC for industrial lighting in July 2011. Out of two respondents to the solicitation, Evergreen was selected to be the PDC. The contract was given an initial three-year term with an option for two one-year extensions. The 2014 contract amount for Evergreen's industrial lighting delivery is $1,044,000. The current projected contract amount for 2015 is estimated to be $1,254,750, but may shift based upon program design or savings goal changes.

Discussion

The board resolution authorizing the current industrial lighting contract requires that staff first report to the board on Evergreen's progress and performance before extending the contract. As discussed below, Evergreen has satisfactorily performed across all of the contract extension criteria.

1a. Annual savings goals: While 2013 was an off-year in terms of energy savings for industrial lighting, Evergreen's performance has been strong achieving stretch goals in 2011 and 2012, the first two years of this contract cycle. While energy savings in total was down in 2013, project volume remained relatively consistent with prior years at around 300 projects, illustrating a continuing trend toward decreasing project size. Energy Trust, in consultation with Evergreen, has significantly increased key lighting incentives in 2014, which should help the PDC to better serve the current market.

1b. Delivery budget management: Evergreen continues to professionally manage their delivery efforts within contracted budget amounts. This is especially notable given the aforementioned decreasing project size, as each kWh of energy savings requires a larger amount of delivery effort. Evergreen effectively leverages its work on other Energy Trust programs by lining up procedures and processes, when appropriate, thereby reducing delivery spending per program.

1c. Project pipeline development: As of mid-April 2014, there were approximately 125 projects in the lighting pipeline, totaling more than 20 million kWh, exclusive of already completed projects. This is the largest lighting pipeline the Program has ever had at this time of year.

1d. Trade ally network development: Evergreen has grown a robust and highly active trade ally network. The support they provide trade allies and the positive relationships they cultivate are one of Evergreen's strength. Trade ally surveys indicate that Evergreen's semi-annual trade ally trainings are well-delivered and well-received events.

1e. Data management: Individual project data and forms are managed well, as project reviews and approvals generally flow seamlessly. Data security protocols for information transmittals are consistently adhered to and Evergreen has demonstrated to Energy Trust that it has policies and procedures in place to protect sensitive information.

1f. Service to customers and trade allies: As mentioned previously, Evergreen provides valuable assistance to trade allies and customers alike. Surveys with past participants have shown high satisfaction with Evergreen's level of service. Should customer service issues arise, Evergreen follows the proper protocol and acts professionally.

1g. Marketing coordination: Evergreen does a good job of coordinating with Energy Trust staff on marketing activities including providing leadership on new customer-facing outreach events across Program tracks and providing expertise on an Industrial Lighting Guide resource never before produced. Evergreen has demonstrated a good understanding of Energy Trust branding guidelines and provides Energy Trust with quality marketing-related content on a timely basis.

1h. Quality control: Consistent onsite project verifications, continual coaching of lighting trade allies on program requirements and processes and thorough internal project review have led to high technical realization rates for energy savings, as determined by third-party evaluators. Effective versioning controls are in place to manage the distribution of the cross-program lighting calculator to the large trade ally network.

1i. Project reporting: Evergreen is responsive to requests for information from Energy Trust, including regular project forecasting, and materials such as invoices and monthly reports are accurate and submitted on time. Evergreen's monthly report, submitted across Energy Trust programs, provides extensive detail on projects in the pipeline and offers great insight into what is happening in the field.

2. Teamwork: Evergreen has worked cooperatively with all PDCs on exchanging project leads and has taken a proactive approach to meeting with Custom PDCs, sharing lighting project forecasts in their territories and actively tracking leads. Evergreen has acted as a valuable resource to other PDCs in training them on lighting offerings and providing project-specific expertise, when needed.

Next Steps

Staff recommends that the contract with Evergreen for industrial lighting be extended to the end of December 2015. If the board does not object, the executive director will exercise her authority to sign a one-year contract extension with Evergreen to continue industrial lighting delivery services.

Tab 3

Evaluation Committee Meeting

March 27, 2014 12:00 pm - 3:00 pm

Attendees

Evaluation Committee Members
Debbie Kitchin, Board President
Alan Meyer, Board Member – Committee Chair
Susan Brodahl, Board Member
Ken Keating, Expert Outside Reviewer

Energy Trust Staff
Steve Lacey, Director of Operations
Phil Degens, Evaluation Manager
Sarah Castor, Evaluation Sr. Project Manager
Dan Rubado, Evaluation Project Manager
Erika Kociolek, Evaluation Project Manager
Spencer Haley, Data Analyst
Amber Cole, Director of Communications and Customer Service
Jackie Goss, Planning Engineer
Paul Sklar, Planning Engineer
Diane Ferington, Residential Sector Lead
Matt Braman, New Homes and Products Program Manager
Marshall Johnson, Existing Homes Program Manager
Susan Jamison, Residential Marketing Manager

Other Attendees
Sara Fredrickson, CLEAResult
Monica Blakeslee-Kish, PECI
Scott Leonard, PECI

1. Overview of Evaluation at Energy Trust

Presented by Phil Degens

Since there are a number of new committee members, we wanted to give a brief overview of evaluation at Energy Trust.

Topics today include: Why do evaluation? What do we strive to get out of evaluation? Who is involved? How does this work? We'll provide an overview of process and impact evaluations, and market assessments, and summarize evaluations performed in 2014.

Why do evaluation? To provide credible, unbiased, independent, and empirically based information to decision-makers, including the Oregon Public Utilities Commission, Energy Trust's Board of Directors and management team, program implementation staff and contractors, Planning staff, and stakeholders and partners.

What do we strive to get out of evaluations? Fact-based feedback on how the program is doing and recommendations for program improvements from credible third parties; documentation of

program history and outcomes; and a basis for supporting decisions on program and policy changes, program redesign, and strategic direction.

Who's involved? Board evaluation committee (composed of board members and expert outside reviewers), the evaluation team (Fred Gordon – Director of Planning and Evaluation, Phil Degens, Sarah Castor, Dan Rubado, Erika Kociolek, and Spencer Haley), third-party evaluation contractors, and program staff, implementers, Planning staff, and stakeholders (American Council for an Energy Efficient Economy, Consortium for Energy Efficiency, Northwest Energy Efficiency Alliance, Bonneville Power Administration, Puget Sound Energy, public utility districts, and other utilities).

How does this work? We strive to communicate evaluation results in real-time. Draft results are reviewed by evaluation staff, program staff, and program management contractors (PMCs). Draft results are presented to the board evaluation committee. Reports and results are finalized and provided to the board and to management team, and then posted online. Along with the final reports, we include a staff response memo, summarizing our "take" on the evaluation. We typically document recommendations made by the evaluator that were (or were not) adopted by the program and why; highlight findings, conclusions, and recommendations made by the independent, third-party evaluation contractors that we do or don't agree with and how the program is moving forward and why, and other aspects of the evaluation that are significant.

There are two major types of evaluations: process and impact.

Process evaluations seek to document, review, and solicit feedback on the program. Tools used include surveys, interviews, focus groups, document review, and data analysis. Process evaluations answer questions such as: How can program implementation be improved?

Impact evaluations seek to verify energy and demand savings. Tools used include surveys, interviews, site visits, engineering and simulation models, billing analysis, and metering. Impact evaluations answer questions such as: How much energy was saved? How is the program doing in forecasting savings? What are the major causes of variance in savings? If savings are lower, are measures still cost-effective?

Alan asked if Energy Trust is doing too many or too few evaluations. Ken commented that it depends on demand. Process evaluations are typically requested from programs and planning staff, and provide feedback on how to improve. Impact evaluations are part of Energy Trust's responsibility to the Oregon Public Utilities Commission. Energy Trust has one of the most rigorous evaluation departments. Phil suggested that one way to reduce the high number of evaluations presented to and reviewed by the evaluation committee is to summarize the top findings of some of the "smaller" evaluations (such as pilots or surveys) in lieu of sending out the evaluation reports.

Energy Trust is conservative in not claiming savings from certain things. It may be that after 10 years in the market, our effect is too difficult to quantify. Because of us, there may be savings we can claim, but that we do not. Alan commented that we look closely at free riders, perhaps in part because it is easier to do, whereas we do not look as closely at spillover. Savings happened, so why not take credit for what happened? We don't claim it, so where does it go and who claims it? Ken responded that we have an unusual situation where gross savings are what count toward the targets of the Power Council – it is what reduces loads in the future. However, Energy Trust is spending ratepayer money and it wants to be sure to go after net savings (the things that did not occur anyway).

2. 2013 Existing Homes Process Evaluation

Presented by Sarah Castor

Background: The evaluation contractor for this evaluation was Research Into Action. The evaluation was conducted September 2013 through January 2014. The previous process evaluation was completed in 2012. This evaluation was focused on the program management contractor (PMC) transition from Conservation Services Group (CSG) to Fluid. The evaluation also included a survey of Energy Saver Kit (ESK) recipients asking about installation rates.

Program Transition: The contract for Existing Homes program management was re-bid in mid-2012. Fluid (now CLEAResult) was selected as PMC. The company name change was effective last December; the bulk of the evaluation work was completed before the name change happened, so the evaluation report references Fluid. Fluid was also selected to take over the New Homes and Products program in Washington which was previously administered by PECI. Fluid took over January 1, 2013.

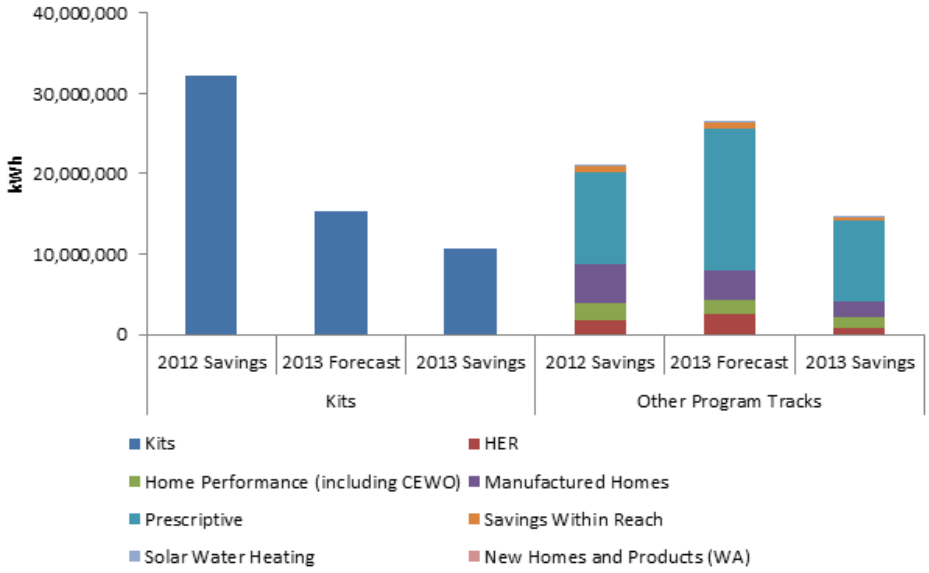
Evaluation Methods: Interviews and surveys were conducted with program staff, market actors, utilities and ESK recipients. Also, the evaluation contractor reviewed program documents and measure activity to provide background and context.

Interviews were conducted with 10 Energy Trust and Fluid staff members, 36 Oregon-based trade allies and 10 Washington-based trade allies, 3 Washington builders, 5 manufactured home specialists, 3 representatives from the Trade Ally and Home Performance stakeholder groups, and staff from all four utilities. In addition, 200 ESK recipients were surveyed.

Documents reviewed included: implementation manuals, monthly/quarterly reports, fact sheets, incentive grids, marketing collateral, PMC statements of work, program forms, program activity summaries, trade ally and builder lists, and ESK recipient data.

Staff Interview Findings: Successes reported by staff included improvements to program documentation, including forms and the program implementation manual. The program expanded activity in Eastern Oregon, focusing on strategies for Cascade Natural Gas territory. Staff also noted Fluid's creativity and analytical skills, particularly regarding enhancements to monthly reports and efforts to move away from kits as a source of savings. As the graph (electric savings in 2012 and 2013) below shows, kits comprised a smaller portion of the program in 2013. Due to program changes, such as requirements for weatherization and removing incentives for air and duct sealing, savings went down in those areas. The program thought it would be able to make up kit savings with additional savings from measures in the prescriptive and weatherization tracks, but that did not happen. The graph for gas savings tells a similar story.

Electric savings in 2012 and 2013



In terms of challenges, staff noted communication issues, including differing priority levels and strategies for pilots, Washington, and time spent on energy saving activities vs. non-saving activities. In addition, staff noted that Fluid's main point of contact was overloaded. There were delays in reviewing and implementing marketing plans and materials. Also, there were issues for internal Energy Trust groups, particularly IT and finance. The program encountered issues with staffing levels and turnover – initially Fluid did not have enough staff to manage workloads. There was a lot of turnover and shifting of roles at Fluid and in the Energy Trust IT department. Finally, the original call center services (out of Minnesota) did not meet expectations; these were moved to Fluid's local office in mid-2013.

Alan asked, did Fluid meet its contract requirements for savings? Marshall responded that there were significant challenges related to adjustments for gas weatherization measures. Fluid did not surpass the conservative goal for any utility. The program worked to get long-term processes and systems in place to scale core measures in the future, and was committed to not relying on ESKs. Fluid's contract specified that kits could play a limited role in savings; by the time the contract was adjusted to allow kits to comprise a larger portion of savings, it was too late to execute the processes necessary to get all the kits we needed. The contract with Fluid has performance elements, including a retainage bonus. Fluid did not achieve the retainage compensation goal. Diane commented that before CSG left, they distributed a large number of kits, which amplified the reduction in savings on the electric side.

Trade Ally Interviews: We were primarily interested in how the transition affected trade allies and their business. The trade allies interviewed were the most active (2- or 3-star trade allies, who generally have higher project volume). The contractors we talked to were primarily HVAC or building shell contractors. Two thirds of respondents noted any changes from the transition, and two-thirds of noted changes were positive. Positive changes were noted most for application forms, information provided, and response times. Some noted negative changes in incentive processing time, forms, and response times. Overall we saw a modest, positive net effect on satisfaction. 41% of respondents attended Roundtables and 24% attended trainings in 2013. Most promote incentives by informing customers directly, or including them on bid

documents. Washington trade allies don't notice a difference in program experience from Oregon, other than incentive levels.

Stakeholder Group Interviews: The evaluation contractor interviewed members of the Trade Ally Stakeholder Group (TASG) and Home Performance Stakeholder Group (HPSG). The purpose of the groups is to facilitate communications with allies and seek feedback about the program. Marshall commented that the group is comprised of trade ally associations such as the Oregon Remodeler's Association, the Home Performance Guild, etc., in addition to a few ad hoc trade allies that come in through the association.

Two of three respondents reported that communications had deteriorated since the transition, and did not feel they had enough opportunity to provide feedback. They felt the program focused too much on large trade allies, and they want improvements to the referral system. The program did not receive this feedback through other channels, so to see it come out here was startling.

Manufactured Homes Trade Allies: Manufactured homes is a different model; weatherization incentives are paid to the contractor. In this model, there is a select group of trade allies qualified to treat manufactured homes, and incentives are paid directly to them. Positive and negative changes were reported as a result of the transition. One of five said it negatively affected their business. Some allies reported high saturation of energy efficiency services and limited future potential. Alan asked if with this model, we are paying down the cost of services. Marshall clarified that this is more similar to a direct install model, where we pay the entire cost of the service. It includes air and duct sealing, and showerheads.

Research Into Action performed some analysis comparing Census information on the number of manufactured homes to program data on all manufactured home sites served by Energy Trust since the inception of the program. In Central Oregon, it looks like the program has treated 60% of manufactured homes; in many other regions, the market saturation is smaller, indicating there is opportunity in outlying areas. On the other hand, Community Action Partnership (CAP) and low-income agencies treat these homes as well, which is not accounted for here, so saturation may be higher. Marshall commented that in Northeast and Eastern Oregon, this is Idaho Power territory, and the homes are predominantly electric. Additionally, there is an age and vintage component: some of the 91,900 total homes in the chart are newer. Debbie commented that it would be nice to know what regions the low-income programs have been serving. Ken added that it can be expensive to find and treat manufactured homes in outlying regions. Sarah noted that the high estimated saturation in Central Oregon may be due to an active group of trade allies, and the fact that it is quite cold in this region and homes are not well-sealed. If we wanted to explore this more, we would need to do additional work. Ken commented that the key adjustment to this table is the percent of homes constructed after 1998 because of the effect of the MAP program and ENERGY STAR® (60-70% built to high efficiency). Sara noted that qualifying utility is a big factor. Sarah clarified that this analysis should be accounting for this.

Washington Builder Interviews: Builders were not generally aware of the PMC transition. Builders get program information from the Energy Star verifier. They are focused on ENERGY STAR, Earth Advantage, and other certifications. The communications they receive need to be less complex and more relevant. Alan asked, did we not talk with Oregon builders? Sarah responded that we talked to Oregon builders as part of the New Homes process evaluation. In Washington, there is no EPS, and the program is run differently than it is in Oregon.

Utility Interviews: We agreed to speak with utilities through regular process evaluations; evaluating our collaboration with them on marketing and outreach. For PGE and Pacific Power, we held in-person group interviews with utility marketing staff and Energy Trust program and marketing staff. The PGE group interview included PGE outreach staff. Individual interviews with staff from NW Natural and Cascade Natural Gas were conducted separately.

Energy Trust and utility staff develop an annual marketing plan, and hold meetings about three times per year to discuss progress. There was general agreement that the process is working well. Utilities value getting meeting agendas early for preparation and input. PGE suggested including PMC staff in planning for marketing new offerings (at this point only Energy Trust staff participate). Utilities reported actively direct customers to Energy Trust through bill inserts, newsletters, call center transfers, and their websites. Branding is handled differently – some utilities prefer to use their own logo, others will co-brand with Energy Trust – but branding was generally consistent within each utility. Suggestions for improvement included: involving utilities earlier in strategic decisions; Energy Trust requested plenty of notice before utility marketing/outreach activities; providing more training to trade allies (on technical elements as well as sales and business development); paying incentives directly to trade allies (which the program is investigating); and increasing knowledge of trade allies serving rural customers. PGE also noted the usefulness of access to Energy Trust participation data, which was granted under the new data sharing agreements.

Energy Saver Kit Survey Findings: Energy Saver Kits (ESKs) contain CFLs, aerators and showerheads. Since 2013, kit components varied based on home features and preferences. Prior to this "build-your-own" kit style, all kits were static and contained a set number of CFLs, and one showerhead and one aerator. Kit contents varied by utility. We only provided standard CFLs; no specialty bulbs. For this survey, we took a stratified random sample based on electric and gas utility. The survey population was customers that received a kit in 2013. They had the kits between 2 and 8 months, with an average of 6 months. Respondents represent a broad spectrum of housing and demographic characteristics: 2/3 homeowners, mostly single family, and a broad range of ages, incomes, and education levels.

Installation rates for kit components

	2013 surveys	2012 surveys (2010-2011 kits)
Bath aerators	63%	22%
Kitchen aerators	46%	42%
Showerheads	62%	44%
A-lamp bulbs	75%	--
CFL bulbs	73%	85% (59%)*
Globe bulbs	64%	--
Reflector bulbs	57%	--
Candelabra bulbs	41%	--

The table above shows installation rates for kit components, alongside the results from a survey of kits in 2012 (which represent 2010-2011 kits). It is clear that this new kit configuration has

increased install rates for aerators and showerheads. Looking at CFLs, there are two numbers for 2012. The 85% number is based on the number of bulbs customers recalled receiving whereas the 59% number is based on the number we recorded for them. CFL rates may have decreased or increased; it is not clear. We saw good installation rates for A-lamp bulbs and globes. Candelabra bulbs were the least installed. Ken asked about whether globes, reflectors and candelabras are LEDs. Sarah clarified that "CFL bulb" refers to twisters. The other bulbs are CFLs. We do not include LEDs in kits right now.

Percent of respondents that installed kit components

	Recipient response	Recipient response or plan rate
Bath aerators	74%	90%
Kitchen aerators	58%	74%
Showerheads	74%	86%
A-lamp bulbs	88%	93%
CFL bulbs	90%	96%
Globe bulbs	71%	85%
Reflector bulbs	66%	88%
Candelabra bulbs	48%	72%

The table above contains information about the percentage of respondents that installed various kit components. "Recipient response" is the percent of kit recipients who installed at least one of the components on the left. For example, 74% of people who received any bath aerators installed one or more. "Recipient response or plan rate" is the percent of recipients who installed or planned to install all components in the next few months. For example, 72% have installed or planned to install Candelabra bulbs.

We asked about reasons for not installing items. These included: the items didn't fit or work as intended (aerators or candelabras), haven't had time to install (showerheads), got more items than needed (water measures), and current one still working (standard CFLs).

Customer feedback on ESKs included: provide more bulbs; bulbs take too long to warm up/not bright enough; water measures don't provide enough water pressure; and long wait time for kit (reported between 3-8 weeks).

The majority of respondents heard about the kit through their electric utility or word of mouth. Low income households were more likely to find out about kits through their electric utility. Many of them reported that the experience of ordering the kit met or exceeded their expectations. 93% respondents were satisfied overall. Alan asked, when a customer does not have an Energy Trust electric utility, are they only eligible for water measures? Susan J responded that NW Natural promotes kits because many of their customers are also PGE customers who are eligible for lighting measures. Cascade does promote kits, but they are less interested in them overall. Marshall commented that in the past, the whole kit was charged to a utility. With the new kits, each individual measure is billed to the utility that is applicable. It makes kits more cost-effective for each individual utility.

57% of respondents said they bought additional CFLs as a result of the kit. A few investigated other energy efficiency measures. 20% had used the Home Energy Profile tool, which is an online audit that gives customers an estimate of what they could save and recommendations for measures they could implement in their home. 20% said they used it, and those that did tended to be younger and better educated.

Conclusions and Recommendations: Research Into Action recommended that Fluid's statement of work should be reviewed and revised if needed. The program went through the process of developing a new statement of work for 2014, and it is edited as needed. The evaluation contractor also recommended developing other measures to ease the transition away from ESKs and provide Fluid with opportunities to do targeted marketing. Ken asked if the evaluation contractor recommended specific measures. Sarah responded that they did not look into the measure mix. Marshall added that there are a few measures the program is looking at on the electric side. It is difficult to fill the void of lighting savings with non-lighting measures for the same cost.

The evaluation contractor also suggested that the program work with Finance and IT to identify priorities for Existing Homes. The program should also continue to improve paper and online forms. Sarah commented that forms are looking very different these days. There is much activity in this space, and a lot of work on online webforms. Research Into Action also recommended that the program consider even more flexibility in kit components – more devices or LEDs, and sending a notice to remind customers to install kit components. Finally, more research is needed if we want to determine the saturation of energy efficiency in manufactured homes.

Energy Trust Take: The program is adjusting to a new PMC. There have been improvements in communications and priorities since last fall. Marshall commented that staff recognized the need to communicate more about issues and have moved on. We don't do PMC transitions all that often, so some of this is documenting for next time. Sara added that Fluid has put together a matrix of staff responsible for projects, which facilitates direct connections. Also, an action plan is in place for improving savings performance in the first half of 2014.

Trade allies reported a net positive change; there were few negative effects noted. Builders were unaware of any change. Some members of the Trade Ally Stakeholder Group appear unsatisfied with current working relationship, however, this feedback has not been received through other channels.

Utility relationship and collaboration is working well. "Build-your-own" kits seem to be successful at increasing install rates for water measures. Kit recipients very satisfied with the experience.

3. 2013 New Homes Process Evaluation

Presented by Dan Rubado

Background: There are two tracks for the New Homes program – Energy Performance Score (EPS) and standalone measures. EPS is a whole home performance measurement, and incentives are paid based on the percent above code. Different performance paths give builders options to go beyond code. Testing and scoring are done by third party verifiers, which is a relatively recent change. The incentive is paid to verifiers, who charge builders a fee to do verification. EPS is designed to complement other certifications, such as ENERGY STAR, LEED, and Earth Advantage. Builders are enrolled as allies in the program, and have to work

with verifiers to get homes measured, make sure they are meeting requirements, and are installing measures to give them a score that's better than code. The verifier is face of the program, kind of like the workforce.

Standalone measures are incentives designed to be paid to the subcontractor, and include top plate air sealing, ductless heat pumps, heat pump water heaters, and tank water heaters. Most of these are fairly new; there is no information about them in this report. There are incentives for "solar ready" homes as well as solar PV – they get paid through the solar program.

Evaluation Goals: Explore effectiveness of the New Homes program, obtain market intelligence and feedback, describe new construction and program reach into that market, assess perceived value of energy efficiency and EPS, assess effectiveness of market-based home verification, and identify geographic trends in the new homes market.

Background: Evergreen Economics performed the evaluation. They evaluated the 2013 program and processes. The evaluation included a market characterization, analysis of program data, summary of ADU owner survey results, staff interviews, and interviews with a number of market actors (homebuilders, participating and non-participating; subcontractors; verifiers, real estate allies; and lenders).

Market Characterization: Evergreen tabulated builder data and housing permit data from the Construction Monitor. The goal of this activity was to describe the new homes market and Oregon builders, and determine the market share of the program in terms of builders participating in the program.

Number of Oregon builders by region and volume, 2012-August 2013

Region of State	Number of Units Built							
	1	2-4	5-9	10-24	25-49	50+	Total	Regional % of Total
Northwest Oregon	401	63	20	10	3	1	498	31%
Southern Oregon	317	56	25	9	3	0	410	26%
Portland Metro	253	57	15	15	5	2	347	22%
Eastern Oregon	229	67	19	13	2	2	332	21%
Total	**1,200**	**243**	**79**	**47**	**13**	**5**	**1,587**	
Percentage of Grand Total	**75.6%**	**15.3%**	**5.0%**	**3.0%**	**0.8%**	**0.3%**	**100%**	**100%**

The table above shows the number of Oregon builders by region and number of homes constructed in a year. The majority of builders are doing custom or single homes, and there are a handful of production builders (that the program has focused on). In terms of regions, the number of builders that are in each market is not very different. When we look at EPS program builders only, we see there are more program builders in the larger categories, and more of a concentration in the Portland Metro region. In terms of the program's market share from 2011-2013, each year the number of EPS homes has increased, although market share decreased slightly as the new homes market has rebounded. In 2013, market share was 19% compared with 25.7% in 2011 and 22.8% in 2012. Alan commented that there is a big difference in terms of the percent of program builders in Portland (49%) versus Southern Oregon (9%). Dan responded that we only serve one of the major utilities in Southern Oregon, which makes it more difficult for us to serve that area.

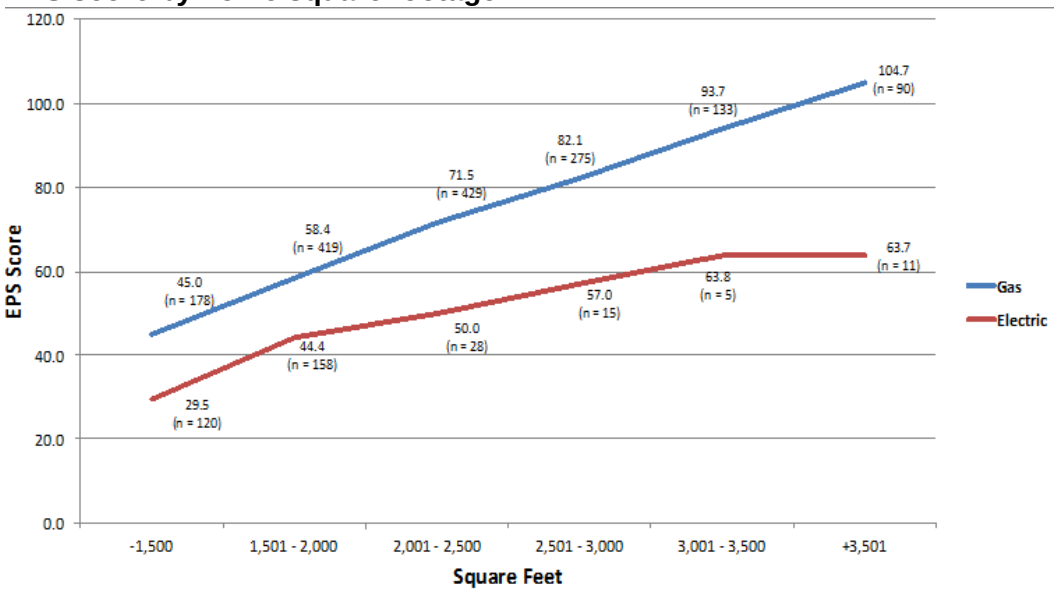
Verifiers are concentrated in the Portland Metro area, along with bulk of program activity. A very small handful of verifiers are doing vast majority of verifications for the program.

Program Data Analysis: Evergreen looked at measures installed in new homes coming through the program, including common groupings and factors that impact EPS. Nearly all EPS projects had 8-11 measures installed. There are 7 measures typically installed together in EPS homes: lighting, insulation, windows, air sealing, water heater, ventilation, and gas furnace or electric heat pump. Ken asked about classifying ventilation as a measure. Matt responded that there are different ventilation strategies that have different impacts. The program is trying to understand which strategies are most effective and use the least amount of energy. Tracking measures in a performance-based program is tricky. Alan asked why lighting and aerators are included in New Homes. Dan responded that these measures were not installed as part of EPS; after they were built, the homeowner installed additional measures. Matt commented that often the builders have a specific showerhead or product they want to put in there, for aesthetic considerations. The program has requirements for a certain level of efficiency, but they aren't as aggressive as what we put in kits. Dan noted that the standalone measures had not come into effect at the time of this analysis, so they aren't included here.

Half of ducts are in conditioned space (which represented an opportunity for the program) and half of heat pumps were ductless. Matt commented that three or four years ago, the number of ductless heat pumps in new homes was almost zero.

Finally, Evergreen looked into factors contributing to EPS scores. The average EPS score for gas was 71 and for electric, 41. Evergreen found that home size is the primary determinant of EPS. The graph below illustrates EPS by square footage of home. Alan asked about the difference in scores by fuel. Matt responded that the program is in the process of implementing a fuel weight.

EPS score by home square footage



Program Staff Interviews: Evergreen interviewed staff from Energy Trust, PECI, and CSG. Staff are generally satisfied with the program and program operations. Staff reported good internal communications and coordination between PMCs and Energy Trust. Market-based verification

was viewed as being successful. Staff reported confusion in the market between ENERGY STAR, Earth Advantage and EPS. The program is trying to increase participation by relaxing requirements and providing different options for builders. Scott commented that in 2012, Earth Advantage was primary verifier for New Homes, offering EPS and Earth Advantage in tandem, and ENERGY STAR was wrapped up in Earth Advantage – that's where the confusion is coming from. Ken asked if EPS is more rigorous. Dan responded that you can get EPS without achieving ENERGY STAR or Earth Advantage. Matt commented that ENERGY STAR and Earth Advantage are not energy focused; they include non-energy components.

Builder Interviews: The evaluation contractor interviewed 22 participating builders (of 220 total), and 12 non-participating builders; these builders were distributed across the state. The goal of these interviews was to assess building practices and the value of energy efficiency and EPS, as well as builders' knowledge of the program and interaction with the program.

Participating Builders: 82% of respondents said energy efficiency is important to their business. 66% reported that they were knowledgeable about the New Homes program, and 80% said they were satisfied with the New Homes program. Verifiers are their primary source of program information. Builders are satisfied with the verification process but want faster turnaround for EPS scores. The new Axis database has been implemented to help with the scoring process for EPS. Verifiers are able to more quickly do EPS scoring and provide a score back to builders. Matt commented that with the database, the verifier can model a home, make changes, and see the score change in real time. It provides fast feedback on how changes in practice can affect the score. Scott commented that some builders choose not to know about the program, and hire subcontractors to take care of the energy efficiency part of their business.

Air sealing is emphasized in building practices. Ventilation practices are varied; the majority of builders put ducts inside at least sometimes, but some reported difficulties. Half claim to build solar ready homes (which is contrary to program data; there are not many incentives provided for solar ready homes). It may be the case that builders are not meeting Energy Trust requirements or are not applying for the incentive. This merits further investigation. Builders were very positive about solar ready; it was perceived as a selling point. However, there are very few solar ready installations happening and PV installations reported.

Participating builders reported targeting higher-end homes and buyers. There was no major impact from the 2011 building code on their EPS homes (although some builders dropped out after the new code took effect). Confusion exists between EPS, Earth Advantage, and ENERGY STAR. Performance paths are not greatly utilized, and some think there are still prescriptive paths (which is not the case anymore).

Builders are not using Early Design Assistance. They reported a verifier shortage outside Portland. It is not difficult to get a home verified, but builders wanted more competition and choice. Builders had some difficulty sourcing some energy efficient equipment (tankless water heaters and correctly sized gas furnaces). They are frustrated with limits on ductless heat pumps. Builders want the program to train appraisers on how to value energy efficiency. They reported the following major challenges with the program: material and labor costs of energy efficiency measures is high, the market is uneducated and does not value energy efficiency, and in Southern Oregon, the major electric utility, Avista, is not part of the program.

Non-Participating Builders: 58% reported that energy efficiency is important to them. Some non-participating builders reported exceeding code on a regular basis, but did not want to deal with the program or knew how to deal with program. They focus more on entry level homes for first

time homebuyers. Barriers to participation include: awareness and knowledge of the program; verification fees and construction expenses; the perception that EPS provides no advantage; and program paperwork. Alan asked about the role of the PMC in recruiting builders and verifiers. Scott responded that the program gets leads through a hotline, and at outreach events. The program has also seen new builders come into the program with pilots. Matt commented that verifiers need to get a certain number of homes to make their business work, so we expect to see builders coming into the program through this channel. Diane commented that the more efficient the home, the more the verifier makes, which is a recent change (not in 2013).

Subcontractor Interviews: Subcontractors reported working with all the certification programs. They get assistance from Energy Trust, ENERGY STAR, and Earth Advantage on technical issues. They have incomplete knowledge of the New Homes program and the new standalone incentives. Six of seven said they were satisfied with the program. They did not recall doing much EPS training; those that did had positive things to say.

Verifier Interviews: Evergreen interviewed 9 of 18 EPS verifiers. Verifiers said verification is a natural complement to other energy efficiency services they provide to builders. EPS verification fees were about $400-450 per home in 2013, but half of respondents said they plan to increase fees in 2014. Alan asked about the typical incentive amount received per home. Scott responded it is about $1,100. Matt commented that the program is providing higher subsidies to start; in 2013 it is about $250 for verification and $150 for modeling. In 2014, Energy Trust phased out the modeling incentive, and will ramp down the verification incentive over time.

Verifiers said one of their main functions is to educate builders about EPS and the program, what measures to do, and provide significant assistance to meet requirements and improve scores. They thought the independent system was working well.

All verifiers were satisfied with the New Homes program. They reported getting technical information from program staff, and have good communication with the program. Monthly phone calls with the program are helpful. They viewed training as sufficient to do EPS verifications. The main barrier to enrolling builders is the cost of verification and energy efficiency measures.

Real Estate Ally Interviews: Realtors reported a wide range in knowledge about the program. They do not sell many EPS homes. When they do, they focus marketing on overall energy savings rather than specific benefits or measures. They report that customers do not understand EPS scoring, and get EPS confused with other certifications. However, customers recognize the benefits of energy efficient homes. Realtors reported no significant benefits from affiliation with the program, and only half were satisfied with the program. Matt commented that it has been difficult to work with real estate allies since we did not have EPS for existing homes, and it was hard to target new home realtors.

Lender Interviews: Lenders had a modest awareness of EPS. Energy efficiency mortgages were not commonly offered nor proactively pushed. Most have products for financing upgrades and solar projects, and lenders look more at those than at energy efficiency mortgages.

Barriers to energy efficiency mortgages include: little interest from the secondary mortgage market; the requirement of having a BPI (Building Performance Institute) audit which involves a rater come out and do scoring to value energy efficiency measures in the home (audits add cost in the form of additional paperwork and administration), and slow the process down; and lenders are worried about inconsistent appraisals – some recognize energy efficiency while others don't.

Accessory Dwelling Unit (ADU) Survey: Energy Trust collaborated with the Oregon Department of Environmental Quality and Portland State University on a survey of Accessory Dwelling Unit (ADU) owners. Energy Trust added questions about ADU fuel sources, energy using systems, and energy efficient features. Debbie commented that Portland eliminated system development charges for 3-4 years (which are substantial – they can run over $12,000 per unit) to achieve density goals. Builders jumped on that, and pitched ADUs to people as guest houses, rental units, or mother-in-law units. Phil added that it doesn't have to be a duplex; an area can be zoned single family to add an ADU. Matt added that many ADUs have been built here in Portland and other metro areas, but not many have been incented through the program. The survey was a way to explore whether there is an opportunity here for the program. Looking at detached ADUs, electric space heat predominates (60%). ADUs have a full complement of energy using appliances, including refrigerators, clothes washers, and heating equipment. There appear to be many cadet and electric wall heating units, which suggests an opportunity for ductless heat pumps.

Overall Program Findings: The evaluation contractor found that program operations and delivery are working well. EPS is a useful tool to provide energy efficiency information to buyers (but is sometimes confused with other brands). EPS does provide a sales advantage to builders, but awareness is low. Finally, trade allies and staff are generally satisfied with the New Homes program and communication.

Recommendations: The evaluation contractor had a huge list of recommendations in the report. Only a few major ones are highlighted in this presentation. The program should increase verifiers outside the Portland Metro area, and work with builders to clarify EPS, the role of the New Homes program, and the source of incentives. The program should develop builder fact sheets to describe the impact of energy efficiency measures on EPS scores and subsidize verification costs for builders targeting first time homebuyers.

Also, Early Design Assistance should be promoted more aggressively to builders, and home appraiser trainings should be promoted more aggressively with lenders. HVAC trainings on mechanical ventilation and furnace sizing should be conducted with subcontractors, and reminders and training on standalone measures should be delivered to subcontractors. Ductless heat pumps and efficient water heaters should be promoted in ADU construction.

Energy Trust Take: The New Homes program operates smoothly, and has good communication channels. Builders seem to like the program but don't have a clear understanding of it; they often confuse it with other certification programs. The market-based verification model seems to be working well. Verifiers are the face of the program, and know the program well. EPS needs more recognition, and energy efficiency needs to be valued more to penetrate further into the New Homes market.

4. Change to Free Ridership Calculations

Presented by Erika Kociolek

The impetus for this discussion about free ridership calculations is concerns from program staff about small sample sizes, especially for non-residential gas projects. Staff requested that we look into strategies for increasing sample sizes. We can't survey additional customers, because we attempt to survey most of them already. Phil added that if we waited for sample sizes to accrue, the numbers would be several years old.

The solution we have come up with is combining fuels when sample sizes are small. This means that the fuel with the lower free ridership rate gets pulled up, and the higher one gets pulled down. Phil added that staff felt that customers don't make "gas decisions" or "electric decisions" - they don't depend on fuel.

Alan clarified that we aren't losing the information about the individual fuel or programs. Erika responded that yes, we still have the information to inform decisions; we will just use the combined numbers for the purposes of True-Up and reporting. Ken responded that doing free ridership in BTUs only works if you report your savings in BTUs. Sarah commented that people report free ridership for electric and gas together; we have been separating them out, so reporting them together is somewhat consistent from that perspective. Ken asked, how does this help you know what is going on with individual measures like pumps or motors? Phil and Sarah responded that we can't tell that from this free ridership data because it is aggregated at the project level, not the measure level.

Alan asked who requested this change in the free ridership calculations. Phil responded that program staff requested it; they are having trouble understanding trends for gas. Alan commented that he would prefer to take the longer view and wait for sample to accumulate. How would utilities feel if their savings are "dinged" by another fuel? Ken commented that you don't want to wait to survey people. Phil clarified that we wouldn't wait to survey, we would just wait to calculate free ridership. Debbie commented that there are large differences in the free ridership rates for gas and electric, and wouldn't recommend combining. Ken added that there may be differences in how people make decisions by fuel. Susan B noted that she would prefer to keep the numbers separate by fuel. Sarah noted that we thought a lot about the methods, what they mean, and how they are implemented. Alan stated he would vote for not changing anything; if there are small sample, that's just the way it is. Debbie noted she would prefer a longer-term moving average. Alan agreed, and reiterated that if we don't do that, he would prefer that we not make changes to the current procedure.

Wrap-Up & Next Steps

Evaluation staff will send out a Doodle poll to determine the best day and time for the next meeting.

Evaluation Committee Meeting

April 28, 2014 12:00 pm - 3:00 pm

Attendees

Evaluation Committee Members
Alan Meyer, Board Member – Committee Chair
Mark Kendall, Board Member
Susan Brodahl, Board Member
Anne Root, Board Member (phone)
Ken Keating, Expert Outside Reviewer (phone)

Energy Trust Staff
Steve Lacey, Director of Operations
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
Ted Light, Planning Sr. Project Manager
Adam Shick, Planning Project Manager
Jackie Goss, Planning Engineer
Paul Sklar, Planning Engineer
Sue Fletcher, Communications and Customer Service Sr. Manager
Peter West, Director of Energy Programs
Diane Ferington, Residential Sector Lead
Matt Braman, New Homes and Products Program Manager
Kate Scott, Residential Sr. Project Manager
Susan Jamison, Residential Marketing Manager
Spencer Moersfelder, Sr. Program Manager
Mark Wyman, Residential Sr. Project Manager

Other Attendees
Jeff Schwartz, ICF
Sarah Moore, BPA
Monica Blakeslee-Kish, PECI
Jamie Haaning, PECI
Brien Sipe, CLEAResult

1. 2013 Existing Buildings Process Evaluation

Presented by Erika Kociolek

Background: This evaluation of the 2013 Existing Buildings (EB) program was conducted by Research into Action (RIA). The last evaluation was also done by RIA in 2012 for the 2010-2012 program years. The 2013 evaluation focused on the program management contractor (PMC) transition from Lockheed Martin to ICF International and the ongoing marketing collaboration between Energy Trust and its utility partners. The EB program contract was re-bid in 2012 and ICF was selected as the new PMC, taking over program operations starting at the beginning of 2013.

The program is currently structured with Energy Trust managing the program, which includes the PMC and its subcontractors. Evergreen Consulting handles all lighting projects for the EB program and RHT provides outreach in Southern Oregon. Trade ally contractors work directly with the program and commercial customers to market and install efficiency upgrades to customers. Allied Technical Assistance Contractors (ATACs) conduct technical studies to identify energy savings opportunities and estimate the savings potential.

For this evaluation, RIA interviewed Energy Trust, ICF, and Evergreen staff, active and inactive ATACs, and lighting-only as well as non-lighting trade allies. No customers were interviewed because program implementation has not changed significantly since the last process evaluation. RIA reviewed program documents and a summary of program data. Lastly, utility staff were interviewed regarding collaborative marketing efforts between Energy Trust and its partner utilities.

Staff Interviews: Fourteen staff were interviewed from Energy Trust, ICF, and Evergreen. According to staff, program successes after the transition included that clear roles were established early on and that the PMC learned Energy Trust's systems and processes quickly. Collaboration between the PMC and other Energy Trust programs has been good. ICF has provided informative reports that Energy Trust found to be very helpful. Communication and coordination between Energy Trust and the PMC is generally going well. Challenges reported by staff include a maturing commercial efficiency market, which is limiting the implementation of simpler efficiency opportunities that have provided large savings in the past. Working with large businesses has been difficult because of their long planning cycles for making investment decisions. Outreach to small- and medium-sized businesses is challenging when proposing efficiency projects beyond lighting. Finally, training the market to pursue new types of lighting projects, such as smaller projects and outdoor lighting projects, has been difficult.

Program changes have included a shift to account management rather than business development. This means assigning staff to individual customers to develop stronger, long term relationships. Trade ally orientation now occurs during the screening process so that trade allies know what is involved in program participation and what is required of them. ICF is using its national call center in Virginia, which seems to be working well. Incentives are provided for the full cost of technical studies in Washington (which is a change from prior years), and the program has been targeting commercial kitchen gas measures. The program lost the rooftop unit tune-up measure. It was phased out during 2013 because billing analysis results showed low savings and measure activity had trailed off. ICF also began an expansion of the trade ally network to include trades like roofers.

ATAC Interviews: ATACs identify energy saving opportunities through technical studies. RIA interviewed 17 ATACs, including 14 that were active (completed 1 or more studies) in 2013. The three inactive ATACs didn't know much about the program and were focused on other kinds of activities. ATACs had to reapply for ATAC status at the end of 2012. They reported that the reapplication process was pretty straightforward and was not a barrier. About half reported some change in customer outreach by the PMC, specifically, that it was more aggressive and more targeted to large energy users. Most saw positive changes in the information and feedback received from program staff. In particular, ATACs appreciate the regular conference calls and solicitation of their feedback. Half of them reported that feedback on the technical studies had improved. A few ATACs reported changes to the types of studies they conducted in 2013, but these were unrelated to program changes. Half reported that the technical study guidelines had changed for the better in 2013. Most commented that there is now greater detail in guidelines, which was a recommendation from the prior program process evaluation.

Jeff commented that the program set forth guidelines for more targeted studies and that some ATACs did not like this change at first because they wanted to do whole building analysis. This change was made to make the studies more cost effective and to address those efficiency measures that the building owner or manager was interested in and had the funds to pursue. In the end, most ATACs agreed that the change was good.

Eight of the 14 active ATACs reported that program changes resulted in improved customer satisfaction, although one reported a decrease in customer satisfaction. Most ATACs were satisfied with various elements of the program, including the technical study guidelines. Ten of the 14 reported some challenge working with the program. There was no real trend in their comments regarding challenges; the concerns were varied. Working with multiple programs was mentioned as a difficulty. Some reported they were not getting projects assigned to them by the program anymore, although this is part of the program design.

Jeff reported that 90% of studies were brought to the program by ATACs in 2013. They purposefully do not assign studies to ATACs if the customer is already working with a contractor and they look to the ATACs to bring projects into the program. Mark K asked if the ATAC that mentioned they were dissatisfied about technical studies was dissatisfied across the board. Erika responded that we would have to check with RIA to dig into responses from individual contractors. Alan M asked about the geographic distribution of ATACs interviewed. Erika responded that she would need to ask RIA for more information. The primary focus (for the purposes of the evaluation) was to recruit ATACs that were active in the program, not to obtain geographic diversity. Jeff added there are definitely active ATACs in southern Oregon, but not many in NE Oregon. Alan M would like to know where the surveyed ATACs are from. Erika will check with RIA and follow up with the committee members.

Trade Ally Interviews: 15 lighting-only and 21 non-lighting trade allies were interviewed. A majority of trade allies reported that there were no program changes that they knew of in 2013. Five reported either a positive or negative change. Positive changes included quicker responses to questions, more visibility at events, and better Roundtables. Negative changes reported by trade allies included decreased incentives (although there were no incentive reductions according to Jeff). Changes in trade allies' business were unrelated to the program. As in the previous evaluation, most non-lighting trade allies rely on customers requesting a bid for work to acquire projects while lighting-only trade allies more actively sell projects to customers. Trade allies reported that project delays were mostly on the customer side, not due to program processes. Thirty of the 36 interviewed trade allies reported calling or emailing program staff at some point in 2013. There was high satisfaction with various aspects of the program, particularly with program representatives and responding to questions. Mark K asked for clarification on what the satisfaction questions were. Erika clarified that they included things like satisfaction with program representatives, responding to questions, and incentive processing speed.

Utility Interviews: Talking with utility staff is a new aspect of process evaluations, an outcome of the prior 838 evaluation. The goal of interviewing utility and Energy Trust staff is to capture feedback about the marketing collaborations between Energy Trust and its four funding utilities. PGE and Pacific Power marketing and outreach staff were interviewed as a group with Energy Trust program and marketing staff. The evaluation contractor did individual interviews with gas utility contacts over the phone. The findings show that Energy Trust and utility staff collaboratively develop an annual marketing plan and meet regularly (about three times per year) to discuss progress. PGE suggested that the PMC could be included in these meetings as

well. The utilities actively direct customers to Energy Trust through call center transfers, emails, and their websites. PGE also noted the usefulness of Energy Trust's participation data that is now being sent to each utility as part of the new data sharing agreements. Suggestions for improving coordination included involving the utilities earlier in strategic decisions (suggested by utility staff), providing Energy Trust with plenty of notice before utility marketing activities (suggested by Energy Trust staff) and providing small commercial customers accurate information on whether they are a good fit for EB services (suggested by Energy Trust staff).

Mark K asked which strategic decisions the utilities want to be involved in. Sarah answered that they want to be involved in measure development. Susan B asked what the utilities mean by "getting involved earlier in strategic decisions". Sarah responded that they would like to be involved in program decisions and the development of strategy. Steve further clarified that they would like to be involved in program decisions and that Energy Trust accommodates this as much as possible while implementing the program. Alan said that this is good because we are in it together and that we need to be working together on shared goals.

Conclusions: The shift to account management is working well. ATACs noted the program's approach to targeting large users and increased customer awareness of the program offerings is working well. The program saw an increase in customer projects and studies in SW Washington. Trade allies are satisfied with the program, although incentive processing speed remains a source of dissatisfaction for trade allies. ATACs are satisfied on the whole, but some would like more projects assigned to them.

Recommendations: Increase coordination with Clark Public Utility District to deliver more savings. The program should gather additional information about delays in incentive processing, and alert customers if a project remains in a particular "stage" more than 30 days. Finally, ICF should communicate to ATACs how it decides to assign studies resulting from requests from customers to the program.

Jeff said that ICF is meeting regularly with Clark Public Utility District and their account managers and they have been cooperative. Delays are being addressed through changes to ICF's VisionDSM system, which will warn managers if a project lingers at a particular stage. Alan asked if there are ATACs out there waiting for the program to give them projects and business. Jeff answered that the program has contacted ATACs to explain how the process works; they don't assign studies unless a customer does not have a contractor they are already working with. Jeff said that the program prefers not to assign studies or interrupt the market if there is no need. Spencer M said the program is not studying as many measures, but rather focusing on measures that the customer is most likely to move forward with. Less active ATACs have been dissatisfied with this because they get less business. Spencer M clarified that ATAC contracts are between ICF and the engineering firms - not with Energy Trust. Peter said that two years ago there was a process to reform ATACs. The price of studies was going up and the program looked at studies by results. The program moved to doing more walkthrough studies to talk to customers about what they want or can afford to identify measures. Some ATACs are just not interested in that. Now, many more of studies result in savings. We are in a place where there are shorter studies being completed (more studies done overall), and costs have come down and savings are up on a per study basis. Fred asked, can customers can still get a comprehensive study to do a deep retrofit? Spencer M said that the program asks detailed questions of customers to figure out what they want. If they want to do more and have the financial resources to do so, that is allowed. Jeff said they are trying hard to accommodate the customer and not just create business for the ATACs.

Energy Trust Take: The program is adjusting to the new PMC. Communication and collaboration among EB program staff and with staff from other programs and departments is going well. The program is focused on developing a strong pipeline of projects early in 2014, and has plans for new measure development, continuing to recruit new trade allies and ATACs, and creating bonus offerings early in 2014. Program changes were well received by ATACs and trade allies, and appeared to boost the number of projects and studies completed in Washington.

Spencer M commented that Lockheed was very motivated to complete projects before their contract was up, which reduced the pipeline for 2013. As a result, the program saw a decline in 2013 savings and did not achieve all savings goals for 2013.

Alan commented that it seems like this transition went pretty well and that the short term drop in savings seems to be due to high project activity the year before. Spencer M responded that yes, but the program needs to stay focused on the project pipeline and refine how forecasting projects is done. The program also needs to closely monitor the top 10 to 20 projects and work with those customers to determine when projects will complete. Jeff said that longer term projections previously included whole building studies that were overly rosy because they included many measures that customers were unlikely to do. Now project forecasting is better because the studies include more realistic measures.

Mark K heard recently from a developer in Salem that an ATAC did an analysis of measures that his firm was actually interested in. In the past, he had gotten an analysis for a laundry list of things in which they were not interested. Now it is much better as they have information on measures they actually intend to do. Peter is interested in whether this approach will result in deep retrofits being done over time.

Ken commented that the upbeat aspects of the evaluation from Washington were more emphasized in the report and he wanted to reinforce the successes there.

2. 2013 Products Process Evaluation

Presented by Erika Kociolek

Background: The Products program incentivizes efficient, new appliances, refrigerator recycling, and mark-downs on lighting and showerheads. The key program stakeholders are program staff at Energy Trust and PECI (the program management contractor). PECI subcontracts with Applied Proactive Technologies (APT); field staff from APT provide outreach to retail stores and sales associates for appliances. JACO Environmental is also a subcontractor to PECI, handling calls for refrigerator recycling and recycling refrigerators and freezers. Bonneville Power Administration (BPA) oversees the Simple Steps program, which is implemented by CLEAResult. PECI subcontracts with them to deliver the lighting and showerheads portion of the program.

The contractor for this evaluation was Research into Action. The study period was July 2013 to February 2014. The purpose of the evaluation was to document program implementation and to identify opportunities for improvement, obtain feedback from retailer contacts about the program, and understand how retailers engage with customers and field representatives.

Evaluation Tasks: The evaluation included a review of program documents and program data; interviews with program staff; analysis of refrigerator data to understand recent declines in volume of incented units; ride alongs with field staff visits to retail stores to get sense of what

those visits include; mystery shopper visits, where staff from Research Into Action posed as shoppers and asked questions about products (refrigerators, clothes washers, and lighting) of store staff; and interviews with corporate retailer staff.

Staff Interviews: The goal of staff interviews was to assess program strengths and weaknesses, and document program changes and future plans. Staff reported that the program has strong relationships with retailers, and that refrigerator recycling has effectively engaged customers (this is a very visible part of Energy Trust – it is one of the few measures for which we run TV ads). The program has also generated large savings through lighting and showerheads. Staff further reported that point-of-purchase (POP) materials have been effective for educating sales staff and customers, and that they have worked effectively with the various program stakeholders.

Challenges reported by staff include that it is increasingly difficult to achieve savings as the markets for each product transform and the program matures. Additionally, it can be difficult to collaborate with retailers due to high staff turnover, data sharing (retailers are reluctant to share data due to confidentiality and concerns about providing customer data to others), and branding guidelines. Finally, the regional model for lighting and showerheads (Simple Steps) is both helpful and limiting. The program doesn't have full control over what happens in Simple Steps, but this model does deliver a lot of savings.

Corporate Retailer Interviews: The goal of talking with retailer staff at the corporate level was to assess their experience with the program, and their needs in terms of incentives, training, and marketing support. We talked with a mix of retailer and manufacturer contacts (some retailers referred us to their point of contact at the manufacturers with whom they work). Not surprisingly, retailers most highly value the incentives provided by the program and the program's engagement with retail locations through field staff. They said that they found POP, clings (stickers that go on qualified appliances) and lighting signage to be effective. They emphasized that signage in their stores should be simple, clear, and easy to access for customers. Some retailer contacts were more familiar with program POP and other marketing materials than others. Respondents also said that special promotions such as promotions for Earth Day or Daylight Savings Time, and in-store events are effective at increasing sales. Retailers value quick or instant incentive payments, but a sticking point has been Energy Trust's need to ensure that customers actually qualify for rebates (this is particularly true for online instant rebates). Finally, retailers very much value consistency across utility programs and support regional coordination, which is epitomized by this comment from one retailer contact, "I can't manage all 600 of you."

Alan asked, why wouldn't someone qualify for a rebate? Erika responded that if they were not a customer of one of our four funding utilities, they wouldn't qualify for a rebate. Fred asked if corporate retail contacts knew why sales of highly efficient fridges have decreased over time. Erika responded that we talked to corporate retailer contacts before we had the results of the analysis of refrigerator data, so we did not ask these contacts about trends in refrigerator sales.

Mystery Shopper Visits: The goal of mystery shopper visits was to assess the knowledge and awareness of sales associates and look at in-store marketing materials and POP. Mystery shoppers interacted with 21 associates (14 lighting and 7 appliance) at 14 stores representing 6 retailers. We selected a mix of Portland Metro and non-Portland Metro store locations. Energy efficiency was mentioned (unprompted) by about half of lighting associated and almost all appliance associates (regarding clothes washers). Only 1 refrigerator associate (of seven) mentioned energy efficiency. Energy Trust incentives, ENERGY STAR, and Simple Steps were rarely mentioned unprompted (1 of 7 associates regarding clothes washers, and 1 of 14

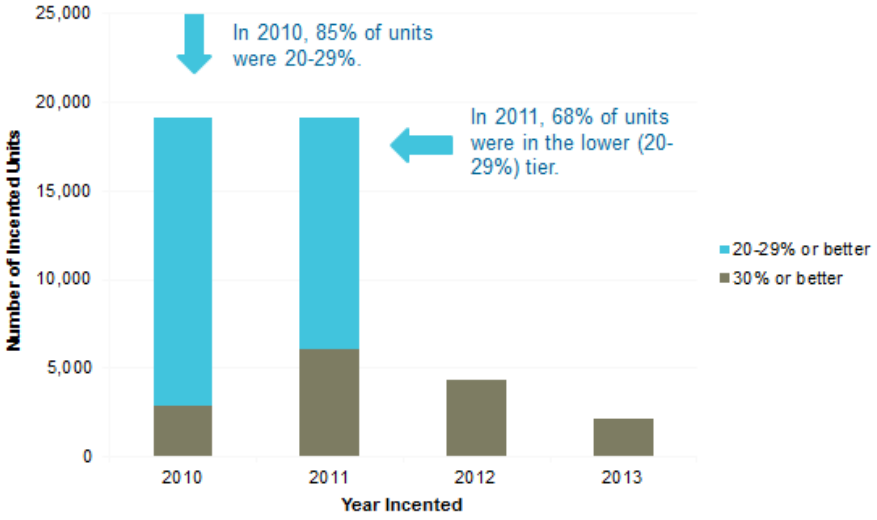
associates regarding Simple Steps). About 2/3 of all sales associates could explain ENERGY STAR, but only 2 of 14 lighting associates could correctly define Simple Steps. Three of seven appliance associates reported receiving Energy Trust training, and one of 14 said they received training on Simple Steps. Associates suggested that information materials and POP aimed at both staff and customers would be helpful to them for selling more qualified products.

Ride Alongs: The goal of ride alongs was to document how field visits are conducted and identify opportunities for improvement. Staff from Research Into Action did four days of ride alongs with 4 different field representatives (2 from CLEAResult and 2 from APT). They visited 21 stores in Portland and Salem. Research Into Action found that field staff are very knowledgeable about the program and efficient technologies. They reported that representatives get questions about program specifications and requirements (appliance representatives) as well as efficient technologies (lighting representatives). Field representatives address training needs, put up POP, attend in-store events, and interact with customers when they are in store. Field staff reported wanting more direct interaction with Energy Trust program staff. They had suggestions for improving POP (namely, that the "Bulb Finder," a sign with information about efficient lighting, is difficult to place in stores because it requires a flat surface and has a blank backside that is undesirable). Finally, they said that using tablets could help them reduce data entry.

Refrigerator Data Analysis: The goal of this analysis was to identify reasons for the recent decline in incented refrigerator measures. The evaluation contractor used FastTrack data from 2008 to 2013.

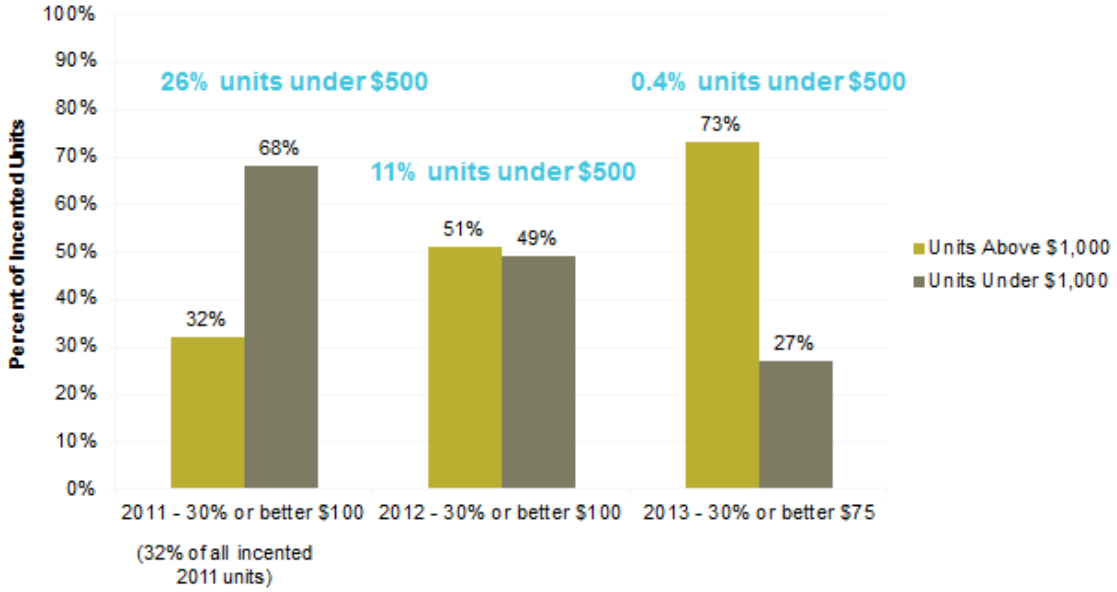
The evaluation contractor hypothesized two potential reasons for the decline in incented units. The first is related to changes the program made to its incentive tiers. In 2010, there was one tier (provided incentives for refrigerators that are 20% or better than ENERGY STAR). In 2011, there were two tiers: one for 20-29% or better (lower incentive) and one for 30% or better (higher incentive). In 2012 and 2013, the lower tier was dropped. The chart below shows the number of incented units by efficiency tier. Based on this evidence, the evaluation contractor hypothesized that the decrease seems to be related to removing the lower efficiency tier (went from just under 20,000 units in 2011 to about 6,000 in 2012). However, that doesn't explain the year over year decrease in the higher tier (going from 6,000 in 2011 to about 2,100 in 2013).

Incented refrigerators by year and efficiency tier



Among many other things, the evaluation contractor also looked at cost. They found that the number of fridges with a cost below $1,000 was high in 2011 (68% of all units) and declined to 23% of all units in 2013. Fridges under $500 experienced an even more dramatic decrease. Alan asked if this is the percent of units that were incented, rather than sold. Erika confirmed that it is just data from our program on incented units. Alan asked how these percentages correspond to volume. Erika said that for units above $1,000, volume in each year is between 1,500 and 2,200. For units under $1,000, volume is over 4,000 in 2011 and just 580 in 2013.

Incented refrigerators by year (in the highest efficiency tier, 30% or better) and cost



Ken commented that there may be fewer units in the market under $500 or $1,000. Refrigerators may have become much more expensive. It might be helpful to talking with manufacturers, or to talk with large retailers about stocking practices.

Research Into Action theorizes that retailer stocking practices may be part of the story (they might have stocked more units that fell into the lower tier), prices might have increased, consumers may be shifting to less expensive, non-qualified units, manufacturers may be changing their product lines, and the decrease might be due to the expiration of state tax credits (in 2011). Alan asked if we need to do more research to figure out what to do. Matt responded that we have a good idea about what is happening and what program needs to do. This might be an opportunity to provide a different incentive for top freezer models that tend to be more efficient. This is especially important given that for higher-end fridges, efficiency seems to be a small factor in customers' overall decisions.

Key Findings and Recommendations: The number of low-cost, incented fridges dropped in 2012 and 2013. Research Into Action recommends performing additional research on retailer stocking practices, run a pilot to provide increased incentives for low-cost, qualified models, and explore the feasibility of adding a lower tier (25-29% or better).

There are important differences between lighting and appliances in retail environments and customer purchasing decisions that the program is not addressing. The evaluation contractor recommends developing training for sales associates on lighting that supports information retention, and designing POP to be used by both customers and sales associates.

Finally, there are benefits and challenges to regional collaboration through Simple Steps, but the program offers considerable benefits to retailers and to the program. Research Into Action recommends focusing on training sales associates on lighting and working with BPA to modify key pieces of POP.

Energy Trust Take: It is increasingly difficult to achieve savings as market transformations continues and as the program matures. The program has established strong retailer relationships. Field representatives provide important support to retail sales associates through training and POP placement and verification that is valued by retailers. There are opportunities to improve training for sales associates. Regional collaboration benefits the program and is valued by retailers. However, use of the Simple Steps brand for lighting is a lost opportunity to raise awareness of Energy Trust and leverage our brand to drive sales. Finally, the program currently in the process of being re-bid; findings and recommendations from this evaluation should be useful in reviewing bidders' proposals and setting program priorities moving forward.

Alan noted that there is a major difference in the decision-making and marketing for light bulbs and appliances and that same approach won't work in both places. Ken commented that federal standards are making it more difficult for the program because the savings continues to decrease in terms of kWh. Fred responded that we are very aware of that issue. Matt said that we are going to have to think about how to change this measure in the next couple of years. Sarah Moore commented that she is very interested in low-cost models outside the Portland Metro area. Given the high cost of appliances, we may see a shift in where people purchase appliances (more appliances purchased on the secondary market). Alan asked if there are affordable, efficient fridges that exist in the market? Matt responded that the program looked at one retailer and one manufacturer and it seemed like they were still there, but we need to look at others. Mark K asked if the overall fridge market is diminishing in terms of sales? Phil responded that the same number are being sold as ever, but there just aren't as many highly efficient ones that qualify any more. Matt confirmed there are a lot less qualifying products than

there than there used to be and this is likely related to dropping the lower tier of efficiency. Fred said that we didn't know if the tax credits for appliances were important but then they disappeared and sales dropped, so maybe they were important. Matt mentioned that appliances are fairly expensive savings to capture and that the decrease in volume has allowed the program to focus on more cost effective measures (such as general purpose CFLs).

3. Residential Windows Market Research

Presented by Adam Shick

Background: Energy Trust provides incentives for two tiers of windows (shown below).

	U-value	Incentive (per sqft)
Tier 1 Windows	0.26 - 0.30	$2.25
Tier 2 Windows	≤ 0.25	$3.50

Window efficiency is denoted as "U-value," which is the reciprocal of an R-value. Therefore, lower U-values are better (more efficient). The current measure baseline used for windows is from the Regional Technical forum (RTF) and was last updated in 2009. The RTF assumed a 0.35 baseline U-value. There are some indications from the market that the baseline has changed since 2009 and that it is even more efficient: high market share of ENERGY STAR windows national (81%), 2015 ENERGY STAR specification change, and anecdotal market evidence. Given this, Energy Trust decided to do a study to survey the market to find out the new baseline.

Goal: The primary goal of this research is to inform the development of Energy Trust's 2015 window measure. The objectives are to estimate the average window efficiency in the market as well as average incremental cost for various efficiency tiers.

Methods: We decided to interview 12-15 Northwest window manufacturers (representing as much of the Northwest windows market as possible). We hired an independent contractor, who is considered an expert in the industry, to do this work. They conducted interviews with 7 manufacturers between October and November 2013. Data collected from these interviews included: Northwest market share, percent of sales by efficiency tier, and incremental cost by efficiency tier. Manufacturers reported information about their market share for the entire Northwest region because they could not provide more granular data (i.e. specific to Oregon) or they reported that their market share in Oregon is the same as it is for the entire Northwest. Mark K. asked why some of the manufacturers declined to participate. Adam responded that they did not tell us why the declined to participate. We chose this third party contractor because they have unique relationships with these manufacturers, but even they were unable to complete interviews with more than 7 contacts. Fred commented that for this and other markets it is increasingly difficult to get manufacturer representatives or distributors to help us figure out what is happening in the market. It is a real struggle to get good information.

Findings: Using data collected through these interviews, Energy Trust staff calculated a market share weighted average baseline efficiency (u-value) for the entire Northwest windows market: 0.311. The table below shows that 44% of the market share is comprised of windows with u-values of 0.31 or above, and 56% of the market is comprised of windows with u-values of 0.30 or below.

U-value tier	Relative market share
> 0.35	2.78%
0.33 to 0.35	26.25%
0.31 to 0.32	15.05%
0.29 to 0.30	45.87%
0.26 to 0.28	7.91%
0.25 or lower	2.15%
Total	**100.00%**

The table below shows incremental costs per square foot for each tier. We also asked manufacturers about the availability of windows by tier. The lowest available u-value (regardless of cost) was 0.20. The lowest available U-value (with low incremental cost) was 0.24.

U-value tier	Market share weighted average incremental cost*	Market share weighted average total cost
> 0.35**	$ 7.94	$ 7.94
0.33 to 0.35	$ 0.27	$ 8.20
0.31 to 0.32	$ 0.47	$ 8.67
0.29 to 0.30	$ 0.32	$ 8.99
0.26 to 0.28	$ 0.59	$ 9.58
0.25 or lower	$ 1.72	$ 11.30

* Incremental cost measured as cost difference compared to the next most efficient window tier
**Total cost, not incremental cost

Limitations: This is self-reported data, not sales data. The interviewees represent manufacturers covering 74.5% of the Northwest windows market. Manufacturers did not provide enough information to distinguish between the new and existing homes markets. We are working on additional research to investigate differences between these markets. Mark K asked if this might indicate a different baseline for new and existing homes. Adam responded that if there was a difference in the markets, then it would indicate a different baseline.

Sensitivity Analysis: Analysis was done to assess if information missing from the remaining 24.5% of the market would shift the baseline. The bottom line is that even in extreme scenarios (i.e. where all sales for the remaining 24.5% of the market fall into the lowest or highest efficiency tier) the baseline efficiency would not dramatically change.

We also looked at data from NEEA's Long Term Tracking and Monitoring of 2011 Activities and found that windows for the new and existing homes markets are roughly evenly split (41.8% and 58.2%, respectively). Looking at Energy Trust data on the New Homes program, windows with low u-values (≤ 0.30) are accounting for an increasing share of the volume (99% in 2013, up from 40% in 2011).

Alan asked if this is just for the Energy Trust share of the market, not the entire market. Adam clarified that it is. Fred noted that the primary purpose of this research is to quantify the changing baseline. Peter commented that this comparison is taking into account the entire

market, which includes the segment incented by Energy Trust, which is driving the average u-value down. Fred said we could potentially try to pull out the segment that we incentivize. Peter asked if it was possible to compare results to another region that did not have efficiency programs. Fred said that these types of comparisons are difficult to do for windows. Program history and weather differences would have a large impact on findings, and we might not learn that might about what the baseline is here, now. Furthermore, most regions have programs. We are trying to figure out what savings we can claim, and at which u-value we claim savings for, based on current Northwest market conditions.

The Existing Homes program is responsible for about 10% of the square footage of windows in Oregon, which means about all of the windows below a u-value of 0.25. We did some scenario analysis, and if all sales of most efficient windows go to new homes, which is an extreme scenario, then the baseline would shift to about 0.33.

Sarah Moore said that window prices are impeding BPA's ability to provide incentives. There is a big uptick in price for higher efficiency tiers.

Alan asked why the data are grouped in the way they are in the u-value tiers. Matt responded that the 0.25 cutoff is a little arbitrary and that we followed suit with the Department of Energy and the RTF for consistency. We may need to change the categories if we are going to change the incentive structure. We don't want to repeat the fridge drop-off with windows, so a big incentive tier change might not help the market.

The committee agreed with the approach staff are taking and the results of this work, which focused on trying to determine the key measure assumption for windows regarding market baseline, are sound. Staff will attempt to identify additional market data on window efficiency in the New Homes market to inform the calculation of the Existing Homes market baseline for windows.

4. Change to Free Ridership Calculations

Presented by Erika Kociolek

This is a continuation of a discussion from the last committee meeting. We had proposed changes to free ridership calculations, based on concerns from program managers about the small sample sizes for respondents with gas projects. Evaluation staff proposed increasing the sample size requirement from 10 to 30 respondents to report a free ridership rate for a fuel; if there were fewer than 30 respondents, we would report one free ridership figure for both fuels that was based on weighting responses by BTUs (previously, we reported separate free ridership rates for gas and electricity, where responses were weighted by project share of therms or kWh, respectively, for all respondents). Feedback from committee members at the last meeting was that they did not view it as appropriate to pool data across fuels, so we are presenting a revised proposal.

We are still recommending using a minimum sample size of 30. However, for reporting annual free ridership numbers for each fuel separately, in cases where there are less than 30 respondents for a given fuel, we would include responses from one or more prior years to get enough respondents to achieve that sample size. For example, if there were only 10 respondents in 2011, 2012 and 2013, we would use responses from 2011-2013 to calculate the free ridership rate for 2013. For quarterly free ridership rates (not reported externally, but used for internal reference and program management), in cases with fewer than 30 respondents for

the quarter, we would report a five-quarter moving average. If there are still fewer than 30 in five quarters, we would go back as many years as needed to get 30 responses (for example, if we are estimating free ridership for 2013 Q2, and there are only 2 respondents for the quarter, and there are only 20 respondents in the time period 2012 Q2 – 2013 Q2, we would go back to the year where we have 30 or more respondents (i.e. 2011 Q1 – 2013 Q2).

Alan asked why we are recommending a minimum sample size of 30 - what is special about that number. Phil explained that statistical properties of distributions kick in with a sample of about 30, so that is frequently used as a cutoff for the minimum number of data points.

Erika presented tables (below) that indicate how often this new method would be needed (note that only measures or programs with fewer than 30 respondents per quarter in 2012 or 2013 are presented in the tables below). Gray areas have fewer than 30 respondents per quarter. For all non-residential gas programs, there are fewer than 30 respondents per quarter and also per year.

Group	2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
EB - Gas								
MF - Electric								
MF - Gas								
PE - Gas								

On the residential side, there are quarters here and there for some measures where a sample size of 30 is not achieved, though there have always been at least 30 annually.

Group	2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Water Heaters								
Wall Insulation								
Refrigerators								
Home Perform.								
Heat Pumps								
Duct Insulation								
Ductless HPs								

Adam asked if programs would not see a quarterly number if the sample was small. Erika clarified that they would see an average of at least five quarters; they would not see the number for that single quarter. Phil noted that we don't want people to overreact to numbers that are based on small sample sizes. Alan thinks Ken Keating would agree with the need to use larger samples and to estimate separate free ridership rates for each fuel (Ken had to leave the meeting early and was not present for this discussion).

Erika listed the pros and cons of the new proposed approach. Pros are that there will be less variability in free ridership rates compared with using smaller sample sizes and that we are estimating gas and electric figures separately. There were also some cons. Using responses from prior years means that if the program changes, we may be applying outdated free ridership figures to a newer program design. The new method is also more labor intensive for Evaluation staff because it must be done manually for each program and fuel. Also, it can be difficult to compare free ridership rates between fuels if one is based on one year of data and the other

fuel is based on several years of data. Fred noted that it is also hard to compare rates between fuels if we combine them by weighting by BTUs, so there is the same con for the previous proposal. Alan asked if, when calculating an annual rate and needing to go back to aggregate responses, we would use all of a calendar year or only as many quarters in that calendar year as needed to get a sample size of 30 (for example, go back to Q1 2011 or only to Q3 2011?). Erika said we are proposing using whole years when estimating the annual free ridership numbers.

Peter noted that averaging across multiple years makes it a little harder for program managers to make program changes based on free ridership numbers, because they don't necessarily know which year the effect is coming from. Alan asked if the program could make the change and then "start the clock over", meaning not use any previous free ridership information and wait to estimate a free ridership figure for the new program until there are at least 30 responses for the new measure or program design. Peter said it might be more complicated than that. Alan said this method is still imperfect, but less imperfect than estimating a single rate for both fuels using BTU weights. Phil suggested that if the program is completely different, we just admit that past free ridership rates have nothing to do with current rates. Fred added that means we may have to admit we don't know much for awhile after a program change. Peter said that our gas programs are very different today than they were in 2011, and we don't know the effect of this new method until we see the numbers. Phil said the change won't have a large impact at the portfolio level, although it might at the program level. Fred said we are trying to balance the needs of managing programs with the needs of affordably getting reasonable answers for the portfolio.

There were a few additional cons, namely, that projects with large savings may have a large impact on free ridership rates beyond their program year; and participants who respond to the survey in multiple years will be represented more than once in the sample (participants are only surveyed once per calendar year). Fred noted that these two cons are applicable to large commercial or industrial projects and customers, not to residential or small businesses. Alan pointed out the con related to difficulty in comparing free ridership rates between fuels is a con relative to perfection, but not the first method proposed, and Erika agreed.

Alan said that his opinions haven't changed from last time; he thinks estimating free ridership rates separately for each fuel and using previous years if needed is better than estimating a combined free ridership rate based on BTUs. Susan B and Mark agreed. Anne did not have a strong position since she said she doesn't have a lot of background, but would agree with the other members of the committee. Therefore, the majority of the committee agrees with the current proposal and Evaluation staff will implement it.

Wrap-Up & Next Steps

The agenda items for the next meeting were reviewed, and include:

- Building Performance Tracking and Control pilot evaluation
- Strategic Energy Management Introductory (SEMi) evaluation
- Fast Feedback 2013 results
- CORE pilot evaluation

Erika added that we will also have results from the gas fireplace metering study to present and will need feedback from the committee as soon as possible to prepare for the Conservation Advisory Council meeting in mid-June. Evaluation staff will send out a poll for next meeting date and time, to occur sometime in the last week of May or first week of June.

Tab 4

Notes on March 2014 Financial Statements

April 18, 2014

Revenue

Cascade Natural Gas made an adjustment in April that will reduce their future payments from May forward. We have begun to invest in financial instruments with slightly higher returns and expect investment income to continue to exceed budget amounts for the rest of the year.

Mar-14	YTD Actual	YTD Budget	YTD Var	YTD %
PGE	25,857,094	24,195,054	1,662,040	7%
PAC	16,047,716	14,644,230	1,403,486	10%
NWN	9,296,853	11,090,412	(1,793,559)	-16%
CNG	1,551,879	955,182	596,697	62%
Investment Income	31,823	21,629	10,194	47%
Total	52,785,365	50,906,507	1,878,858	4%

Reserves

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

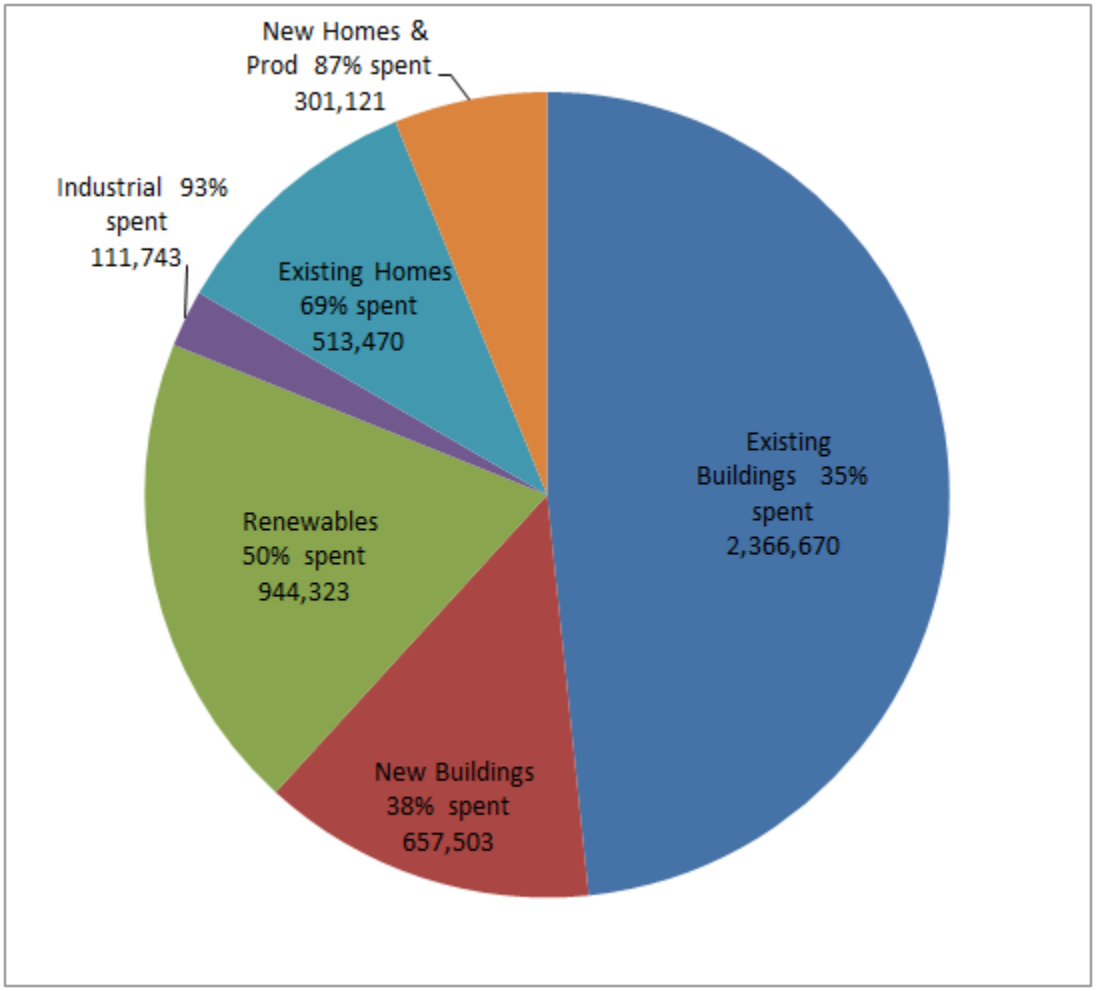
Reserves

	Actual 12/31/13 Amount	Actual 3/31/14 Amount	% Change
PGE	24,483,032	36,391,034	48.6%
PacifiCorp	11,560,814	19,430,163	68.1%
NW Natural	8,569,670	14,251,059	66.3%
Cascade	658,260	1,935,503	194.0%
NWN Industrial	356,235	86,810	-75.6%
NWN Washington	473,674	786,501	66.0%
PGE Renewables	12,041,462	13,525,367	12.3%
PAC Renewables	11,793,715	13,089,750	11.0%
Contingency Reserve	5,000,000	5,000,000	0.0%
Contingency Available	2,993,710	3,038,033	1.5%
Total	77,930,572	107,534,220	38.0%

Expenses

Last year at this time total spending was $22.4 million. This year total spending is $23.2 million. Incentive spending is nearly the same: $7.3 million last year vs. $7.2 million so far this year.

The incentives paid out so far in 2014 are almost $5 million below budgeted amounts. The following graph shows how much each program is underspent. The % reference shows how much of the Y-T-D budget has been consumed. For example, New Homes & Products has spent 87% of their Y-T-D incentive budget. They have not yet spent $301,121 of the $5 million unspent incentives, leading to a relatively small slice of the pie.



Total Incentives
Year-to-Date 2014

Incentives thru Mar 2014	Actual	Budget	Variance	Var %
Existing Buildings	1,293,987	3,660,657	2,366,670	65%
New Buildings	397,005	1,054,508	657,503	62%
Production Efficiency	1,389,447	1,501,190	111,743	7%
Existing Homes	1,163,324	1,676,794	513,470	31%
New Homes & Products	1,995,570	2,296,691	301,121	13%
Washington Programs - All	70,959	127,683	56,724	44%
Solar	904,899	1,637,425	732,526	45%
Open Soliciation	20,855	232,652	211,797	91%
Total Incentives	7,236,046	12,187,600	4,951,554	40.6%
Energy Efficiency Only	**6,310,292**	**10,317,523**	**4,007,231**	**39%**

Total Incentives
Year-to-Year Comparison

Mar 2014 v Mar 2013	Current Year	Prior Year	Variance	Var %
Existing Buildings	1,293,987	876,591	(417,396)	-48%
New Buildings	397,005	1,329,632	932,627	70%
Production Efficiency	1,389,447	2,359,522	970,075	41%
Existing Homes	1,163,324	674,083	(489,241)	-73%
New Homes & Products	1,995,570	1,317,328	(678,242)	-51%
Washington Programs - All	70,959	31,896	(39,063)	
Solar	904,899	632,002	(272,897)	-43%
Other	20,855	96,759	75,904	78%
Total Incentives	7,236,046	7,317,809	81,763	1%
Energy Efficiency Only	**6,310,292**	**6,589,052**	**278,760**	**4%**

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

	MAR 2014	FEB 2014	DEC 2013	MAR 2013	Change from one month ago	Change from Beg. of Year	Change from one year ago
Current Assets							
Cash & Cash Equivalents	88,795,538	82,634,304	76,484,638	77,208,200	6,161,234	12,310,900	11,587,338
Restricted Cash (Escrow Funds)	4,637	77,993	0	381,118	(73,355)	4,637	(376,481)
Investments	23,517,122	23,285,020	25,270,363	0	232,102	(1,753,241)	23,517,122
Restricted Investments (Escrow Funds	0	0	77,988	0	0	(77,988)	0
Receivables	29,577	2,468	8,276	4,243	27,109	21,301	25,334
Prepaid Expenses	564,778	576,285	526,087	856,736	(11,507)	38,691	(291,958)
Advances to Vendors	2,306,806	656,419	2,015,420	2,127,038	1,650,387	291,386	179,768
Total Current Assets	**115,218,457**	**107,232,488**	**104,382,771**	**80,577,335**	**7,985,969**	**10,835,686**	**34,641,123**
Fixed Assets							
Computer Hardware and Software	1,448,587	1,401,967	1,401,967	1,353,958	46,620	46,620	94,629
Leasehold Improvements	313,333	313,333	313,333	313,333	0	0	0
Office Equipment and Furniture	600,662	600,662	600,662	600,662	0	0	0
Total Fixed Assets	**2,362,582**	**2,315,962**	**2,315,962**	**2,267,953**	**46,620**	**46,620**	**94,629**
Less Depreciation	(1,583,453)	(1,554,740)	(1,500,494)	(1,265,950)	(28,713)	(82,958)	(317,503)
Net Fixed Assets	**779,130**	**761,222**	**815,468**	**1,002,003**	**17,907**	**(36,338)**	**(222,874)**
Other Assets							
Rental Deposit	64,461	64,461	61,461	64,461	0	3,000	0
Deferred Compensation Asset	499,637	499,637	552,641	424,234	0	(53,004)	75,403
Total Other Assets	**564,098**	**564,098**	**614,102**	**488,696**	**0**	**(50,004)**	**75,403**
Total Assets	**116,561,685**	**108,557,809**	**105,812,341**	**82,068,034**	**8,003,877**	**10,749,344**	**34,493,651**
Current Liabilities							
Accounts Payable and Accruals	7,416,917	6,072,573	26,326,508	6,502,727	1,344,344	(18,909,591)	914,190
Deposits Held for Others	0	0	(0)	6,555	0	0	(6,555)
Salaries, Taxes, & Benefits Payable	742,924	666,033	631,548	632,624	76,891	111,376	110,300
Total Current Liabilities	**8,159,841**	**6,738,606**	**26,958,055**	**7,141,907**	**1,421,234**	**(18,798,215)**	**1,017,934**
Long Term Liabilities							
Deferred Rent	361,033	362,103	364,244	334,712	(1,070)	(3,211)	26,320
Deferred Compensation Payable	499,637	499,637	552,641	424,234	0	(53,004)	75,403
Other Long-Term Liabilities	6,955	6,830	6,830	13,864	125	125	(6,909)
Total Long-Term Liabilities	**867,624**	**868,569**	**923,714**	**772,810**	**(945)**	**(56,090)**	**94,814**
Total Liabilities	**9,027,465**	**7,607,176**	**27,881,769**	**7,914,717**	**1,420,289**	**(18,854,305)**	**1,112,748**
Net Assets							
Temporarily Restricted Net Assets	4,637	77,993	77,988	381,118	(73,355)	(73,350)	(376,481)
Unrestricted Net Assets	107,529,583	100,872,640	77,852,585	73,772,199	6,656,943	29,676,999	33,757,385
Total Net Assets	**107,534,220**	**100,950,633**	**77,930,572**	**74,153,317**	**6,583,588**	**29,603,648**	**33,380,904**
Total Liabilities and Net Assets	**116,561,685**	**108,557,809**	**105,812,341**	**82,068,034**	**8,003,877**	**10,749,344**	**34,493,651**

BS-Acct-YTD-001

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

	January	February	March		Year to Date
Operating Activities:					
Revenue less Expenses	12,906,165	10,113,897	6,583,587	$	29,603,649
Non-cash items:					
Depreciation	27,123	27,123	28,713	$	82,959
Loss on disposal of assets				$	-
Receivables	3,902	(49)	-	$	3,853
Interest Receivable	1,292	663	(27,109)	$	(25,154)
Advances to Vendors	680,371	678,630	(1,650,387)	$	(291,386)
Prepaid expenses and other costs	(151,035)	100,837	11,507	$	(38,691)
Accounts payable	(19,456,433)	(797,502)	1,417,700	$	(18,836,235)
Payroll and related accruals	70,280	(88,799)	76,891	$	58,372
Deferred rent and other	(3,988)	51,851	(945)	$	46,918
Cash rec'd from / (used in) Operating Activities	(5,922,323)	10,086,651	6,439,957	$	10,604,285
Investing Activities:					
Investment Activity (1)	992,503	992,840	(232,102)	$	1,753,241
(Acquisition)/Disposal of Capital Assets	-		(46,620)	$	(46,620)
Cash rec'd from / (used in) Investing Activities	992,503	992,840	(278,722)	$	1,706,621
Cash at beginning of Period	76,484,637	71,554,817	82,634,304		76,484,637
Increase/(Decrease) in Cash	(4,929,820)	11,079,491	6,161,235		12,310,906
Cash at end of period	$ 71,554,817	$ 82,634,304	$ 88,795,538	$	88,795,538

(1) Investment purchases made in the last few months have had maturities greater than six months. As they mature, the cash has been rolled into our Repo Account.

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	16,486,831	14,200,000	11,800,000	11,000,000	12,100,000	11,200,000	10,800,000	12,800,000	11,900,000	14,400,000
From other sources	3,902	(49)	12,500	-	-	-	-	-	-	-	-	-
Investment Income	12,036	10,159	(15,526)	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total cash in	17,742,715	18,550,043	16,483,805	14,205,000	11,805,000	11,005,000	12,105,000	11,205,000	10,805,000	12,805,000	11,905,000	14,405,000
Cash Out:	22,672,537	7,470,551	10,322,571	11,400,000	11,000,000	14,700,000	12,100,000	12,000,000	15,400,000	13,800,000	16,100,000	34,400,000
Net cash flow for the month	(4,929,822)	11,079,492	6,161,233	2,805,003	(2,320,989)	1,543,254	3,387,048	(859,044)	3,308,520	3,384,264	2,450,490	(19,995,000)
Beginning Balance: Cash & MM	76,484,640	71,554,817	82,634,304	88,795,538	91,600,541	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**	**82,634,304**	**88,795,538**	**91,600,541**	**89,279,549**	**83,879,294**	**87,266,342**	**86,407,299**	**89,715,819**	**93,100,082**	**95,550,571**	**75,555,570**
Future Commitments												
Renewable Incentives	20,900,000	21,000,000	14,200,000	14,200,000	14,300,000	13,800,000	14,400,000	14,800,000	15,200,000	15,700,000	16,200,000	16,400,000
Efficiency Incentives	39,500,000	47,800,000	44,400,000	44,100,000	43,000,000	41,800,000	40,500,000	39,400,000	39,100,000	40,200,000	41,700,000	37,600,000
Emergency Contingency Pool	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
Total Commitments	65,400,000	73,800,000	63,600,000	63,300,000	62,300,000	60,600,000	59,900,000	59,200,000	59,300,000	60,900,000	62,900,000	59,000,000
Escrow Cash Balance												
Beginning Balance	77,989	77,989	77,993									-
Net Escrow (Payments)/Funding			(73,356)									
Interest Paid on Escrow Balances		4										-
Ending Escrow Balance (1)	77,989	77,993	4,637	-		-	-	-		-	-	-

(1) Included 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:	18,800,000	9,000,000	13,400,000	11,100,000	9,700,000	14,300,000	13,300,000	11,300,000	13,800,000	12,200,000	14,800,000	41,000,000
Net cash flow for the month	(3,292,000)	7,108,000	2,008,000	3,008,000	2,108,000	(3,292,000)	(1,392,000)	(192,000)	(3,092,000)	408,000	(2,992,000)	(26,592,000)
Beginning Balance: Cash & MM	75,555,570	72,263,570	79,371,570	81,379,570	84,387,570	86,495,570	83,203,570	81,811,570	81,619,570	78,527,570	78,935,570	75,943,570
Ending cash & MM	**72,263,570**	**79,371,570**	**81,379,570**	**84,387,570**	**86,495,570**	**83,203,570**	**81,811,570**	**81,619,570**	**78,527,570**	**78,935,570**	**75,943,570**	**49,351,570**
Future Commitments												
Renewable Incentives	16,400,000	16,400,000	16,400,000	16,400,000	16,400,000	16,400,000	16,400,000	16,400,000	16,400,000	16,400,000	16,400,000	16,400,000
Efficiency Incentives	37,600,000	37,600,000	37,600,000	37,600,000	37,600,000	37,600,000	37,600,000	37,600,000	37,600,000	37,600,000	37,600,000	37,600,000
Emergency Contingency Pool	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
Total Commitments	59,000,000	59,000,000	59,000,000	59,000,000	59,000,000	59,000,000	59,000,000	59,000,000	59,000,000	59,000,000	59,000,000	59,000,000
Escrow Cash Balance												
Beginning Balance	-	-	-	-	-	-	-	-	-	-	-	-
Net Escrow (Payments)/Funding			-									
Interest Paid on Escrow Balances	-	-	-	-	-	-	-	-	-	-	-	
Ending Escrow Balance (1)	-	-	-	-	-	-	-	-	-	-	-	-

(1) Included 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 Three Months Ending March 31, 2014
(Unaudited)

	March				YTD			
	Actual	Actual Prior Year	Prior Year Variance	Variance %	Actual	Actual Prior Year	Prior Year Variance	Variance %
REVENUES								
Public Purpose Funds-PGE	3,494,030	3,059,265	434,765	14%	10,702,236	9,983,661	718,575	7%
Public Purpose Funds-PacifiCorp	2,508,212	2,333,037	175,175	8%	8,012,838	7,327,869	684,969	9%
Public Purpose Funds-NW Natural	2,822,844	3,363,290	(540,446)	(16%)	8,769,676	10,444,861	(1,675,184)	(16%)
Public Purpose Funds-Cascade	464,816	205,820	258,996	126%	1,551,879	955,182	596,697	62%
Total Public Purpose Funds	**9,289,902**	**8,961,413**	**328,490**	**4%**	**29,036,629**	**28,711,573**	**325,057**	**1%**
Incremental Funds - PGE	4,778,037	4,631,065	146,972	3%	15,154,857	14,211,393	943,464	7%
Incremental Funds - PacifiCorp	2,418,892	2,395,275	23,618	1%	8,034,878	7,316,361	718,517	10%
NW Natural - Washington		645,551	(645,551)	(100%)	527,177	645,551	(118,374)	(18%)
Contributions	12,500		12,500		12,500		12,500	-
Revenue from Investments	11,583	7,709	3,874	50%	31,823	21,629	10,194	47%
TOTAL REVENUE	**16,510,915**	**16,641,013**	**(130,098)**	**(1%)**	**52,797,865**	**50,906,507**	**1,891,358**	**4%**
EXPENSES								
Program Subcontracts	4,179,926	3,932,459	(247,467)	(6%)	11,312,381	10,717,065	(595,316)	(6%)
Incentives	4,039,572	3,843,691	(195,881)	(5%)	7,236,046	7,317,812	81,766	1%
Salaries and Related Expenses	947,681	771,964	(175,717)	(23%)	2,674,049	2,382,935	(291,114)	(12%)
Professional Services	554,385	520,166	(34,218)	(7%)	1,372,096	1,339,588	(32,507)	(2%)
Supplies	2,116	2,204	89	4%	11,843	7,361	(4,482)	(61%)
Telephone	4,316	4,259	(57)	(1%)	12,804	12,617	(187)	(1%)
Postage and Shipping Expenses	812	413	(399)	(97%)	2,619	2,041	(578)	(28%)
Occupancy Expenses	53,927	56,533	2,606	5%	166,060	164,571	(1,489)	(1%)
Noncapitalized Equip. & Depr.	65,483	54,139	(11,345)	(21%)	183,225	152,581	(30,644)	(20%)
Call Center	11,188	74,663	63,474	85%	37,521	185,418	147,898	80%
Printing and Publications	9,616	6,474	(3,142)	(49%)	51,890	48,837	(3,053)	(6%)
Travel	7,089	16,005	8,917	56%	17,434	27,154	9,720	36%
Conference, Training & Mtng Exp	10,295	16,654	6,359	38%	37,604	29,590	(8,014)	(27%)
Interest Expense and Bank Fees	0	112	112	100%	2,000	366	(1,634)	(447%)
Insurance	8,622	7,800	(822)	(11%)	25,866	23,400	(2,466)	(11%)
Miscellaneous Expenses					40		(40)	
Dues, Licenses and Fees	32,302	9,388	(22,914)	(244%)	50,740	23,403	(27,338)	(117%)
TOTAL EXPENSES	**9,927,327**	**9,316,923**	**(610,405)**	**(7%)**	**23,194,217**	**22,434,739**	**(759,478)**	**(3%)**
TOTAL REVENUE LESS EXPENSES	**6,583,588**	**7,324,090**	**(740,502)**	**(10%)**	**29,603,648**	**28,471,768**	**1,131,881**	**4%**

IS-Acct-YTD-PY

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

	March				YTD			
	Actual	**Budget**	**Budget Variance**	**Variance %**	**Actual**	**Budget**	**Budget Variance**	**Variance %**
REVENUES								
Public Purpose Funds-PGE	3,494,030	3,075,260	418,770	14%	10,702,236	10,035,460	666,776	7%
Public Purpose Funds-PacifiCorp	2,508,212	2,288,213	219,999	10%	8,012,838	7,048,056	964,782	14%
Public Purpose Funds-NW Natural	2,822,844	2,722,845	99,998	4%	8,769,676	8,455,929	313,748	4%
Public Purpose Funds-Cascade	464,816	191,371	273,446	143%	1,551,879	880,306	671,573	76%
Total Public Purpose Funds	**9,289,902**	**8,277,689**	**1,012,214**	**12%**	**29,036,629**	**26,419,751**	**2,616,879**	**10%**
Incremental Funds - PGE	4,778,037	4,631,065	146,972	3%	15,154,857	14,211,393	943,464	7%
Incremental Funds - PacifiCorp	2,418,892	2,269,313	149,580	7%	8,034,878	7,075,035	959,843	14%
NW Natural - Washington		645,551	(645,551)	(100%)	527,177	645,551	(118,374)	(18%)
Contributions	12,500		12,500		12,500		12,500	-
Revenue from Investments	11,583	6,500	5,083	78%	31,823	19,500	12,323	63%
TOTAL REVENUE	**16,510,915**	**15,830,118**	**680,797**	**4%**	**52,797,865**	**48,371,230**	**4,426,635**	**9%**
EXPENSES								
Program Subcontracts	4,179,926	3,920,591	(259,334)	(7%)	11,312,381	12,209,545	897,164	7%
Incentives	4,039,572	5,259,810	1,220,238	23%	7,236,046	12,187,603	4,951,557	41%
Salaries and Related Expenses	947,681	986,226	38,546	4%	2,674,049	2,958,679	284,630	10%
Professional Services	554,385	932,535	378,151	41%	1,372,096	2,377,329	1,005,233	42%
Supplies	2,116	4,588	2,472	54%	11,843	13,765	1,922	14%
Telephone	4,316	5,641	1,325	23%	12,804	16,422	3,618	22%
Postage and Shipping Expenses	812	1,183	372	31%	2,619	3,550	931	26%
Occupancy Expenses	53,927	64,275	10,348	16%	166,060	192,825	26,765	14%
Noncapitalized Equip. & Depr.	65,483	63,497	(1,987)	(3%)	183,225	335,760	152,535	45%
Call Center	11,188	15,000	3,812	25%	37,521	45,000	7,479	17%
Printing and Publications	9,616	11,858	2,242	19%	51,890	35,575	(16,315)	(46%)
Travel	7,089	26,023	18,934	73%	17,434	61,568	44,134	72%
Conference, Training & Mtng Exp	10,295	45,120	34,825	77%	37,604	103,485	65,881	64%
Interest Expense and Bank Fees		417	417	100%	2,000	1,250	(750)	(60%)
Insurance	8,622	9,167	545	6%	25,866	27,500	1,634	6%
Miscellaneous Expenses		268	268	100%	40	805	765	95%
Dues, Licenses and Fees	32,302	30,088	(2,214)	(7%)	50,740	62,715	11,975	19%
TOTAL EXPENSES	**9,927,327**	**11,376,287**	**1,448,959**	**13%**	**23,194,217**	**30,633,374**	**7,439,158**	**24%**
TOTAL REVENUE LESS EXPENSES	**6,583,588**	**4,453,831**	**2,129,757**	**48%**	**29,603,648**	**17,737,856**	**11,865,792**	**67%**

IS-Acct-YTD-001

Energy Trust of Oregon, Inc
Statement of Functional Expenses
For the Three Months Ending March 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 Mgmt & Delivery	17,580,337	968,089	18,548,426				18,548,426	24,397,148	5,848,722	24%
Payroll and Related Expenses	762,300	237,135	999,435	482,167	210,355	692,522	1,691,957	1,843,041	151,084	8%
Outsourced Services	820,784	39,503	860,287	63,237	89,773	153,010	1,013,297	2,018,329	1,005,032	50%
Planning and Evaluation	721,505	24,872	746,377	523		523	746,900	733,969	(12,931)	-2%
Customer Service Management	155,121	6,396	161,517				161,517	171,913	10,396	6%
Trade Allies Network	99,638	4,510	104,148				104,148	120,440	16,292	14%
Total Program Expenses	**20,139,685**	**1,280,505**	**21,420,190**	**545,927**	**300,128**	**846,055**	**22,266,245**	**29,284,840**	**7,018,595**	**24%**
Program Support Costs										
Supplies	3,965	946	4,911	2,619	944	3,563	8,474	9,714	1,240	13%
Postage and Shipping Expenses	793	258	1,051	446	238	684	1,735	2,069	334	16%
Telephone	552	180	732	491	165	656	1,388	3,361	1,973	59%
Printing and Publications	50,038	532	50,570	106	388	494	51,064	34,343	(16,721)	-49%
Occupancy Expenses	50,263	16,353	66,616	28,290	15,061	43,351	109,967	125,231	15,264	12%
Insurance	7,829	2,547	10,376	4,407	2,346	6,753	17,129	17,861	732	4%
Equipment	4,820	11,293	16,113	1,328	707	2,035	18,148	6,006	(12,142)	-202%
Travel	5,057	5,897	10,954	3,056	2,368	5,424	16,378	49,893	33,515	67%
Meetings, Trainings & Conferences	18,769	4,264	23,033	4,746	270	5,016	28,049	66,610	38,561	58%
Interest Expense and Bank Fees				2,000		2,000	2,000	1,250	(750)	-60%
Depreciation & Amortization	12,349	4,018	16,367	6,950	3,700	10,650	27,017	26,497	(520)	-2%
Dues, Licenses and Fees	31,314	6,099	37,413	699	805	1,504	38,917	48,727	9,810	20%
Miscellaneous Expenses	40		40				40	587	547	93%
IT Services	410,861	52,508	463,369	86,112	58,186	144,298	607,667	956,388	348,721	36%
Total Program Support Costs	**596,650**	**104,894**	**701,544**	**141,251**	**85,177**	**226,428**	**927,972**	**1,348,537**	**420,565**	**31%**
TOTAL EXPENSES	**20,736,336**	**1,385,398**	**22,121,734**	**687,176**	**385,306**	**1,072,482**	**23,194,217**	**30,633,377**	**7,439,160**	**24%**
OPUC measure vs. 9%	**3.36%**									

Exp-Acct-YTD-002

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

	ENERGY EFFICIENCY								
	PGE	**PacifiCorp**	**Total**	**NWN Industrial**	**NW Natural**	**Cascade**	**Oregon Total**	**NWN WA**	**ETO Total**
REVENUES									
Public Purpose Funding	$8,262,598	$6,219,972	$14,482,570		$8,769,676	$1,551,879	$24,804,125		$24,804,125
Incremental Funding	15,154,857	8,034,878	23,189,735				23,189,735	527,177	23,716,912
Contributions									
Revenue from Investments									
TOTAL PROGRAM REVENUE	**23,417,455**	**14,254,850**	**37,672,305**		**8,769,676**	**1,551,879**	**47,993,860**	**527,177**	**48,521,037**
EXPENSES									
Program Management (Note 3)	675,299	359,441	1,034,740	25,858	278,949	24,270	1,363,817	33,078	1,396,895
Program Delivery	5,415,597	3,143,241	8,558,838	97,611	1,097,694	112,783	9,866,926	43,829	9,910,755
Incentives	3,333,342	1,744,478	5,077,820	112,881	963,543	85,089	6,239,333	70,959	6,310,292
Program Eval & Planning Svcs.	618,061	328,262	946,323	9,796	214,537	15,680	1,186,336	22,530	1,208,866
Program Marketing/Outreach	457,216	253,077	710,292	3,284	177,214	10,799	901,590	7,322	908,912
Program Quality Assurance	8,277	6,212	14,490	0	8,868	291	23,648	0	23,648
Outsourced Services	63,619	34,590	98,209	741	25,157	1,412	125,519	0	125,519
Trade Allies & Cust. Svc. Mgmt.	108,536	66,947	175,483	768	68,094	3,405	247,751	7,006	254,757
IT Services	202,334	105,402	307,736	3,211	84,638	5,705	401,290	9,573	410,863
Other Program Expenses	94,983	48,592	143,576	2,816	26,793	2,503	175,688	10,141	185,829
TOTAL PROGRAM EXPENSES	**10,977,265**	**6,090,241**	**17,067,507**	**256,967**	**2,945,487**	**261,937**	**20,531,898**	**204,438**	**20,736,336**
ADMINISTRATIVE COSTS									
Management & General (Notes 1 & 2)	340,991	189,183	530,174	7,982	91,497	8,137	637,790	6,351	644,141
Communications & Customer Svc (Notes 1 & 2)	191,196	106,077	297,273	4,476	51,303	4,562	357,614	3,561	361,175
Total Administrative Costs	**532,187**	**295,260**	**827,447**	**12,458**	**142,800**	**12,699**	**995,404**	**9,912**	**1,005,316**
TOTAL PROG & ADMIN EXPENSES	**11,509,453**	**6,385,501**	**17,894,954**	**269,425**	**3,088,287**	**274,636**	**21,527,302**	**214,350**	**21,741,652**
TOTAL REVENUE LESS EXPENSES	**11,908,002**	**7,869,349**	**19,777,351**	**(269,425)**	**5,681,389**	**1,277,243**	**26,466,558**	**312,827**	**26,779,385**
Cumulative Carryover at 12/31/13 (Note 4)	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	11,908,002	7,869,349	19,777,351	(269,425)	5,681,389	1,277,243	26,466,558	312,827	26,779,385
Ending Net Assets - Reserves	**36,391,034**	**19,430,163**	**55,821,197**	**86,810**	**14,251,059**	**1,935,503**	**72,094,569**	**786,501**	**72,881,070**
Ending Reserve by Category									
Program Reserves (Efficiency and Renewables)	36,391,034	19,430,163	55,821,197	86,810	14,251,059	1,935,503	72,094,569	786,501	72,881,070
Assets Released for General Purpose									
Emergency Contingency Pool									
TOTAL NET ASSETS CUMULATIVE	**36,391,034**	**19,430,163**	**55,821,197**	**86,810**	**14,251,059**	**1,935,503**	**72,094,569**	**786,501**	**72,881,070**

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.
Note 4) Cumulative carryover at 12/31/2012 reflects audited results.

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

	RENEWABLE ENERGY				TOTAL			
	PGE	PacifiCorp	Total	Other	All Programs	Approved budget	Change	% Change
REVENUES								
Public Purpose Funding	$2,439,638	$1,792,866	$4,232,504		$29,036,629	$26,419,751	$2,616,878	9.9%
Incremental Funding					23,716,912	21,931,979	1,784,933	8.1%
Contributions				12,500	12,500		12,500	
Revenue from Investments				31,823	31,823	19,500	12,323	63.2%
TOTAL PROGRAM REVENUE	**2,439,638**	**1,792,866**	**4,232,504**	**44,323**	**52,797,865**	**48,371,230**	**4,426,634**	**9.2%**
EXPENSES								
Program Management (Note 3)	125,669	121,454	247,123		1,644,018	1,617,221	(26,797)	-1.7%
Program Delivery	15,238	17,097	32,335		9,943,090	10,566,120	623,030	5.9%
Incentives	664,033	261,721	925,754		7,236,046	12,187,602	4,951,556	40.6%
Program Eval & Planning Svcs.	13,984	11,153	25,137		1,234,003	1,338,230	104,227	7.8%
Program Marketing/Outreach	3,766	2,633	6,399		915,311	1,506,166	590,855	39.2%
Program Quality Assurance	0	0	0		23,648	63,750	40,102	62.9%
Outsourced Services	21,044	11,794	32,838		158,357	474,387	316,030	66.6%
Trade Allies & Cust. Svc. Mgmt.	7,735	3,170	10,905		265,662	292,356	26,694	9.1%
IT Services	28,829	23,679	52,508		463,371	729,282	265,911	36.5%
Other Program Expenses	31,556	20,843	52,399		238,228	241,061	2,833	1.2%
TOTAL PROGRAM EXPENSES	**911,853**	**473,545**	**1,385,398**		**22,121,734**	**29,016,175**	**6,894,441**	**23.8%**
ADMINISTRATIVE COSTS								
Management & General (Notes 1 & 2)	28,115	14,920	43,035		687,176	912,188	225,012	24.7%
Communications & Customer Svc (Notes 1 & 2)	15,765	8,366	24,131		385,306	705,015	319,709	45.3%
Total Administrative Costs	**43,880**	**23,286**	**67,166**		**1,072,482**	**1,617,203**	**544,721**	**33.7%**
TOTAL PROG & ADMIN EXPENSES	**955,733**	**496,831**	**1,452,564**		**23,194,217**	**30,633,378**	**7,439,162**	**24.3%**
TOTAL REVENUE LESS EXPENSES	**1,483,905**	**1,296,035**	**2,779,940**	**44,323**	**29,603,648**	**17,737,852**	**11,865,796**	**66.9%**
Cumulative Carryover at 12/31/13 (Note 4)	12,041,462	11,793,715	23,835,177	7,993,710	77,930,572	62,609,764	15,320,808	45.3%
Change in net assets this year	1,483,905	1,296,035	2,779,940	44,323	29,603,648	17,737,852	11,865,796	45.3%
Ending Net Assets - Reserves	**13,525,367**	**13,089,750**	**26,615,117**	**8,038,033**	**107,534,220**	**80,347,616**	**27,186,604**	**33.8%**
Ending Reserve by Category								
Program Reserves (Efficiency and Renewables)	13,525,367	13,089,750	26,615,117	3,038,033	102,534,220			
Assets Released for General Purpose								
Emergency Contingency Pool				5,000,000	5,000,000			
TOTAL NET ASSETS CUMULATIVE	**13,525,367**	**13,089,750**	**26,615,117**	**8,038,033**	**107,534,220**	**80,347,616**	**27,186,604**	**33.8%**

Note 1) Both Management & General and Commu 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 man 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 Note 3) Program Management costs include both outsourced and internal staff.
Note 4) Cumulative carryover at 12/31/2012 reflec Note 4) Cumulative carryover at 12/31/2012 reflects audited results.

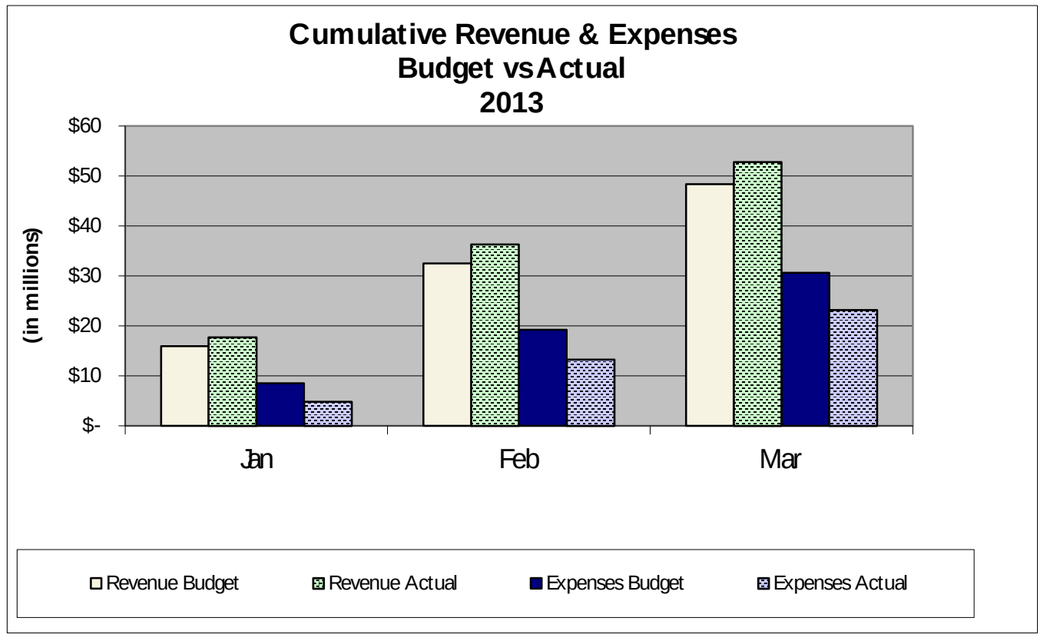
Energy Trust of Oregon, Inc
Program Expense by Service Territory
For the Three Months Ending March 31, 2014
(Unaudited)

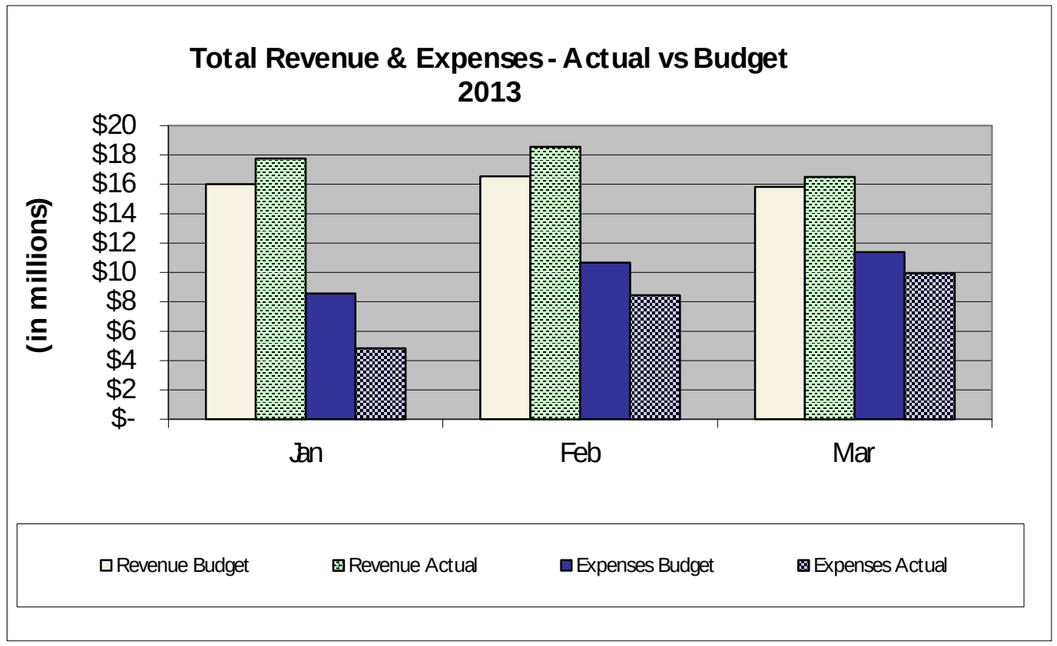
	PGE	Pacific Power	Subtotal Elec.	NWN Industrial	NW Natural Gas	Cascade	Subtotal Gas	Oregon Total	NWN WA	ETO Total	YTD Budget	Variance	% Var
Energy Efficiency													
Commercial													
Existing Buildings	3,052,048	1,380,238	4,432,286	53,967	593,004	46,637	693,608	5,125,894	83,544	5,209,438	7,938,952	2,729,514	34%
New Buildings	1,326,521	176,980	1,503,501	8,198	216,702	45,719	270,619	1,774,120		1,774,120	2,772,304	998,184	36%
NEEA	430,181	324,523	754,704					754,704		754,704	674,013	(80,691)	-12%
Total Commercial	**4,808,750**	**1,881,741**	**6,690,491**	**62,165**	**809,706**	**92,356**	**964,227**	**7,654,718**	**83,544**	**7,738,262**	**11,385,269**	**3,647,007**	**32%**
Industrial													
Production Efficiency	2,403,875	1,440,263	3,844,138	207,260	125,046	58,568	390,874	4,235,012		4,235,012	4,594,688	359,676	8%
NEEA	203,690	153,661	357,351					357,351		357,351	338,500	(18,851)	-6%
Total Industrial	**2,607,565**	**1,593,924**	**4,201,489**	**207,260**	**125,046**	**58,568**	**390,874**	**4,592,363**		**4,592,363**	**4,933,188**	**340,825**	**7%**
Residential													
Existing Homes	1,435,238	1,077,127	2,512,365		1,531,877	50,194	1,582,071	4,094,436	62,325	4,156,761	5,134,178	977,417	19%
New Homes/Products	2,041,201	1,367,479	3,408,680		621,656	73,518	695,174	4,103,854	68,480	4,172,334	5,473,804	1,301,470	24%
NEEA	616,700	465,229	1,081,929					1,081,929		1,081,929	893,977	(187,952)	-21%
Total Residential	**4,093,139**	**2,909,835**	**7,002,974**		**2,153,533**	**123,712**	**2,277,245**	**9,280,219**	**130,805**	**9,411,024**	**11,501,959**	**2,090,935**	**18%**
Efficiency Program Costs	**11,509,453**	**6,385,501**	**17,894,954**	**269,425**	**3,088,287**	**274,636**	**3,632,346**	**21,527,302**	**214,350**	**21,741,652**	**27,820,416**	**6,078,767**	**22%**
Renewables													
Solar Electric (Photovoltaic)	884,697	335,350	1,220,047					1,220,047		1,220,047	2,283,460	1,063,413	47%
Other Renewable	71,037	161,480	232,517					232,517		232,517	529,498	296,981	56%
Renewables Program Costs	**955,733**	**496,831**	**1,452,564**					**1,452,564**		**1,452,564**	**2,812,958**	**1,360,394**	**48%**
Cost Grand Total	**12,465,188**	**6,882,330**	**19,347,518**	**269,425**	**3,088,287**	**274,636**	**3,632,346**	**22,979,866**	**214,350**	**23,194,217**	**30,633,374**	**7,439,161**	**24%**

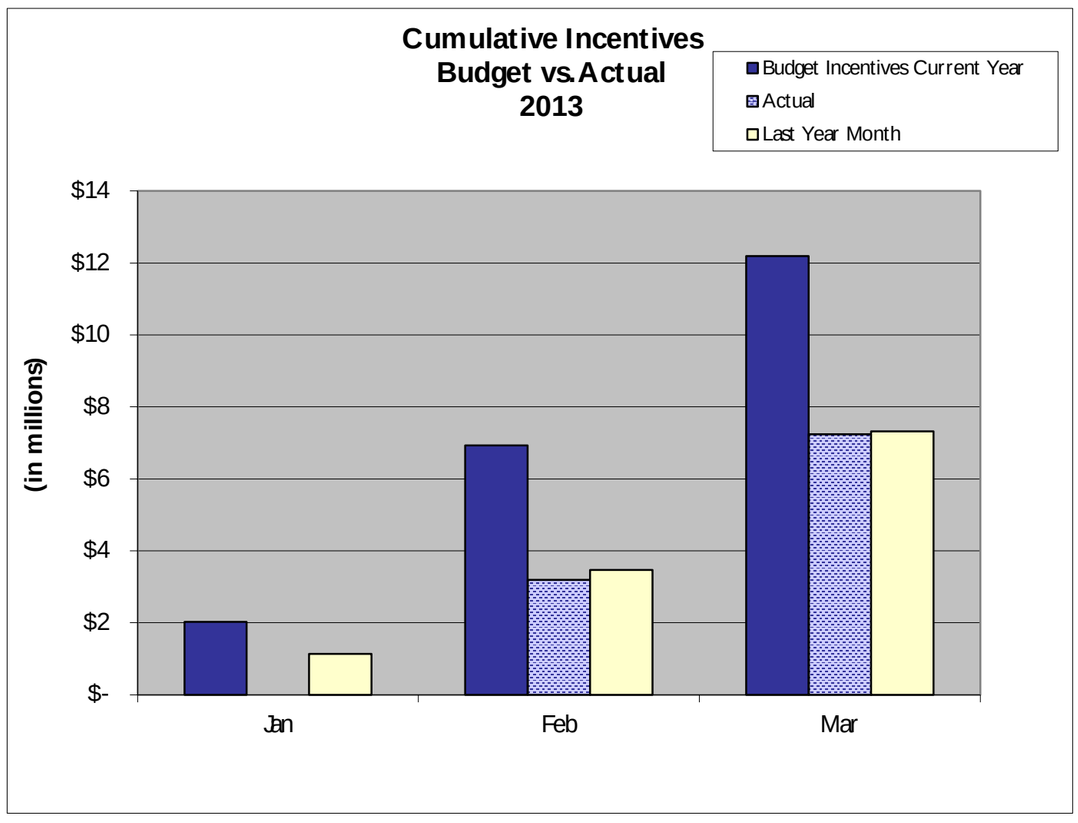
Energy Trust of Oregon, Inc.
ADMINISTRATIVE EXPENSES
For the Three Months and Year to Date Ended March 31, 2014
(Unaudited)

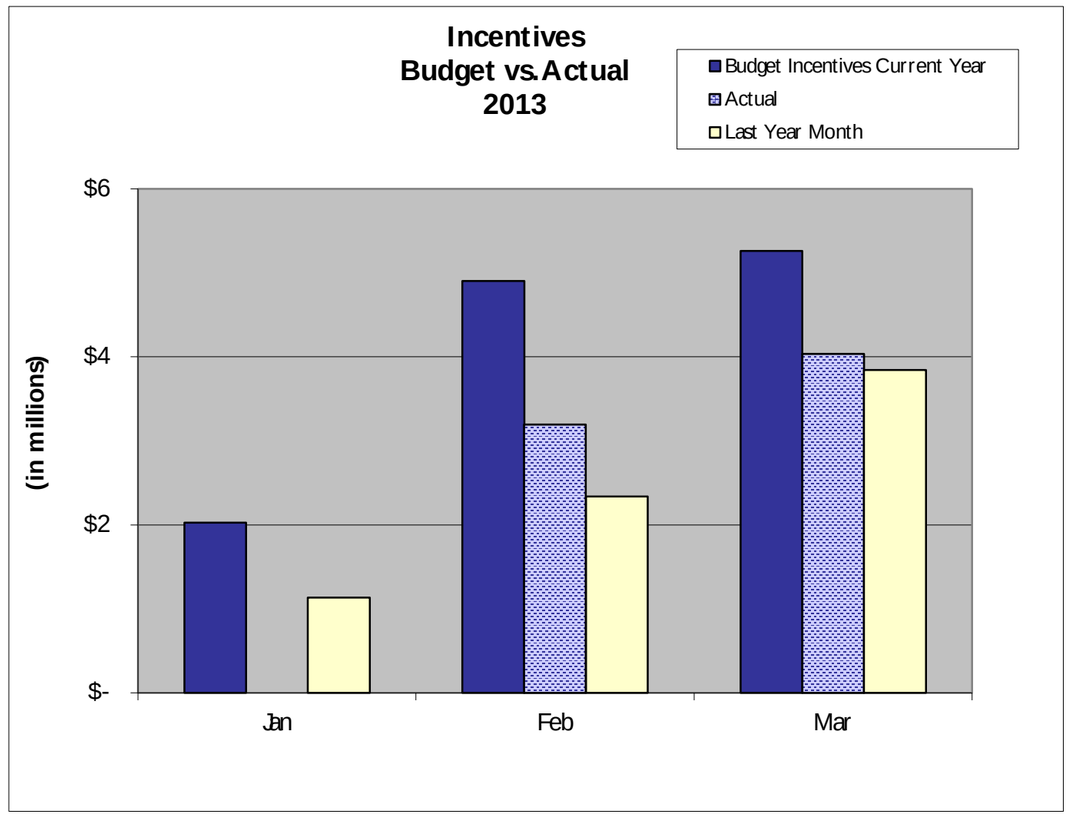
	MANAGEMENT & GENERAL						COMMUNICATIONS & CUSTOMER SERVICE					
	QUARTER			YTD			QUARTER			YTD		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
EXPENSES												
Outsourced Services	$62,646	$136,017	$73,372	$62,646	$136,017	$73,372	$89,773	$265,300	$175,526	$89,773	$265,300	$175,526
Legal Services	592	13,750	13,159	592	13,750	13,159						
Salaries and Related Expenses	482,146	524,938	42,793	482,146	524,938	42,793	210,343	298,515	88,172	210,343	298,515	88,172
Supplies	982	1,950	968	982	1,950	968	73	240	167	73	240	167
Telephone	180	545	365	180	545	365		210	210		210	210
Postage and Shipping Expenses								250	250		250	250
Noncapitalized Equipment								250	250		250	250
Printing and Publications	42	75	33	42	75	33	354	1,750	1,396	354	1,750	1,396
Travel	3,056	13,305	10,249	3,056	13,305	10,249	2,368	9,500	7,132	2,368	9,500	7,132
Conference, Training & Mtngs	4,746	35,360	30,614	4,746	35,360	30,614	270	5,500	5,230	270	5,500	5,230
Interest Expense and Bank Fees	2,000	1,250	(750)	2,000	1,250	(750)						
Miscellaneous Expenses		180	180		180	180						
Dues, Licenses and Fees	699	2,150	1,451	699	2,150	1,451	805	400	(405)	805	400	(405)
Shared Allocation (Note 1)	43,454	46,650	3,196	43,454	46,650	3,196	23,133	31,522	8,389	23,133	31,522	8,389
IT Service Allocation (Note 2)	86,112	135,530	49,417	86,112	135,530	49,417	58,186	91,577	33,391	58,186	91,577	33,391
Planning & Eval	523	489	(34)	523	489	(34)						
TOTAL EXPENSES	**687,176**	**912,190**	**225,012**	**687,176**	**912,190**	**225,012**	**385,306**	**705,014**	**319,708**	**385,306**	**705,014**	**319,708**

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


Cumulative Revenue & Expenses
Budget vs Actual
2013
(in millions)
$60
$50
$40
$30
$20
$10
$-
Jan
Feb
Mar
Revenue Budget
Revenue Actual
Expenses Budget
Expenses Actual


Total Revenue & Expenses - Actual vs Budget
2013
(in millions)
$20
$18
$16
$14
$12
$10
$8
$6
$4
$2
$-
Jan
Feb
Mar
Revenue Budget
Revenue Actual
Expenses Budget
Expenses Actual


Cumulative Incentives
Budget vs. Actual
2013
Budget Incentives Current Year
Actual
Last Year Month
(in millions)
$14
$12
$10
$8
$6
$4
$2
$-
Jan
Feb
Mar


Incentives
Budget vs. Actual
2013
Budget Incentives Current Year
Actual
Last Year Month
(in millions)
$6
$4
$2
$-
Jan
Feb
Mar

R00407

For contracts with costs through: 4/1/2014

Energy Trust of Oregon
Contract Status Summary Report

Report Date: 4/17/2014

Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
Administration							
		Administration Total:	**7,403,230**	**2,558,720**	**4,844,510**		
Communications & Outreach							
		Communications & Outreach Total:	**2,460,715**	**1,016,936**	**1,443,779**		
Energy Efficiency Programs							
Northwest Energy Efficiency Alliance	Regional Energy Eff Initiative	Portland	39,138,680	31,217,456	7,921,224	1/1/10	7/1/15
ICF Resources, LLC	PMC BE 2014	Fairfax	8,860,987	1,974,310	6,886,677	1/1/14	12/31/14
CLEAResult Consulting Inc	2014 HES PMC	Austin	7,595,520	1,639,900	5,955,620	1/1/14	12/31/14
Portland Energy Conservation, Inc.	PMC NHP 2014	Portland	6,965,473	1,399,588	5,565,885	1/1/14	12/31/14
Portland Energy Conservation, Inc.	2014 NBE PMC	Portland	4,735,000	943,425	3,791,575	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	710,194	2,858,874	1/1/14	12/31/14
Portland General Electric	PDC - PE 2014	Portland	2,314,600	406,070	1,908,530	1/1/14	12/31/14
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	468,592	1,507,408	1/1/14	12/31/14
NEXANT, INC.	PDC - PE 2014	San Francisco	1,429,461	333,771	1,095,690	1/1/14	12/31/14
Cascade Energy, Inc.	PDC - PE 2014 Small Industrial	Walla Walla	1,234,100	279,441	954,659	1/1/14	12/31/14
RHT Energy Solutions	PDC - PE 2014	Medford	1,145,000	313,529	831,471	1/1/14	12/31/14
Evergreen Consulting Group, LLC	PE Lighting PDC 2014	Tigard	1,092,000	282,834	809,166	1/1/14	12/31/14
Northwest Power & Conservation Council	Annual Work Plan		874,652	845,716	28,936	3/20/12	12/31/14
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	4/30/14
Navigant Consulting Inc	Analytical Model & Study	Boulder	412,052	287,776	124,276	8/12/13	4/30/14
OPOWER, Inc.	OPower Personal Energy Reports	Arlington	394,182	226,098	168,084	8/1/13	7/31/15
CLEAResult Consulting Inc	2014 HES WA PMC	Austin	277,600	31,126	246,474	1/1/14	12/31/14
The Cadmus Group Inc.	BE Impact Evaluation 2012	Watertown	250,000	32,118	217,882	1/1/14	12/31/14
Energy 350 Inc	PDC Transition Agreement	Portland	200,000	199,855	145	9/1/13	12/31/13
ICF Resources, LLC	NWN WA BE 2014	Fairfax	191,538	27,851	163,687	1/1/14	12/31/14
The Cadmus Group Inc.	NBE Program Impact Evaluation	Watertown	186,000	22,883	163,117	1/15/14	9/30/14
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	12,035	105,965	1/31/14	2/29/16
J. Hruska Global	Quality Assurance Services	Columbia City	115,000	123,980	-8,980	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	18,285	95,565	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
PWP, Inc.	NBE Process Evaluation	Gaithersburg	95,000	25,167	69,833	1/15/14	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	85,578	4,422	10/10/13	9/1/15
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	5/31/14

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Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
The Cadmus Group Inc.	Commercial Op Pilot Eval	Watertown	75,000	69,232	5,768	7/1/11	12/31/14
Evergreen Economics	New Homes Process Eval - 2013	Portland	70,000	70,000	0	6/24/13	3/31/14
Pivotal Energy Solutions LLC	New Homes Database	Gilbert	60,000	60,000	0	10/1/13	3/1/14
Research Into Action, Inc.	BE Process Eval - 2013	Portland	51,000	51,000	0	10/1/13	5/30/14
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	40,883	4,117	7/1/12	6/30/14
PWP, Inc.	SEM Intro Pilot Evaluation	Gaithersburg	40,000	16,450	23,550	10/28/13	10/2/15
The Cadmus Group Inc.	Lighting Pilot Evaluation	Watertown	35,000	25,314	9,686	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	11,730	20,270	11/15/13	10/31/14
David Lineweber	Heat Pump Study	Tigard	30,500	2,175	28,325	3/20/14	3/31/15
Btan Consulting	ESP Cert Boot Camp Evaluation	Madison	30,000	5,763	24,238	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	2,460	27,040	3/1/14	12/31/14
Issues & Answers Network Inc	Residential Awareness 2014	Virginia Beach	26,285	26,285	0	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
Portland General Electric	PGE Efficiency Seminars 2014	Portland	24,950	0	24,950	1/1/14	12/31/14
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
KEMA Incorporated	Market Lift Pilot Evaluation	Oakland	19,500	1,857	17,643	3/1/14	7/1/14
Consortium for Energy Efficiency	Membership Dues - 2014		18,889	0	18,889	4/16/14	12/31/14
MetaResource Group	Energy Performance Score Eval	Portland	14,500	13,200	1,300	9/1/13	5/30/14
Cascade Energy, Inc.	PDC Transition Agreement	Walla Walla	14,000	9,876	4,124	1/1/14	3/10/14
Consumer Opinion Services Inc	Residential Phone Surveys	Seattle	12,000	6,461	5,539	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

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Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
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
	Energy Efficiency Programs Total:		**91,989,537**	**49,455,885**	**42,533,652**		
Joint Programs							
D&R International LTD	Better Data Better Design	Silver Spring	133,500	25,000	108,500	4/30/13	7/31/14
Portland State University	Technology Forecasting		87,437	58,598	28,839	11/7/11	12/31/14
Watkins and Associates, Inc.	EPS & Solar Valuation Study	Portland	38,000	0	38,000	2/1/14	11/30/14
E Source Companies LLC	E Source Service Agreement	Boulder	36,500	36,500	0	2/1/14	1/31/15
The Cadmus Group Inc.	Evaluation Consultant	Watertown	25,130	15,665	9,465	6/20/13	2/28/15
KRH Consulting	Work Load Mangement	Portland	24,900	22,202	2,698	4/23/13	10/1/14
Navigant Consulting Inc	P&E Consultant Services	Boulder	22,530	6,576	15,954	1/15/14	12/30/15
Pinnacle Economics Inc	Economic Impacts Study	Camas	20,720	12,720	8,000	2/1/14	2/1/15
CoStar Realty Information Inc	Property Data	Baltimore	19,220	17,082	2,138	6/1/11	5/31/14
Glumac Inc	Planning Technical Analysis	Portland	15,000	15,000	0	10/17/12	10/17/14
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:		**436,437**	**216,843**	**219,594**		
Renewable Energy Program							
JC-Biomethane LLC	Biogas Plant Project Funding	Eugene	2,000,000	500,000	1,500,000	10/18/12	10/18/32
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
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
Farmers Irrigation District	FID - Plant 2 Hydro	Hood River	825,000	0	825,000	4/1/14	4/1/34
Tioga Solar VI, LLC	Photovoltaic Project Agreement	San Mateo	570,760	570,760	0	2/1/09	2/1/30
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
CIty of Gresham	City of Gresham Cogen 2		330,000	0	330,000	4/9/14	7/9/34
K2A Properties, LLC	Doerfler Wind Farm Project	Aumsville	230,000	191,182	38,818	5/20/10	5/20/30
Farmers Irrigation District	Lower Dist Pressurization	Hood River	225,000	225,000	0	6/19/09	6/19/29
Confederated Tribes of the Umatilla Indian Reservation	Small Wind Project Funding	Pendleton	170,992	0	170,992	7/25/13	12/31/28

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Contractor	Description	*City	Est Cost	Actual TTD	Remaining	Start	End
Klamath Basin Geopower Inc	Henley Proj Dev Assistance	Reno	150,000	0	150,000	4/10/14	8/31/15
City of Astoria	Bear Creek Funding Agreement	Astoria	143,000	0	143,000	3/24/14	3/24/34
Bloomberg LP	Insight Services	San Francisco	114,800	77,083	37,717	4/1/11	1/1/15
Klamath Basin Geopower Inc	Poe Valley Proj Dev Assistance	Reno	112,874	0	112,874	4/10/14	6/30/15
Wallowa Resources Community Solutions, Inc.	Upfront Hydroelectric Project		100,000	13,490	86,510	10/1/11	10/1/15
Oregon Military Department	Kingsley Field Geothermal Proj	Salem	75,000	0	75,000	11/26/13	8/29/14
Deschutes Valley Water District	Early Development Assistance	Madras	68,373	0	68,373	7/23/13	12/31/14
Mapdwell LLC	Mapdwell Account	Boston	66,381	10,405	55,976	3/17/14	3/31/16
City of Klamath Falls	Klamath Falls Biopower Project	Klamath Falls	49,927	0	49,927	1/9/14	12/31/14
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
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	24,999	0	3/10/14	3/10/15
Robert Migliori	42kW wind energy system	Newberg	24,125	11,641	12,484	4/11/07	1/31/24
Solar Oregon	Education & Outreach Services	Portland	24,000	4,000	20,000	1/1/14	12/31/15
Ecofys US, Inc.	Renewable Energy Consultant	Corvallis	18,000	0	18,000	4/7/14	3/31/16
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	12,000	0	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
Solar Oregon	Solar Now! University Sponsor	Portland	5,000	0	5,000	3/28/14	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:		**12,628,162**	**3,320,316**	**9,307,847**		
	Grand Totals:		**114,918,082**	**56,568,700**	**58,349,382**		

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

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ **Do not enter Social Security numbers on this form as it may be made public.**

▶ **Information about Form 990 and its instructions is at** *www.irs.gov/form990.*

OMB No. 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning **and ending**

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termin-ated
- ☐ Amended return
- ☐ Applica-tion pending

C Name of organization
ENERGY TRUST OF OREGON INC

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
421 SW OAK STREET 300

City or town, state or province, country, and ZIP or foreign postal code
PORTLAND, OR 97204

F Name and address of principal officer: MARGIE HARRIS
SAME AS C ABOVE

D Employer identification number
93-1313663

E Telephone number
503-493-8888

G Gross receipts $ 162,574,837.

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW.ENERGYTRUST.ORG

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 2002 **M** State of legal domicile: OR

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	13
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	105
6	Total number of volunteers (estimate if necessary)	6	45
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

Revenue

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	146,235,452.	162,478,446.
9	Program service revenue (Part VIII, line 2g)	0.	0.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-611,819.	96,391.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,055.	0.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	145,626,688.	162,574,837.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	8,178,984.	8,956,455.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	146,431,368.	121,369,363.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	154,610,352.	130,325,818.
19	Revenue less expenses. Subtract line 18 from line 12	-8,983,664.	32,249,019.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	68,493,106.	105,812,342.
21	Total liabilities (Part X, line 26)	22,811,554.	27,881,771.
22	Net assets or fund balances. Subtract line 21 from line 20	45,681,552.	77,930,571.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer Date

▶ MARGIE HARRIS, EXECUTIVE DIRECTOR
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
WENDY CAMPOS			☐	P00448102

Firm's name ▶ MOSS ADAMS LLP — Firm's EIN ▶ 91-0189318

Firm's address ▶ 805 SW BROADWAY #1200
PORTLAND, OR 97205 — Phone no. 503-242-1447

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III ☐

1 Briefly describe the organization's mission:
ENERGY TRUST PROVIDES COMPREHENSIVE, SUSTAINABLE ENERGY EFFICIENCY, CONSERVATION AND RENEWABLE ENERGY SOLUTIONS TO THOSE WE SERVE.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 118,136,629. including grants of $) (Revenue $)
EFFICIENCY PROGRAMS BRING ENERGY SAVINGS OPPORTUNITIES TO RESIDENTIAL, COMMERCIAL AND INDUSTRIAL CUSTOMERS THROUGHOUT OREGON, AND TO RESIDENTIAL AND COMMERCIAL CUSTOMERS IN PARTS OF SW WASHINGTON STATE. IN 2013, ELECTRIC EFFICIENCY PROJECTS SAVED 57.8 AMW OF ELECTRICITY. GAS EFFICIENCY PROJECTS COMPLETED IN 2013 SAVED MORE THAN 5.5 MILLION ANNUAL THERMS OF NATURAL GAS.

4b (Code:) (Expenses $ 7,918,893. including grants of $) (Revenue $)
RENEWABLES PROGRAMS BRING ENERGY GENERATION OPPORTUNITIES TO RESIDENTIAL AND BUSINESS CUSTOMERS THROUGHOUT OREGON. IN 2013, RENEWABLE ENERGY PROJECTS ACHIEVED 2.87 AMW IN NEW GENERATION.

4c (Code:) (Expenses $ 1,677,815. including grants of $) (Revenue $)
THE COMMUNICATIONS AND OUTREACH PROGRAM SUPPORTS GENERAL AND CROSS-PROGRAM OUTREACH TO KEY CITIZENS AND PROGRAM STAKEHOLDERS, COORDINATES PROGRAM MESSAGE AND IMAGE, AND OVERSEES CUSTOMER SERVICE, WEB SITE DEVELOPMENT AND OTHER CREATIVE SERVICES IN SUPPORT OF OVERALL EFFICIENCY AND RENEWABLE PROGRAM GOALS.

4d Other program services (Describe in Schedule O.)
(Expenses $ including grants of $) (Revenue $)

4e Total program service expenses ▶ 127,733,337.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25a*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	1179		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	105		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a			X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," to line 3b, provide an explanation in Schedule O*	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country: ▶ _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?	13a			
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*	14b			

Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response or note to any line in this Part VI X

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	13		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.				
b	Enter the number of voting members included in line 1a, above, who are independent	1b	13		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Did the organization have members or stockholders?	6			X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a			X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9			X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did the organization have a written document retention and destruction policy?	14	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers or key employees of the organization	15b	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ OR

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request ☐ Other *(explain in Schedule O)*

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶

COURTNEY WILTON, CFO - 503-493-8888
421 SW OAK STREET, SUITE 300, PORTLAND, OR 97204

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JOHN REYNOLDS	10.00									
PRESIDENT		X		X				0.	0.	0.
(2) DEBBIE KITCHIN	4.00									
VICE PRESIDENT		X		X				0.	0.	0.
(3) ALAN MEYER	4.00									
SECRETARY		X		X				0.	0.	0.
(4) DAN ENLOE	4.00									
TREASURER		X		X				0.	0.	0.
(5) RICK APPLEGATE	4.00									
BOARD MEMBER		X						0.	0.	0.
(6) JULIE BRANDIS	4.00									
BOARD MEMBER		X						0.	0.	0.
(7) KEN CANON	4.00									
BOARD MEMBER		X						0.	0.	0.
(8) ROGER HAMILTON	4.00									
BOARD MEMBER		X						0.	0.	0.
(9) MARK KENDALL	4.00									
BOARD MEMBER		X						0.	0.	0.
(10) JEFF KING	4.00									
BOARD MEMBER		X						0.	0.	0.
(11) ANNE HAWORTH-ROOT	4.00									
BOARD MEMBER		X						0.	0.	0.
(12) DAVE SLAVENSKY	4.00									
BOARD MEMBER		X						0.	0.	0.
(13) ANNE DONNELLY	4.00									
BOARD MEMBER		X						0.	0.	0.
(14) KENNETH MITCHELL-PHILLIPS	4.00									
BOARD MEMBER		X						0.	0.	0.
(15) MARGIE HARRIS	40.00									
EXECUTIVE DIRECTOR				X				198,689.	0.	18,006.
(16) SUE MEYER SAMPLE	40.00									
CHIEF FINANCIAL OFFICER				X				128,917.	0.	8,920.
(17) COURTNEY WILTON	40.00									
CHIEF FINANCIAL OFFICER				X				35,770.	0.	4,175.

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) FRED GORDON DIRECTOR OF PLANNING & EVALUATION	40.00					X		135,965.	0.	27,192.
(19) STEVE LACEY DIRECTOR OF OPERATIONS	40.00					X		139,824.	0.	21,131.
(20) DEBORAH MENASHE GENERAL COUNSEL	40.00					X		122,606.	0.	8,193.
(21) SCOTT CLARK IT DIRECTOR	40.00					X		122,408.	0.	14,131.
(22) PETER WEST ENERGY PROGRAMS DIRECTOR	40.00					X		143,826.	0.	27,873.
1b Sub-total ▶								1,028,005.	0.	129,621.
c Total from continuation sheets to Part VII, Section A ▶								0.	0.	0.
d Total (add lines 1b and 1c) ▶								1,028,005.	0.	129,621.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 15

		Yes	No
3 Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
PORTLAND ENERGY CONSERVATION INC, 100 SW MAIN ST, STE 1600, PORTLAND, OR 97204	PROGRAM DELIVERY	13,270,072.
NORTHWEST ENERGY EFFICIENCY ALLIANCE 208 SW 3RD AVE, STE 600, PORTLAND, OR 97204	PROGRAM DELIVERY	8,070,076.
FLUID MARKET STRATEGIES LLC, 625 SW BROADWAY, STE 300, PORTLAND, OR 97205	PROGRAM DELIVERY	7,722,641.
ICF RESOURCES LLC 9300 LEE HIGHWAY, FAIRFAX, VA 22031	PROGRAM DELIVERY	6,229,837.
LOCKHEED MARTIN SERVICES INC 620 SW 5TH AVE, STE 400, PORTLAND, OR 97204	PROGRAM DELIVERY	4,875,568.

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 61

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	162465016.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	13,430.				
	g Noncash contributions included in lines 1a-1f: $						
	h **Total.** Add lines 1a-1f ▶			162478446.			
Program Service Revenue		**Business Code**					
	2a						
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g **Total.** Add lines 2a-2f ▶						
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶			96,391.			96,391.
	4 Income from investment of tax-exempt bond proceeds ▶						
	5 Royalties ▶						
		(i) Real	(ii) Personal				
	6a Gross rents						
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss) ▶						
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory						
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss) ▶						
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events ▶						
	9a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities ▶						
	10a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory ▶						
	Miscellaneous Revenue	**Business Code**					
	11a						
	b						
	c						
	d All other revenue						
	e **Total.** Add lines 11a-11d ▶						
	12 **Total revenue.** See instructions. ▶			162574837.	0.	0.	96,391.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	394,477.		394,477.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	6,482,751.	5,307,989.	1,174,762.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	392,122.	333,461.	58,661.	
9 Other employee benefits	1,094,977.	869,549.	225,428.	
10 Payroll taxes	592,128.	464,542.	127,586.	
11 Fees for services (non-employees):				
a Management				
b Legal	9,283.		9,283.	
c Accounting	32,000.		32,000.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	3,825,080.	3,636,658.	188,422.	
12 Advertising and promotion	1,701,629.	1,701,629.		
13 Office expenses	36,849.	24,746.	12,103.	
14 Information technology	262,387.	191,676.	70,711.	
15 Royalties				
16 Occupancy	445,998.	327,864.	118,134.	
17 Travel	84,918.	63,233.	21,685.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	85,063.	47,075.	37,988.	
20 Interest	5,443.	100.	5,343.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	112,447.	83,174.	29,273.	
23 Insurance	67,839.	49,870.	17,969.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a INCENTIVES	67,764,302.	67,764,302.		
b PROGRAM MGMT & DELIVERY	45,397,895.	45,397,895.		
c CUSTOMER SERVICE MGMT	661,957.	661,957.		
d PLANNING & EVALUATION	434,157.	434,157.		
e All other expenses	442,116.	373,460.	68,656.	
25 **Total functional expenses.** Add lines 1 through 24e	130,325,818.	127,733,337.	2,592,481.	0.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X ☐

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	8,588,927.	1	2,300,300.
	2	Savings and temporary cash investments	55,879,374.	2	74,184,339.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	123,795.	4	8,276.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	2,374,843.	9	2,541,507.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a: 2,315,962.			
	b	Less: accumulated depreciation — 10b: 1,500,494.	1,052,337.	10c	815,468.
	11	Investments - publicly traded securities		11	25,348,350.
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	473,830.	15	614,102.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	68,493,106.	16	105,812,342.
Liabilities	17	Accounts payable and accrued expenses	22,488,317.	17	27,517,527.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	323,237.	25	364,244.
	26	**Total liabilities.** Add lines 17 through 25	22,811,554.	26	27,881,771.
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☒ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	45,681,552.	27	77,930,571.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	45,681,552.	33	77,930,571.
	34	Total liabilities and net assets/fund balances	68,493,106.	34	105,812,342.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	162,574,837.
2	Total expenses (must equal Part IX, column (A), line 25)	2	130,325,818.
3	Revenue less expenses. Subtract line 2 from line 1	3	32,249,019.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	45,681,552.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	77,930,571.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII ☐

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a		X
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2b	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.**

▶ **Information about Schedule A (Form 990 or 990-EZ) and its instructions is at** *www.irs.gov/form990.*

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

ENERGY TRUST OF OREGON INC

Employer identification number

93-1313663

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Non-functionally integrated

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? **11g(i)**		
(ii)	A family member of a person described in (i) above? **11g(ii)**		
(iii)	A 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col. (i) of your support? Yes	(v) No	(vi) Is the organization in col. (i) organized in the U.S.? Yes	(vi) No	(vii) Amount of monetary support
Total									

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.**

Schedule A (Form 990 or 990-EZ) 2013

332021
09-25-13

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	91303373.	124930851	133085140	146235452	162478446	658033262
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	91303373.	124930851	133085140	146235452	162478446	658033262
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						658033262

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	91303373.	124930851	133085140	146235452	162478446	658033262
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	588,192.	417,905.	194,050.	133,373.	96,391.	1429911.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)				3,055.		3,055.
11 **Total support.** Add lines 7 through 10						659466228

12 Gross receipts from related activities, etc. (see instructions) ▶ 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	99.78 %
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	99.46 %

16a **33 1/3% support test - 2013.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☒

b **33 1/3% support test - 2012.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2013.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2012.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Schedule A (Form 990 or 990-EZ) 2013

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2013** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2012** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Part IV **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

SCHEDULE A, PART II, LINE 10, EXPLANATION FOR OTHER INCOME:

CONSULTING

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at *www.irs.gov/form990* .

OMB No. 1545-0047

2013

Name of the organization	Employer identification number
ENERGY TRUST OF OREGON INC	93-1313663

Organization type (check one):

Filers of:	Section:
Form 990 or 990-EZ	☒ 501(c)(3) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☐ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

☒ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of $5,000 or more during the year ..... ▶ $ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization	Employer identification number
ENERGY TRUST OF OREGON INC	93-1313663

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	OREGON PUBLIC UTILITY COMMISSION 550 CAPITOL STREET NE #215 SALEM, OR 97308-2148	$ 162,465,016.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
ENERGY TRUST OF OREGON INC	93-1313663

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization

ENERGY TRUST OF OREGON INC

Employer identification number

93-1313663

Part III *Exclusively* **religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than $1,000 for the year.** Complete columns **(a)** through **(e)** and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once.) ▶ $__________

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization
ENERGY TRUST OF OREGON INC

Employer identification number
93-1313663

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
- ☐ Preservation of land for public use (e.g., recreation or education)
- ☐ Preservation of an historically important land area
- ☐ Protection of natural habitat
- ☐ Preservation of a certified historic structure
- ☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

		Held at the End of the Tax Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ _____%
b Permanent endowment ▶ _____%
c Temporarily restricted endowment ▶ _____%

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		313,333.	93,277.	220,056.
d Equipment		2,002,629.	1,407,217.	595,412.
e Other				
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				815,468.

Schedule D (Form 990) 2013

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DEFERRED RENT	364,244.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶	364,244.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII [X]

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	162,574,837.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII.)	2d			
e	Add lines **2a** through **2d**			2e	0.
3	Subtract line **2e** from line **1**			3	162,574,837.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines **4a** and **4b**			4c	0.
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	162,574,837.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	130,325,818.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII.)	2d			
e	Add lines **2a** through **2d**			2e	0.
3	Subtract line **2e** from line **1**			3	130,325,818.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines **4a** and **4b**			4c	0.
5	Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5	130,325,818.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2:

FIN 48 (ASC 740) FOOTNOTE - 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 2012. NO INTEREST AND PENALTIES WERE ACCRUED FOR THE YEARS ENDED DECEMBER

Part XIII Supplemental Information *(continued)*

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.

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**
▶ **Information about Schedule J (Form 990) and its instructions is at** *www.irs.gov/form990.*

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

ENERGY TRUST OF OREGON INC

Employer identification number

93-1313663

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax indemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e.g., maid, chauffeur, chef)		
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.			
	☒ Compensation committee	☐ Written employment contract		
	☒ Independent compensation consultant	☒ Compensation survey or study		
	☐ Form 990 of other organizations	☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment?	**4a**		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	**5a**		X
b	Any related organization?	**5b**		X
	If "Yes" to line 5a or 5b, describe in Part III.			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a	The organization?	**6a**		X
b	Any related organization?	**6b**		X
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	**8**		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	**9**		

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) MARGIE HARRIS	(i)	173,629.	0.	25,060.	11,457.	6,549.	216,695.	0.
EXECUTIVE DIRECTOR	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) FRED GORDON	(i)	133,079.	0.	2,886.	8,354.	18,838.	163,157.	0.
DIRECTOR OF PLANNING & EVALUATION	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) STEVE LACEY	(i)	134,824.	0.	5,000.	6,169.	14,962.	160,955.	0.
DIRECTOR OF OPERATIONS	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) PETER WEST	(i)	138,826.	0.	5,000.	8,988.	18,885.	171,699.	0.
ENERGY PROGRAMS DIRECTOR	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
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	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 4B:

ENERGY TRUST SPONSORS A NON-QUALIFED DEFERRED COMPENSATION

PLAN FOR SELECTED EMPLOYEES. CONTRIBUTIONS TO THE PLAN WERE MADE DURING THE

TAX YEAR FOR THE FOLLOWING LISTED PERSONS:

MARGIE HARRIS 17,000

SUE MEYER SAMPLE 5,000

FRED GORDON 2,886

STEVE LACEY 5,000

PETER WEST 17,500

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization
ENERGY TRUST OF OREGON INC

Employer identification number
93-1313663

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

ENERGY TRUST PROVIDES COMPREHENSIVE, SUSTAINABLE ENERGY EFFICIENCY, CONSERVATION AND RENEWABLE ENERGY SOLUTIONS TO THOSE WE SERVE.

FORM 990, PART VI, SECTION B, LINE 11:

FORM 990 FINANCIAL INFORMATION IS DEVELOPED BY ACCOUNTING PERSONNEL AND REVIEWED BY THE CFO. THE REST OF THE CONTENT IS PROVIDED BY THE CFO AND IS REVIEWED IN FULL WHEN A DRAFT IS AVAILABLE FROM OUTSIDE ACCOUNTANTS. A COPY OF THE DRAFT FORM 990 IS DISTRIBUTED TO THE ENTIRE BOARD OF DIRECTORS FOR THEIR REVIEW AND DISCUSSION BEFORE FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

ANNUALLY, ALL DIRECTORS AND MANAGEMENT TEAM MEMBERS DISCLOSE IN WRITING TO THE PRESIDENT, THE OTHER DIRECTORS AND THE OPUC (OREGON PUBLIC UTILITY COMMISSION), ON SUCH FORMS AND IN SUCH FORMATS ESTABLISHED BY THE DIRECTORS AND THE OPUC, ANY RELATIONSHIPS THAT MAY BE DEEMED A "DIRECT OR INDIRECT CONFLICT OF INTEREST," AS DEFINED IN OUR CONFLICT OF INTEREST POLICY AND AS MAY BE AMENDED AND INTERPRETED FROM TIME TO TIME. ANY SUCH DISCLOSURE SHALL BE DULY RECORDED IN THE MINUTES. IF THE MEMBER MAKES FULL DISCLOSURE OF THE NATURE AND DETAILS OF THE CONFLICT, THE MEMBER MAY THEREAFTER ENGAGE IN ANY DISCUSSION ON THE MATTER AND MAY VOTE, UNLESS THE BOARD OF DIRECTORS BELIEVES THAT THE NATURE AND EXTENT OF THE CONFLICT OF INTEREST WARRANTS THE DIRECTOR'S EXCLUSION FROM EITHER OR BOTH THE DISCUSSION AND VOTE. IF THE MEMBER DOES NOT MAKE FULL DISCLOSURE, HE OR SHE THEREAFTER MUST LEAVE THE MEETING ROOM DURING ANY DISCUSSION OR VOTE ON THE MATTER.

Name of the organization: ENERGY TRUST OF OREGON INC

Employer identification number: 93-1313663

THE ORGANIZATION ENSURES THAT EACH DIRECTOR AND EMPLOYEE HAS FILED A DISCLOSURE FORM ANNUALLY. ANY DIRECTOR WHO FAILS TO COMPLY WITH DISCLOSURE REQUIREMENTS MAY BE REMOVED BY THE OREGON PUBLIC UTILITY COMMISSION.

FORM 990, PART VI, SECTION B, LINE 15:

COMPENSATION PROGRAM SUMMARY

ENERGY TRUST STRIVES TO COMPENSATE EMPLOYEES IN A MANNER THAT PROVIDES A COMPETITIVE ADVANTAGE IN ATTRACTING AND RETAINING EXTRAORDINARILY TALENTED INDIVIDUALS. ENERGY TRUST ENCOURAGES AND REWARDS HIGH-PERFORMING INDIVIDUALS WHO EXCEL IN THEIR POSITION AND THEREFORE CONTRIBUTE TO THE COMPANY'S SUCCESS. TO KEEP THE COMPENSATION PROGRAM TARGETED TO THE MARKET TREND, HUMAN RESOURCES WILL ANNUALLY REVIEW THE COMPENSATION PROGRAM.

BASE SALARY

AN EMPLOYEE'S BASE COMPENSATION IS DETERMINED BY VARIOUS COMPONENTS: JOB SKILLS, EXPERIENCE, PERFORMANCE IN THE JOB, COMPARABLE WORTH OF THE POSITION WITHIN THE COMPANY, GENERAL MARKET AND GEOGRAPHIC LOCATION. THE COMPENSATION STRUCTURE HAS SALARY GRADES AND THE EMPLOYEE'S POSITION IS SLOTTED TO THE APPROPRIATE SALARY GRADE. BASE COMPENSATION FOR EMPLOYEES GENERALLY TARGETS THE MIDPOINT OR BELOW OF ENERGY TRUST'S SALARY GRADE WHICH CORRESPONDS WITH THE MARKET AVERAGE.

SALARY SURVEYS

SALARY SURVEY DATA, WHICH IS UPDATED AT LEAST BIENNIALLY, IS EXTREMELY HELPFUL IN MAINTAINING OUR COMPENSATION STRUCTURE. ENERGY TRUST WILL CONTINUE TO EXERCISE CONSIDERABLE JUDGMENT AND INTERPRETATION IN OUR USE OF THIS DATA. ENERGY TRUST CURRENTLY UTILIZE THE SERVICES OF A COMPENSATION

Name of the organization: ENERGY TRUST OF OREGON INC

Employer identification number: 93-1313663

CONSULTANT WHO HAS ACCESS TO SEVERAL VERY DETAILED, PROFESSIONALLY PREPARED SALARY SURVEYS SUCH AS MILLIMAN, MERCER, KENEXA AND OTHER RELATED APPLICABLE SURVEYS. IN ADDITION, CUSTOM SURVEY DATA IS OBTAINED FROM ORGANIZATIONS SIMILAR TO ENERGY TRUST.

ANNUAL REVIEW AND MERIT PROGRAM

ENERGY TRUST GENERALLY HAS AN ANNUAL REVIEW AND MERIT PROCESS FOR PERFORMANCE EVALUATION AND SALARY PLANNING. IT IS THE MECHANISM USED BY MANAGEMENT TO ALLOCATE MERIT INCREASES TO BASE SALARY TO APPROPRIATELY REWARD EMPLOYEES FOR THEIR OUTSTANDING JOB PERFORMANCE WITH THE COMPANY.

EXECUTIVE DIRECTOR REVIEW

THE BOARD OF DIRECTORS OF ENERGY TRUST ANNUALLY APPOINTS AN EXECUTIVE DIRECTOR REVIEW COMMITTEE, WHOSE MEMBERS ARE CHARGED WITH THE RESPONSIBILITY OF REVIEWING THE PERFORMANCE OF THE EXECUTIVE DIRECTOR AND RECOMMENDING ANY MERIT INCREASE. THIS COMMITTEE IS COMPOSED ENTIRELY OF INDIVIDUALS WHO DO NOT HAVE A CONFLICT OF INTEREST WITH RESPECT TO THE COMPENSATION ARRANGEMENT.

WHEN THE EXECUTIVE DIRECTOR REVIEW COMMITTEE IS CONSIDERING COMPENSATION TO THE EXECUTIVE DIRECTOR, IT ALSO RELIES ON THE COMPARABILITY DATA DESCRIBED ABOVE THAT DEMONSTRATES THE FAIR MARKET VALUE OF THE COMPENSATION IN QUESTION.

ANY MERIT INCREASE RECOMMENDED BY THE EXECUTIVE DIRECTOR REVIEW COMMITTEE IS DISCUSSED IN EXECUTIVE SESSION OF THE BOARD TO MAINTAIN CONFIDENTIALITY AND VOTED ON IN PUBLIC.

Name of the organization: ENERGY TRUST OF OREGON INC

Employer identification number: 93-1313663

FORM 990, PART VI, SECTION C, LINE 19:

ENERGY TRUST MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST AND ON ITS WEBSITE: WWW.ENERGYTRUST.ORG.

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 5

Policy Committee Meeting

April 29, 2014, 3:30–5:00 pm

Attending by phone and videoconference
Roger Hamilton, Rick Applegate, Ken Canon, Debbie Kitchin, John Reynolds

Attending at Energy Trust offices
Alan Meyer, Margie Harris, Steve Lacey, Peter West, Fred Gordon, Amber Cole, Courtney Wilton, Debbie Menashe, Kim Crossman, Oliver Kesting, Thad Roth, Chris Dearth, Jed Jorgensen, Dave Moldal

Policies for Review

1. Fuel-switching policy

Steve updated the committee on discussions regarding the fuel-switching policy since the Committee's last meeting. As background, EEAST and the Savings Within Reach on-bill loan program require assessment of utility bill impacts from energy improvement loans. As part of our work with these programs, staff has worked to develop a tool that contractors can use to estimate the bill impact of loans for new heating systems, even if the customer wants a system that involves switching from oil or propane to gas or electricity. Staff has undertaken a full review of the policy and sees no conflict between the current policy and the development of this tool, but this is a highly sensitive area for the utilities and staff will continue to keep the Committee informed. The Committee discussed the usefulness of the tool to provide information to customers.

2. Renewable energy certificate policy

This policy was scheduled for its regular three year review at the Committee's April meeting. Instead of recommending changes to the policy at the meeting, staff briefed the Committee on a proposed study of the renewable energy certificate (REC) market to determine whether the board's REC policy warrants substantive revision. Staff proposes postponing consideration of changes to the policy to while the study is pending.

Background: In 2004, after discussion with its Renewable Energy Advisory Council and the OPUC, the Energy Trust Board established a policy regarding the ownership of Renewable Energy Certificates (RECs) from renewable energy projects to which the organization provides incentive funding. Over the years a number of changes have been made to the policy to accommodate legislative changes and organizational needs. Since 2010, Energy Trust's staff (as directed by the Board) has worked with the utilities, the Oregon Department of Energy (ODOE), and the Western Renewable Energy Generation Information System (WREGIS) to develop procedures for delivering RECs to PGE and Pacific Power based on the various kinds of projects to which Energy Trust provides incentive funds. Energy Trust staff are now close to completing their work on the procedures required to deliver RECs to the utilities at the lowest possible cost to ratepayers.

The proposed study: Much has changed in the REC market during the extended period that has passed since the REC policy was enacted and market changes continued while staff worked on

REC delivery methods. Staff feels it is important to assess the current REC market prior to implementing procedures for delivering RECs, to evaluate the following:

1) When enacted, the REC policy made assumptions about future REC markets. Staff proposes to ask a consultant assess how REC markets have developed to see if our assumptions have been borne out and whether the REC policy could work better with the markets as they currently exist.

2) In recent years, new financing models appeared, including renewable avoided cost rates for Qualifying Facilities, "Green Tariffs" for large energy users, and the use of utility green power funding in project finance packages. Each of these requires retention of RECs by the utility or project owner. Staff would like to think through if or how Energy Trust's programs may interact with these new opportunities.

3) Staff would like to evaluate the value and benefits of delivering RECs to the utilities in comparison to the administrative costs of the delivery methods. The current policy requires significant coordination between multiple parties (the projects, the utilities, ODOE, OPUC, WREGIS) to deliver RECs secured by Energy Trust to the appropriate utility. Small changes in policy by any of these participants can create significant administrative impacts that we would like to quantify.

Staff has drafted a scope of work for a consultant to research the above items. Staff proposed to return to the Committee following completion of the study to confirm if our policy is still valid under current market conditions and, if appropriate, recommend changes to align our policy with market opportunities. Staff expects to return to the Committee in November, and Committee members support this plan.

Updates

1. Large Customer Funding Limitations

By way of background, under SB 838 Customer sites with usage of less than or equal to 1aMW are subject to additional charges to fund electric efficiency beyond the established public purpose charge authorized in SB 1149. To ensure that large customers (users of >1aMW) are not benefiting from this added funding, Energy Trust does not provide incentive funding for large customers in amounts that would exceed the "pre-838" baseline. Energy Trust reviews large customer spending as compared to this baseline annually, and while funding is still under the baseline cap, it is approaching the cap. Staff described ongoing work with large customers and prospective projects. Staff will be discussing this issue with OPUC staff at the next Energy Trust/OPUC staff coordination meeting in late May and will report back to the Committee after that meeting. Staff will also report back to the Committee with more detail on calculation of the baseline.

2. OPUC Docket AR 581 on Whole Building Assessments

The OPUC docket AR 581 on Whole Building Assessments is underway. OPUC staff is currently working on a possible rulemaking process for defining "whole building assessment." An original rule proposal has been withdrawn. Staff will report back to the Committee with information on the matter once new proposals, if any, are circulated.

Consent to New Appointment of New Member to the Renewable Advisory Committee (RAC)

Pursuant to board policy, Energy Trust Staff will appoint RAC members after obtaining consent from the board Policy Committee. At the Committee meeting, the Committee approved the following changes and appointments to the RAC:

The following people are no longer on the RAC:

- Eric Chung, Pacific Power
- Troy Gagliano, EDF Renewables
- Thor Hinkley, Portland General Electric
- Glenn Montgomery, Oregon Solar Energy Industries Association
- Vijay Satyal, Oregon Department of Energy
- Megan Decker, Renewable Northwest (formerly Renewable Northwest Project)
- Ben Henson, Renewable Energy Solutions in Wallowa County
- Margie Gardner, Bonneville Environmental Foundation

The following people approved for appointment to the RAC:

- Bruce Barney, PGE
- Matt Krumenauer, ODOE
- Matt Mylet, One Pacific Coast Bank
- Michael O'Brien, Renewable Northwest
- Dick Wanderscheid, Bonneville Environmental Foundation
- Peter Weisberg, Oregon Climate Trust

Here is a brief description of each person whose name was submitted for approval along with information about why staff believes each would be a good addition to the RAC (in alphabetical order).

Bruce Barney is Project Manager for the Portland General Electric Customer Specialized Programs group. While the majority of his time is dedicated to managing PGE's Dispatchable Standby Generation program, he also supervises customer interconnection programs – the programs that allow renewable energy projects to be connected to the grid. As PGE's net-metering guru expert for over a decade, he has helped Energy Trust's staff navigate the technical side of building the solar program. Bruce is a licensed Professional Engineer and has been a board member of Solar Oregon since 2007. On the RAC, Bruce brings not only technical expertise, but perspective from the utility point of view. PGE recommends Bruce's appointment to the RAC and staff supports the recommendation.

Matt Krumenauer is a senior policy analyst with the Oregon Department of Energy. He serves as the program and technical lead for the state's bioenergy programs, providing technical assessment, business plan evaluation and due diligence reviews on combined heat and power, biomass energy and biofuel, anaerobic digestion and other project applications. Matt has an MBA from the University of Wisconsin. He brings deep background in biopower, policy, and project evaluation to the RAC. ODOE recommends Matt's appointment to the RAC and staff supports the recommendation.

Matt Mylet is a Vice President at One PacificCoast Bank, a commercial bank that specializes in environmentally-focused businesses and nonprofit organizations. He has experience in lending to service firms, manufacturing, food producers, and renewable energy projects. He is the current Board Treasurer for the Northwest Environmental Business Council. He holds a BS in Finance from St. Mary's College of California and an MBA in Finance from Case Western Reserve University. Matt brings deep understanding of project finance as well as expertise on how lenders work with energy projects. Matt's recommendation for appointment to the RAC comes from Energy Trust staff.

Michael O'Brien is a Policy Associate at Renewable Northwest, analyzing renewable energy and siting policy, and supporting the organization's solar policy development in the Pacific Northwest. Before joining Renewable Northwest two years ago, Michael worked in the House of Commons advising Members of Parliament on energy and climate policy in the United Kingdom. He has published numerous reports on a variety of energy issues ranging from renewable energy systems to low carbon economies. In addition to his work with Renewable Northwest, Michael serves as an Expert Reviewer for the Intergovernmental Panel on Climate Change's (IPCC) Assessment Report focusing on energy systems. Michael holds a PhD and a Masters of Science from the University of Birmingham as well as a Masters of Philosophy from the Judge Business School at the University of Cambridge. He brings a wealth of technical and energy policy expertise to the RAC. Renewable Northwest recommends Michael's appointment to the RAC and staff supports the recommendation.

Dick Wanderscheid currently serves as vice-president of Bonneville Environmental Foundation's renewable energy group, overseeing the Foundation's investments and activities in small-scale renewable energy projects and the Solar 4R Schools program. Prior to joining BEF, Dick held several positions with the city of Ashland including heading up the city's municipal electric utility where he developed one of the first net metering laws in the Northwest and one of the nation's first utility sponsored community funded renewable energy projects in the country. Dick brings deep policy background and understanding of renewable energy project development. BEF recommends Dick's appointment to the RAC and staff supports the recommendation.

Peter Weisberg is a program manager for The Climate Trust, where he originates, analyzes and invests in new projects. He provides technical expertise for all aspects of the organization's work, with a focus on understanding and applying existing and proposed carbon market protocols. Prior to joining The Climate Trust, Peter spent a year with Ecosecurities, researching US climate policy and new sectors for project development. Peter brings understanding of the carbon offset market and financial expertise to the RAC. Peter's recommendation for appointment to the RAC comes from Energy Trust staff.

The meeting adjourned at 4:55 pm. The next meeting of the Policy Committee is on June 24, 2014, 3:30-5:00 pm.

Tab 6

Renewable Energy Advisory Council Meeting Notes

March 12, 2014

Attending from the council:
Frank Vignola, University of Oregon
Dick Wanderscheid, Bonneville Environmental Foundation
Matt Krumenauer, Oregon Department of Energy
Tashiana Wangler,Pacific Power
Jimmy Lindsey, Renewable Northwest Project

Attending from Energy Trust:
Jed Jorgensen
Betsy Kauffman
Thad Roth
Gayle Roughton
Jennifer Hall

Dave McClelland
Dave Moldal
Matt Getchell
Elaine Prause
Chris Dearth
Fred Gordon
Debbie Menashe
Shelly Carlton

Others attending:
John Reynolds, Energy Trust Board, University of Oregon
Wendy Koelfgen, Clean Energy Works
Juliet Johnson, Oregon Public Utility Commission

1. Welcome and introductions

Betsy Kauffman called the meeting to order at 9:30 a.m. and reviewed the agenda. The minutes from the February 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. Energy Trust Strategic Plan update

Every five years, Energy Trust engages in a strategic planning process. Betsy described the purpose of a strategic plan and the development stage for the draft 2015-2019 plan: There are questions and opportunities Energy Trust can address, and the plan is a foundational document on strategies to answer those questions and reach those opportunities. Currently, staff is in the strategic issue identification phase for the 2015-2019 strategic plan, and creating a set of renewable energy strategic questions. The purpose of the meeting today is to give the Renewable Energy Advisory Council an opportunity to provide feedback on whether staff is asking the right questions and proposing appropriate response strategies.

There was discussion regarding the overall organization of renewable and efficiency programs. The Energy Trust Strategic Plan will be high-level, while the Renewable Sector Strategic Plan will be a tactical implementation of the overall plan at the renewable energy program and sector level.

The total 2014 annual Energy Trust budget was clarified as being $163 million, with 87 percent dedicated to energy efficiency programs, 9 percent to renewable energy programs and the rest to management, general, communications and customer service. The budget includes funding from SB 1149, SB 838 and contracts with gas utilities. The renewable energy sector receives funding only through SB 1149.

Betsy reviewed the draft strategic plan questions about the sector's current approach (supporting early stage development and a range of technologies, and supporting only proven technologies), approaches to planning and strategy (strategy and approach for any one technology, measuring success, and taking better advantage of other environmental efforts in the state), and whether or not Energy Trust should take a larger role in articulating the vision for distributed generation and a clean energy future in Oregon.

Betsy asked the group if anything is missing from this list of questions.

Matt Krumenauer: How does the Energy Trust renewable generation goal align with the utility IRPs? Is there a straight-line alignment?
Peter West: The 15 average megawatt number for the next five years seems like a stretch goal.
Elaine Prause: We assumed 3 aMW per year for the next five years as a placeholder to start. We'll adjust that number as the plan is developed.
Thad Roth: The numbers were more aggressive in the previous plan. There is still uncertainty about resources. Three aMW was normal for the previous five years, but we are not expecting the same level in the future because of reduced federal tax incentives.
Peter: Let's not fixate on 3 aMW. A lot has changed. The aMW goal is a product of many factors.

Betsy: In thinking about an aMW goal, what factors should we consider?
Matt K: No one has taken ownership of the state of Oregon's 8 percent community renewable energy goal. Could we use that as a point of focus?
Dick Wanderscheid: Don't utilities figure Energy Trust goals into their forecasts?
Jimmy Lindsey: Efficiency alignment is clearer, but renewables isn't as explicit.
Juliet Johnson: The point you bring up is a good one. Pacific Power and Portland General Electric don't need new resources for a while. SB 1149 states that renewable energy is part of this. It's important to acknowledge that these are parallel tracks. The driver is the statute. The community energy idea is a good point. It's an important place to look. Jimmy?
Jimmy: There's a place for acquiring resources at the utilities' avoided cost.
Peter: Matt, is there something in the revised energy plan that we're missing in this?
Matt K: There is a mix of priorities in the state of Oregon's 10-Year Energy Action Plan and it's difficult to understand which are most important.
Thad: Is renewable generation the primary value we can bring? That generation goal is an attempt to reflect the value of our resources. Above-market cost is where we focus, but are there other opportunities where we could help with the distributed energy portfolio?
Betsy: There seems to be some desire for us to think about the value of renewable energy in addition to kilowatt hours. Maybe there should be goals around that?

Matt K: The draft document includes a discussion of valuing differently energy-efficiency measures that reduce peak load. Is there a similar approach on the generation side?
Thad: I think that goes to rates. It gets folded in but it's not explicit.

Juliet: Are there ways to use renewable energy generation to reduce costs across the system, like reducing peak or demand charges?
Dick: It would be great to have goals other than megawatt hours. The way Energy Trust is run means that we'll always be held to megawatt hours.
Jimmy: What about megawatts of utility capacity that are avoided?
Frank: Job creation and Oregon's backlog of expertise are benefits from renewable energy development. How do we support the renewable energy industry so that it is there when we need it in the future?

Juliet: Thad, are you asking should the goal be generation or is the value in the blended portfolio?
Thad: Goals are set based on current circumstances including budget and market limitations. We pursue opportunities that are most likely to bear fruit. Is that the most value that we should expect to get of our annual budget? Or should we be taking a longer view and building a more robust network of distributed generation? Should we align with state goals? Continue to focus on the 3 aMW or shift resources to allow us to enlarge the opportunity for distributed generation in the state? It may not be one or the other, but it may be a continuum.
Juliet: One of the commission's main goals is to remove barriers to renewable energy projects. Can we provide a pre-emptive impact evaluation of distributed generation? Right now the impact of adjusting to focus on the long-term is unknown.

Thad: What would it take to get solar to grid parity? This could help us determine which technology to support.
Juliet: Utilities are worried about renewable energy presenting a threat to the grid. There is value to having a grid as well as distributed generation. I'd be curious about what renewable projects can do to improve or support the grid.
Frank: It is important to task where we want to go and how we want to get there. The Northwest Power and Conservation Council may be the best place to start. Utilities have to find a way to benefit from distributed generation. Intermittent nature of renewables makes it difficult to manage when you get to a point of having 10 to 15 percent of customers installing solar. How do you supply steady voltage on the grid? I think it's the job of utilities to tell us where good examples may be. Energy Trust may not be in a position to fund the research into this, but perhaps publicize it.

Betsy: Tashiana, do you have thoughts about what we're discussing or thoughts about what might be missing?
Tashiana: Matt's point about IRP goals was interesting. It would be good to determine a way for figuring out which sort of technologies serve the grid well. Maybe this could be part of the RFP process? Pacific Power was intrigued by the low-head hydropower project Energy Trust funded, and maybe that would be of future value to the utility.
Thad: Projects must first have above-market costs and be viable. After those hurdles, we can look at more detailed information. About 50 percent of the score in our RFPs relates to cost.
Tashiana: Perhaps additional factors should be considered in the RFP process.
Thad: We can do that, but in some ways the values you're articulating, like off peak, tend to be included in the evaluation already.
Peter: What we put in the RFP is the outcome of the priorities that come out of this meeting. There is a definite interaction between the aMW goal and these other goals. We may pay more for a project to bet on the future, but we'll take a hit on the aMW goal.

Dick: Let me put Energy Trust on the spot. Say we don't change anything. We're in a dire place with Public Utility Regulatory Policies Act rates. If we continue as-is, do you think we'll have trouble getting projects?
Thad: That depends on the technology. On the solar side, we have a mechanism in place to provide support to some level of activity.
Dave: It's a question of whether and how Oregon wants to stretch. Are we comfortable with fewer projects and larger incentives or do we want more projects?
Thad: We can maintain some level of activity and installer capacity for solar. We are going into uncharted territory now with no federal Production Tax Credit. There's a whole category of projects like hydropower and biopower where there are no federal tax incentives. We've turned our focus to net-metered projects, and to public sector projects that couldn't benefit from the tax

credits anyway. We're operating based on generation or project goals. We're also opportunistic in terms of the state's goals around combined heat and power, etc.

Dick: Will the pipeline be full in five years, using that approach?
Jed Jorgensen: Probably not. On the hydropower side, I've been lining up projects so that they're ready to go when the right circumstances come up.
Dick: Then we need a different approach. Let's start thinking of other ways.

Betsy: What kinds of research or resources would be helpful in thinking about that question of finding a different approach?
Dick: Energy Trust needs to look at other approaches, like community financing, buying down interest rates or turn-key programs. Maybe lower the target and figure out how to develop models that are replicable.
Jimmy: The American Wind Energy Association thinks the Production Tax Credit will be extended. You may want to start transitioning from tactical to strategic when you begin hitting barriers or seeing diminishing value in each project. Is the problem being experienced that the funding is not enough to meet the target, or is it more in line with being disruptive to utilities?
Thad: I think we haven't made that decision. Should our focus be more on generation output or on creating values beyond average megawatts?
Jimmy: Before making a change to strategy you'll want to identify whether there is actually a problem to be addressed and understand the risks and benefits of any new approaches. You need to clearly identify the problems you're trying to avoid with any new approach.
Tashiana: The value of the public purpose charge and its benefits to customers should be articulated in renewable energy plans. Renewable energy could provide the "flair" that would communicate the value of Energy Trust and the public purpose charge.
John Reynolds: What might help us focus on the average megawatt goal would be to know exactly what percentage of power mix comes from coal and gas. When SB 1149 was passed, there was concern about carbon. How much can be offset by renewable energy?

Betsy: On this list of questions, are there any that you feel are not important to be asking?
Dick: Energy Trust should monitor the green tariff issue and whether it could have a significant impact on project development. The plan should reflect this.
Frank: Energy Trust does some advertising. We could highlight projects that have been done.

Tashiana: What is meant by proven technology?
Betsy: We can't currently fund projects that use speculative technology. It has been suggested that we should be involved in more cutting-edge technology that would involve more risk.

Dick: The question about our role in articulating statewide vision for distributed generation is a slippery slope and may be risky.
Juliet: I agree, and the question about new technology is also risky.
Frank: I disagree. There haven't been a lot of photovoltaic technology innovations and we may want to look at that.
Dave Mc: There are new enabling technologies. Should Energy Trust put value on those when considering projects?
Dick: Absolutely. It plays into the smart grid, and it's the wave of the future. The business model is changing. All of this is going to merge together and it's important that we stay abreast of it.

Betsy: Let's stop there. We have 12 days for additional comments. We'll develop a draft plan to show in June.

The council took a short break.

The Renewable Energy Advisory Council next looked at some larger additional questions:

- Should Energy Trust broaden the scope of its five-year plan?
- Should Energy Trust support existing Oregon policy and assist the Oregon Department of Energy?
- What is Oregon likely to need in the next five years?

Juliet: I'm surprised by the suggestion to broaden or lengthen the scope.
Elaine: We've included these questions about broadening scope because we've heard this question from external stakeholders. Should we even be asking this?

Elaine: We broke the "out of the box" questions into three categories: aspirational goals, goals with metrics that go beyond acquiring savings and generation, and load management. An example of an aspirational goal might be having a 20-year goal of net zero energy. In setting that goal, we would need energy efficiency and distributed renewable generation. What would we need to do differently? Should we include greenhouse gas reduction goals? Reaching underserved customers?
Dick: Do you know who your underserved customers are?
Elaine: We're trying to get a handle on that. Related to the last category, there's value in peak load management on the East Coast, but is there value here? Are there any of these that are interesting to you?
Jimmy: I see value in the peak load management category. Energy storage should be added to that list. Something is going to happen around that and Energy Trust could be a good partner there.
Tashiana: I see a role for Energy Trust becoming more integrated into planning at the utility. Maybe quarterly meetings between renewable energy staff and folks who manage peak load at the utility would be helpful.
Thad: We've been working with some Pacific Power folks around renewable energy certificates. I agree that there's an opportunity there.
Dick: Here is an example of energy-efficiency and renewable energy working together. Ashland partnered with someone to build houses that are charging-station ready. Moving into this new world necessitates further integration between efficiency and renewable energy.

John: How difficult is it to integrate greenhouse gas reductions into reporting?
Thad: We could give it to the Planning group and they could give us the equivalency.
John: It might be helpful for the Energy Trust board to see it.

Juliet: For underserved customers, helping you get more efficiency is a good thing, but from the OPUC perspective, we look at what ratepayers should pay for and what they shouldn't. Charitable contributions should not be included in rates. You can't make a value decision about them. Underserved customers and greenhouse gas reductions would fall into this category. The goal should be providing the best value for ratepayers.
Elaine: If we received additional funds, we could manage those funds to these other goals. We don't have that now.
Fred: There may be things that sit outside the cost-effectiveness box. How should we position ourselves to help if the frame changes?

Tashiana: There is value in ensuring that the customers paying the public purpose charge are seeing that benefit. It could be a regional issue.

Matt: On the efficiency side, you look at supply chain and emerging technologies. On the renewable energy side, you focus only on proven technologies. Why is it different? Is there a role for Energy Trust to play in new renewable energy technologies?
Thad: Storage is an example of that.
Dick: The consensus is that it's probably not the best place for Energy Trust to be. You've done a good job of reducing risk on the programs you currently manage.
Dave Mc: There's probably plenty to do with existing technology. We've looked at trade ally development and market transformation. But we need a balance on upstream and risk.
Matt: The budget isn't big enough to make a difference in the research and development phase.
Thad: It's pay to play sometimes. We look for opportunities to sample innovation in existing projects. I could see that happening on the storage side.
Debbie: Part of the SB 1149 box is that it lists certain technologies and does not list others.
Thad: Some of those have size requirements that would take them outside our budget.
Dick: We've had two instances where public buildings have tried to meet the 1.5 percent renewable goal. It's tough to educate architects individually on this. We backed off on two of these projects because the conversation was so difficult.
Dave Mc: We're looking at this now, developing design allies that include engineers and architects.

Frank: Are there communications between the Oregon Department of Energy and Energy Trust renewable energy staff?
Thad: We have quarterly coordination meetings to surface and resolve issues or expand opportunities.
Frank: Are there other groups with whom you should be meeting?
Betsy: We have a lot of communication and strategic collaborations with various groups.

Matt K: As the state has moved into a more competitive process for incentives, we're still learning how to communicate that process. I can take that back to address.
Elaine: Please do send comments through March 24 to Betsy.

3. Public comment
No public comment.

4. Meeting adjournment
Betsy thanked the council members for their participation and adjourned the meeting at 11:30 a.m. The next full council meeting is scheduled for April 23, 2014.

Conservation Advisory Council Meeting Notes

March 12, 2014

Attending from the Council:
Garret Harris, Portland General Electric
Warren Cook, Oregon Department of Energy
Don MacOdrum, Home Performance Guild of Oregon
Jim Abrahamson, Cascade Natural Gas
Juliet Johnson, Oregon Public Utility Commission
Don Jones, Jr., Pacific Power
John Frankel, NW Natural
Stan Price, Northwest Energy Efficiency Council
Karen Horkitz, Northwest Energy Efficiency Alliance
Charlie Grist, Northwest Power and Conservation Council
Wendy Gerlitz, Northwest Energy Coalition

Attending from Energy Trust:
Tom Beverly
Amber Cole
Kim Crossman
Diane Ferington
Sue Fletcher
Debbie Goldberg-Menashe
Fred Gordon
Jackie Goss
Margie Harris
Marshall Johnson
Oliver Kesting
Elaine Prause
Ed Wales
Mark Wyman
Peter West

Others attending:
Jeremy Anderson, WISE
Graham Brown, CLEAResult
Sheryl Bunn, CLEAResult
Christina Cabrales, Conservation Services Group
Scott Davidson, Clean Energy Works
Carolyn Farrar, NW Natural
Sarah Fredrickson, CLEAResult
Kelly Haines, Clean Energy Works
Mark Kendall, Energy Trust Board of Directors
Ron Lynch, ASC Engineers
Becky Walker, PECI

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. Minutes and operating principles

Kim: More background material will be available after the meeting. We discussed including minutes from past Conservation Advisory Council meetings, and we didn't make it for this time. We will include those later.

Kim: Should we have a formal acknowledgement of past notes?
Don Jones: I'm thinking of the Regional Technical Form approach, where you include them in the packet and everyone takes a minute to do a reality check and acknowledge that they are okay. It's good practice.

Kim: If we put them into packets the week before the Conservation Advisory Council meeting and ask everyone to review them for problems and took input to give back to the note takers,

would it help?

Conservation Advisory Council members agreed it would be good practice, by show of hands.

Kim: Not much has changed in our Conservation Advisory Council operating principles. The main addition was providing a phone conference line. I didn't hear anything else that was really at the level of needing change. Are there any comments, concerns or questions?

> I need to mention that Holly suggested I shouldn't put 2014 on the document, because it implies that we will review them every year. I could take that out, but I believe it's a worthwhile exercise to look at the operating principles each year.

Jim Abrahamson: I like having the guidelines for timing of reviews.

The Conservation Advisory Council adopted the operating principles by show of hands with no additional concerns or comments.

Kim: I'll accept the redlined text and send the updated version out to everyone.

3. Northwest Energy Efficiency Alliance 2013 highlights and plans for the future
Karen Horkitz: Part of my role at NEEA is to oversee our market transformation programs. I'm presenting a basic overview of NEEA today. This presentation is posted at www.energytrust.org/library/meetings/cac/140312_CAC_Portfolio.pdf.

Kim: Last time we were here, we heard Peter West talk about great results from NEEA that contributed to our 2013 results. This was a great opportunity to put some context behind the numbers, which are a huge piece of our organization's success. A big chunk of the Energy Trust portfolio comes from NEEA's efforts.

Karen: NEEA is an alliance of northwest utilities and energy-efficiency organizations. We work on behalf of the region's 13 million ratepayers to accelerate investments in energy efficiency. We were founded in 1997 and receive funding from many organizations. When NEEA started, the idea was to focus on long-term sustainable solutions for the whole region. Many voices together carry more weight than a single energy-efficiency program or utility.

> NEEA's focus is different from that of Bonneville Power Administration, the utilities and Energy Trust. NEEA works regionally and upstream, instead of downstream. Working downstream means working with end-use customers. Upstream efforts are focused on distribution and manufacturers. In addition to end-use customer services, Energy Trust is closer to mid-stream because it represents all of Oregon and does market to distributors and retailers.

Don Jones: Pacific Power also operates upstream programs in a couple of states.

Karen: In my 11 years with NEEA, there has been a big change in the market and all utilities have ramped up their programs. There is a lot more going on in the market than previously. Multiple efforts may be working in the marketplace, so collaboration and coordination is key.

> Working upstream and regionally, NEEA does three things. We fill the energy-efficiency pipeline by tracking on promising new technologies and techniques and championing the most promising ones. We work to accelerate market adoption of these new ideas. We also leverage the power of a larger regional voice.

We accelerate market adoption by doing market research, which means looking at why the market hasn't adopted already a promising technology or strategy and trying to understand the barriers. Is it about price, other costs, not enough availability or lack of installer know-how? We also look at related opportunities. We work collaboratively with the region to develop intervention strategies to accelerate and broaden market adoption.

The region has worked through NEEA collaboratively for some time, and I wanted to point out some successes from 2013. Strategic Energy Management and food processors are great examples of success. We have worked since 2004 to develop and define SEM, and there has been a lot of uptake at local utilities and at Energy Trust.

When we talk about market transformation, you can view it as an S curve (see slides). The chart shows market share over time. The gray line is the natural baseline adoption rate that indicates what would have happened without intervention. The dark green line is the adoption rate if we fulfill our plans. The dotted line shows accelerated and deeper adoption. Higher building codes or efficiency standards are where we want to go. The lighter green line is the dollar investment. We invest more in the beginning to get the market to move. Later, as things change, the need for investment drops off. That's a long-term investment we do as a region.

Market transformation results in energy savings. NEEA is funded in five-year cycles. If you look at savings over time in the slides, dark blue shows the oldest funding cycle, light blue is newer and orange is the most recent.

Juliet Johnson: So savings in 2012 are cumulative from what you did over time?
Karen: Yes. In 2013, the cumulative investment brought us 966 average megawatts of savings. The current investment, shown in orange, is small.

Scott Inman: Is the growth rate slowing over time?
Karen: Without exact numbers in front of me, I can't say. Looking at the chart, they might be slightly lower.

Scott: This shows that it's becoming harder to save energy, correct?
Karen: People use the low-hanging fruit metaphor, but there are still many opportunities. At the end of the 2009 cycle, NEEA's resources were so tapped that we couldn't do as much as we wanted. The region asked us to add beyond our portfolio at that time. TVs were one area where we were asked to add to our portfolio. We also invested less in emerging technologies at that time. Our current cycle included a theme of getting into emerging technologies. The pipeline went a little dry, and we didn't have the resources to completely fill it. Some of the trend comes from needing to fill the pipeline again, which is hard to do.

Don MacOdrum: Dark and light blue continue to grow after the initiatives are no longer funded. Are you measuring ongoing savings from something that stopped?
Karen: Early on, NEEA worked on high-efficiency clothes washers. Those models were manufactured and purchased, plus standards were changed. Those savings are still going because the washers are still in use.

Don Jones: So the savings are tied to measure lives?
Karen: Yes.

Mark Kendall: At what point are savings retired? When they have code changes and standards

in place?
Karen: I can come back to that.

Charlie Grist: Ongoing savings are not just attributed to measure life. People who buy a clothes washer the year after you quit are still buying a more efficient washer. The continuing climb of savings includes market changes. If you are successful, you continue to get more market penetration.

Don MacOdrum: The increase in benefit has continued.
Don Jones: When the standards change, you stop doing the investment.
Charlie: You start to come back after that with the end of the S curve.

Karen: You eventually phase out the ability to book the savings. We have a tendency to be conservative.

> NEEA partners on many programs with Energy Trust. The first of three 2013 highlights are heat pump water heaters, which are still in infancy for market transformation programs. Heat pump water heaters have been very successful. The long-term goal is to influence federal standard enactment for all electric storage tanks that are 45 gallons. Everything is geared toward that outcome. In 2013, we left early stage testing to go to a full-scale program. That's a big deal in terms of our goals. Heat pump water heaters are high cost with limited consumer and installer awareness, maybe even negative awareness. The product wasn't integrated into the supply chain and ENERGY STAR not supporting a northern climate specification was also working against us, so we worked on a specification.
>
> Jeff from NEEA has been working with manufacturers for a long period to convince them there is a market here. We are looking at specification adoption at the federal level, making heat pump water heaters available in retailer locations, creating installation questions and answers, and monitoring consumer satisfaction. We have gone from zero to five manufacturers that meet the northern climate specification. We influenced retailers and are working with utilities on joint promotions.

Scott: Do heat pump water heaters work east of the mountains?
Karen: Yes. Tests have been positive so far.
Charlie: The big push was the northern tier specification so heat pump water heaters could work in cold garages. The market may not have achieved this at all or as quickly on its own.

Karen: Energy-efficient TVs have also been successful. In 2009, the region came to NEEA because of digital conversion. The northwest retailers weren't selling as many efficient flat panel TVs as expected. There were many more plasma TVs than LED TVs. The region wanted to use retailers as a leverage point to influence what corporate buyers would purchase. If retailers got an incentive, it would change what manufacturers would make. That would be working to ratchet up the ENERGY STAR® standards. Energy efficiency wasn't a priority, and there was even some resistance. Consumers weren't considering buying energy-efficient TVs. Incentives were too low for consumers, but getting $12 per TV is more influential for a retailer. We partnered with California and ramped up our regional leverage to include them. Retailers were very positive about it.

Don MacOdrum: You tried to move people from plasma TVs, so LED TVs have taken off. Is NEEA's fingerprint on that?
Karen: We put midstream incentives in place for every unit sold that met our specifications from

the top tier of ENERGY STAR. Based on this effort, ENERGY STAR increased its standards. The net energy-efficiency increase was about 55 percent since we started.
Don MacOdrum: LEDs comprised the majority of the energy-efficiency increase?
Karen: Yes. There's an article I can show you about what happened to plasma TVs, which speaks volumes.

Mark: When we do promotions with ENERGY STAR to phase in next generation technologies, what kind of spillover does the national market experience?
Karen: NEEA influenced this. We are careful to document this in third-party evaluations.
Warren Cook: It's the opposite of the standard dumping-ground argument. Once the standards come up here, you don't go to Kansas and find the worst TVs, for example.
Fred Gordon: The rest of the country seemed to build piecemeal programs to deal with retail chains. They don't have much influence that way, but they got swept up in our success.

Charlie: In order to influence LED TVs, you developed relationships with big corporate buyers. Now you have avenues for further influence because corporate buyers purchase more than TVs. It's a huge thing to have those relationships. A big region has more leverage. Retailers like to work with NEEA and the California alliance because the alternative is to be approached by many utilities separately.

Karen: NEEA is funded in five-year cycles and we are on the cusp of the next one. We have a draft strategic plan now. To maximize the region's return on investment, we target markets with the most potential for adoption. We have six now. NEEA also plans to work with the region on coordinated strategic plans for each market. We plan to work with utilities, Bonneville Power Administration, Energy Trust and others.

Mark: When working with others, like agricultural irrigators, water conservation laws cause them to lose if they conserve water because of water rights. Would working on that allow you to go after that policy problem?
Karen: We would have to get the right stakeholders at the table and identify the issue as a key push, but then find someone else to take it on. It's outside our scope.
Don MacOdrum: In that role, you won't do the advocacy, but one of your stakeholders would? Some of your funders may not want you to invest in coordinating advocacy.
Karen: I don't see any role for NEEA in making that work happen. Our planning has much more to do with the roles of stakeholders.

Don Jones: Part of the issue is intersecting markets. The market for water is not a basic one. Issues include scarcity and water rights, and people are smart about getting the right amount of water when they need it. You can probably stay clear of water rights.

Charlie: I think a more expanded role for NEEA in that coordination is important. Someone needs to do it. NEEA is doing some of the cost, utilities are doing others. What's falling through the cracks? We are doing pretty well. It has taken a lot of different actors working on different areas, including things in the private sector. The more we know about the markets and where we should act, the better. The Northwest Energy Efficiency Taskforce identified some needs for good intel and when to stop investing.

Karen: Commercial real estate is a good example. There are many resources out there, but we are being careful not to duplicate work.

> Our draft plan includes identified influence points. Infrastructure is part of it, and that's new for us. We're recognizing that there is an infrastructure of upstream relationships,

facility energy databases and such. Multiple programs can access what we build. We have learned that building those is a better investment than losing them through inactivity.

In natural gas, our current business plan began in 2010. It identified that NEEA should be fuel neutral, and it allowed for the possibility that we might find a way to work with gas efficiency. Collaborative efforts are underway this year. If we work on gas efficiency, it will be funded by dual fuel utilities or other gas utilities.

Kim: You can view the Conservation Advisory Council meeting packet here, including a brief Q4 report from NEEA, which gets included in our reports to OPUC.

Don J: Is Energy Trust funding for NEEA second behind Bonneville Power Administration?
Karen: Yes.

Charlie: The business plan is out for public comment. It's open to anyone who is curious about it.

4. OPUC Gas Efficiency Cost-Effectiveness Exception Docket UM 1622
Juliet: This is an update about where we are with the OPUC Gas Efficiency Cost-Effectiveness Exception Docket UM 1622, how to comment on the docket and the process for providing input. We had a Conservation Advisory Council meeting a year ago about the context. The biggest takeaway today is to understand the next steps in the docket.

The commission looks at total resource cost and utility tests. The utility test is the floor, and not where Energy Trust should be incenting. In quarterly and annual reporting to the OPUC, Energy Trust reports on both. Generally, the overarching test is the total resource cost. We have a set of guidelines we use with exceptions. In 1994, a docket was opened, UM 551, with the OPUC looking at seven exceptions, and all measures need to pass tests except for the seven exceptions. In the near term, Energy Trust has come to us with measures that didn't pass but fit within UM 551 exception criteria. These criteria included market acceptance, significant non-energy benefits, common practice in the region, whether the package will be cost-effective in the future, pilots and requirements by law or commission direction.

Energy Trust realized that low gas costs led to total resource cost problems. Weatherization measures didn't pass. Examples include air sealing and insulation. More current forecasts of future natural gas prices are down 45 percent from prior forecasts and installation costs were higher than expected. We opened a docket and included the measures that needed exceptions. The commission didn't want to dismantle the program with possible future gas cost changes. We wanted to see if we could find ways to reduce costs. We gave Energy Trust a two-year exception, and we added a few measures to the exception list. The commission decided to look holistically at the gas programs and come back in June with what would be left if things don't change.

At the end of June, Energy Trust will come back to OPUC staff with data and options to handle these issues. There could be ongoing exceptions or other actions. Our staff will create a docket and bring in comments in July, and then make recommendations to the commissioners. We will set up a schedule and probably take two rounds of comments. We may do workshops. Parties will be able to comment on the recommendations. The process is open and transparent. The three commissioners will review the docket at a public meeting and make a decision before October 2014.

> The feeling I get from the commission is that our current policy is very flexible. We look at both tests and there are times when exceptions are warranted. If you are interested in changing the tests themselves, the best way to frame your comments is to address what measures the tests should include that aren't in the exception policy. That's more important than arguments against the tests we use. We want to know what measures aren't happening under the current method, instead of, "we don't like the total resource cost test, and here's what we recommend instead."

Mark: Will the docket identify additional possible types of UM551 exceptions that would allow for consideration? That way the OPUC can consider it?
Juliet: If you think there should be a new criterion, you should say so. This won't be a wholesale review of cost-effectiveness, as we don't want to open UM 551. You can make that case, and the OPUC probably won't do it, but it's not impossible. Specific measures are more important.

Don Jones: It's great information to share their thinking. On the gas docket, you are inviting comments on gas measures. Is any party looking at electric measures? UM 551 has an electric background. Are the commissioners thinking of this?
Juliet: We are asking Energy Trust to apply separately for electric measures, and UM 1622 is just gas for right now. Addressing electric measures will be a separate process.

Kim: We did a thought exercise at the workshop last year to make a case for individual measures. It was a good setup for this discussion.

Don MacOdrum: I have concerns that the process won't yield good changes because we went through the exercise and came up with exceptions for the measures. If the measures pass under current exceptions, why haven't they already been applied?
Fred: There are law and rules, but also how they are applied. There may be more latitude in how UM 551 is applied. We have a standard where large but highly variable non-energy benefits, like the comfort benefits from weatherization, are currently not being applied. Because not every customer values them, we ask what we should do with these benefits. We may make a proposal. That's application of the rule. We have to work that out.

Kim: As you are preparing your report for the commission, can it be previewed here?
Fred: On the way to the OPUC, you'll have a working draft.

Kim: Elaine and Fred will go back through with a fine-tooth comb and look for the obvious exceptions we can lay out.

Don MacOdrum: In the context of a group reopening UM 551, they wouldn't want to do it before having a snapshot of how staff are looking at the exceptions and how they apply them. The forecast on the issue is most important.
Juliet: At any time, a party can ask for something to be investigated. More voices will carry more weight. I haven't seen that happen, but it can. Participating to suggest modifications to what's in place will be best.

Wendy Gerlitz: There's a concern about the way this is set up at the OPUC. It seems to put Energy Trust into a situation of having to come up with recommendations that border on the commission's job. Is it putting Energy Trust into a bad situation before the discussion at the commission? As a Conservation Advisory Council member, I want to be sure I protect Energy Trust's role, and boundaries should be clear about the roles of stakeholders, the commission and Energy Trust in that discussion. The Conservation Advisory Council needs to be sure we

aren't involving Energy Trust in a debate they shouldn't participate in.
Charlie: Energy Trust can't be advocates of specifics?
Wendy: Does asking for their recommendations put them in the wrong place?
Margie Harris: I think it really means that we have to give the analysis and list options that should be out there. Is our report the beginning of the discussion or the limit of the discussion? It's better if we're at the beginning. If our report is the limit, it puts boundaries around things within our perspective regarding limited cost-effectiveness.
Juliet: It wouldn't be a limit. If people want to come in with more alternatives, that's great.

Wendy: Energy Trust is constrained by how they have to look at issues. Others aren't bound by that. Is this the beginning, or is Energy Trust going to make recommendations that put bounds around the discussion? That can be a problem for Energy Trust and all of us. I'm asking all of us to keep Energy Trust's role, the commission's role and stakeholder's role clear.

Jim Abrahamson: The worst outcome is a final decision from the commission that makes it harder for Energy Trust to implement natural gas efficiency in Oregon. That would stop everything, certainly on the residential side. It does appear to be constrained. The commission will end up being bounded by the studies and the OPUC's complaints. We aren't going to open up UM 551 or a philosophical discussion. What will bubble back up to the commission is whether they can stomach the loss of gas savings. If we find it not cost-effective, it shouldn't be in our Integrated Resource Plans. Does the commission want to own that?

Don Jones: You came forward with measure exceptions, but weren't they granted? UM 551 was applied, and is going forward. So, it seems like it's working.
Jim: We only have a program through October.

Peter West: We eliminated a ton of stuff. Measures with benefit/cost ratios of 0.7 and above were granted exceptions for two years, and the rest were case-by-case.
Juliet: Were those in discussion prior to bringing the exceptions?
Fred: They were things that got dropped along the way. If you didn't have plausible exceptions for other measures, you needed to look at keeping costs manageable. Duct sealing is mostly gone. Air sealing is under examination, and other measures have a tougher cutoff.
Peter: We increased the standards on every insulation measure.
Fred: The maximum level of existing ceiling insulation, where the home is eligible for additional insulation incentives, is lower, which knocks off 30 or 40 percent of potential projects. There have been responses already.

Juliet: It will be good for all of us to look at the numbers. We don't want to see gas programs go away. We should trust the process, get involved and look at the existing exception tools that seem to have been flexible. Some of the commissioners want to continue being flexible, but need to be good stewards.

Charlie: When the commissioners looked at UM 551, it seemed to be on solid ground with respect to their jobs. The exceptions are also consistent with that mission. Some may lead to more cost-effectiveness. It sounds like they are looking for more measures that fit within the existing paradigm. We're looking for the best measures to invest in. It sounds like you are giving us a heads up about the commissioners' leaning and indicating that there is a lot of flexibility. The question is, what are we missing?

Don Jones: Will the OPUC entertain a threshold question when gas prices are low, such as could an entire program operate under UM 551 through an exception?
Juliet: We're considering it.

John: There is a lot at stake here and it's a good opportunity for dialog. The jeopardy is a blank page in the IRP, and the flip-side would be restoring some of the measures.

Don MacOdrum: If folks suggest exceptions that are missing, would adding those not require reopening UM 551?
Juliet: It's a fine line. How do you recommend different exceptions that wouldn't be reopening it? It's worth proposing.

Kelly Haines: If stakeholders want to influence things, is their best bet to be part of the docket and work on the report with Energy Trust?
Juliet: It's a fine idea to have a discussion with Energy Trust first, and then comment on the docket.

Carolyn Farrar: I work on promotional campaigns and am concerned about the October 18 timeline. When would decisions become effective? We plan way ahead with our programs.
Juliet: I don't know how that will play out, yet. As you make comments, make your constraints clear.
Carolyn: Fall is a big time for us.
Kim: Energy Trust has developed its budget and goals by then, so we have the same timing concerns.
Fred: In the past, we've had measures discontinued and have been able to do market transitions in an orderly way. The OPUC has listened, historically.

Steve Lacey: UM 1622 gives clear direction on what to present on measures, and there's an avenue to address that. That's not what the docket is about and what we're being asked to do. We aren't going to present an advocacy position in July.

Mark: Our measures that qualify under these exceptions are what we will advocate for. Looking at new exceptions, additions and interpretations is what the group will do.

Jim: In my comments, it's about how the commission views the Energy Trust report. Will they take your report as the corpus of the discussion? Will it end up being the roadmap?
Juliet: It will be the beginning of the discussion, but in a short timeline. The OPUC may extend the timeline. There is a solid understanding that as of July 1, the parties haven't had a lot of time to go through and comment. The whole open process is very important, and we'll ensure it happens.

Mark: To what extent have the conditions changed by then? If something is allowed under the flexible process, to what extent and basis will they have? They aren't going to rethink their application of exceptions, but they could?
Kim: As people think about what is excluded, and if it doesn't fit under current exceptions but is beneficial to consumers, that should be brought up as a new exception.

5. Energy Trust 2015-2019 Strategic Plan emerging topics
Elaine: At the last Conservation Advisory Council, I gave a process-focused presentation. Our goal is to have a reviewed and board-approved strategic plan in October of this year. We are at the strategic issues stage. Today we'll review the issues we have identified so far and gather your feedback.

> We have a board strategic planning committee meeting at the end of March, and want to have your thoughts on the strategic issues for that meeting. In the Conservation

> Advisory Council packet, we provided a paper with questions for you to consider. Are these the right questions? Is anything missing? What rises to the top for you, and what issues should we look into more deeply? We want you to focus on sections 1b and 2a.
>
> If you don't get to mention something today, we invite comments. Email me at elaine.prause@energytrust.org.

Kim: What resources, references and examples should we consider? Some of you have a lot of these to offer. What are others doing, and what else have you seen?

Elaine: Issues included declining long-term resources. Savings have significantly impacted loads and it's harder to acquire resources. Our next plan will probably be different. The theme of the last plan was growth, but this time the emerging theme around energy efficiency is finding and acquiring savings beyond the base.

> How can we grow the energy efficiency resource? We have many ideas to build on the current successes of our efficiency programs, but we can't do everything and do everything well. Some element of the plan will be about making choices.
>
> The focus of section 2A is broadening and lengthening Energy Trust's scope. Why would we do this? Typical plans have been for five years. What we've found through this information gathering section is that we may be limiting ourselves. Should we be thinking further out and then define the shorter-term strategies within this plan to help us achieve that longer-term vision? We operate within limits of SB 1149, SB 838 and the OPUC grant agreement. Our funding limits us. What are ways we can support other state goals within our bounds? What is Oregon likely to need in the next five years? These are questions we are asking within this strategic issues development phase. Section 2A defines three categories. The first is setting longer-term aspirational goals. California's net zero energy initiative is an example of this type of goal.

Fred: A lot was worked out between the energy commission and utility commission. Both commissioners at opposite ends decided to work together.

Elaine: Another category of goals is about going beyond efficiency and generation. Examples include reaching certain greenhouse gas reduction metrics and having specific goals around reaching underserved customers. Peak load management ideas are the third category. It's the evolving utility model we are thinking about here. Where do we play a role in the next five years?

Mark: Is there a role for Energy Trust that might apply in all of these categories? Is there an Energy Trust role in assisting, catalyzing and getting people together to align on these goals? One thing we find is that there isn't a relationship between climate and energy efficiency. Greenhouse gases don't show up in utility IRPs. Is the goal wrong or is the alignment off?

Kim: We have asked you to look at issues inside the box (page three) and a set of issues outside the box (page four). We're starting inside the box. What one thing here is really most compelling to you?

Stan Price: The notion of declining availability of resource because of historical success is important. It would be good to spend some time level-checking that idea. If that's true, it would seem to mean tighter relationships between building performance and distribution. As we look at data sets coming out of building performance, we're not seeing that. In areas where there are

long-term programs, you would expect good performance, but some buildings are performing poorly. It's good to examine that question. What is a different approach to understanding savings potential?
Elaine: We are updating our resource potential studies.

Don Jones: Is there less potential in the updated resource potential studies?
Elaine: It's too early to say.

Kim: Conservation Advisory Council members who have a market presence are invaluable for this type of input, since reality may not match studies.

Warren: This is a familiar nexus. We added insulation to all the attics and did all the metal insulated doors. It's cyclical. We're really not seeing what's done in the field match what the resource assessments say, and that's always a challenge. The portfolio shows we've reached most of the savings, but we haven't when we look at individual buildings. At the state level, we are looking at agencies but not buildings. We don't know the answer, but looking at an R12 versus R18, you can look at a savings package to squeeze more savings out. Trying to look at individual maximization by building instead of the whole portfolio is most compelling.

Scott: Reaching underserved markets is most compelling for me. Look at multifamily and low-income customers. I know we haven't touched the window replacement market in Portland. Reaching people who haven't seen the value in spending the money to weatherize should be the real focus. People don't know they can do it. Even though you've been great at building awareness, there is a big untapped market.

Jeff Bissonnette: Building on what Stan, Warren and Scott said, I think you start with new technology and methods. An individual building approach is important. We tend to think in sectors and populations. Reductions in state buildings are a good distinction. We've thought of agencies and not buildings. Closely tied to that are underserved markets. They're hard to get to, but they represent a lot of savings.

Karen: I have to be biased toward number one: new technology, methods and program approaches we haven't taken before. What are new ways of approaching buildings, like performance metering technology?
Kim: Like SEM deployment?
Karen: Yes, there was a lot of skepticism about SEM, but pushing through that can lead to the next big opportunity. Gas is an area where it seems like a lot of market transformation opportunities exist with great benefits.

Charlie: Yes, plus finding better leverage. One is that there is a lot left to do. We need to figure out how to achieve savings. The markets are smaller, so you have to be creative. This might fit under the risk-budget concept. We keep those risks down through pilots, and Energy Trust has been great at pilots to see how things work. New technology and practices would be most compelling to me.

Don Jones: Number seven captures your dilemma. You wind up at the end of the day with clearly defined trade-offs. There aren't infinite trade-offs. Maybe there are two most important tests.

John: We're rolling together two and four and moving toward the conclusion that gas costs are too low and measures are too expensive. You could look at weatherization measures and costs of insulation and equipment. We need to look at how we justify those measures or reduce costs.

Cost increases have raised questions. Also look at three, and entering certain markets, like multifamily. Look at Metro's plan for density and growth. NEEA shows that a huge amount of multifamily buildings have baseboard heat. If that's a growth area, we should look at it.

Wendy: I like risk premium development, and I support Charlie's thoughts. You have it on the electric side, but not gas. We could solve some issues with gas companies.

> The second most compelling issue is underserved markets, with the cost-effectiveness part of it. When you look at cost-effectiveness and how expensive some of the areas we need to go are, I think there are other partnerships and funding sources out there. It would be good for Energy Trust to explore that. Where you are getting water savings, you could partner with those organizations. Greenhouse gas regulations may give us ways to capture some value from them. You can find other funding sources and partners.
>
> The last most compelling issue is number one: how you forecast your savings. The council has looked at this from power plan to power plan. Things have happened more quickly and more robustly. As the technology pace accelerates, you can't just look at what's new now. You need to look at next year's technologies and how they will develop. You have to anticipate and do more.

Don: You are doing a 20-year resource plan with a five-year deployment schedule.

Wendy: I think things are changing too quickly for us to plan for five years based on what's happening now, and we miss potential opportunities in our planning process. No one can predict the future, but there can be methods to put cost and risk bounds around what may happen by sector. We need to estimate what will come in to meet needs.
Elaine: We are moving toward that with the next resource assessment, and we'll bring that back to talk to utilities in planning.

Garret: Is there enough potential savings to meet 2015-2019 goals? UM 1622 is not just a gas issue. We see residential measures eliminating a large part of the market. Heat pumps, commercial lighting and the like may need more flexibility. Number one is compelling to me. New technology and methods may need Energy Trust and NEEA to coordinate even more to get new things into the market, so more collaboration is needed.

Juliet: Energy Trust needs to do more of what they are doing now. Number one seemed to cover that: new opportunities and flexible and new methods. I liked what Wendy said about new entities helping with measures and paying for them. Are there opportunities there? Numbers five and seven are also interesting about going into uncharted territory; as were the trade-offs in seven.

Jim: This does seem to be a more electric centered plan. Cost-effectiveness is the big one for me, but also reducing costs. You can't reduce measure costs enough to keep up with low avoided costs. New technology from gas NEEA ad-hoc group is compelling, and but it will collide with electric technologies right away and NEEA will need to deal with it. The plan will be approved by the board before we have a cost-effectiveness docket decision.

Kim: Is there something you see as far-fetched in this plan, or can we go straight to out of the box comments and address anything?

Don Jones: Running electric demand response programs is great if you're a system operator

and balancing the system. I don't see this as a role for Energy Trust, except maybe in joint outreach or marketing.

Jeff: Energy Trust should stay pretty close to its original purpose unless there are policy changes. The same is true with greenhouse gas goals. Should you have a goal of returning benefits to everyone who pays in? It's valid between specific customers and classes of customers. It's central to Energy Trust operations. Also peak load overall is important. You should stay within your mission unless the policy field changes.
Juliet: I agree with Jeff completely.

Scott: Greenhouse gas goals are a great aspiration, but you shouldn't address them. Energy Trust's role doesn't take in greenhouse gas reduction as the focus. Energy Trust is about saving energy and site versus source, and basically fuel neutral. You have to legislatively change the focus, or maybe the OPUC does it.

Warren: I'm thinking of buildings that aren't behaving as expected. Some buildings may have achieved LEED and have good equipment, but they may not be performing as well as expected. It would be good to revisit these buildings. That would expand to the homes that we weatherized in 1988. It may have been great then, but may need another visit. The homeowner may not know what to do next.

Jim: There are policy and philosophical issues that need to be addressed. Source versus site is one example and is not well received in some circles. One element to address now is the alternate framework for accountability of Energy Trust and page three is another piece. There was a mention at the last board meeting of seeking other funding besides the public purpose charge. There could be a striking difference between these two plans that needs to be addressed.

Juliet: I agree with Jeff, and we talked about this a little in the Renewable Energy Advisory Council meeting. Fred brought this up. These are ratepayer dollars and we need to stay within acquiring the most savings for the least cost. SB 844 needs to be the best box it can be, but be prepared to merge with the other boxes. We need to keep the line clear between other funding and ratepayer dollars. If there can be some synergies with other organizations, that's great. But we need to stay within your box to avoid risks.

> Every legislative session, we have to explain that this is not about carbon reduction, but about acting within the least-cost resource for saving energy. Stay within your box. It would be great to be flexible enough to attach to other boxes.

Garret: I agree with Don about demand response.

Wendy: I echo what Jeff said. I agree with Don about demand response. Understanding capacity is important, and how we can use that energy efficiency to more value and better use within the bounds of Energy Trust's role.

Don Jones: The IRP resources are modeled with their load shapes, and this influences their selection. The value of the demand reduction for efficiency resources are already taken into consideration.
Wendy: We need to work on the utility system load shape, and there are other things we can do. If your system has a capacity constraint, we should target that and work on it.

Don Jones: There are already estimates of the cost of greenhouse gases added into the IRPs. I

wonder what additional values we need to consider.

Mark: Should you continue providing electric water heater incentives when gas uses three times less carbon?
Jeff: Should you do it because gas has lower carbon emissions? That's within the existing framework.

Charlie: I think steady as you is the best approach. All across the country, similar things are getting killed because they go too far. That goes for cost-effectiveness, too. If you keep doing things that aren't cost effective, it kills the golden goose. I have been bugged by California's net-zero energy goals. When you draw a boundary around a house or a building, you lose the big picture. California is doing too much solar, and you need to look at the system overall.

Elaine: The Renewable Energy Advisory Council members had a different conversation about distributed generation. Energy efficiency was well supported, but there is a need to work more closely with the utilities. It's not about us running demand response programs.
Charlie: If there are efficiencies to be gained in delivery, you have to work with the utilities.
Don Jones: In terms of adding controls and buttons and switches that line up with capacity, why shouldn't it be done? In terms of cooperative marketing and the like, that should happen.

Mark: This has been helpful. The strategic planning committee looked at the bounds and what's called for based on policy. This helped in terms of the thinking through new technology and methods and creativity. We'll take notes back from the staff perspective.

Kim: Your comments don't have to be formal, but please do send them.

6. Public comment
There were no additional public comments.

7. Meeting Adjournment
Kim thanked all council members for their participation and adjourned the meeting. The next full council meeting is on April 23, 2014.

Tab 7

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 2014.

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 nondifferentiated 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.

Enthalpy
Enthalpy is the useful energy or total heat content of a fluid. Ideally, the total enthalpy of a substance is the amount of useful work that substance can do. Enthalpy is used in fluid dynamics and thermodynamics when calculating properties of fluids as they change temperature, pressure and phase (e.g. liquid to liquid-vapor mixture). In HVAC, refrigeration and power cycle processes, enthalpy is used extensively in calculating properties of the refrigerant or working fluid. Additionally, in HVAC applications, enthalpy is used in calculations relating to humidity. An enthalpy economizer is a piece of HVAC equipment that modulates the amount of outdoor air entering into a ventilation system based on outdoor temperature and humidity.

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 power approximately one typical PGE or Pacific Power household for one month. (Based on an average of 11,300 kWh consumed per household per year.)

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	Assocation 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
OEFSC	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
SWEEP	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	