

# Quarter Three 2012 Report to the Oregon Public Utility Commission



**ENERGY TRUST OF OREGON**

**NOVEMBER 15, 2012**

This report covers activity between July 1 and September 30, 2012



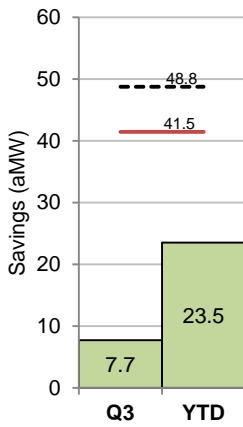
**Energy Trust of Oregon**  
421 SW Oak St., Suite 300, Portland, OR 97204  
1.866.368.7878 503.546.6862 fax  
[energytrust.org](http://energytrust.org)



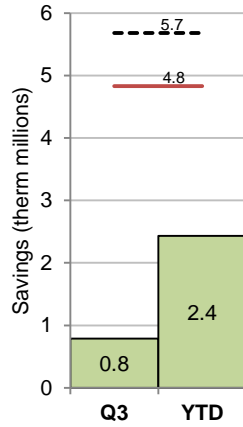
# I. Q3 2012 ACTIVITY AT A GLANCE

## Savings and generation

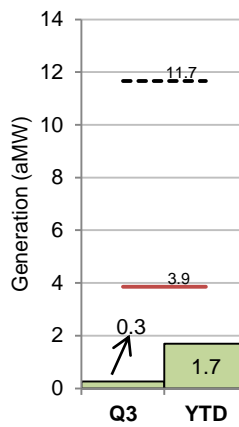
**Electric efficiency**



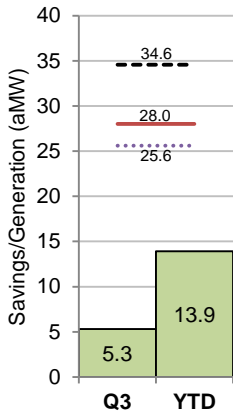
**Gas efficiency**



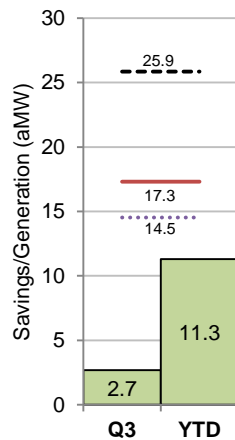
**Renewable energy**



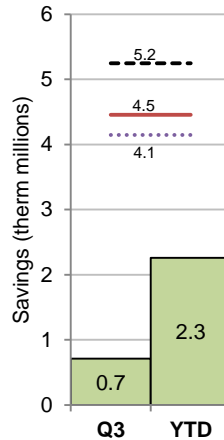
**Portland General Electric**



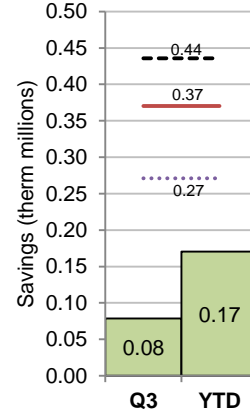
**Pacific Power**



**NW Natural**



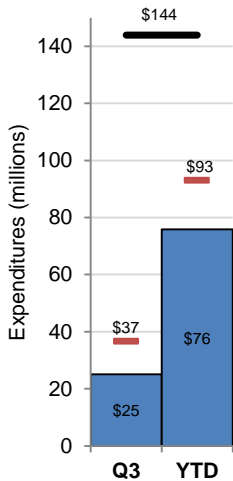
**Cascade Natural Gas**



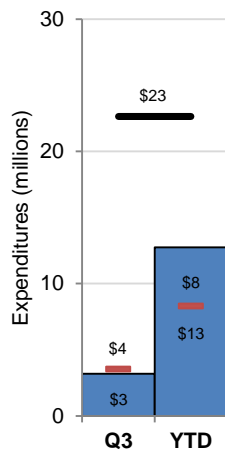
■ Savings    
 - - - - Stretch Goal    
 — Conservative Goal    
 ⋯⋯⋯ IRP Goal

## Expenditures

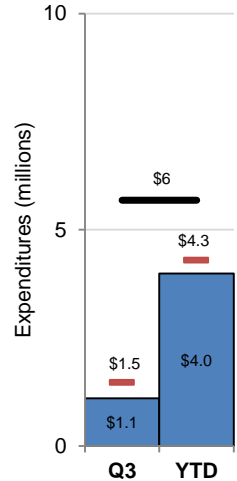
**Energy efficiency**



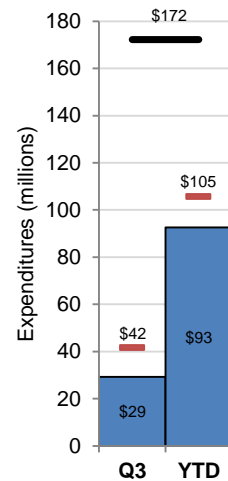
**Renewable energy**



**Administration**



**Total**



■ Actual    
 — Budget    
 — Annual Budget

### Residential activity in Q3 2012

<b>New homes and major remodels</b>	<b>648</b>
New manufactured homes	8
<b>Weatherization retrofits</b>	<b>2,249</b>
Single-family site-built	1,659
Mobile	590
<b>Solar electric installations</b>	<b>263</b>
<b>Home Energy Reviews</b>	<b>576</b>
<b>Total Sites</b>	<b>3,736</b>
<b>Heating systems</b>	<b>825</b>
<b>Water heaters</b>	<b>244</b>
Solar	26
<b>High-efficiency products</b>	<b>6,351</b>
Washing machines	4,338
Dishwashers	2
Refrigerators & freezers	2,011
<b>High-efficiency lighting*</b>	<b>91,036</b>
<b>Refrigerators, freezers recycled</b>	<b>5,267</b>
<b>Energy Saver Kits sent</b>	<b>1,768</b>
<b>Total Other Activity</b>	<b>14,455</b>

\* Lighting excluded from totals

### Commercial activity in Q3 2012

<b>New Buildings sites served</b>	<b>80</b>
New construction	52
Major renovation	20
Tenant improvement	8
<b>Existing Buildings sites served</b>	<b>599</b>
Operations and maintenance	147
Custom <sup>1</sup>	21
Lighting	278
Prescriptive/standard <sup>2</sup>	153
Existing multifamily sites served	239
<b>Solar water heating sites served</b>	<b>1</b>
<b>Sites with technical assistance</b>	<b>220</b>

<sup>1</sup>The most common custom improvements are building controls and HVAC

<sup>2</sup> The most common prescriptive/standard improvements are foodservice and grocery equipment

### Industrial/Agricultural activity in Q3 2012

<b>Projects with savings</b>	<b>242</b>
Custom capital <sup>1</sup>	28
Custom O+M <sup>2</sup>	3
Strategic Energy Management (SEM) <sup>3</sup>	--
Industrial lighting	69
Small industrial <sup>4</sup>	37
Prescriptive <sup>5</sup>	105
<b>Number of SEM participating companies</b>	<b>41</b>
<b>Studies</b>	<b>14</b>

<sup>1</sup> Top actions are compressed air system improvements, process upgrades

<sup>2</sup> Equipment modifications to improve efficiency

<sup>3</sup> Savings from no-cost or low-cost operational steps (i.e., turning off equipment when not in use) identified through trainings in SEM approaches/disciplines

<sup>4</sup> Targets users with gas or electric costs under \$25,000/year; top improvements are irrigation system improvements, compressed air system improvements, HVAC

<sup>5</sup> Top improvements are sprinklers, replacement gaskets, nozzles

### Renewable energy activity in Q3 2012

<b>Biopower projects</b>	<b>--</b>
<b>Solar electric installations</b>	<b>286</b>
Residential	263
Commercial	23
<b>Other renewable projects</b>	<b>1</b>
Wind projects	--
Hydropower projects	1
Geothermal projects	--
<b>Total</b>	<b>287</b>

### Other activity in Q3 2012

<b>Calls</b>	<b>7,499</b>
<b>Website visits</b>	<b>118,442</b>
<b>info@energytrust.org inquiries</b>	<b>317</b>
<b>Customer complaints</b>	<b>1</b>
<b>Trade ally roundtable meetings</b>	<b>5</b>
Attendance	175
<b>News stories in print, broadcast</b>	<b>76</b>

## II. HIGHLIGHTS OF Q3 ACTIVITIES

### A. Savings<sup>1,2</sup>, generation and general highlights

#### *Quarter 3*

- **Electric efficiency projects completed during Q3** are expected to save 7.7 average megawatts (aMW) of electricity, about 19 percent of the 2012 electric conservative goal and 16 percent of the 2012 electric stretch goal of 49 aMW. Q3 2012 electric savings are approximately 17 percent lower than Q3 savings in 2011.
- **Gas efficiency projects completed during Q3** are expected to save 788,336 annual therms of natural gas<sup>3</sup>, about 23 percent of the 2012 gas conservative goal and 14 percent of the 2012 stretch goal of 5.7 million annual therms. Q3 savings are 11 percent lower than in Q3 2011.
- **Renewable energy projects completed during Q3** are expected to generate 0.3 aMW of electricity, 7 percent of the 2012 renewable energy conservative goal of 3.9 aMW. Q3 renewable generation activity is nearly identical to the activity in Q3 2011.
- **Energy Trust forecasts that it will exceed its 2012 stretch savings goals** for Pacific Power, NW Natural and Cascade Natural Gas by year-end, and will achieve or come very near to its stretch savings goal for PGE.
- **Energy Trust expects to significantly exceed** its 2012 Integrated Resource Plan savings goals for all utilities.
- **Overall program activity in Q3 has generally been slower than in previous years**, due in part to the success of the Kick-Start Bonus incentive in driving commercial and industrial customer activity during the first half of the year.
- **After a successful competitive request for proposals process**, the Energy Trust board of directors awarded the Program Management Contract for Existing Buildings to ICF International, and the contract for Existing Homes to Fluid. The transition between the incumbent and new program management contractors will be complete in January 2013.

#### *Cumulative*

- **Including Q3 2012 results, electric efficiency programs have saved** 339 aMW since 2002, 71 percent of Energy Trust's 2014 goal of 479 aMW. This is equivalent to the annual electric consumption of approximately 246,778 average Oregon homes. This total includes 20 aMW of savings from self-direct customers.
- **Including Q3 2012 results, cumulative savings of 24.7 million annual therms** have been realized since gas programs began in 2003, accounting for 71 percent of the 2014 goal of 34.7 million annual therms. This is equivalent to providing gas heat to approximately 48,746 homes.
- **Including Q3 2012 results, 106 aMW of renewable energy generation** have been installed since 2002, accounting for 86 percent of the 2014 goal of 124 aMW of installed generation. This is equivalent to powering approximately 82,304 average Oregon homes.

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<sup>1</sup>This document reports net savings, which are adjusted gross savings based upon results of current and past evaluations.

<sup>2</sup>This report includes the best available energy savings data as of the date of submission. Energy savings reported here for periods prior to June 30, 2012, may be different than previously reported as a result of applying updated evaluation factors to Energy Trust funded program savings in Oregon through our annual true up process. The full True Up 2012 Report is available online at [www.energytrust.org/library](http://www.energytrust.org/library).

<sup>3</sup>The gas savings do not include NW Natural results in Washington. These results are reported in Appendix 5.

## B. Revenues and expenditures

- **Overall public purpose revenue plus incremental electric revenue** from SB 838 totaled \$30.7 million for Q3 2012, approximately 9 percent less than budgeted revenues. Revenue projections are estimates provided by utilities; typically, actual revenues vary by a few percentage points.
- **Q3 expenditures** totaled \$29.3 million, of which \$14.4 million or 49 percent was for incentives. Q3 2012 incentives paid are down 13 percent from Q3 2011.
- **Q3 electric efficiency expenditures** were 33 percent under budget for the quarter, a result of the Kick-Start Bonus incentive driving projects to the first half of 2012.
- **Q3 gas efficiency expenditures** for the quarter were 22 percent under budget, largely a result of fewer industrial projects closing in Q3 than expected and several large gas boiler projects rescheduling completion for 2013 and 2014.

## C. Appendices

- **Appendix 1** shows a geographic distribution of Home Energy Reviews conducted in Q3 2012 and the most recent customer satisfaction results (see page 19).
- **Appendix 2** presents Oregon Public Utility Commission 2012 performance measures for Energy Trust and benefit/cost ratios from Energy Trust's 2011 annual report (see page 20).
- **Appendix 3** includes reports from Pacific Power and PGE on Q3 2012 utility activities supported by their shares of SB 838 funding, providing additional support for electric efficiency acquisition above funds collected through the public purpose charge (see page 21).
- **Appendix 4** includes a report from the Northwest Energy Efficiency Alliance on its Q3 2012 market transformation activities in PGE and Pacific Power Oregon service territories, funded by Energy Trust (see page 30).
- **Appendix 5** provides the Q3 2012 report on Energy Trust activities serving NW Natural customers in Washington (see page 33).

## D. Commercial sector highlights

- **The commercial sector is on track to exceed its stretch goals** for PGE, Pacific Power and NW Natural. The sector is expected to exceed its conservative goal for Cascade Natural Gas, and is working to achieve its stretch goal by focusing on rooftop HVAC unit tune-ups and steam traps.
- **The Kick-Start Bonus incentive contributed significantly** to the 2012 project pipeline, with more than 1,100 projects qualifying across all utilities. The bonus was a 20 percent incentive increase for lighting and custom projects. Many eligible projects will close in 2012, helping the sector exceed stretch savings goals.

### *Existing Buildings*

- **Existing Buildings continued to work closely with the Oregon Department of Energy** on Governor Kitzhaber's Cool Schools initiative. The program has been in touch with 30 school districts. Ten of these districts are expected to complete projects in 2012, contributing substantial savings.
- **Savings from the first cohort in the commercial SEM pilot** will be recognized by the end of 2012. Participants are expected to realize average gas and electric savings of between 3 and 5 percent.

- **Existing Buildings began the Program Management Contract transition** from Lockheed Martin to ICF International.
- **Instant Savings Measures and direct installations** continue to contribute the majority of electric savings in multifamily buildings. They are projected to make up 60 to 70 percent of the overall multifamily electric stretch goal for 2012.
- **Savings from custom and prescriptive measures continued to grow** in multifamily buildings compared to previous years.
- **Outreach efforts continued to focus on cultivating existing relationships** with property management and affordable housing agencies, with the goal of accessing savings opportunities identified through past direct installations and building assessments.
- **The program continued work with assisted living facilities**, memory care centers and retirement living communities. Savings were realized in Q3 through direct installations, prescriptive measures and custom projects.
- **Weatherization activity in multifamily buildings** continues to be negatively impacted by the loss of the state Business Energy Tax Credit and increased Oregon Department of Energy technical requirements.

#### *New Buildings*

- **The New Buildings pipeline remained strong** across all four utilities in Q3.
- **The program has already achieved its stretch goals** for PGE and Pacific Power. The program expects to end the year very near to its stretch goals for NW Natural and Cascade Natural Gas.
- **Gas savings improved over Q2**, with the majority of savings coming from restaurants and quick-turn savings measures.
- **New Buildings expects to end 2012 with a record 45 million kWh in savings**, a result of completing a number of large projects such as data centers, small commercial buildings and custom projects.
- **Outreach managers enrolled 80 new projects in Q3**, with a total year-to-date enrollment of 275 projects. The program estimates that it will have enrolled a total of 360 projects by year-end.

## **E. Industry and Agriculture sector highlights**

#### *Production Efficiency*

- **Production Efficiency is on track to meet its conservative savings goals** for PGE and Cascade Natural Gas.
- **The program's pipeline grew** for PGE, NW Natural and Cascade Natural Gas in Q3, though the pipeline for Pacific Power contracted slightly.
- **Year-to-date project completions continued to increase through Q3** compared to previous years, a result of increased small industrial project activity.
- **The program launched the first cohort in the Core Improvement pilot**, an SEM initiative for small to mid-sized manufacturers. Twelve sites enrolled in the year-long pilot, which involves recruiting and training on-site energy-efficiency champions.
- **Production Efficiency launched its inaugural quarterly newsletter**, The Champion. The electronic newsletter communicates useful information to customers about program offerings, industrial efficiency news and events.

## F. Residential sector highlights

- **The residential sector forecasts that it will exceed its conservative savings goal** for all utilities and exceed its stretch savings goal for Cascade Natural Gas.
- **EPS™ ratings, Energy Trust's energy performance score, were assigned to 763 new homes** constructed through Q3 2012. This total represents 117 percent of the New Homes and Products program's 2012 goal.
- **Existing Homes received 4,220 incentive applications in Q3**, including 1,829 single-family incentive applications.

### *Existing Homes*

- **Existing Homes expects to exceed its 2012 stretch goals** for all four utilities. Results for Pacific Power are particularly strong, with 67 percent of stretch goal achieved through Q3, not including the Opower pilot<sup>1</sup>.
- **Weatherization activity continued to increase in Q3** after a slow first half of the year.
- **ENERGY STAR® water heaters have seen increased activity through Q3**, though overall high-efficiency water heating activity continues to be slow in 2012.
- **Home Performance with ENERGY STAR contractors have completed 924 projects** through Q3, including 635 projects through Clean Energy Works Oregon. These results exceed those in past years over the same period.
- **Clean Energy Works Oregon activity continued to grow** with Energy Trust support, reporting 1,555 applications during Q3, 287 completed projects and 2,419 additional projects that were in process as of the end of the quarter.<sup>2</sup> Through the first three quarters of 2012 Clean Energy Works Oregon received 3,707 applications and completed 919 projects.
- **Existing Homes developed and launched an online incentive application form** for single-family homeowners and contractors. This will speed up application processing and provide a more convenient and user-friendly application process.
- **Staff developed a print-on-demand website for trade allies** to simplify ordering customized Energy Trust marketing collateral.

### *New Homes and Products*

- **New Homes forecasts that it will exceed its 2012 conservative savings goal** for all utilities and achieve 107 percent of its stretch goal for Cascade Natural Gas.
- **New Homes has completed 763 EPS ratings through Q3**, surpassing the 2012 goal by 17 percent. This result correlates with a 15 percent increase in new homes market activity compared to the initial 2012 forecast.
- **Fifty-five EPS-rated homes were featured in home tour exhibitions** across the state through Q3.
- **In Q3, 125 homes received improvements through an air sealing pilot.**

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<sup>1</sup>The Opower behavioral pilot evaluates savings on an annual basis. Savings for the pilot are not included in quarterly goals or results.

<sup>2</sup>"In process" refers to Clean Energy Works Oregon homes that had completed a Home Performance test-in audit but had not closed as of September 30, 2012. There is a lag between the time Clean Energy Works Oregon records a completed project and when Energy Trust enters the project into its data tracking system. Clean Energy Works Oregon project counts may include activity outside Energy Trust territory.

- **Retail activity was slower in Q3 2012 than the same quarter in 2011**, reflecting Oregon's lag in consumer sales activity compared to much of the rest of the country.

## **G. Renewable energy highlights**

- **Renewable energy sector results for 2012 are on track to exceed** past annual performance metrics set by the Oregon Public Utility Commission.
- **Programs expect to utilize 78 percent of 2012 budgeted funds** to meet demand.
- **Funds budgeted for Pacific Power projects for 2012** are almost entirely allocated, including \$2.8 million offered in a new round of requests for proposals.
- **Budgeted Solar funds in PGE territory will be fully allocated in 2012.** Biomass and Other Renewables will spend less than budgeted for 2012.

### *Solar Electric*

- **Solar market activity has declined steadily since Q1** in response to incentive reductions. Program spending is expected to remain within the 2012 budget.
- **2012 Solar program activity is forecast to be approximately 80 percent of 2011 levels**, similar to 2010 activity.
- **Incentive amounts will remain constant through the remainder of 2012.** Any further decreases in 2013 would be gradual and implemented only if demand increases.

### *Biopower*

- **Five biopower projects are expected to add a total of 1.86 aMW** by the end of 2012.
- **Several biopower projects will complete in Q4 2012 or Q1 2013**, later than originally scheduled.

### *Other*

- **Biomass and Other Renewables** launched a competitive request for proposals in Q3, with up to \$2.8 million available to be dedicated in December 2012.



### III. TABLES<sup>1</sup>

#### A. Revenues

Source	Q3 Actual Revenues Received	Q3 Budgeted Revenues
Portland General Electric	\$ 8,238,899	\$ 8,040,943
PGE Incremental	\$ 9,442,002	\$ 9,224,771
Pacific Power	\$ 5,855,461	\$ 6,451,284
Pacific Power Incremental	\$ 5,521,126	\$ 5,824,071
Cascade Natural Gas	\$ 133,459	\$ 771,235
NW Natural	\$ 920,981	\$ 1,862,886
NW Natural Industrial DSM	\$ 538,172	\$ 1,390,027
<b>Total</b>	<b>\$ 30,650,100</b>	<b>\$ 33,565,217</b>

#### B. Expenditures

Type	Q3 Actual Expenditures	Q3 Budgeted Expenditures
Energy Efficiency Programs	\$ 25,029,419	\$ 36,542,412
Renewable Energy Programs	\$ 3,175,228	\$ 3,513,382
Administration	\$ 1,103,765	\$ 1,462,432
<b>Total</b>	<b>\$ 29,308,412</b>	<b>\$ 41,518,226</b>

Source	Q3 Actual Expenditures	Q3 Budgeted Expenditures
Portland General Electric	\$ 15,567,582	\$ 21,282,301
Pacific Power	\$ 8,291,902	\$ 13,250,596
Cascade Natural Gas	\$ 349,896	\$ 686,178
NW Natural	\$ 4,883,135	\$ 5,551,144
NW Natural Industrial DSM	\$ 215,899	\$ 748,007
<b>Total</b>	<b>\$ 29,308,412</b>	<b>\$ 41,518,226</b>

<sup>1</sup>Columns may not total due to rounding.

### C. Incentives paid

Quarter	Energy Efficiency				Renewable Energy		Total
	PGE	Pacific Power	NW Natural	Cascade Natural Gas	PGE	Pacific Power	
Q1	\$ 4,157,072	\$ 3,968,024	\$ 1,680,134	\$ 102,078	\$ 3,879,801	\$ 1,172,015	\$ 14,959,123
Q2	\$ 6,555,714	\$ 4,272,000	\$ 2,580,331	\$ 129,716	\$ 2,431,195	\$ 1,042,570	\$ 17,011,526
Q3	\$ 6,211,712	\$ 2,969,153	\$ 2,296,724	\$ 158,309	\$ 1,884,030	\$ 833,089	\$ 14,353,018
Q4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$16,924,497	\$ 11,209,177	\$ 6,557,190	\$ 390,102	\$ 8,195,026	\$ 3,047,674	\$ 46,323,667

### D. Savings and generation

Q3 Electric Efficiency Savings	PGE aMW	Pacific Power aMW	Total Savings aMW	Expenses
Commercial	2.6	1.2	3.8	\$ 8,523,039
Industrial	1.2	0.5	1.7	\$ 4,937,155
Residential	1.4	0.9	2.3	\$ 7,106,763
<b>Total Electric Efficiency Programs</b>	5.1	2.6	7.7	\$ 20,566,957

Q3 Gas Efficiency Savings	NW Natural Therms	Cascade Natural Gas Therms	Total Savings Therms	Expenses
Commercial	358,316	24,774	383,090	\$ 2,030,012
Industrial	50,931	35,287	86,218	\$ 287,364
Residential	300,376	18,652	319,028	\$ 3,131,552
<b>Total Gas Efficiency Programs</b>	709,623	78,713	788,336	\$ 5,448,929

Q3 Renewable Energy Generation	PGE aMW	Pacific Power aMW	Total Generation aMW	Expenses
Biopower	0.0	0.0	0.0	\$ 477,264
Other Renewable Programs	0.0	0.0	0.0	\$ 309,081
Solar Electric Program	0.2	0.1	0.3	\$ 2,506,182
<b>Total Renewable Programs</b>	0.2	0.1	0.3	\$ 3,292,527

## E. Progress toward efficiency goals by utility

	Q3 Savings	YTD Savings	Energy Trust Annual Stretch Goal		Annual IRP Goal	
			Goal	% Achieved YTD	Goal	% Achieved YTD
Portland General Electric	5.11 aMW	13.08 aMW	31.50 aMW	42%	26.11 aMW	50%
Pacific Power	2.62 aMW	10.44 aMW	17.27 aMW	60%	15.33 aMW	68%
NW Natural	709,623 annual therms	2,259,929 annual therms	5,244,475 annual therms	43%	4,221,268 annual therms	54%
Cascade Natural Gas	78,713 annual therms	170,574 annual therms	435,872 annual therms	39%	368,445 annual therms	46%

## F. Incremental utility SB 838 expenditures<sup>1</sup>

Utility	Q3 2012 SB 838 Expenditures	YTD SB 838 Expenditures
Portland General Electric	\$ 162,649	\$ 435,970
Pacific Power	\$ 150,295	\$ 545,717
<b>Total</b>	<b>\$ 312,944</b>	<b>\$ 981,688</b>

<sup>1</sup> Reflects expenditures by Pacific Power and PGE in support of utility activities described in SB 838. See Appendix 3 for reports from these utilities on their SB 838 activities during the quarter.

## Appendix 1

### GEOGRAPHIC DISTRIBUTION OF HOME ENERGY REVIEWS; CUSTOMER SATISFACTION

#### 1. Home Energy Reviews in Q3 2012

Service Region	In-Home Reviews	Telephone Reviews	Online Reviews
1 - North Coast (Astoria)	8	2	11
2 - South Coast (Coos Bay, North Bend)	2	0	5
3 - Portland Metro	349	27	220
4 - Mid-Willamette (Salem, Dallas)	64	5	48
5 - Southern Willamette (Eugene, Corvallis, Albany)	63	2	29
6 - Southern (Medford, Roseburg, Grants Pass)	29	3	45
7 - Columbia Basin (Hood River, The Dalles)	3	1	0
8 - Central (Bend, Redmond, Prineville)	33	4	27
9 - Klamath Basin (Klamath Falls, Lakeview)	2	0	7
10 - Northeast (Pendleton, Enterprise)	21	2	5
11 - Eastern (Baker City, Ontario, Vale)	2	0	0
Total	576	46	397

#### 2. Customer satisfaction

From mid-May through mid-August 2012, Energy Trust delivered a short phone survey to 725 participants in five programs to whom incentive checks had been sent April through June 2012. Below are results from this most recent quarterly survey. Satisfaction was high among Production Efficiency participants; in addition, satisfaction rose slightly for Existing Building and Products participants compared to last quarter.

Program <sup>1</sup>	Respondent Count	Percent Satisfied
Existing Buildings	60	90%
Production Efficiency	36	100%
New Homes and Products <sup>2</sup>	143	93%
Existing Homes	443	88%
Solar	43	90%

<sup>1</sup>As of Q2 2012, Energy Trust reports customer satisfaction for New Buildings using annual program process evaluations. The Fast Feedback evaluation contacts a single representative for each project and is ill-suited for tracking satisfaction on New Buildings projects that may have many different market actors. New Buildings achieved 83 percent customer satisfaction in 2011.

<sup>2</sup>Only Home Products customers were surveyed. Energy Trust does not track purchasers of New Homes.

## Appendix 2

### OPUC 2012 PERFORMANCE MEASURES AND 2011 BENEFIT/COST RATIOS

#### OPUC 2012 performance measures

Following are the 2012 performance measures established by the OPUC for Energy Trust. Comparison of 2012 performance against these measures will be reported in the 2012 annual report.

Category	Measures
Energy Efficiency	<ul style="list-style-type: none"> <li>Obtain at least 41 aMW in 2012</li> <li>Levelized cost not to exceed 4.4 cents/kWh</li> </ul>
Natural Gas	<ul style="list-style-type: none"> <li>Obtain at least 4.5 million annual therms in 2012</li> <li>Levelized cost not to exceed 52 cents/therm</li> </ul>
Renewable Energy	<i>No renewable energy metric for 2012<sup>1</sup></i>
Financial Integrity	<ul style="list-style-type: none"> <li>Receive an unqualified financial opinion from an independent auditor on annual financial statements</li> </ul>
Administrative/Program Support Costs	<ul style="list-style-type: none"> <li>Keep below 9 percent of annual revenues</li> </ul>
Customer Satisfaction	<ul style="list-style-type: none"> <li>Demonstrate greater than 85% satisfaction rates for:               <ul style="list-style-type: none"> <li>Interaction with program representatives</li> <li>Overall satisfaction</li> </ul> </li> </ul>
Benefit/Cost Ratios	<ul style="list-style-type: none"> <li>Report both utility system and societal perspective</li> <li>Report significant mid-year changes as necessary in quarterly reports</li> </ul>

#### Benefit/Cost ratios for 2011<sup>2</sup>

The following benefit/cost ratios were calculated for and published in Energy Trust's 2011 Annual Report to the OPUC, which requires their publication as one element of its performance oversight. OPUC also requires Energy Trust to report significant mid-year changes in quarterly reports. No significant changes were reported mid-year 2012.

Program	Combined Utility System Benefit/Cost Ratio	Combined Societal Benefit/Cost Ratio
New Homes and Products	1.8	2.2
Existing Homes	2.3	2.1
Existing Buildings	2.6	1.6
New Buildings	3.0	1.8
Production Efficiency	3.2	2.3
NW Energy Efficiency Alliance	3.9	1.3

<sup>1</sup>Energy Trust is engaging with the OPUC in 2012 on examining the renewable energy sector mission and goals and identifying new performance measures for 2013.

<sup>2</sup>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.

## Appendix 3

### Q3 2012 UTILITY ACTIVITIES SUPPORTED BY SB 838— AUTHORIZED FUNDING

*Per agreement with the OPUC, Pacific Power and Portland General Electric report their SB 838 program support activities in Energy Trust's quarterly and annual reports. Content and format were developed by the utilities, following a sector outline suggested by Energy Trust, and appear here as received.*

#### 1. **Pacific Power SB 838 Energy Efficiency Activities and Results Q3 2012**

(for submission with Energy Trust Quarterly Report)

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#### **Pacific Power / Energy Trust Quarterly Report**

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Pacific Power utilized several approaches to support and deliver energy efficiency communications, advertising and outreach to residential and small- and mid-size commercial customers.<sup>1</sup>

##### **Voices residential newsletter insert**

- **Q1**
  - Start the year right – save energy
  - Smart power strips
  - Hold on to your heat and stay warm / Energy Trust
  - Choosing a better bulb / Energy Trust
  - LED lighting
- **Q2**
  - Save with Earth Day actions / Energy Trust
  - Free Energy Saver Kit / Energy Trust
- **Q3**
  - Home is where the savings are / Energy Trust
  - Recycle your old fridge / Energy Trust
  - No money down energy upgrades / CEWO
  - One kilowatt-hour, so many possibilities
  - Weatherize your home / Energy Trust

##### **Energy Connections commercial e-newsletter**

- **Q1**
  - Your Energy Plan for 2012
  - Save Now: Eight Low-Cost Ways to Reduce Energy Use
  - Fact or Fable? When a Device is Turned Off, It is Off
  - Be Wattsmart with Building Maintenance
  - Energy Management Systems: Putting You in Control
  - Common Energy Myths Exposed
  - Do You Have Energy Hogs in the Office?
  - Programmable Thermostats: An Affordable Way to Save Energy
  - Real Savings: Local Businesses Improve Lighting, Cut Costs
    - New lighting lifts fitness center / Energy Trust
    - Irrigation supplier pumps up savings, productivity / Energy Trust
  - Fact or Fable? Daylight Saving Time Saves Energy
- **Q2**
  - Can Saving Energy Increase Worker Productivity?
  - Your Electric Bill: The Difference Between Demand and Usage

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<sup>1</sup> Some activities are funded outside of SB 838 funds.

- Ten Low-Cost Strategies to Reduce Your Energy Bill
- Does Your Big Screen TV Equal Big Power Consumption?
- Spring Air Conditioning Maintenance Tips for Businesses
- LED Lighting: A Growing Bright Spot for Energy Savings / Energy Trust
- Fact or Fable? Energy-Efficient Refrigerators Use Less Power Than a 100-Watt Bulb
- Strategies to Reduce Demand Charges
- Unloading Your Plug Load
- Get Your House in Shape for Summer
- TV Set-Top Boxes Get Poor Ratings in Energy Efficiency
- **Q3**
  - Preventive Maintenance Checklist for Air Conditioning Systems
  - Benefits of Motor Soft-Start Devices
  - Cut Energy Waste in the Office
  - How Do They Do That? Light-Emitting Diodes (LEDs)
  - While You're Away...
  - Your Electric Bill: The Difference Between Demand and Usage
  - Energy Efficiency: Your Competitive Edge
  - Lighting Controls: Technology Takes Flight at Local Airport

#### ***Energy Insights large C&I / communities newsletter***

- **Q1**
  - Newspaper finds new route to energy savings / Energy Trust
  - Easy tips save energy and money in winter
  - Helping customers save energy at home / Energy Trust
  - Upgrade lighting, keep ahead of changes / Energy Trust
  - J&J Snack Foods enjoys savings / Energy Trust
- **Q2**
  - Helping customers save energy at home
  - Helping shape energy policy
  - Local mill cuts energy waste / Energy Trust
- **Q3**
  - Plan focuses on changing energy picture
  - Pacific Power executive visits historic Oregon company / Energy Trust
  - Energy Efficiency goes high tech / Energy Trust

#### **Bill inserts**

- **Q1**
  - Resolve to save with energy-efficient improvements / Energy Trust
  - Stay comfortable and save energy with a new heat pump / Energy Trust
  - Make it your home. Get cash incentives for weatherization / Energy Trust
- **Q2**
  - Free Energy Saver Kit. Delivered to your front door. / Energy Trust
  - Be **Watt**smart workshops
  - Summertime and the saving is easy
    - Free Energy Saver Kit / Energy Trust
    - Other cool resources / Energy Trust
    - Home Energy Review / Energy Trust
    - Get cash for your old fridge / Energy Trust
    - Energy-saving tips for summer efficiency / Energy Trust
- **Q3**
  - Turn Mr. Sunshine into Mr. Hot Water (solar thermal) / Energy Trust
  - Refrigerator Recycle / Energy Trust

#### **Direct mail**

- **Q1**
- **Q2**
  - Clean Energy Works Oregon – Southern Oregon
  - Clean Energy Works Oregon – Central Oregon
  - Be **Wattsmart** workshops
- **Q3**
  - Advanced Controls Heat Pump / Energy Trust
  - Solar Water Heater / Energy Trust
  - Clean Energy Works Oregon – Hood River
  - Clean Energy Works Oregon – Lane County
  - Clean Energy Works Oregon – Marion/Polk Counties
  - Clean Energy Works Oregon – Benton County

**Direct email**

- **Q1**
- **Q2**
  - Be **Wattsmart** workshops
- **Q3**

**Mass media**

- TV
  - **Q1**
    - “Bike shop”
    - “Cookies”
    - “Motel”
    - “Little Hero”
    - “Porch Light”
    - “Small Changes”
    - “Sweet Savings”
    - “Remodel your energy bill”
  - **Q2**
    - “Little Hero”
    - “Porch Light”
    - “Small Changes”
    - “Sweet Savings”
    - “Contractor” / Energy Trust
    - “Cookies” / Energy Trust
    - “Motel” / Energy Trust
    - “Home sweet home” / Energy Trust
    - “Porch Light” / Energy Trust
    - “Remodel your energy bill” / Energy Trust
    - “Washing machine” / Energy Trust
    - “Small changes” / Energy Trust
    - “Little hero” / Energy Trust
  - **Q3**
    - “Contractor” / Energy Trust
    - “Cookies”
    - “Motel”
    - “Little hero”
    - “Porch Light”
    - “Remodel your energy bill” / Energy Trust
    - “Small changes”
- **Radio**
  - **Q1**
    - “Marty Home Improvement Answers”
    - “Phil Seal and Secure Answers”
    - “Lori Lightbulb Answers”



- “Jess Conserve Energy Answers”
- “Bob Energy Efficiency Answers”
- “Home Energy Review” / Energy Trust
- “Refrigerator recycling” / Energy Trust
- “Upgrade incentives” / Energy Trust
- **Q2**
  - “Bob Energy Efficiency Answers”
  - “Marty Home Improvement Answers”
  - “Home Energy Review” / Energy Trust
  - “Refrigerator recycling” / Energy Trust
  - “Upgrade incentives” / Energy Trust
- **Q3**
  - “ETO Upgrade Song” / Energy Trust
- **Print**
  - **Q1**
    - “Outlets”
    - “Monmouth-Independence Chamber of Commerce Chamber” directory ad
    - “Deschutes Library Ad” / Energy Trust
    - “Fishmarket” ad
  - **Q2**
    - “Deschutes Library Ad” / Energy Trust
    - [“Stayton-Sublimity Chamber of Commerce, guide ad” / Energy Trust](#)
    - “Medford Chamber of Commerce, business directory ad” / Energy Trust
    - “Upper Rogue Independent Magazine”
    - “American Legion Baseball” program ad
  - **Q3**
    - “Scandinavian Festival” program ad
    - “Albany Chamber” directory ad
    - “Creswell Chronicle” Fourth of July directory ad
    - “Oregon Jamboree” program ad
    - “Bohemia Mining Days” program ad
    - “Lincoln City Chamber” ad
    - “Lithia Motors” ad

#### **Outdoor**

- **Q1**
  - “Push down to save”
- **Q2**
  - “Push down to save”
- **Q3**

#### **Websites / Social Media** (continuous energy efficiency and Energy Trust content)

- [pacificpower.net/wattsmart](http://pacificpower.net/wattsmart)
- [bewattsmart.com](http://bewattsmart.com)
- Pacific Power wattsmart Facebook page
- Twitter

#### **Call Center**

- **Q2**
  - Be **Watt**smart workshops – inbound

#### **Chambers of Commerce, Business and Community outreach: Q1 – Q3**

Pacific Power has hosted multiple energy efficiency focused meetings with business and community leaders across the state utilizing existing relationships with local Chambers of Commerce and economic development groups. The meetings follow on prior Power of Main Street energy efficiency events held throughout 2011. These presentations focused on small- to mid-size commercial customers, particularly those in leased spaces, and how they can improve energy efficiency. Energy efficiency presentations

were delivered in Power of Main Street events were held in Astoria, Coos Bay, Dallas, Hood River, Klamath Falls, Lebanon, Lincoln City, Medford, Monmouth, Pendleton, Portland, Redmond, Sweet Home and Umatilla, Oregon. The presentations highlighted Pacific Power’s relationship with Energy Trust and available programs and incentives to save energy and money. Pacific Power also offered:

- A one hour on-site walk through with Pacific Power to document information about the customer’s building and how they use energy. We reviewed lighting, office equipment, HVAC and foodservice equipment. Pacific Power also provided practical no cost/low cost ideas for saving energy and a review of which improvements were eligible for Energy Trust cash incentives. (Utilizing Energy Trust’s “Do it yourself” energy audit)
- Additional support for on-site assistance from Energy Trust of Oregon and local contractors.
- Regular checkups with Pacific Power on recommended energy saving improvements.

### Be Wattsmart Workshops – Q2

Pacific Power produced and delivered a very successful second round of Be **watt**smart Workshops. The workshops were targeted to homeowners to educate them on how to manage energy use and improve energy efficiency. Locations included Medford, Grants Pass, Roseburg, Coos Bay, Corvallis, Portland, Seaside, Hood River, Bend, Redmond, Klamath Falls, Lakeview, Pendleton and Enterprise, Oregon. Sessions were presented by Pacific Power.

### Mass Media<sup>1</sup>

	2012 – Impressions (Q3 planned)
TV	4,597,317
Radio	746,360
Print	15,500
Digital	815,348
TOTAL	6,174,525

### Outreach

Locations	Chambers of Commerce, business / community groups (2012)	Be <b>watt</b> smart / other residential (2012)	TOTAL (Q1 – Q3)
Astoria	100	-	100
Bend	-	99**	99
Coos Bay	40	120*	160
Corvallis	150	120*	270
Dallas	45	-	45
Enterprise	-	17	17
Grants Pass	-	75* **	75
Hood River	20	30	50
Klamath Falls	125	80* **	205
Lakeview	-	29	29
Lebanon	65	1,000	1,065
Lincoln City	60	-	60
Medford	200	150* **	350
Monmouth	25	-	25
Pendleton	60	46	106
Portland	60	224* **	284
Redmond	25	498* **	523
Roseburg	-	88*	88
Salem	575	-	575
Seaside	-	34	34
Sweet Home	20	-	20
Umatilla	5	-	5

<sup>1</sup> SB 838 funded mass media only

TOTAL	1,575	2,610	4,185
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\*Sold out events

\*\* CEWO presentation provided

#### “Warm Leads” / Customer Response

	2012 (Q1 – Q3)
“Warm Leads” provided to ETO	96
Energy Saver Kits	308*

\*Request for link

#### Other Energy Efficiency Coordination / Support

- Internal Pacific Power support for ETO programs
- Weekly / Monthly ETO coordination meetings
- ETO Conservation Advisory Council
- ETO / Utility Roundtable
- EEAST implementation
- CEWO implementation, contracting, support
- “Cool Schools” coordination
- ETO / Utility Data Transfer coordination
- Fuel Switching docket
- EE PPA docket
- Opower pilot
- Schedule 297 tariff / agreement coordination
- 1aMW / Self Direct reconciliation

## 2. Portland General Electric SB 838 Energy Efficiency Activities and Results Q3 2012 (for submission with Energy Trust Quarterly Report)

### Residential

PGE’s residential customer newsletter, Update, is sent monthly to 610,000 customers in their PGE bills. In July, Energy Trust window incentives were mentioned. July’s Update also mentioned PGE’s efforts to provide information on Energy Trust of Oregon incentives to Spanish-speaking customers.

PGE’s residential e-newsletter, Home Connection, is sent monthly to about 412,000 customers. In August, Home Connection featured the Energy Trust’s Home Energy Review program.

During Q3, PGE Community Offices gave away 10,750 free compact fluorescent light bulbs and 1,750 showerheads to residential customers. PGE’s call center transferred 54 customers to ETO’s Appliance Program (PECI), 111 to CSG and 118 customers calling about OPOWER.

Starting in spring of 2012, PGE supported the Energy Trust and local energy assistance agencies with free energy saving kits distributed during energy assistance appointments.

#### 2012 Energy Trust Program Participation\*

- 67,337 Energy Saver Kits have been sent to PGE residential customers
- 3,504 PGE customers participated in the Energy Trust’s Refrigerator Recycling program
- 150 customers received an Energy Trust water heater incentive
- 172 free showerheads have been installed by PGE’s Plumber Network plumbers when on residential jobs in PGE’s service territory through the Energy Trust Direct Install program (1,452 total showerheads have been installed in PGE service territory)
- 105 Savings Within Reach homes have been weatherized
- 17 Energy Trust window bonus incentives
- 19,750 CFL’s and 6,500 shower heads distributed through PGE Community Offices
- 5,000 energy saving kits distributed through local energy assistance agencies

\*Energy Trust provided information on participation among PGE customers. Weatherization measures are among electrically-heated homes.

### **PGE-Approved Heat Pump Contractors**

With a goal of helping contractors better align with Energy Trust's new ductless heat pump program guidelines, PGE has funded and facilitated two trainings – an all-day class with testing and a one hour webinar – to teach the contractors how to condition larger homes using a maximum of two indoor ductless heat pump fan coil units (heads).

PGE reinstated installation inspections among PGE-Approved contractors in 2012. Deficiencies inspectors identify in the field are passed on to the Approved Contractors, requiring the contractor to fix what our inspectors are not able to correct in the field and to educate their staff to reduce the likelihood of the errors occurring again.

<b>Key Objectives</b>	<b>Results 7/01/2012 to 9/30/2012</b>
Heat Pump installations as reported by PGE Approved Contractors	333
Inspections of Heat Pump installations	95
Failed inspections	25

## Commercial

PGE's business newsletter Energize is sent quarterly to 76,000 customers in their bills. The summer edition of Energize featured the Save More, Matter More™ campaign and the 2012 sweepstake winners. PGE's business e-newsletter, Business Connection, is sent bi-monthly to 15,000 business customers. August Business Connection also featured an article called "Save More, Matter More™ winners: Hundreds of businesses join energy-saving campaign".

PGE launched a T12 to T8 conversion letter that was sent to 11,000 general business customers in two rounds, one in July and one in August. The promotion was a final push on converting T12s to T8s since the T12s would no longer be manufactured after July 2012. Small manufacturing customers were chosen as the target chosen because they tend to take longer to make non-production decisions such as switching out lights and may not have converted yet. The letter highlighted the costs of not switching and encouraged in-person consultations while the PGE team was in the customer's neighborhood. The second batch of letters went out to general business customers in August and was targeted at specific zip codes in our territory. There was not as much traffic as hoped from the first mailing in July. The slow response may be a result of doing another T12 lighting promotion so close to the large Save More, Matter More campaign in April/May which also focused on T12s. However, the timing of the direct mail letters was purposeful as it was a final attempt at finding the customers that haven't converted yet given that the manufacturing of T12s ended in July.

A light emitting diode (LED) direct mail was sent out to approximately 8,000 general business customers in September targeted at Restaurant/Lodging/Entertainment and Grocery/Retail. The mailing included a letter that describes the benefits of LEDs and explains how PGE can help customers choose the right LEDs in order to qualify for Energy Trust incentives. There was also a brochure included that included a customer story about a successful LED project installation with a tear off business reply card encouraging customers to return a form to request a free energy consultation. PGE is still receiving responses for this promotion, but has captured the results up to the end of Q3.

PGE continued utilizing the support of our contact center and outreach through Green Mountain Energy business reps and in addition, utilized summer canvassers.

Summer Campaign Activities	Requests for Consultations
<b>Total for Campaigns (July – Sept)</b>	
T12 to T8 Conversion Letter	250
LED Letter *(as of 9/30, campaign in progress)	49

### SB838 Commercial Energy Efficiency Outreach

Key Objectives	Results 4/01/2012 to 6/30/2012
Increased Awareness of Energy Trust Programs - Outreach Presentations and Networking	7
Increased Participation-Qualified Leads delivered to Energy Trust	109
Increased Awareness of Energy Trust Programs-Number of Customers Contacted by <ul style="list-style-type: none"> <li>• Phone</li> <li>• Email</li> <li>• On-site Consultations</li> <li>• Outreach Presentations</li> <li>• Summer Hire Canvassers</li> </ul>	2921

#### Outreach Presentations, Networking, Trade Associations and Events

These activities elevate Energy Trust program awareness and engage customers in identifying potential energy saving opportunities.

Sherwood Chamber

PGE Training & Education – EE for Small & Medium-sized Business

PGE Training & Education – EE for Small & Medium-sized Business

Hillsboro Chamber

PGE Training & Education – Energy & Water Trends

Washington County Recycle at Work Spanish-Speaking Sustainability Workshop

PGE & North Clackamas Chamber Lighting Seminar

## Appendix 4

### NEEA QUARTERLY PERFORMANCE REPORT FOR ENERGY TRUST

#### NEEA Quarterly Performance Report for Energy Trust

Third Quarter 2012

#### OVERVIEW

The Northwest Energy Efficiency Alliance (NEEA) is a non-profit organization working to increase energy efficiency to meet the future energy needs of the Northwest. Among the more than 100 Northwest utilities investing in NEEA, Energy Trust of Oregon is one of NEEA's top funders. Energy Trust expects to invest close to \$40 million to support NEEA from 2010-2014, more than 20 percent of NEEA's budget for the period.

This report provides a summary of NEEA activities that delivered value to Energy Trust and its utility partners during the third quarter of 2012 (July - September).

#### FILLING THE ENERGY EFFICIENCY 'PIPELINE' FOR ENERGY TRUST

NEEA's top focus, as prioritized by stakeholders, is to bring new energy-efficient technologies and practices to the market in order to increase the long-term potential of energy efficiency. NEEA is now actively investigating more than 17 emerging energy-efficient technologies that will have broad benefits for Energy Trust and its utility partners.

##### *Third Quarter Emerging Technologies and Practices Highlights:*

- Scanned the market for emerging technologies, identifying and advancing opportunities with significant savings potential. NEEA is currently exploring demand financing options with Energy Trust.
- Hosted 2012 Technology Roadmap Summit to identify a research agenda that will fuel the development of new efficiency products needed for future regional energy efficiency programs and to better understand current research happening across the country.
- Addressed market barriers to efficient water heaters by providing \$16,000 in rebates to consumers in Energy Trust territory for Tier 2 heat pump water heaters. Performed 18 quality insurance inspections in Energy Trust territory to verify heat pump water heater installation quality and eligibility, and support Energy Trust verification of rebate applications.
- Collaborated with Energy Trust to complete 20 comprehensive lighting projects. Projects consist of a mix of manufacturing, office, warehouse, retail, recreation and healthcare locations. Comprehensive lighting projects are realizing additional 25% savings over traditional one-for-one approaches to lighting re-design. Based on project's success, Energy Trust is offering the program to all trade allies in their territory in 2013.
- Continued efforts to secure a deep retrofit pilot project in Portland. The project, which NEEA identified in collaboration with Energy Trust, will demonstrate best practices, clarify business cases, and document case studies thereby accelerating market adoption of deep retrofits and increasing energy performance of the region's commercial real estate.

#### ACCELERATING MARKET ADOPTION FOR ENERGY TRUST

NEEA leverages the power of 12 million energy consumers in the Northwest to influence key market actors, remove barriers, and build market capacity for energy efficiency. With support from funders like Energy Trust, NEEA designs and executes strategic market interventions to create lasting change and deliver long-term savings to the region. NEEA currently has 16 active market transformation initiatives in the residential, commercial, industrial and agricultural sectors. NEEA is also heavily involved in raising the bar for state energy codes and federal appliance standards.

### *Third Quarter Residential Sector Highlights:*

- Supported the acceleration of DHP installations in Energy Trust territory by building infrastructure to support product delivery. In Q3, NEEA recruited four new contractors to the Master Installer program and performed four site inspections to ensure quality installation and gauge customer satisfaction. Also in Q3, NEEA launched a manufactured homes sales incentive and delivered two factory installation trainings. There were 38 utility-incented DHP installations in Energy Trust territory in Q1.
- Raised consumer awareness and retail sales of ductless heat pumps by securing front-page business feature story in *The Oregonian* entitled, "Warming up to Ductless Heat pumps", and facilitating placement of ductless technology in The Home Depot retail locations. In Q3, four ductless systems were sold in Energy Trust territory through the retail channel.
- Expanded market capacity for Northwest ENERGY STAR Homes by collaborating with Energy Trust to provide training and other resources to builders, appraisers and market actors. In Q3, NEEA delivered training to 42 realtors and 44 HVAC contractors in Energy Trust territory to promote awareness of energy efficiency, and support implementation of version 3 specifications for heating and cooling. As a result of these and other program efforts, state providers certified 266 homes in Energy Trust territory as Northwest ENERGY STAR Homes.
- Supported compliance with Northwest ENERGY STAR Homes version 3 specifications by creating a Tankless Water Heater Technical Compliance Option at Energy Trust's request thereby providing a cost-effective alternative to tankless water heaters.
- Accelerated market adoption and increased consumer awareness of energy-efficient televisions by conducting 449 store visits in Energy Trust territory, distributing 1,599 pieces of point-of-purchase material and conducting 490 trainings. NEEA works with major retailers to sell and promote the most-efficient TVs through upstream retailer incentives, trainings, and marketing and field service support.
- Promoted the adoption of heat pump water heaters by engaging the installation contractor network through 3 Energy Trust Trade Ally Round Tables and 6 orientation/ technical trainings in Energy Trust territory.
- Raised consumer awareness and promoted heat pump water heater technology by performing 70 retail and wholesale support visits in Energy Trust territory, and placing point-of-purchase materials at 25 retail and wholesale locations.

### *Third Quarter Commercial Sector Highlights:*

- Launched the 2012-13 Kilowatt Crackdown in partnership with Building Owners and Managers Association (BOMA) Oregon and the City of Portland targeting 150 office building participants in Energy Trust territory with an energy savings goal of 1-2 aMW.
- Accelerated the adoption of Strategic Energy Management in commercial buildings in Energy Trust territory by supporting KG Investment Management to implement energy reduction goals across 500,000 square feet of its portfolio.
- Completed aggregate energy savings analysis for American Society of Healthcare Engineers E2C Challenge, including 13 participating hospitals in Energy Trust territory. Weather adjusted total savings are 1.09 aMW. Based on the success of the E2C Challenge, ASHE is replicating the model nationally.
- Coordinated with Energy Trust staff and contractors for Continuous Energy Improvement pilot program and "light touch" services at Legacy and Providence hospitals in the Portland metro market
- Conducted two Building Operator Certification (BOC) technical webinars for 100 building operators in Energy Trust territory, and registered another 75 operators in BOC courses. Building Operator Certification training provides operators with skill enhancement training to improve building energy performance through operation and maintenance practices for HVAC, lighting, and controls systems. NEEA is working with Energy Trust to determine how Energy Trust can integrate BOC into its program offerings.

### *Third Quarter Industrial/ Agriculture Sector Highlights:*

- Held 'Field Days' event at Madison farm in eastern Oregon to demonstrate advanced energy-efficient irrigation techniques and share plans for 2013. Energy Trust staff participated in the



event, which attracted growers, researchers, manufacturers, and utility representatives as well as targeted local media.

- Four food processing facilities in Energy Trust territory are implementing self-sustaining energy management systems, thereby increasing adoption of energy efficiency and persistence of savings in the region. NEEA promotes and encourages the adoption of Strategic Energy Management by providing tools and education to the industrial sector.

#### *Third Quarter Codes and Standards Highlights:*

- Contracted with the Oregon Home Builders Association to deliver training and technical assistance to its members to support compliance with the Oregon residential energy code, and build market readiness for more stringent codes.
- Developed training curriculum for HVAC controls in commercial buildings, identified as a major gap in current training offerings in Oregon.
- Participated in federal standards rule-makings and negotiations for pumps and fans, set-top boxes, residential furnace fans, and motors. NEEA is among a handful of energy efficiency organizations that routinely provides data and analysis to inform U.S. Department of Energy test procedures and positively influence more stringent national energy efficiency standards.

## DELIVERING ON REGIONAL ADVANTAGE

NEEA is the only alliance of public and private electric utilities with national and global upstream market partners that represents the entire four-state region in the Northwest. NEEA aggregates resources to develop economies of scale and mitigate risk to individual utilities.

#### *Third Quarter Highlights:*

- Launched Commercial Building Stock Assessment (CBSA). The important market research report will directly support Energy Trust's program planning efforts, and will play an important role in informing the development of the 7th Northwest Power Plan. Visit [www.neea.org/cbsa](http://www.neea.org/cbsa) for more information.
- Continued to support and improve Conduit (<http://conduitnw.org>) as an online tool for information-sharing, coordination and collaboration among energy efficiency stakeholders across the Northwest. Conduit now has over 1,500 energy efficiency stakeholders registered, or 40% of Northwest utility energy efficiency staff.
- Promoted the regional energy efficiency messaging platform and marketing toolkit. Created in partnership with the Regional Marketing Coordinating Council, of which Energy Trust is a member, the messaging platform and toolkit were designed to accelerate energy efficiency program implementation and support marketing and outreach efforts.
- Published 6 independent Market Research and Evaluation reports:
  - [Long-term Monitoring and Tracking Report on 2011 Activities](#)
  - [2011 NEEA Stakeholder Perception Survey](#)
  - [Market Progress and Evaluation Report #7: NEEA's Industrial Initiative](#)
  - [2011 Residential Codes Energy Use Savings](#)
  - [2011-2012 Northwest Residential Lighting Tracking and Monitoring Study](#)
  - [Northwest Ductless Heat Pump Initiative: Market Progress Evaluation Report #2](#)

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## Appendix 5

### Q3 2012 REPORT FOR NW NATURAL WASHINGTON ACTIVITIES

July 1 through September 30, 2012

This Energy Trust of Oregon quarterly report covers the period July 1, 2012, through September 30, 2012. This report addresses progress toward 2012 goals for the NW Natural energy-efficiency program in southwest Washington. It includes information on expenditures, therm savings, projects completed and incentives paid during the quarter and year-to-date, along with highlights of program activity.

#### I. PROGRAM HIGHLIGHTS

##### A. General

- Energy Trust saved 19,675 annual therms in Q3 2012. This included savings of 5,327 annual therms in Existing Buildings, 7,175 annual therms in Existing Homes and 7,173 annual therms in New Homes and Products. Savings are down 28 percent from Q3 2011, though Energy Trust still expects to exceed its 2012 conservative savings goal by the end of the year.
- A 2011 process evaluation for all programs was completed in Q3 2012. The full report is available on the Energy Trust website at:  
[www.energytrust.org/library/reports/120604\\_NWNWA\\_2011\\_evaluation.pdf](http://www.energytrust.org/library/reports/120604_NWNWA_2011_evaluation.pdf)
  - One of the report's highlights is the successful recruitment of additional trade allies, particularly within Existing Buildings and Existing Homes. Continuing to grow the network of participating contractors will allow Energy Trust to continue to increase energy savings despite the relatively small program budget.
- A collaborative project with Clark Public Utilities on rooftop HVAC unit tune-ups achieved its first energy savings in Q3. A new table has been added to the Year-to-Date Results section of this report to track the progress of this collaboration.

##### B. Commercial efficiency programs

###### *Existing Buildings*

- Commercial projects completed in Q3 resulted in savings of 5,327 annual therms, including pipe insulation, foodservice equipment and rooftop HVAC unit tune-ups.
- The 2012 project pipeline includes approximately 78,000 additional annual therms in potential savings, of which more than 35,000 annual therms stem from rooftop tune-ups.
- Public school district projects have slowed in 2012 in anticipation of energy-efficiency project funding through the Washington State 2012 Jobs Now Act. The program is in contact with several school districts that are waiting for funding awards to be announced, and anticipates savings from multiple projects in 2013.

##### C. Residential efficiency programs

###### *Existing Homes*

- Existing Homes saved 7,175 annual therms in Q3, primarily through water-saving devices installed during Home Energy Reviews, heating equipment and weatherization improvements.

- Gas hearths continue to perform well in Washington. There have been 44 installations through Q3, compared with 14 at this time in 2011. Outreach to retailers and installers remains a continued focus to build upon this success.
- Existing Homes installed 87 furnaces through Q3, which is consistent with activity in 2011.
- Promotional incentive offerings during Q3 resulted in 11 installations of 0.67 Efficiency Factor, EF, ENERGY STAR® water heaters.
- More than 240 customers signed up for Home Energy Reviews at public events during Q3.
- Window installations continue to be a significant savings driver in 2012. Savings of 2,600 therms through Q3 has already exceeded total 2011 savings from window installations, driven by relationships with key trade allies.

*New Homes and Products*

- New Homes and Products processed 80 ENERGY STAR homes through Q3, including 37 during Q3. Forty-three homes were postponed until Q4 due to increased insurance requirements for program builders.
- New Homes and Products processed 446 high-efficiency clothes washer rebates through Q3 in collaboration with Clark Public Utilities. The program plans to continue this joint incentive offering through 2013.

**D. Trade Ally Network**

- In Q3 nine trade allies were added to the list of contractors eligible to work in NW Natural's Washington territory. This included five in Existing Homes, three in New Homes and one in Existing Buildings.

**E. Washington Utilities and Transportation Commission Performance Metrics**

The table below compares 2012 quarterly results with program goals, as established in NW Natural's Energy Efficiency Plan for Washington (updated December 2011).

<b>Metrics</b>	<b>Goal</b>	<b>2012 Total</b>	<b>Q1 Results</b>	<b>Q2 Results</b>	<b>Q3 Results</b>	<b>Q4 Results</b>
Therms Saved	212,550 – 250,000	103,344	47,496	36,173	19,675	
Total Program Costs	\$1,431,460 – \$1,614,980	\$690,430	\$191,747	\$266,693	\$231,991	
Average Levelized Cost Per Measure	Less Than \$0.65	\$0.546	\$0.336	\$0.594	\$0.945	
Dollars Spent Per Therm Saved	Less Than \$6.50	\$6.69	\$4.04	\$7.37	\$11.86	
Total Resource Cost and Utility Costs at Portfolio Level	Greater than 1.0	n/a	Reported Annually	Reported Annually	Reported Annually	Reported Annually

- Despite lower than expected savings in Q3, Energy Trust expects to end the year within the performance metrics for levelized cost and \$/therm set by the Washington Utilities and Transportation Commission. Additional information is provided in Section III.

## II. QUARTERLY RESULTS\*

### A. Expenditures

		Actual Expenditures Q3	Budgeted Expenditures Q3	Variance
Commercial Programs	Existing Buildings	\$ 61,085	\$ 141,206	\$ 80,121
	<b>Subtotal</b>	\$ 61,085	\$ 141,206	\$ 80,121
Residential Programs	Existing Homes	\$ 105,340	\$ 102,186	\$ (3,154)
	New Homes	\$ 56,735	\$ 78,487	\$ 21,752
	<b>Subtotal</b>	\$ 162,075	\$ 180,673	\$ 18,598
Administration		\$ 8,830	\$ 12,658	\$ 3,828
<b>TOTAL</b>		\$ 231,991	\$ 334,537	\$ 102,546

### B. Incentives paid

		Actual Incentives Q3
Commercial Programs	Existing Buildings	\$ 6,870
	<b>Subtotal</b>	\$ 6,870
Residential Programs	Existing Homes	\$ 26,526
	New Homes	\$ 29,064
	<b>Subtotal</b>	\$ 55,590
<b>TOTAL</b>		\$ 62,461

### C. Savings

		Therms Saved Q3	\$/Therm	Levelized Cost/Therm
Commercial Programs	Existing Buildings	5,327	\$ 12.14	130.7 ¢
	<b>Subtotal</b>	5,327	\$ 12.14	130.7 ¢
Residential Programs	Existing Homes	7,175	\$ 15.27	112.5 ¢
	New Homes	7,173	\$ 8.23	61.7 ¢
	<b>Subtotal</b>	14,348	\$ 11.75	87.3 ¢
<b>TOTAL</b>		19,675	\$ 11.86	94.5 ¢

- At least two-thirds of 2012 Existing Buildings projects will complete during Q4, resulting in a spike of savings at the end of the year. As a result, Q3 \$/therm and levelized cost/therm are unusually high, particularly in the Existing Buildings program. These metrics are expected to reduce considerably by the close of the year.

\* Variance is expressed in total dollars *below* budget, or (total dollars) *above* budget.

### III. YEAR-TO-DATE RESULTS\*

#### A. Activity highlights—sites served

	Q1	Q2	Q3	Q4	Total
<b>Existing Commercial</b>					
School/college retrofits	4	3	--	--	7
Other commercial retrofits	2	1	6	--	9
Studies	--	--	--	--	--
<b>Existing Homes</b>					
Weatherization (insulation, air and duct sealing and windows)	27	43	35	--	105
Gas hearths	16	19	9	--	44
Gas furnaces	41	32	14	--	87
Water heaters	8	5	16	--	29
Home Energy Reviews	32	11	40	--	83
<b>New Homes</b>					
Builder Option Package	30	13	37	--	80
Clothes washers	139	151	156	--	446

#### B. Revenues

Source	Actual Revenue YTD	Budgeted Revenue YTD
NW Natural	\$ 630,957	\$ 630,957

#### C. Expenditures

		Actual Expenditures YTD	Budgeted Expenditures YTD	Variance
<b>Commercial Programs</b>	Existing Buildings	\$ 212,993	\$ 375,704	\$ 162,712
	<b>Subtotal</b>	\$ 212,993	\$ 375,704	\$ 162,712
<b>Residential Programs</b>	Existing Homes	\$ 301,699	\$ 348,329	\$ 46,631
	New Homes	\$ 146,004	\$ 234,814	\$ 88,810
	<b>Subtotal</b>	\$ 447,703	\$ 583,143	\$ 135,440
<b>Administration</b>		\$ 29,735	\$ 37,118	\$ 7,383
<b>TOTAL</b>		\$ 690,430	\$ 995,965	\$ 305,535

- Reduced incentive spending is the primary driver of the favorable variance that has accumulated across all programs during the first three quarters of 2012. The bulk of this variance is expected to be spent as projects close during Q4.

\* Variance is expressed in total dollars *below* budget, or (total dollars) *above* budget.

## D. Incentives paid

		Actual Incentives YTD
Commercial Programs	Existing Buildings	\$ 32,671
	<b>Subtotal</b>	\$ 32,671
Residential Programs	Existing Homes	\$ 97,340
	New Homes	\$ 68,606
	<b>Subtotal</b>	\$ 165,946
<b>TOTAL</b>		\$ 198,617

- Incentives paid account for 34 percent of total year-to-date program expense. A large number of projects are expected to close in Q4 2012, reducing this percentage considerably. Total program expense is adjusted downward by 15 percent to account for costs that a utility-delivered program would recover through rates.

## E. Savings

		Therms Saved YTD	Annual Goal (Conservative)	% Achieved YTD	\$/Therm	Levelized Cost/Therm
Commercial Programs	Existing Buildings	44,426	121,678	37%	\$ 5.04	43.8 ¢
	<b>Subtotal</b>	44,426	121,678	37%	\$ 5.04	43.8 ¢
Residential Programs	Existing Homes	40,894	63,373	65%	\$ 7.71	61.0 ¢
	New Homes	18,025	29,645	61%	\$ 8.46	64.6 ¢
	<b>Subtotal</b>	58,919	93,018	63%	\$ 7.94	62.1 ¢
<b>TOTAL</b>		103,344	214,696	48%	\$ 6.69	54.6 ¢

- Energy Trust has achieved 48 percent of its conservative savings goal for NW Natural in Washington through Q3. This is consistent with activity during the same period in 2011.

## F. Clark Public Utilities—rooftop HVAC unit tune-ups

	Q3	YTD
Revenue	\$ 3,515	\$ 3,515
Expenses	\$ 3,704	\$ 3,704
Incentives	\$ 1,575	\$ 1,575
Savings (kWh)	11,098	11,098
Levelized Cost per kWh	5.2 ¢	5.2 ¢