Energy Trust of Oregon

Proposed Final 2008-2009 Action Plan and Budget

Board of Directors
December 12, 2007

Energy Trust of Oregon, Inc.

2007 Forecasted Savings/Generation

- Electric efficiency expected to exceed both its conservative (24.6 aMW) and best case goals (32.8 aMW)
- Gas efficiency is forecasted to exceed its conservative case goal, but be shy of its best case goal
- Renewable energy programs anticipated to exceed its conservative accounting based goal, but short of its activity based goal

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Public Comments Received

- Focused comments through Advisory Council meetings
- Appreciation for strategy and emphasis reflected
- Renewable energy comments very complimentary
  - Support emphasis on commercial solar and biopower as well as greater diversity through Open Solicitation Program
- Efficiency comments also positive, supportive of:
  - Commercial emphasis
  - Increased market research activity
  - Simplifying forms and participation
- Requests to increase EE incentive budget if warranted
- Additional comments may be forthcoming at OPUC 12/11
- Budget revision will occur in early 2008

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2008 - 09 Draft Budget – Renewable Themes

- Transition to projects 20 MW or less (Renewable Energy Act)
- Fulfill 2007 project commitments
- Meet residential and commercial solar demand
- Pursue several community scale wind projects
- Biopower/biogas focus on dairies and WWTP
- Expand the open solicitation program
- Partner with utilities on Integrated Resource Plans
- Promote non-profit/public sector opportunities
- Meet changing customer expectations

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2008 RE Proposed Final Budget Summary

Total budgets for 2008 remain essentially the same

- Pacific: $ 10.8 million
- PGE: $ 24.3 million

Approximately $240K difference from draft Renewable Energy budget

- Adjusted for utility revenue forecasts up $320K
- Clean up in program and allocated costs increased $80K

New Revenues for 2008

- Pacific Power : $ 4.9 million
- PGE: $ 8.1 million

Uncommitted funds from prior years remains the same

- Pacific Power: $ 5.8 million
- PGE: $ 17.1 million
  - Includes $6.1 million in prior board-approved projects for 2008
  - Majority of funds from unutilized utility-scale budgets

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2008 RE Proposed Final Budget & Generation

Programs	Total Costs		aMW Range	
	$ million	% Total	Conservative	Best Case
Biopower	$10.9	31%	4.00	9.31
Open Solicitation	9.0	25%	2.07	3.18
Solar Electric	9.1	26%	.47	.62
Utility Scale	.2	1%		
Wind	5.9	17%	2.92	4.17
Total Renewable Energy	$35.1	100.0%	9.46	17.28

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2008 RE Proposed Final Budget Pacific & PGE

Programs	Pacific Power		PGE	
	$ million	% Total	$ million	Total
Biopower	$2.83	26.2%	$8.02	33.0%
Open Solicitation	2.80	25.9%	6.18	25.4%
Solar Electric	2.64	24.5%	6.46	26.6%
Utility Scale	.20	1.8%	.04	.2%
Wind	2.33	21.6%	3.60	14.8%
Total Renewable Energy	$10.80	100.0%	$24.30	100.0%

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2008-09 Efficiency Themes – "Base" $'s

- Begin 1-2 year period of investment and growth to build capacity in new and more difficult markets
- Capture more savings within existing markets, emphasizing the commercial sector
- Enhance service to industrial customers and add small industrial initiative
- Gain more savings from residential sector
- Introduce more new measures
- Further integrate renewable opportunities
- Simplify participation
- Leverage marketplace interest and momentum by promoting new tax incentives

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Resulting Energy Efficiency Changes

Efficiency revenue increased	$1.3 million
PGE	$1.0 million
PacifiCorp	$ .6 million
NW Natural	-$.3 million

Reflected additional base potential in PGE territory

$7 million more in expenses

Reduced base activity in PacifiCorp territory to further balance activity with available resources

-$1.5 million less in expenses

Net change in expenses $5.5 million

Increased savings by 2.3 aMW

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2008 EE Proposed Final Budget

Total 2008 budgets adjusted to further balance activity between electric utilities

PGE	$ 34.2 million
Pacific Power	$ 16.1 million
NW Natural	$ 11.0 million
Cascade	$ 1.2 million
Avista	$ .1 million
Total	**$ 62.6 million**

New Revenues for 2008 adjusted for updated utility forecasts

PGE	$ 26.8 million
Pacific Power	$16.4 million
NW Natural	$ 8.5 million
Cascade	$ .9 million
Total	**$ 52.6 million**

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Net Distribution by Efficiency Program

Existing Buildings	$2.7 million	Reflect additional resource acquisition potential-primarily incentives and some PMC costs
New Buildings	$1.1 million	Reflect additional resource acquisition potential-primarily incentives and some PMC costs
New Homes & Products	$.8 million	Additional fall lighting potential; PMC Costs-marketing and comp
Existing Homes	$.7 million	Additional delivery costs in PGE; movement in incentives between service territories
Production Efficiency	$.2 million	Increase in incentives and evaluation costs
Total	**$5.5 million**	

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2008 EE Program Budget Best Case

Electric	Budget 2007 aMW	2008 aMW	2008 Electric cost	Measure Life	2008 levelized cost 3.0%	2007 levelized cost (3.0%)
Existing Homes	2.6	2.5	$8,173,185	25.8	$ 0.021	$ 0.020
New Homes and Products	3.3	3.5	$8,716,775	9.5	$ 0.034	$ 0.032
Existing Buildings	3.6	4.5	$8,578,929	13.1	$ 0.020	$ 0.019
New Buildings	2.3	3.1	$7,768,735	17.9	$ 0.021	$ 0.017
Production Efficiency*	13.6	7.8	$13,274,793	12.1	$ 0.019	$ 0.013
*inc megaproject at 6.5 aMW in 2007						
NEEA - combined	7.4	7.4	$3,874,076	8.6	$ 0.008	$ 0.008
Program	32.8	28.9	$50,386,493	12.8	$ 0.019	$ 0.015

Gas	Budget 2007 Therms	2008 Therms	Gas Cost	Measure Life	2008 levelized cost 3.0%	2007 levelized cost (3.0%)
Existing Homes	745,597	810,335	$5,995,429	31.1	$ 0.369	$0.32
New Homes and Products	702,421	426,019	$3,115,754	26.0	$ 0.409	$0.30
Existing Buildings	691,857	570,757	$1,666,185	15.1	$ 0.243	$0.27
New Buildings	279,579	369,600	$1,247,693	17.4	$ 0.252	$0.16
Production Efficiency	-	38,903	$269,786	12.0	$ 0.697	n/a
Program	2,419,454	2,215,614	$12,294,847	23.4	$ 0.334	$0.28

Anticipated Utility Efficiency Plan Emphases

- Dive deeper into existing markets to glean more savings
- Greater emphasis on existing small businesses and new commercial construction
- Add near low-income residential and introduce new residential technologies
- Secure more savings from small industrial customers
- Pursue zero net energy residential and commercial building design
- Explore time of sale upgrades

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Communications and Outreach Themes

- Apply customer-driven marketing strategy
- Add new research
- Market across both efficiency and renewable programs
- Upgrade our website
- Simplify participation, including automating on-line forms
- Centralize trade ally administration and support
- Community Energy Project launch with Corvallis

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Management & General Themes

- Continue process improvement and customer focus
- Act on IT Enterprise Architecture Study
  - Put a new IT staffing plan in place
  - Access contact management system and software
  - Evaluate accounting and finance packages
  - Develop implementation plans for any new system
- Begin process for 2009 Management Audit

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Energy Trust Growth Indicators

- A five-fold increase in the number of projects completed, from 21,000+ in 2004 to over projected 105,000 in 2008
- Nearly a seven-fold increase in the number of transactions/checks written, from nearly 12,000 in 2004 to nearly 83,000 projected in 2008
- A ten-fold increase in the number of participants, from 140,000+ in 2004 to 1.5+ million projected in 2008

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2008 Proposed Staffing

- 3 conversions from current contractors to FTE
- 1 new Help Desk Coordinator
- 4 new position requests driven by increased volume and/or the Renewable Energy Act (REA)
  - OSP/Biopower Coordinator for Renewable Energy (REA)
  - Residential Outreach Manager (volume)
  - Planning Engineer (expediency and REA)
  - Evaluation and Market Research (REA)

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By the end of 2009 . . .

- Complete Renewable Energy Act transitions
- Effectively manage growth, expectations and resources
- Achieve greater results in new markets with new partners
- Exceed customer expectations

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2009 RE Proposed Budget & Generation

Programs	Total costs		Range in aMW	
	$ million	% Total	Conservative	Best Case
Biopower	$3.3	22%	.55	1.62
Open Solicitation	2.9	19%	.57	.88
Solar Electric	5.5	37%	.35	.47
Utility Scale	.0	0%		
Wind	3.4	22%	1.87	2.67
Total Renewable Energy	$15.1	100.0%	3.34	5.64

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2009 Proposed Efficiency Budget and Savings

Electric	Budget 2008 aMW	2009 aMW	2008 Electric cost	Measure Life	2009 levelized cost 3.0%	2008 levelized cost (3.0%)
Existing Homes	2.5	2.6	$7,821,007	25.8	$ 0.019	$ 0.021
New Homes and Products	3.5	3.1	$8,235,417	10.1	$ 0.035	$ 0.034
Existing Buildings	4.5	2.1	$5,493,209	13.1	$ 0.027	$ 0.020
New Buildings	3.1	3.9	$8,430,928	17.9	$ 0.018	$ 0.021
Production Efficiency*	7.8	8.0	$13,051,947	12.0	$ 0.019	$ 0.019
*inc megaproject at 6.5 aMW in 2007						
NEEA - combined	7.4	6.0	$3,190,902	8.6	$ 0.008	$ 0.008
Program	28.9	25.7	$46,223,410	13.4	$ 0.019	$ 0.019

Gas	Budget 2008 Therms	2009 Therms	Gas Cost	Measure Life	2009 levelized cost 3.0%	2008 levelized cost (3.0%)
Existing Homes	810,335	844,942	$6,304,880	31.1	$ 0.372	$ 0.369
New Homes and Products	426,019	451,721	$3,928,049	23.9	$ 0.515	$ 0.409
Existing Buildings	570,757	487,192	$2,031,502	15.1	$ 0.347	$ 0.243
New Buildings	369,600	415,800	$1,359,984	17.4	$ 0.244	$ 0.252
Production Efficiency	38,903	251,600	$404,242	12.0	$ 0.161	$ 0.697
Program	2,215,614	2,451,255	$14,028,657	22.3	$ 0.356	$ 0.334

Renewable Carryover at Year End 2009

	Carryover at Year End 2007	2008 Budget Net (Activity)	2009 Draft Budget Net (Activity)	Investment Income Authorized Previously	Total Carryover at Year End 2009
Accounting					
PGE	$23.9	-10.7	-.3		$12.9
PacifiCorp	11.7	-7.2	-3.1	1.7	3.1
Total	35.6	-17.9	-3.4	1.7	$16.0
Activity					
PGE	17.1	-16.3	-.1		$.7
PacifiCorp	4.1	-5.8	-1.6	1.7	-1.6
Total	$21.2	-22.1	-1.7	1.7	-$.9

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Efficiency Carryover at Year End 2009

	Carryover at Year End 2007	2008 Draft Budget Net	2009 Draft Budget Net	Previously allocated interest earnings	Total Carryover at Year End 2009
PGE	$14.4	-7.5	-2.8	1.7	$5.8
PacifiCorp	-8.1	.2	1.1	1.2	-5.6
NW Natural	6.5	-2.4	-3.7		.4
Cascade	.3	-.3	-.0		0
Avista	.1	-.1	-.0		0
Total	$13.2	$-10.1	$-5.5	$2.9	$.6

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Next Steps

- Additional board comments and questions?
- Public comments and questions?
- Once approved, submit final budget to OPUC by year-end
- Address outstanding comments in next budget iteration in early Spring 2008
  - Incorporate utility funding scenarios
  - Include finalized carryover figures

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The Energy Trust of Oregon, Inc
Year to Date by Program / Service Territory - joint costs allocated at program level
Forecast 2007-F-06 prepared October 2007
For the Twelve Months Ending December 31, 2007

	ENERGY EFFICIENCY						RENEWABLE ENERGY				TOTAL	2007		
	PGE	PacifiCorp	NW Natural	Cascade	Avista	Total	PGE	PacifiCorp	Total	Other	All Programs	Budget	Difference	Pct Diff
REVENUES														
Public Purpose Funding	$25,329,974	$16,265,725	$9,118,266	$897,679	$160,163	$51,771,808	$7,366,277	$4,842,627	$12,208,903		$63,980,711	$58,938,019	$5,042,692	8.6%
CRC Funding	550,000					550,000					550,000	1,900,000	($1,350,000)	-71.1%
Revenue from Investments										3,225,819	3,225,819	2,325,038	$900,781	38.7%
TOTAL PROGRAM REVENUE	**25,879,974**	**16,265,725**	**9,118,266**	**897,679**	**160,163**	**52,321,808**	**7,366,277**	**4,842,627**	**12,208,903**	**3,225,819**	**67,756,531**	**63,163,057**	**4,593,474**	**7.3%**
EXPENSES														
Program Management (Note 4)	1,263,052	877,116	670,600	53,995	19,612	2,884,374	419,468	267,014	686,482		3,570,856	3,744,345	173,489	4.6%
Program Delivery	5,957,481	4,554,752	1,947,960	177,865	73,110	12,711,168	20,558	76,206	96,764		12,807,931	13,551,051	743,120	5.5%
Incentives	12,083,298	8,232,103	4,731,455	286,779	44,595	25,378,230	7,414,366	1,479,756	8,894,122		34,272,352	38,362,090	4,089,739	10.7%
Program Evaluation and Planning Services	1,043,378	670,595	414,506	26,300	5,673	2,160,453	112,644	68,315	180,959		2,341,412	2,790,970	449,558	16.1%
Program Marketing/Outreach	698,559	431,060	755,002	42,547	17,219	1,944,386	194,016	47,342	241,357		2,185,742	2,536,009	350,266	13.8%
Program Legal Services	4,053	2,643	3,308	165	40	10,208	28,440	6,206	34,647		44,855	135,320	90,465	66.9%
Program Quality Assurance	44,012	28,041	34,330	2,344	776	109,503	1,496	504	2,000		111,503	256,600	145,097	56.5%
Outsourced Services	142,538	64,817	76,993	2,343	37	286,728	238,855	117,984	356,838		643,566	1,134,430	490,864	43.3%
Trade Allies & Customer Service Management	163,921	99,089	152,273	6,198	947	422,428	22,693	23,179	45,872		468,299	506,168	37,869	7.5%
IT Services	376,698	238,559	223,205	16,053	4,842	859,357	85,558	56,206	141,764		1,001,121	1,350,440	349,319	25.9%
Other Program Expenses	122,985	84,272	101,285	4,535	839	313,914	84,086	50,948	135,031		448,945	607,191	158,246	26.1%
TOTAL PROGRAM EXPENSES	**21,899,975**	**15,283,047**	**9,110,918**	**619,124**	**167,688**	**47,080,748**	**8,622,180**	**2,193,660**	**10,815,835**		**57,896,583**	**64,974,614**	**7,078,032**	**10.9%**
ADMINISTRATIVE COSTS														
Management & General (Note 1 & 3)	648,088	452,273	269,620	18,322	4,962	1,393,265	255,157	64,917	320,074		1,713,339	2,173,625	460,285	21.2%
Communication & Outreach (Note 2 &3)	297,778	207,807	123,883	8,418	2,280	640,166	117,237	29,828	147,065		787,232	809,084	21,852	2.7%
Total Administrative Costs	**945,866**	**660,079**	**393,503**	**26,740**	**7,242**	**2,033,432**	**372,394**	**94,745**	**467,139**		**2,500,571**	**2,982,708**	**482,138**	**16.2%**
TOTAL PROGRAM & ADMIN EXPENSES	**22,845,841**	**15,943,126**	**9,504,421**	**645,864**	**174,930**	**49,114,179**	**8,994,574**	**2,288,405**	**11,282,974**		**60,397,154**	**67,957,323**	**7,560,169**	**11.1%**
TOTAL REVENUE LESS EXPENSES	**3,034,133**	**322,599**	**(386,155)**	**251,815**	**(14,767)**	**3,207,629**	**(1,628,297)**	**2,554,222**	**925,929**	**3,225,819**	**7,359,377**	**(4,794,266)**	**12,153,643**	
Net Assets from prior years	11,385,547	(8,445,630)	6,870,551	93,292	117,839	10,021,599	25,517,626	9,189,002	34,706,628	4,348,508	49,076,735	49,076,735		
Interest attributed	1,740,000	1,160,000				2,900,000		1,700,000	1,700,000	(4,600,000)				
TOTAL NET ASSETS CUMULATIVE	**16,159,680**	**(6,963,031)**	**6,484,396**	**345,107**	**103,072**	**16,129,228**	**23,889,329**	**13,443,224**	**37,332,557**	**2,974,327**	**56,436,112**	**44,282,469**	**12,153,643**	

Note 1) Management and General (Administrative) Expenses have been allocated based on total expenses.
Note 2) General Communication and Outreach expenses (Administrative) have been allocated based on total expenses for budget purposes only, otherwsie by Public Purpose Revenue from each Territory.
Note 3) 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 4) Program Management costs include both outsourced and internal staff.
Note 5) Cumulative carryover at 12/31/2006 has been adjusted to reflect audited results.
Note 6) Variances from budget are positive when revenue is greater or expenses are lower than budget, negative if revenue is lower or expenses higher than budget

The Energy Trust of Oregon, Inc
Program Budget Expenses by Service Territory, Forecast 2007-F-06
For the Twelve Months Ending December 31, 2007
PROGRAM TOTALS INCLUDE FULLY ALLOCATED MANAGEMENT AND GENERAL EXPENSE

	PGE	Pacific Power	Subtotal Elec. Utilities	Northwest Natural Gas	Cascade	Avista	Subtotal Gas Providers	Total	Budget 2007-B-05.1	Change	Pct Change
Energy Efficiency											
Residential											
Home Energy Solutions - Existing Homes	4,350,358	2,631,757	6,982,115	4,670,649	128,188		4,798,837	11,780,952	13,757,549	($1,976,597)	-14%
Home Energy Solutions - New Homes/Products	3,879,547	2,520,495	6,400,042	2,471,804	379,460	174,928	3,026,192	9,426,234	10,152,335	($726,101)	-7%
Market Transformation (NEEA)	618,043	466,242	1,084,285				0	1,084,285	1,108,543	($24,258)	-2%
Total Residential	8,847,948	5,618,494	14,466,442	7,142,453	507,648	174,928	7,825,029	22,291,471	25,018,427	($2,726,956)	-11%
Commercial											
Business Energy Solutions - Existing Buildings	3,286,577	1,892,691	5,179,268	1,503,269	93,629		1,596,898	6,776,166	7,984,847	($1,208,681)	-15%
Business Energy Solutions - New Buildings	3,049,966	1,351,558	4,401,524	857,420	44,586		902,006	5,303,530	5,564,083	($260,553)	-5%
Market Transformation (NEEA)	968,234	730,424	1,698,658				0	1,698,658	1,803,871	($105,213)	-6%
Total Commercial	7,304,777	3,974,673	11,279,450	2,360,689	138,215		2,498,904	13,778,354	15,352,801	($1,574,447)	-10%
Industrial											
Business Energy Solutions - Production Efficiency	6,102,196	5,904,177	12,006,373	1,279			1,279	12,007,652	13,947,750	($1,940,098)	-14%
Market Transformation (NEEA)	590,912	445,776	1,036,688				0	1,036,688	1,059,668	($22,980)	-2%
Total Industrial	6,693,108	6,349,953	13,043,061	1,279			1,279	13,044,340	15,007,418	($1,963,078)	-13%
Total Energy Efficiency Costs	**22,845,833**	**15,943,120**	**38,788,953**	**9,504,421**	**645,863**	**174,928**	**10,325,212**	**49,114,165**	**55,378,646**	**($6,264,481)**	**-11%**
Renewables											
Biopower	354,488	258,552	613,040				0	613,040	1,530,097	($917,057)	-60%
Open Solicitation	474,036	159,662	633,698				0	633,698	2,130,697	($1,496,999)	-70%
Solar Electric (Photovoltaic)	1,443,004	1,473,880	2,916,884				0	2,916,884	3,019,112	($102,228)	-3%
Utility Scale Projects	6,462,478	151,437	6,613,915				0	6,613,915	4,542,973	$2,070,942	46%
Wind	260,562	244,872	505,434				0	505,434	1,355,794	($850,360)	-63%
Total Renewables Costs	**8,994,568**	**2,288,403**	**11,282,971**				**0**	**11,282,971**	**12,578,673**	**($1,295,702)**	**-10%**
Cost Grand Total	**31,840,401**	**18,231,523**	**50,071,924**	**9,504,421**	**645,863**	**174,928**	**10,325,212**	**60,397,136**	**67,957,319**	**($7,560,183)**	**-11%**

Energy Trust of Oregon
Statement of Functional Expense
For the Twelve Months Ending December 31, 2007
Forecast 2007-F-06, prepared October 2007

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communication & Outreach	Total Admin Expenses	Total
EXPENSES							
Program Expenses							
Incentives/ Program Management & Delivery	41,339,375	8,990,886	50,330,261			0	50,330,261
Payroll and Related Expenses	931,871	686,482	1,618,353	1,041,588	395,433	1,437,021	3,055,374
Outsourced Services	2,392,700	684,560	3,077,260	251,599	223,975	475,574	3,552,834
Planning and Evaluation	821,103	131,241	952,344	15,588	457	16,045	968,389
Customer Service Management	422,428	45,872	468,300			0	468,300
Total Program Expenses	**45,907,477**	**10,539,040**	**56,446,517**	**1,308,774**	**619,865**	**1,928,639**	**58,375,156**
Program Support Costs							
Supplies	5,555	4,281	9,836	6,278	3,231	9,509	19,345
Postage and Shipping Expenses	5,498	1,382	6,880	3,322	5,750	9,072	15,952
Telephone	4,289	4,000	8,289	3,587	1,087	4,674	12,963
Printing and Publications	96,839	13,701	110,540	4,125	27,005	31,130	141,670
Occupancy Expenses	81,240	57,605	138,845	74,270	32,784	107,054	245,899
Insurance	13,570	9,622	23,192	12,406	5,476	17,882	41,074
Equipment	3,723	2,640	6,363	3,403	2,702	6,105	12,468
Travel	33,764	22,934	56,698	26,415	3,013	29,428	86,126
Meetings, Trainings & Conferences	24,469	12,071	36,540	58,902	4,803	63,705	100,245
Interest Expense and Bank Fees		500	500	100		100	600
Depreciation & Amortization	6,132	4,348	10,480	5,605	2,474	8,079	18,559
Dues, Licenses and Fees	31,140	1,803	32,943	5,786	4,870	10,656	43,599
Miscellaneous Expenses	7,697	144	7,841	1,061	86	1,147	8,988
IT Services	859,357	141,764	1,001,121	199,304	74,084	273,388	1,274,509
Total Program Support Costs	**1,173,271**	**276,795**	**1,450,066**	**404,565**	**167,367**	**571,932**	**2,021,998**
TOTAL EXPENSES	**47,080,748**	**10,815,835**	**57,896,583**	**1,713,339**	**787,232**	**2,500,571**	**60,397,154**

PUC performance measure	11%
Administrative plus program support costs	6.1%

Summary of comments received on draft 2008-09 action plan and budget with Energy Trust staff responses
December 3, 2007

Who	Comment topic(s)	Energy Trust staff response
Jeremy Anderson, Weatherization Industries Save Energy (WISE)	<u>Existing Homes program</u> Shift funds from program marketing and delivery to incentives. From '07 to proposed '08 budgets, Existing Home incentive spending grew 5% while marketing increased 46% and delivery 36%.	Staff believes more program marketing and support is needed to reach deeper into the marketplace and attract more and different types of participants. Staff will evaluate allocations within the Existing Homes program at least quarterly and if needed, shift funds to incentives.
	Use specific calls to action in marketing materials.	We agree. Staff seeks to create specific, motivating calls to action in our materials.
	Do not overwhelm homeowners with too much information; do not provide specific estimates of installed costs; do not advise customers on how to prioritize measures.	Staff and PMCs takes great care in crafting messages that motivate potential participants to install measures, drawing on primary and secondary research and experience.
	Do not emphasize Home Performance with ENERGY STAR® over other options; emphasize conservation over renewables.	Staff markets Home Performance with Energy Star along with home energy reviews, on-line home energy analyzer and energy savings kit options for the customer to choose. The tools work differently in different submarkets. Home energy specialists advise homeowners to improve efficiency when installing renewable energy systems.
	Continue laudable effort to streamline paperwork.	Staff recognizes the importance of this effort and will seek feedback from trade allies as part of simplifying paperwork and shifting to automating on-line forms.
	Establish zero/low interest financing options as highest priority (over incentives, delivery and marketing).	Existing Homes presently offers low-interest financing as an option through CSG. Discussions with utilities about financing through bills continues and hopefully will result in a trial approach in 2008.
Mark Kendall, Oregon Department of Energy	<u>Biopower program</u> Support proposed biopower budget, which builds on commendable accomplishments.	Staff appreciates ODOE's support.
	Concern whether disproportionate funding for PGE territory over Pacific Power reflects a shift in emphasis away from rural woody biomass? Recognizes this may reflect a re-balance from previous spending. Significant opportunity for biopower in PGE territory.	Spending shift toward PGE corrects a historical imbalance and not lack of support for woody biomass.

Who	Comment topic(s)	Energy Trust staff response
	Comments voiced during Nov. 28 meeting of the Renewable Energy Advisory Council	
Lori Koho, OPUC	Will staff turn potential participants away if demand for incentives exceeds budget?	Staff uses forecasting and reports to monitor budget status and avoid over-commitment of funds. If all interest in commercial solar and nonprofit/government sector projects were to be realized, it may become necessary to shift some activity to 2009. Biopower projects are "lumpy;" and can be large. Because of long lead times, staff expects to be able to meet funding requirements by staggering project timeliness across 2008 and 2009, if needed.
Carel DeWinkel, ODOE	Supports the proposed budget, in particular the funding for biopower, flexible approach to financial offers, open solicitation's look at small hydro and small geothermal, and the active solar program. Appreciates the way Energy Trust is working with ODOE on various projects.	Staff appreciates ODOE's support.
Joe Esmonde, IBEW Local 43	Supports the proposed budget; enjoys working with staff.	Staff appreciates Joe's support.
	Comments voiced during the Nov. 28 meeting of the Conservation Advisory Council[1]	
Lori Koho, OPUC	Observed increases in "other program costs" and "other professional services" in many programs. Observed decline in incentive amounts for New Homes program.	Action Plan budget pages include forecasted 2007 year-end expenditures compared with a full-year 2008 proposed budget. Differences between the two years are driven by implementation experience, changes in the marketplace, differences in program emphases and other factors which change from year to year. Increases in program support costs are largely driven by IT initiatives for 2008 and 2009 stemming from the Enterprise Architecture Study. Some additional increases appear in professional services and are attributable to new market research. Current downturn in the housing market resulted in a temporary shift from incentives to marketing, education and training to build the pipeline for 2009 when hopefully, construction picks up again.
	Appreciates background staffing information provided by Margie.	Staff hopes the OPUC recognizes changes stemming from SB 838/Renewable Energy Act, growth in demand and IT initiatives driving staff level changes.

[1] Comments summarized if speaker did not submit subsequent written comments.

Who	Comment topic(s)	Energy Trust staff response
	Suggests adding mention of the Production Efficiency program being brought in house.	Staff acknowledges this change and will include it in the revised action plan.
Paul Olson, Oregon Remodelers Association	Would like a closer balance in amounts for Existing Homes program support and incentives.	Staff believes more program marketing and support is needed to reach deeper into the marketplace and attract new and different types of participants. Staff evaluates program allocations at least quarterly and can shift funds to incentives if needed.
Lauren Shapton, PGE	Appreciates the intent to increase market research and program support. Acknowledges the easy stuff has been done and it's going to be harder to attract more customers.	Staff appreciates PGE's support.
Karen Meadows, BPA	Supports the need for more market research and coordinated regional marketing to attract participants and generate savings.	Staff appreciates BPA's support.
Charlie Grist, NW Power & Conservation Council	Strongly supports proposed budget increases for commercial conservation, noting this is where much of the untapped potential lies. Supports funding for coordinated market research among regional organizations. Important to retain flexibility in the budget, as 2008 will be a year of changes.	Staff appreciates the Council's support.

2008 Budget Recap - Round 2, Proposed Final

PROGRAM	TOTAL BUDGET ($M)	ELECTRIC GOALS[1] Con-servative (aMW)	Best Case (aMW)	($mils/ aMW)	Levelized ($/kWh)	GAS GOALS Conservative (annual therms)	Best Case (annual therms)	($/annual therms)	Levelized ($/Therm)	EVAL DATE(S) (I=Impact; MA=Market Assessment; P=Process	PMC CONTRACT EXPIRATION
ENERGY EFFICIENCY											
Residential											
Home Energy Solutions – Existing Homes	14.2	1.87	2.50	4.37 - 3.27	0.028 - 0.021	607,751	810,335	9.86 - 7.40	0.49 - 0.37	Q1-2008 (PI)	1/1/2011
Home Energy Solutions – New Homes & Products	11.8	2.66	3.54	3.28 - 2.46	0.046 - 0.034	319,514	426,019	9.75 - 7.31	0.55 - 0.41	Q1-2009 (PI) homes; Q1-2009 (I) homes; Q3-2008 (PI) prod	12/31/2008
Mkt Transformation (Alliance)	1.1	4.45	5.94	0.25 - 0.19	0.004 - 0.003	NA				NA	12/31/2010
Total Residential	**27.1**	**9.0**	**12.0**	**2.00 - 1.50**	**0.023 - 0.017**	***927,265***	***1,236,354***	**9.83 - 7.37**	**0.51 - 0.38**		
Commercial											
Business Energy Solutions – Existing Buildings	10.2	3.37	4.49	2.55 - 1.91	0.027 - 0.020	428,068	570,757	3.89 - 2.92	0.32 - 0.24	Q1-2008 (PI); Q1-2009 (I)	1/1/2011
Business Energy Solutions – New Buildings	9.0	2.36	3.14	3.30 - 2.47	0.027 - 0.021	277,200	369,600	4.50 - 3.38	0.34 - 0.25	Q1-2008 (PI); Q1-2009 (I)	12/31/2008
Mkt Transformation (Alliance)	1.7	0.21	0.28	8.25 - 6.19	0.079 - 0.059	NA				NA	12/31/2010
Total Commercial	**21.0**	**5.9**	**7.9**	**3.05 - 2.28**	**0.029 - 0.022**	***705,268***	***940,357***	**4.13 - 3.10**	**0.33 - 0.25**		
Industrial											
Production Efficiency	13.5	5.86	7.81	2.27 - 1.70	0.026 - 0.019	29,177	38,903	9.25 - 6.93	0.93 - 0.70	Q2-2008 (PI)	na
Mkt Transformation (Alliance)	1.0	0.89	1.18	1.18 - 0.88	0.016 - 0.012	NA				NA	12/31/2010
Total Industrial	**14.6**	**6.7**	**9.0**	**2.12 - 1.59**	**0.025 - 0.019**	**29,177**	**38,903**	**9.25 - 6.93**	**0.93 - 0.70**		
Total Energy Efficiency	**$62.7**	**21.7**	**28.9**	**2.33 - 1.75**	**0.025 - 0.019**	***1,661,710***	***2,215,614***	**7.40 - 5.55**	**0.44 - 0.33**		
RENEWABLE RESOURCES [2]											
Biopower	10.8	4.00	9.31	2.71 - 1.17		NA				NA	NA
Open Solicitation	9.0	2.07	3.18	4.34 - 2.82		NA				NA	NA
Solar Electric	9.1	0.47	0.62	19.42 - 14.56		NA				NA	NA
Utility-Scale	0.2	0.00	0.00	na - na		NA				NA	NA
Wind Cluster	5.9	2.92	4.17	2.03 - 1.42		NA				Q4-2008 (P)	NA
Total Renewable Resources	**$35.1**	**9.5**	**17.3**	**3.71 - 2.03**							

[1] some columns may not add due to rounding

[2] Budget amounts for Renewables are activity based and include dedicated funds

The Energy Trust of Oregon, Inc
Year to Date by Program / Service Territory - joint costs allocated at program level
Budget 2008-B-02 Round 2: scenario: NO 838
For the Twelve Months Ending December 31, 2008

	ENERGY EFFICIENCY						RENEWABLE ENERGY				TOTAL	2007		
	PGE	PacifiCorp	NW Natural	Cascade	Avista	Total	PGE	PacifiCorp	Total	Other	All Programs	Forecast	Change	Pct change
REVENUES														
Public Purpose Funding	$26,766,762	$16,415,340	$8,540,133	$905,757		$52,627,992	$8,072,516	$4,950,658	$13,023,174		$65,651,166	$63,980,711	$1,670,455	2.61%
CRC Funding												550,000	(550,000)	-100.00%
Revenue from Investments										2,373,210	2,373,210	3,225,819	(852,609)	-26.43%
TOTAL PROGRAM REVENUE	**26,766,762**	**16,415,340**	**8,540,133**	**905,757**		**52,627,992**	**8,072,516**	**4,950,658**	**13,023,174**	**2,373,210**	**68,024,376**	**67,756,531**	**267,846**	**0.40%**
EXPENSES														
Program Management (Note 4)	1,692,169	707,692	682,976	82,882	7,739	3,173,460	631,842	327,180	959,023		4,132,482	3,570,856	561,626	15.73%
Program Delivery	9,700,763	5,144,245	2,679,392	355,351	34,748	17,914,499	147,970	49,530	197,500		18,111,999	12,807,931	5,304,068	41.41%
Incentives	16,716,278	7,880,283	5,217,125	518,942	37,459	30,370,087	15,769,655	10,734,313	26,503,968		56,874,055	34,272,352	22,601,703	65.95%
Program Evaluation and Planning Services	1,515,035	664,464	499,008	57,042	4,256	2,739,805	280,080	131,380	411,460		3,151,265	2,341,412	809,853	34.59%
Program Marketing/Outreach	1,772,857	551,833	713,037	92,787	8,703	3,139,215	229,301	73,398	302,700		3,441,915	2,185,742	1,256,173	57.47%
Program Legal Services	0	0	0	0	0		75,782	25,967	101,750		101,750	44,855	56,895	126.84%
Program Quality Assurance	84,752	35,083	40,919	2,170	76	163,000	19,400	7,200	26,600		189,600	111,503	78,097	70.04%
Outsourced Services	333,842	127,104	98,141	10,631	313	570,031	624,001	214,799	838,800		1,408,831	643,566	765,265	118.91%
Trade Allies & Customer Service Management	347,759	122,445	267,269	15,623	894	753,989	57,995	23,711	81,706		835,695	468,299	367,396	78.45%
IT Services	687,643	265,698	323,988	37,036	3,304	1,317,672	145,215	72,314	217,530		1,535,202	1,001,121	534,081	53.35%
Other Program Expenses	226,153	95,016	76,395	7,521	548	405,632	156,051	67,063	223,115		628,746	448,945	179,802	40.05%
TOTAL PROGRAM EXPENSES	**33,077,252**	**15,593,862**	**10,598,251**	**1,179,984**	**98,040**	**60,547,389**	**18,137,292**	**11,726,855**	**29,864,152**		**90,411,541**	**57,896,583**	**32,514,958**	**56.16%**
ADMINISTRATIVE COSTS														
Management & General (Note 1 & 3)	814,186	383,838	260,873	29,045	2,413	1,490,355	446,444	288,653	735,097		2,225,452	1,713,339	512,113	29.89%
Communication & Outreach (Note 2 &3)	351,598	165,756	112,655	12,543	1,042	643,594	192,792	124,652	317,444		961,038	787,232	173,807	22.08%
Total Administrative Costs	**1,165,784**	**549,595**	**373,528**	**41,588**	**3,455**	**2,133,949**	**639,236**	**413,305**	**1,052,541**		**3,186,490**	**2,500,571**	**685,919**	**27.43%**
TOTAL PROGRAM & ADMIN EXPENSES	**34,243,036**	**16,143,457**	**10,971,779**	**1,221,572**	**101,495**	**62,681,338**	**18,776,528**	**12,140,160**	**30,916,693**		**93,598,031**	**60,397,154**	**33,200,878**	**54.97%**
TOTAL REVENUE LESS EXPENSES	**(7,476,274)**	**271,883**	**(2,431,646)**	**(315,815)**	**(101,495)**	**(10,053,346)**	**(10,704,012)**	**(7,189,502)**	**(17,893,519)**	**2,373,210**	**(25,573,655)**	**7,359,377**	**(32,933,032)**	
Net Assets from prior years	14,419,680	(8,123,031)	6,484,396	345,107	103,072	13,229,224	23,889,329	11,743,224	35,632,553	7,574,327	56,436,104	49,076,735	7,359,369	
Interest attributed	1,740,000	1,160,000				2,900,000		1,700,000	1,700,000	(4,600,000)				
TOTAL NET ASSETS CUMULATIVE	**8,683,406**	**(6,691,148)**	**4,052,750**	**29,292**	**1,577**	**6,075,878**	**13,185,317**	**6,253,722**	**19,439,034**	**5,347,537**	**30,862,449**	**56,436,112**	**(25,573,663)**	

Note 1) Management and General (Administrative) Expenses have been allocated based on total expenses.
Note 2) General Communication and Outreach expenses (Administrative) have been allocated based on total expenses for budget purposes only, otherwise by Public Purpose Revenue from each Territory.
Note 3) 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 4) Program Management costs include both outsourced and internal staff.
Note 5) Cumulative carryover at 12/31/2006 has been adjusted to reflect audited results.
Note 6) Variance from budget are positive when revenue is greater or expenses are lower than budget, negative if revenue is lower or expenses higher than budget

The Energy Trust of Oregon, Inc

Program Budget Expenses by Service Territory

For the Twelve Months Ending December 31, 2008

Round 2: Scenario: NO 838

PROGRAM TOTALS INCLUDE FULLY ALLOCATED MANAGEMENT AND GENERAL EXPENSE

	PGE	Pacific Power	Subtotal Elec. Utilities	Northwest Natural Gas	Cascade	Avista	Subtotal Gas Providers	Total	2007 Forecast	Change	Pct Change
Energy Efficiency											
Residential											
Home Energy Solutions - Existing Homes	5,944,284	2,228,899	8,173,183	5,795,362	198,807	1,258	5,995,427	14,168,610	11,780,952	2,387,658	20.27%
Home Energy Solutions - New Homes/Products	5,990,407	2,726,365	8,716,772	2,217,385	798,133	100,236	3,115,754	11,832,526	9,426,237	2,406,289	25.53%
Market Transformation (NEEA)	635,270	479,239	1,114,509				0	1,114,509	1,084,285	30,224	2.79%
Total Residential	12,569,961	5,434,503	18,004,464	8,012,747	996,940	101,494	9,111,181	27,115,645	22,291,474	4,824,171	21.64%
Commercial											
Business Energy Solutions - Existing Buildings	7,611,146	967,780	8,578,926	1,570,434	95,751		1,666,185	10,245,111	6,776,166	3,468,945	51.19%
Business Energy Solutions - New Buildings	5,347,083	2,421,649	7,768,732	1,118,809	128,884		1,247,693	9,016,425	5,303,529	3,712,896	70.01%
Market Transformation (NEEA)	976,462	736,628	1,713,090				0	1,713,090	1,698,658	14,432	0.85%
Total Commercial	13,934,691	4,126,057	18,060,748	2,689,243	224,635		2,913,878	20,974,626	13,778,353	7,196,273	52.23%
Industrial											
Business Energy Solutions - Production Efficiency	7,141,882	6,132,909	13,274,791	269,786			269,786	13,544,577	12,007,652	1,536,925	12.80%
Market Transformation (NEEA)	596,492	449,984	1,046,476				0	1,046,476	1,036,688	9,788	0.94%
Total Industrial	7,738,374	6,582,893	14,321,267	269,786			269,786	14,591,053	13,044,340	1,546,713	11.86%
Total Energy Efficiency Costs	**34,243,026**	**16,143,453**	**50,386,479**	**10,971,776**	**1,221,575**	**101,494**	**12,294,845**	**62,681,324**	**49,114,167**	**13,567,157**	**27.62%**
Renewables											
Biopower	1,092,936	953,549	2,046,485				0	2,046,485	613,041	1,433,444	233.83%
Open Solicitation	7,584,214	1,653,407	9,237,621				0	9,237,621	633,697	8,603,924	1,357.73%
Solar Electric (Photovoltaic)	6,460,592	2,641,347	9,101,939				0	9,101,939	2,916,884	6,185,055	212.04%
Utility Scale Projects	38,881	4,565,997	4,604,878				0	4,604,878	6,613,914	(2,009,036)	-30.38%
Wind	3,599,902	2,325,858	5,925,760				0	5,925,760	505,434	5,420,326	1,072.41%
Total Renewables Costs	**18,776,525**	**12,140,158**	**30,916,683**				**0**	**30,916,683**	**11,282,970**	**19,633,713**	**174.01%**
Cost Grand Total	**53,019,551**	**28,283,611**	**81,303,162**	**10,971,776**	**1,221,575**	**101,494**	**12,294,845**	**93,598,007**	**60,397,137**	**33,200,870**	**54.97%**

Energy Trust of Oregon
Statement of Functional Expense
For the Twelve Months Ending December 31, 2008
Budget 2008-B-02 Scenario: NO 838

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communication & Outreach	Total Admin Expenses	Total
EXPENSES							
Program Expenses							
Incentives/ Program Management & Delivery	52,334,392	26,701,468	79,035,860			0	79,035,860
Payroll and Related Expenses	1,434,419	959,023	2,393,442	1,262,860	366,263	1,629,123	4,022,565
Outsourced Services	3,088,482	1,407,850	4,496,332	387,355	346,850	734,205	5,230,537
Planning and Evaluation	1,212,804	273,460	1,486,264	19,470	1,796	21,266	1,507,530
Customer Service Management	753,989	81,706	835,695			0	835,695
Total Program Expenses	**58,824,086**	**29,423,507**	**88,247,593**	**1,669,685**	**714,910**	**2,384,595**	**90,632,188**
Program Support Costs							
Supplies	8,761	5,535	14,296	12,053	3,435	15,488	29,784
Postage and Shipping Expenses	21,650	7,306	28,956	5,347	20,181	25,528	54,484
Telephone	1,668	6,538	8,206	2,047	298	2,345	10,551
Printing and Publications	108,666	34,540	143,206	4,736	45,740	50,476	193,682
Occupancy Expenses	82,859	52,352	135,211	60,088	21,137	81,225	216,436
Insurance	14,602	9,226	23,828	10,589	3,725	14,314	38,142
Equipment	4,535	2,865	7,400	16,489	2,357	18,846	26,246
Travel	55,688	60,740	116,428	45,935	6,912	52,847	169,275
Meetings, Trainings & Conferences	59,600	37,050	96,650	124,750	12,500	137,250	233,900
Depreciation & Amortization	2,069	1,307	3,376	1,500	528	2,028	5,404
Dues, Licenses and Fees	44,926	5,269	50,195	8,414	5,109	13,523	63,718
Miscellaneous Expenses	608	384	992	541	155	696	1,688
IT Services	1,317,672	217,530	1,535,202	263,277	124,052	387,329	1,922,531
Total Program Support Costs	**1,723,303**	**440,645**	**2,163,948**	**555,766**	**246,129**	**801,895**	**2,965,843**
TOTAL EXPENSES	**60,547,389**	**29,864,152**	**90,411,541**	**2,225,452**	**961,038**	**3,186,490**	**93,598,031**

PUC performance measure	11%
Administrative plus program support costs	8.1%

The Energy Trust of Oregon
Capital Purchases

	2008 budget
Technology Refresh	
Server upgrade and replacement	60,000
Network Switch Replacement	10,000
Firewall Replacement	10,000
Accounting Software	200,000
CRM Software	75,000
Software enhancements	20,000
Total capital purchases	375,000

	2009 Projection
2009, nature of projects to be determined in mid 2008	120,000

all hardware and software is depreciated over 3 years, straight line

EnergyTrust of Oregon, Inc.

Proposed Final 2008-2009 Action Plan

December 12, 2007

I. INTRODUCTION

Palpable shifts are evident in the environment in which Energy Trust operates. The first is broader acceptance that climate change is real and that, as a result, carbon regulation is expected. Time previously spent debating scientific evidence about climate change is now shifting to how to reduce carbon emissions 80% between now and 2050. A second change is the exponential growth in capital investment aimed at clean technology development. Related venture capital investments have increased 800% in four years time, with solar being a top priority category. Third, renewable energy equipment production is dramatically expanding. Demand for wind turbines is outstripping supply, and costs have increased 30% - 50%. The top five world wind manufacturers, representing 65% of the market, all are working to increase their output by 2010. Global supply of solar photovoltaic (PV) panels is expected to increase four-fold by 2010.

We appear to have reached the proverbial tipping point at which energy efficiency and renewable energy emerge as positive, viable, centerpiece solutions in a world where carbon reduction is a driver. Energy efficiency is seen as the first resource choice—the most available, affordable and carbon-neutral option. Like Oregon, other states with system benefit charges are pursuing more aggressive ways to acquire *all* the cost effective energy efficiency available as soon as possible. As Oregon becomes the 24th state with a renewable portfolio standard, utilities will be acquiring more renewable energy projects for their portfolios at a faster rate than ever before. The work Energy Trust does buys critical time, building a bridge to a bright and innovative energy future that is greener, cleaner and more sustainable.

2007 Energy Trust accomplishments move us further in this direction. Electric savings results are expected to exceed the best case goal of 32 aMW. Electric efficiency spending is projected to be within 85% of the total available budget, with the result that more savings are acquired at lower cost . Natural gas savings in 2007 are expected to be between the conservative 1.8 million annual therm goal and the best case goal of 2.4 million annual therms. Expected year-end renewable energy generation totals 77.3 aMW, a dramatic increase over prior years.

As we look forward, heightened consumer awareness and marketplace interest translates to high growth in volume and demand for Energy Trust programs and services, especially for renewable energy opportunities. For efficiency, this is also evident in the electric utilities' planned filings to secure additional energy efficiency funding above the current 3% public purpose charge collection. When projections for incremental funding are considered, Energy Trust anticipates:

- Over a five-fold increase in the number of projects completed: 21,000+ in 2004 to over 112,000 projected in 2008
- A seven-fold increase in the number of checks issued: 12,000 in 2004 to nearly 90,000 projected in 2008
- A ten-fold increase in the number of participants served: 140,000+ in 2004 to 1.5+ million projected in 2008

- Nearly double the number of solar projects in 2007 over 2006, and an expected doubling again in 2008

Because the utility supplemental energy efficiency plans are under development and consideration and not yet approved by the Oregon Public Utility Commission (OPUC), this budget assumes only base electric efficiency funding levels derived from the current 3% public purpose charge. The draft 2008-2009 action plan and 2008 budget anticipate a minimum range of 21.7-28.9 aMW in electric energy savings and between 1.7 and 2.2 million annual therm savings, representing the conservative to best case scenarios for both fuels. OPUC minimum performance measures for 2008 remain under development. The current performance measure that requires average program levelized cost to be 2.0 cents/kWh is expected to increase to a much higher level, reflecting a desire to acquire more cost effective savings. Levelized costs per annual therm, currently at 40 cents, may also increase to compensate if discount rates are changed. Commitments to new renewable energy generation in 2008 is expected to be between 9.5 and17.3 aMW.

The following sections of the 2008-2009 action plan describe our emphases and strategies (section II), followed by detailed program/department descriptions and corresponding budgets (section III). The draft 2008 budget is consistent with these themes and approaches. Lastly, a summary of 2009 actions is included (section IV).

II. 2008-2009 DRAFT ACTION PLAN HIGHLIGHTS

Growth in demand for Energy Trust services and programs challenge us to acquire more savings and generation and to deliver greater benefits over time. Building upon existing programs, the 2008-2009 action plan is characterized by innovation and diversification. The plan expands into both current and new markets, adds insights through new market research, pursues different technologies, strengthens existing partnerships while seeking collaboration with new partners, and defines different Energy Trust roles. These and other new strategies are intended to build capacity and ultimately achieve more results.

The following specific themes spotlight what to expect in the coming two years:

1. *Renewable energy program transition* - When the Oregon Renewable Energy Act takes effect in January 2008, Energy Trust will transition from programs historically emphasizing utility scale development to projects 20 MW or less. Mature, successful and diverse renewable energy programs form a solid foundation for this transition, for which the challenge is to meet growth in volume and demand across all programs. 2008-2009 emphases include:

    - Fulfill 2007 project commitments and continue to provide diverse project opportunities across renewable technologies
    - Meet residential and commercial solar electric demand, with a special emphasis on large commercial installation opportunities in PGE service territory
    - Pursue several community scale wind projects
    - Focus on biopower/biogas projects for dairies and municipal sewage/water treatment facilities
    - Expand the open solicitation program to incorporate small-scale hydro and small geothermal projects

In addition, greater emphasis will be placed on non-profit/public sector opportunities using the successful third-party investor model for financing. To meet changing customer expectations, Energy Trust will provide more technical assistance, market validation and neutral reviews of proposed renewable energy projects. Lastly, with an exclusive role to develop smaller projects, Energy Trust anticipates longer lead times and more intensive work with customers to secure projects and bring them on line. Energy Trust will continue to monitor available funds and, should demand exceed resources, staff will work with interested parties on project timing.

2. *Energy efficiency program emphases* - The 2008-2009 action plan and 2008 budget are designed to capture more savings within existing markets and pursue new initiatives to reach more challenging and historically underserved, niche markets. Consistent with the resource assessment, the commercial sector holds the greatest market potential for accelerating savings and is the first tier for program growth. Overall energy efficiency strategies using base public purpose funding will:

    - Concentrate on sub-markets for both existing and new commercial buildings, including food services, lodging, office buildings, healthcare facilities and informational technology (IT) server farms
    - Emphasize lost opportunities, including new small to medium commercial construction, focused on the design-build market
    - Expanded service to industrial customers, with new staff managing the program in-house, more direct Energy Trust/Program Delivery Contractor communication and a new focus on small industrial manufacturing customers
    - Go deeper into residential markets, continuing high value HVAC measures, ENERGY STAR® Home Performance, further integrating solar through home energy reviews and assessments, and renewed concentration in the multifamily/rental market

    More research is planned to integrate new technologies and measure offerings. Investments and field testing will be pursued for high efficiency water heaters, advanced residential construction techniques and potentially also for select light-emitting diode (LED) applications. In addition, joint marketing of both efficiency and renewable energy opportunities is viewed as a key element of the overall strategy to successfully enter new markets.

3. *Utility Collaboration and Other Partnerships* - With the Renewable Energy Act in place, Energy Trust expects to coordinate even more closely with PGE and Pacific Power on their integrated resource plans (IRPs). This will include regularly engaging utility representatives in the design and review of updated Energy Trust resource assessments. New market opportunities and corresponding measures/technologies will also be identified and pursued. Mutual Energy Trust/utility priorities are expected to be reflected in utility IRPs, with Energy Trust acquisition targets and results included for both efficiency savings and renewable energy generation. In addition, the following important areas will be emphasized as Energy Trust further pursues cooperative relationships:

    - Interconnection - The smooth and successful integration of smaller renewable energy projects into the electric utility grid is of special importance as Energy Trust continues to acquire smaller-scale, distributed generation

- New financial options - These include further exploration of utility bill and other financing options and potential purchase and ownership of efficiency and/or renewable energy products where this is critical to establishing viable markets
- Economic development - As interest in sustainable and green development continues, Energy Trust will strengthen its connections with utilities, state, regional and local economic development organizations, private investors and other organizations committed to sustainability

4. *Apply a customer-driven marketing strategy* - In 2008 Energy Trust is accelerating the evolution of its communications and marketing strategy from a generalized market approach (e.g. existing commercial buildings) to a customer-centric approach that also targets more specific customer groups and vendors (e.g., dry cleaners and nurseries). Beyond the promotion of specific individual programs, this approach will provide broader and more comprehensive ways for business and residential customers to address their energy opportunities. More in-depth market research, targeted outreach, web improvements and trade ally support activities are the keystones to this plan. Specific changes will:

    - Add new research focused on market segmentation, an annual attitude and awareness survey and shared market research with utilities and other entities
    - Increase outreach, using more tailored messages for key target groups
    - Promote sector-wide marketing and communications strategies that work across both efficiency and renewable programs
    - Upgrade our website, adding more detailed energy information, interactive features and possibly videos
    - Progressively automate on-line forms and put an easier application process in place, further simplifying participation
    - Centralize trade ally administration and support, adding capacity for more interaction and feedback, trainings, events and recognition

5. *Community energy* - Energy Trust has selected Corvallis as the community to test whether working with local leaders and organizations in a concentrated manner will result in more participation and greater savings and generation at lower cost. Corvallis presented a best-case opportunity to explore the full gamut of community-based strategies. With planning underway in fall 2007, the pilot community energy project will continue for 9-12 months with elements that will:

    - Partner with the local grassroots Sustainability Coalition, comprised of and driven by energetic volunteers from 65 community organizations
    - Work closely with NW Natural, Pacific Power, the mayor and city council members of Corvallis and possibly Consumers Power on planning and delivery

    In addition to the Corvallis focus, Energy Trust will work to engage large employers to reach out to employees with information about Energy Trust opportunities through:

    - Continued work with Nike to communicate Energy Trust Home Energy Savings information on its intranet sustainability site and through employee email "blasts"
    - Future participation of larger employers to deliver targeted messages for both efficiency and renewables

6. *Continue process improvements* - In 2008, Energy Trust will act upon findings and recommendations from the IT Enterprise Architecture Study. Such actions will lead to a new IT strategic plan with elements that:

    - Put a new IT staffing plan in place
    - Re-assess contact management system requirements and software
    - Evaluate current versus alternative accounting and finance packages
    - Develop new system implementation plans

    These improvements are intended to further focus IT efforts on those system improvements that most benefit both internal and external customers and users. Additionally these improvements will provide Energy Trust the flexibility to more effectively address the complexities the organization encounters.

7. *Incremental energy efficiency funding* - This proposed final action plan, proposed final budget and corresponding savings assume current funding levels. Both PGE and Pacific Power have submitted energy efficiency plans now under consideration by the OPUC to acquire more cost effective savings with funding above the current 3% public purpose rate. If the OPUC approves such energy efficiency plans, Energy Trust anticipates an implementation role to invest incremental funds. In addition to gleaning more savings from existing programs and approaches, preliminary planning with PGE and Pacific Power has identified the following potential investments:

    - With the coordinated participation of utility representatives, accelerate efforts to target key sub-sectors of the existing buildings market
    - Expand efforts in small to medium new commercial construction
    - Explore possible opportunities for zero net energy residential and commercial building design
    - Expand market penetration to serve more customers across all sectors
    - Add services for near low-income residential customers (60-80% of federal median income levels), expanding multifamily lighting emphasis and investigating the addition of new high efficiency technologies such as ductless mini-split heat pump units for heating
    - Investigate capturing new energy improvement upgrades and financing opportunities at the time when existing residential and commercial buildings are sold or leased

    Assuming OPUC approval of expanded utility efficiency plans, program efforts will be further refined and implementation coordinated with both PGE and Pacific Power. Expansion will also require time to ramp up Energy Trust capabilities to achieve agreed upon results. We expect adjustments to this draft action plan and the 2008-2009 budget to be made in spring 2008. These changes, as well as others stemming from the Renewable Energy Act, will lead to preparation of a new Energy Trust strategic plan.

III. 2008-2008 PROGRAM/DEPARTMENT SUMMARIES AND CORRESPONDING BUDGET DETAIL

The following section includes 1-page, 2-sided descriptions for every program and major department, including 2008 proposed final budget details. This information provides a short

descriptive statement of purpose, a list of top strategies and actions anticipated, the proposed final 2008 budget, and—where applicable—projected savings/generation.

IV. 2009 PROJECTED HIGHLIGHTS

Energy Efficiency

- Develop new initiatives to fully utilize any additional revenues made available by utilities through the Renewable Energy Act
- Increase gas marketing, investments and savings acquisition
- Promote viable new residential technologies such as non-condensing gas water heaters as equipment becomes available
- Begin promotion of the most advantageous niche applications of LED lighting and next generation compact fluorescent lighting (CFL) technologies, assuming new products are tested and proven reliable
- Continue to develop the capacity of architects, engineers and developers to integrate energy efficient practices into new commercial construction
- In collaboration with the Northwest Energy Efficiency Alliance (NEEA), develop a new ENERGY STAR home specification that will be 15% above the 2008 Oregon residential code
- Explore strategies to achieve low- to zero net energy homes and green communities
- Collaborate with Avista to expand Home Performance with ENERGY STAR in southern Oregon
- Continue to seek opportunities with electric utilities to develop transmission and distribution deferral projects
- By supporting NEEA programs, attract more companies to permanently incorporate energy management practices and actions
- Continue to work with the Consortium for Energy Efficiency and manufacturers to encourage the development of new gas appliances to fill market gaps (e.g., condensing heat for rooftop commercial space conditioning systems)
- Accelerate efforts to identify and quantify when we are transforming markets and how much we are consequently saving

Renewable Energy

- Accelerate pursuit of projects of 20 MW or less
- Monitor utility scale project operation and fulfill ongoing reporting responsibilities
- Expand the opportunities for more community wind developments
- Grow the small-scale on-site wind generation initiative
- Continue to support commercial biomass operations at Warm Springs to come on-line in 2009
- Focus on dairy, wood and innovative waste management biomass projects
- Support wave power projects if research and development efforts prove out
- Support more hydro electric developments and expand to small-scale geothermal
- Examine whether to create a separate hydropower program offering
- Adjust solar incentives and activities to respond to changes in federal tax credits after 12/31/08
- Quantify and demonstrate the value solar energy systems add to Oregon homes

Other

- Continue evolving effective communications and marketing strategies that are customer

centric and go beyond promotion of independent programs

- Monitor results of the Corvallis community energy pilot and, if successful, replicate the approach in one or more other Oregon communities[1]
- Focus research and planning on market acceleration and more hard-to-reach markets
- Begin implementation of financial and contact management systems changes selected in 2008
- Fully implement the IT strategic plan
- Complete the five-year management audit

[1] The Corvallis pilot will continue into 2009 and final evaluation will not be possible until then.

Appendix 1

Energy Trust of Oregon
Mission Statement and Strategic Plan Goals

Mission statement:

To change how Oregonians produce and use energy by investing in efficient technologies and renewable resources that save dollars and protect the environment.

Strategic Plan Goals:

Goal 1: By 2012, deliver programs to help consumers save 300 average megawatts (2.6 million annual megawatt hours) of electricity and 19 million annual therms of natural gas from long-lasting energy efficiency measures. Targets are for a weighted average measure life of 14 years for electric savings and 20 years for gas savings.

Goal 2: Provide 10% of Oregon's electric energy from renewable resources by 2012, (approximately 450 average megawatts for Pacific Power and PGE if Energy Trust programs are complemented by state, federal and other policies and programs, or 150 average megawatts by Energy Trust effort alone.) [2]

Goal 3: Extend energy efficiency and on-site renewable energy programs and benefits to underserved consumers.

Goal 4: Contribute to the creation of a stable environment in which businesses that promote energy efficiency and renewable energy have the opportunity to succeed and thrive.

Goal 5: Encourage and support Oregonians to integrate energy efficiency and renewable resources into their daily lives.

[2] Goal 2 was adopted before passage of the Oregon Renewable Energy Act, which takes effect in January 2008. In the course of updating the strategic plan during this same year, Energy Trust will revise this goal to reflect our new and exclusive focus on renewable energy projects of 20MW or less.

Appendix 2

2008 Anticipated OPUC Energy Trust of Oregon Performance Measures

Category	Measures	2008 Draft Budget
Energy Efficiency	Obtain at least 20 aMW computed on three year rolling average Levelized cost not to exceed $0.02/KWh	21.7 - 28.9 aMW $0.019 - $.025/kwh
Natural Gas	Obtain at least 700,000 annual therms Levelized cost not to exceed $0.40/therm	1.7-2.2 million annual therms $0.34 - $0.45/therm
Renewable Resources Energy	Secure at least 3 aMW computed on a three year rolling average from small scale projects	9.5 – 17.3 aMW
Financial Integrity	Receive an Unqualified financial opinion from independent auditor on annual financial statements	Accounting conforms with Generally Accepted Accounting Principles (GAAP)
Administrative and Program Support Costs	Keep below 11% of annual revenue	8.1%
Customer Satisfaction	Achieve reasonable rates	Includes customer satisfaction research
Benefit/Cost Ratios	Report both utility system and societal perspective on an annual basis and report significant changes, if any, on quarterly statements	

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

PROGRAM:	HOME ENERGY SOLUTIONS- EXISTING HOMES	SECTOR:	RESIDENTIAL

PURPOSE: Acquire cost-effective electric and gas savings by providing energy efficiency services and incentives for existing single-family, multifamily and manufactured homes. Contributes to Strategic Plan goals 1, 3, 4, 5.

PROGRAM STRATEGY:

In consideration of incremental funding stemming from the passage of the Renewable Energy Act and subsequent electric utility rate filing approvals, the following strategies are contemplated in this program for 2008 and 2009.

Base:

1. Offer incentives for a wide variety of efficiency measures for single-family, multifamily, and manufactured homes.
2. Offer an online home energy analyzer to Energy Trust public purpose funding contributors.
3. Provide home energy reviews to customers in areas served by the Energy Trust of Oregon.
4. Work with utility funders to create promotions targeted to their customers.
5. Leverage manufacturer and community based partnerships in delivering energy efficiency.
6. Fully integrate the assessment and processing of Solar Hot Water applications.
7. Coordinate with ODOE to reward participants in the State Home Weatherization Program (SHOW) from Energy Trust service territories with compact fluorescent light bulbs.
8. Establish realtors as a new trade ally for the program.
9. Continue growth of Home Performance with ENERGY STAR®, a comprehensive, whole-house approach to single family residential energy efficiency that utilizes diagnostic equipment and generates a home analysis assessment.

Incremental:

10. Offer lower interest financing/increased incentive structure as an option for median income customers thru Assisted Home Performance program.
11. Add more services and/or device installations to home energy reviews with goal to move customers to measure installation, resulting in greater savings.

2008 ACTIONS:

Base:

1. Expand the number of trade allies participating in the Home Performance program in southern and eastern Oregon.
2. Effectively leverage utility and manufacturer promotional activities.
3. Engage in promotional activities with gas utilities to promote efficient gas furnaces and other efficient gas applications.
4. Conduct solar potential studies on residential homes and process solar hot water applications, with a goal to increase the number of solar thermal installations.
5. Sponsor events with Oregon Remodeling Association, Affordable Comfort, Building Performance Institute, the Remodelers Council and other organizations that support activities of trade allies.
6. Provide full program services to Cascade service territory including Home Performance with ENERGY STAR.
7. Provide approximately 12,000 CFLs to State Home Oil Weatherization (SHOW) customers.
8. Pursue more opportunities for gas efficiency measures.
9. Conduct a Blue Line behavioral monitor pilot.
10. Evolve multifamily program services to focus on high value measures such as common area lighting, appliances and HVAC.
11. Develop and conduct a pilot with the City of Portland that focuses on messaging energy efficiency and greenhouse gas mitigation through EPC and carbon labels that communicate how a homeowner can improve energy efficiency and reduce the home's carbon foot print.
12. Work with OR Housing & Community Services to pilot solar hot water systems installations to low income homes
13. Develop near-low income (60-80% median) outreach strategy and implement in last quarter of 2008.

Incremental:

14. Assess effectiveness of CAPECO refrigerator replacement pilot for expansion to other areas with incremental funds.
15. Assess effectiveness of heat pump commissioning for a programmatic offering.

2009 PLANNED ACTIVITIES:

1. Continued focus on multifamily lighting and appliances related projects.
2. Continue delivery activities commensurate with incremental funding levels employing flexible initiatives established to spend funding as needed.
3. Continue collaboration efforts with Avista to expand Home Performance with ENERGY STAR in southern Oregon.

December 2007

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

TARGETS:

Year	Annual Electric & Gas Expense $M	Electric aMW	Electric MWh	Electric $M/aMW	Electric Levelized Cost ($/kWh)
2007 Full-Year Forecast	$ 11.8	2.19	19,146	$3.19	$0.023
2008 Proposed Budget	$ 14.2	1.87 - 2.50	16,399 - 21,865	$ 4.37 - $ 3.27	$ 0.028 - $ 0.021
2009 Projection	$ 14.1	1.96 - 2.61	17,146 - 22,861	$ 4.00 - $ 3.00	$ 0.026 - $ 0.019

	Gas Therms	Gas $/Therm	Gas Levelized Cost ($/therm)
2007 Full-Year Forecast	886,643	$5.41	$0.28
2008 Proposed Budget	607,751 - 810,335	$ 9.86 - $ 7.40	$ 0.49 - $ 0.37
2009 Projection	633,707 - 844,942	$ 9.95 - $ 7.46	$ 0.50 - $ 0.37

	2007 Forecast	2008 Budget (NO 838)	2009 Projection (NO 838)
PMC Costs			
Program Management	$390,969	$505,491	$520,656
Delivery	2,176,178	3,463,292	3,050,163
Marketing-PMC	421,825	688,029	675,175
Performance Comp	204,177	75,000	75,000
Incentives	6,196,080	6,389,747	6,688,470
Total PMC Costs	**9,389,229**	**11,121,559**	**11,009,464**
Staffing	**243,158**	**298,935**	**316,871**
Marketing	**359,761**	**228,240**	**257,615**
Other Services			
Evaluation and Planning Services	480,533	662,460	603,901
QA-Subcontracted	56,696	80,000	85,000
Customer Service & Trade Ally Support	324,347	575,128	567,682
Legal Services	6,656		
Other Professional Services	32,240	135,168	76,575
Total Other Services	**900,472**	**1,452,756**	**1,333,158**
General			
General Program Support Costs	85,818	75,575	77,325
Shared	32,931	27,027	27,028
IT Services	281,830	482,160	477,823
Total General	**400,579**	**584,762**	**582,176**
PROGRAM DIRECT COSTS	**11,293,199**	**13,686,252**	**13,499,284**
Allocated mgmt & general marketing	487,756	482,362	626,603
TOTAL EXPENSE, FULLY ALLOCATED	**11,780,955**	**14,168,614**	**14,125,887**

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

PROGRAM:	HOME ENERGY SOLUTIONS- NEW HOMES/PRODUCTS	SECTOR:	RESIDENTIAL

PURPOSE: Program targets lost energy efficiency opportunities in the residential sector. Provide the residential new home market with services and incentives with focus on EPA ENERGY STAR® regional specifications, reaching home buyers, builders, multifamily developers, and manufacturers of pre-fabricated homes. Overcome market barriers to the purchase of energy efficient products through product incentives, consumer awareness and education, focusing on ENERGY STAR label and corresponding benefits of products and services that display it. Contributes to Strategic Plan goals 1, 3, 4, 5.

PROGRAM STRATEGY:

In consideration of incremental funding stemming from the passage of the Renewable Energy Act and subsequent electric utility rate filing approvals, the following strategies are contemplated in this program for 2008 and 2009.

Base:

1. Deliver program to customers and builders by utilizing Program Management Contractor (PMC) and a statewide comprehensive network of trade allies, leveraging existing market relationships and professional service channels.
2. Provide market support (e.g., building diagnostics and equipment installation support, market-based verifier oversight, training, co-op marketing funds, retailer training, lighting support, and outreach to industry organizations).
3. Develop and implement elements to overcome barriers (e.g., education, lighting, HVAC, solar).
4. Provide incentives (e.g., homes, stand-alone measures, clothes washers, light bulbs, duct sealing, commissioning (Cx)).
5. Conduct marketing to create consumer demand (e.g., ads, website, education, trade shows, and school outreach).
6. Move the market preparedness for the next generation of high performance homes.
7. Leverage Northwest Energy Efficiency Alliance (NEEA) residential sector activities.
8. Leverage other related programs and organizations (e.g., Earth Advantage, NEEM, home builder associations).

Incremental:

9. Provide incentives to further promote energy efficient lighting.
10. Collaborate with regional and national market actors to introduce and incent new energy efficient products.

2008 ACTIONS:

Base:

1. Increase market share and long-term viability of ENERGY STAR homes in the new construction market place, ENERGY STAR refrigerators and 2.0 MEF clothes washers in the appliance marketplace, and energy efficient lighting (specialty CFLs, LED can lights, and appropriate application of CFLs in new construction lighting packages).
2. Provide incentives for ENERGY STAR single and multi-family homes, gas furnaces, zonal electric homes, heat pumps, commissioning and/or duct sealing for heat pumps, manufactured homes, tankless hot water heaters, refrigerators, and clothes washer incentives on ultra-high efficiency models (2.0+ MEF).
3. Recruit new builders and help them prepare for the code change to take place in 2008.
4. Provide technical guidance, training, incentives, and promotions to support high performance homes (e.g., HPH "challenge", design training and assistance, solar integration, community specs).
5. Provide performance testing and duct sealing training to HVAC installers.
6. Promote energy efficient lighting through the spring and fall BPA specialty bulb buy down, the school fundraiser, and the on-line home energy analyzer.
7. Continue technical school outreach initiative.
8. Provide training to PV and solar water system installers through a partnership with Solar Oregon and OSEIA.

Incremental:

9. Implement specialty CFL buy downs, LED can lights for kitchens with dimmers, and fixture and CFL packages for new homes.

2009 PLANNED ACTIVITIES:

1. Maintain new home market transformation efforts while increasing focus on alternative strategies toward achieving low-energy homes and green communities.
2. Increase installations of solar thermal systems and provide support for direct application renewable strategies.
3. Begin promoting LED lighting options and next generation CFL technologies.
4. Promote new viable technologies (e.g., heat pump water heaters, non-condensing gas water heaters).

December 2007

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

TARGETS:

Year	Annual Electric & Gas Expense $M	Electric aMW	Electric MWh	Electric $M/aMW	Electric Levelized Cost ($/kWh)
2007 Full-Year Forecast	$ 9.4	7.41	64,955	$0.86	$0.011
2008 Proposed Budget	$ 11.8	2.66 - 3.54	23,275 - 31,033	$ 3.28 - $ 2.46	$ 0.046 - $ 0.034
2009 Projection	$ 12.2	2.31 - 3.08	20,241 - 26,988	$ 3.56 - $ 2.67	$ 0.047 - $ 0.035

	Gas Therms	Gas $/Therm	Gas Levelized Cost ($/therm)
2007 Full-Year Forecast	250,022	$12.10	$0.70
2008 Proposed Budget	319,514 - 426,019	$ 9.75 - $ 7.31	$ 0.55 - $ 0.41
2009 Projection	338,791 - 451,721	$ 11.59 - $ 8.70	$ 0.69 - $ 0.51

	2007 Forecast	2008 Budget (NO 838)	2009 Projection (NO 838)
PMC Costs			
Program Management	$406,547	$546,630	$583,530
Delivery	2,818,828	4,162,835	5,109,175
Marketing-PMC	567,000	855,168	949,254
Performance Comp	239,458	75,000	75,000
Incentives	4,010,397	4,329,820	3,385,410
Total PMC Costs	**8,042,230**	**9,969,453**	**10,102,369**
Staffing	**143,254**	**259,770**	**275,357**
Marketing	**95,719**	**110,620**	**155,308**
Other Services			
Evaluation and Planning Services	330,061	456,758	473,188
QA-Subcontracted	41,776	8,000	20,000
Customer Service & Trade Ally Support	50,989	98,589	146,364
Legal Services	2,144		
Other Professional Services	24,171	76,995	15,495
Total Other Services	**449,141**	**640,342**	**655,047**
General			
General Program Support Costs	22,369	44,750	34,500
Shared	22,479	23,340	23,342
IT Services	260,783	381,422	377,991
Total General	**305,631**	**449,512**	**435,833**
PROGRAM DIRECT COSTS	**9,035,975**	**11,429,697**	**11,623,914**
Allocated mgmt & general marketing	390,264	402,832	539,552
TOTAL EXPENSE, FULLY ALLOCATED	**9,426,239**	**11,832,529**	**12,163,466**

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: **MARKET TRANSFORMATION NORTHWEST ENERGY EFFICIENCY ALLIANCE (NEEA)** **SECTOR:** **RESIDENTIAL**

PURPOSE: NEEA funds regional market transformation initiatives in the Northwest region across commercial, industrial and residential sectors working in coordination with Energy Trust programs. This budget contemplates leveraging NEEA regional market transformation initiatives in the residential market sector to acquire cost-effective savings while creating sustainable and efficient purchasing patterns among consumers**.** Contribute to Strategic Plan goals 1, 4, 5.

PROGRAM STRATEGY:

1. Leverage Energy Trust and NEEA programs to increase delivery support and program incentive offerings.
2. Coordinate marketing efforts in areas where there are complimentary NEEA and Energy Trust initiatives, in particular, ENERGY STAR New Homes.
3. Work with residential program staff to develop new residential initiatives that provide cost effective market transformation results.
4. Continue the expansion of the market share of ENERGY STAR Northwest Homes, while exploring possibilities for more advanced efficient homes.

2008 ACTIONS:

1. Run regional promotions of ENERGY STAR New Homes in coordination with utility and public purpose provider (including Energy Trust) rebates.
2. Complete demonstrations for advanced technologies in new homes and expand the number of high performance homes being built in Oregon in conjunction with Oregon Department of Energy (ODOE), Portland Office of Sustainability (OSD) and U.S. Department of Energy (DOE).
3. Initiate an impact evaluation that will provide an analysis of actual realized savings per ENERGY STAR new home, based on homes constructed in 2006-2007. It is assumed that residential new construction building characteristics study will serve as a baseline for this impact evaluation. (Energy Trust will leverage their evaluation on this effort.)
4. Work with residential program staff to identify new opportunities in residential market transformation efforts.
5. Coordinate Energy Trust program operations with NEEA regional initiatives to maximize overall program effectiveness.

2009 PLANNED ACTIVITIES:

- Continue efforts to drive regional progress toward adoption of homes certified to the Northwest ENERGY STAR standards. 2009 activities will likely involve raising the Energy Star spec to 15% above the proposed 2008 Oregon code and continuing high performance homes efforts.
- Continued invest in the new residential market transformation opportunities identified in late 2007/early 2008.

TARGETS:

Year	Annual Electric Expense $M	Electric			
		aMW	MWh	$M/aMW	Levelized Cost ($/kWh)
2007 Full-Year Forecast	$ 1.1	6.03	52,785	$0.18	$0.003
2008 Proposed Budget	$ 1.1	4.45 - 5.94	39,018 - 52,024	$ 0.25 - $ 0.19	$ 0.004 - $ 0.003
2009 Projection	$ 0.9	3.61 - 4.81	31,590 - 42,120	$ 0.26 - $ 0.19	$ 0.004 - $ 0.003

(see budget details on reverse)

The Energy Trust of Oregon, Inc
2008 Proposed Final Budget
Market Transformation (NEEA) - Residential

	2007 Forecast	2008 Budget (NO 838)	2009 Projection (NO 838)
PMC Costs			
Delivery	$1,019,693	$1,029,253	$833,320
Total PMC Costs	**1,019,693**	**1,029,253**	**833,320**
Staffing	**3,273**	**11,677**	**12,378**
Other Services			
Evaluation and Planning Services	15,568	31,937	31,872
Total Other Services	**15,568**	**31,937**	**31,872**
General			
General Program Support Costs		933	933
Shared	418	737	737
IT Services	442	2,029	2,011
Total General	**860**	**3,699**	**3,681**
PROGRAM DIRECT COSTS	**1,039,394**	**1,076,566**	**881,251**
Allocated mgmt & general marketing	44,892	37,944	40,905
TOTAL EXPENSE, FULLY ALLOCAT	**1,084,286**	**1,114,510**	**922,156**

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: BUSINESS ENERGY SOLUTIONS- EXISTING BUILDINGS SECTOR: COMMERCIAL

PURPOSE: Acquire cost-effective electric and natural gas savings by providing technical assistance and financial incentives for high-efficiency equipment and energy efficient operating practices in existing commercial facilities. Contributes to Strategic Plan goals 1, 3, 4, 5.

PROGRAM STRATEGY:

In consideration of incremental funding stemming from the passage of the Renewable Energy Act and subsequent electric utility rate filing approvals, the following strategies are contemplated in this program for 2008 and 2009.

Base:

1. Target decision makers of existing commercial renovation projects including owners and installation contractors.
2. Deliver program to commercial entities by utilizing Program Management Contractor (PMC) and a statewide comprehensive network of trade allies, leveraging existing market relationships and professional service channels.
3. Maintain and expand successful state-wide Trade Ally Network of installation and technical assistance contractors to further deliver program services to the public.
4. Maintain focus on current target markets- foodservice, lodging, office, healthcare and natural gas equipment.
5. Incorporate operation and maintenance services and incentives formerly offered by Building Tune-Up and Operations pilot program.
6. Coordinate with ODOE and renewable energy programs to package program offerings.
7. Leverage Northwest Energy Efficiency Alliance commercial sector activities.
8. PMC will add marketing and technical resources to increase program participation and project throughput.
9. Expand program offerings geographically by engaging subcontractors in central and southern Oregon.

Incremental:

10. Expand target markets and target technologies.
11. Create enhanced outreach and educational program utilizing direct calls and emails, referrals, mass emails, cold calls, news releases, direct mailings, case studies, advertisements in trade publications, program seminars, sponsorships of events and organizations, web site, articles, bill inserts and partnerships with related organizations.

2008 ACTIONS:

Base:

1. Add new equipment incentives and develop new outreach strategies for current target markets- foodservice, lodging, office, healthcare and natural gas equipment.
2. Smoothly transition trade ally and allied technical analysis contractors to a more direct relationship with Energy Trust.
3. Continue to align with ODOE programs to minimize differences in program requirements (e.g. BETC, SEED, High-Performance Schools).
4. Integrate ODOE Business Energy Tax Credits (BETC) forms in incentive offerings to facilitate and streamline application process.
5. Continue to improve and streamline program rules, forms and participation steps for Trade Allies and participants.
6. Develop targeted incentives and marketing materials for new markets like commercial laundries, groceries and convenience stores, data centers and services and retro-commissioning.
7. Hire PMC marketing manager to coordinate all marketing and outreach activities.

Incremental:

1. Pilot tablet-PCs for low-level energy audits
2. Hire additional PMC technical resources to facilitate and review projects to optimize throughput.
3. Offer expanded technical and educational resources to trade allies and participants.

2009 PLANNED ACTIVITIES:

1. Lower acquisition cost of energy savings by streamlining program operations.
2. Expand into new target markets and target technologies.

December 2007

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

TARGETS:

Year	Annual Electric & Gas Expense $M	Electric aMW	Electric MWh	Electric $M/aMW	Electric Levelized Cost ($/kWh)
2007 Full-Year Forecast	$ 6.8	4.23	37,098	$1.22	$0.014
2008 Proposed Budget	$ 10.2	3.37 - 4.49	29,481 - 39,308	$ 2.55 - $ 1.91	$ 0.027 - $ 0.020
2009 Projection	$ 7.5	1.60 - 2.14	14,056 - 18,741	$ 3.42 - $ 2.57	$ 0.037 - $ 0.027

	Gas Therms	Gas $/Therm	Gas Levelized Cost ($/therm)
2007 Full-Year Forecast	584,371	$2.73	$0.21
2008 Proposed Budget	428,068 - 570,757	$ 3.89 - $ 2.92	$ 0.32 - $ 0.24
2009 Projection	365,394 - 487,192	$ 5.56 - $ 4.17	$ 0.46 - $ 0.35

	2007 Forecast	2008 Budget (NO 838)	2009 Projection (NO 838)
PMC Costs			
Program Management	$164,922	$221,984	$201,986
Delivery	962,104	1,440,575	1,243,598
Marketing-PMC	283,650	697,569	456,138
Performance Comp	128,444	100,000	100,000
Incentives	4,051,302	5,975,199	3,779,120
Total PMC Costs	**5,590,422**	**8,435,327**	**5,780,842**
Staffing	**170,206**	**273,391**	**289,795**
Marketing	**78,633**	**129,120**	**110,750**
Other Services			
Evaluation and Planning Services	432,231	531,025	500,097
QA-Subcontracted		30,000	30,000
Customer Service & Trade Ally Support	39,364	69,124	64,818
Legal Services	320		
Other Professional Services		137,588	130,693
Total Other Services	**471,915**	**767,737**	**725,608**
General			
General Program Support Costs	50,891	64,600	59,600
Shared	22,314	23,997	23,998
IT Services	111,238	202,153	200,335
Total General	**184,443**	**290,750**	**283,933**
PROGRAM DIRECT COSTS	**6,495,619**	**9,896,325**	**7,190,928**
Allocated mgmt & general marketing	280,551	348,789	333,783
TOTAL EXPENSE, FULLY ALLOCATED	**6,776,170**	**10,245,114**	**7,524,711**

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: BUSINESS ENERGY SOLUTIONS- NEW BUILDINGS **SECTOR: COMMERCIAL**

PURPOSE: Acquire cost-effective electric and natural gas savings by providing technical assistance and financial incentives for high-efficiency design and equipment in commercial and industrial new construction and major renovation projects.
Contributes to Strategic Plan Goals 1, 3, 4, 5

PROGRAM STRATEGY:

In consideration of incremental funding stemming from the passage of the Renewable Energy Act and subsequent electric utility rate filing approvals, the following strategies are contemplated in this program for 2008 and 2009.

Base:

1. Bolster pipeline for projects to be completed in 2009 and 2010.
2. Target decision makers in commercial and industrial new construction projects and major renovations of existing buildings.
3. Ensure program captures the majority of large projects.
4. Target architects and engineers by providing tools and resources to assist them in selling their clients on high efficiency design and equipment.
5. Deliver program directly to owners and developers by utilizing Program Management Contractor (PMC) and a statewide comprehensive network of trade allies, leveraging existing market relationships and professional service channels.
6. Incorporate solar water heating and photovoltaic measures leveraging outreach and management resources. Rely on delivery support from Energy Trust solar program staff.
7. Coordinate with ODOE to package program offerings with Business Energy Tax Credits (BETC).
8. Leverage Northwest Energy Efficiency Alliance commercial sector activities to develop projects in targeted markets.

Incremental:

9. Achieve deeper penetration in the market for small and medium-sized construction and major renovation projects.
10. Create enhanced outreach program utilizing direct calls and emails, referrals, mass emails, cold calls, news releases, direct mailings, case studies, advertisements in trade publications, program seminars, sponsorships of events and organizations, web site, articles, bill inserts and partnerships with related organizations.

2008 ACTIONS:

Base:

1. Release a targeted small and medium sized project development initiative with focused marketing approach.
2. Work with design community to showcase/incorporate better analytical tools for building design (e.g. continue to host energy modeling meetings, update energy modeling tools with Oregon energy code data, develop and incorporate analytical lighting tools for new building design).
3. Continue to develop materials for architects and engineers to promote the program to their clients.
4. Continue to align with ODOE programs to minimize differences in program requirements (e.g. BETC, SEED, High-Performance Schools).
5. Continue to integrate Green Investment Fund projects with program activities.
6. Unspent incentive dollars budgeted for 2007 are moved into 2008 in anticipation of the program expanding into markets for small and medium sized new construction projects and starting to close more of these projects in 2008
7. Leverage NEEA Better Bricks program for program training and market actor education.
8. Increase PMC staff for marketing, outreach and planning efforts.

Incremental:

9. Add more equipment to the Standard Track incentive list as new measures become available.
10. Expand ENERGY STAR® program track.

2009 PLANNED ACTIVITIES:

1. Continue to be aggressive at recruiting small and medium size projects.
2. Continue to successfully recruit large projects into the program.
3. Educate and enable service providers to deliver energy efficient practices in commercial new construction market.

December 2007

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

TARGETS:

Year	Annual Electric & Gas Expense $M	Electric aMW	Electric MWh	Electric $M/aMW	Electric Levelized Cost ($/kWh)
2007 Full-Year Forecast	$ 5.3	2.17	19,015	$2.03	$0.016
2008 Proposed Budget	$ 9.0	2.36 - 3.14	20,641 - 27,521	$ 3.30 - $ 2.47	$ 0.027 - $ 0.021
2009 Projection	$ 9.8	2.91 - 3.88	25,484 - 33,979	$ 2.90 - $ 2.17	$ 0.024 - $ 0.018

	Gas Therms	Gas $/Therm	Gas Levelized Cost ($/therm)
2007 Full-Year Forecast	537,356	$1.68	$0.12
2008 Proposed Budget	277,200 - 369,600	$ 4.50 - $ 3.38	$ 0.34 - $ 0.25
2009 Projection	311,850 - 415,800	$ 4.36 - $ 3.27	$ 0.33 - $ 0.24

	2007 Forecast	2008 Budget (NO 838)	2009 Projection (NO 838)
PMC Costs			
Program Management	$22,830	$73,365	$77,033
Delivery	1,003,608	2,453,135	2,575,492
Marketing-PMC	25,000	70,000	73,500
Performance Comp	58,399	75,000	75,000
Incentives	2,894,746	4,563,750	5,086,400
Total PMC Costs	**4,004,583**	**7,235,250**	**7,887,425**
Staffing	**131,285**	**208,284**	**220,781**
Marketing	**87,290**	**167,870**	**176,264**
Other Services			
Evaluation and Planning Services	475,155	515,727	479,810
QA-Subcontracted	5,000	15,000	15,750
Customer Service & Trade Ally Support	6,798	9,875	9,409
Legal Services	160		
Other Professional Services	230,318	322,588	331,217
Total Other Services	**717,431**	**863,190**	**836,186**
General			
General Program Support Costs	17,227	51,100	53,655
Shared	16,593	18,755	18,756
IT Services	109,545	165,019	163,534
Total General	**143,365**	**234,874**	**235,945**
PROGRAM DIRECT COSTS	**5,083,954**	**8,709,468**	**9,356,601**
Allocated mgmt & general marketing	219,576	306,959	434,310
TOTAL EXPENSE, FULLY ALLOCATED	**5,303,530**	**9,016,427**	**9,790,911**

December 2007

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: **MARKET TRANSFORMATION NORTHWEST ENERGY EFFICIENCY ALLIANCE (NEEA)** **SECTOR:** **COMMERCIAL**

PURPOSE: NEEA funds regional market transformation initiatives in the Northwest region across commercial, industrial and residential sectors working in coordination with Energy Trust programs. This budget contemplates leveraging NEEA regional market transformation initiatives in the commercial market sector to acquire cost-effective savings while creating sustainable and efficient purchasing patterns among commercial consumers. Contributes to Strategic Plan goals 1, 4, 5

PROGRAM STRATEGY:

1. Create and refine business cases for investment in energy efficiency as a profit center for vertically integrated real estate firms, hospitals, and grocery chains. Market to executive management through peer consultants.
2. Support with technical initiatives to enhance new building construction and operations and maintenance services.
3. Train vendors to provide efficient services and equipment, focusing on the targeted markets described above.
4. Support code enhancements based on these successes.
5. Coordinate marketing efforts with NEEA for energy efficiency opportunities that are currently a focus of Energy Trust programs (e.g. high efficiency computer power supplies).
6. Establish the viability of high efficiency building design, operations and maintenance services, and sales of efficient equipment as profitable businesses for vendors through intensive "firm focused" technical support.

2008 ACTIONS:

1. Continue progress in changing energy related business practices in large hospitals systems and community based hospitals by assisting with strategic energy management planning, providing education and training and technical assistance.
2. Follow through with regional grocery store chains on energy management action plans, expand to other regional grocers and initiate activities with national grocers when productive.
3. Initiate energy related business practice change within office real estate by building a strong relationship with the Building Owners and Managers Association (BOMA), providing education and training, and assisting select firms with energy management planning activities.
4. Advance integrated energy design practices with architects and design engineering firms through three or more firm focus relationships, technical assistance on 10 or more projects, and broad based education and training.
5. Promote better building operating performance with building operators and building service providers through three or more firm focus relationships, technical assistance on 10 or more projects, and education and training activities.
6. Continue to promote high efficiency computer power supplies and , consider other opportunities to improve plug load efficiencies and data centers.

2009 PLANNED ACTIVITIES:

- The NEEA commercial initiative is a multiyear venture. Over time we can expect more firms to participate and the participants to evolve from study, to test cases, to incorporating new practices and actions into their organizational structure and directives.

TARGETS:

Year	Annual Electric Expense $M	Electric			
		aMW	MWh	$M/aMW	Levelized Cost ($/kWh)
2007 Full-Year Forecast	$ 1.7	0.30	2,643	$5.63	$0.054
2008 Proposed Budget	$ 1.7	0.21 - 0.28	1,819 - 2,426	$ 8.25 - $ 6.19	$ 0.079 - $ 0.059
2009 Projection	$ 1.4	0.17 - 0.22	1,473 - 1,964	$ 8.37 - $ 6.28	$ 0.080 - $ 0.060

(see budget details on reverse)

The Energy Trust of Oregon, Inc
2008 Proposed Final Budget
Market Transformation (NEEA) - Commercial

	2007 Forecast	2008 Budget (NO 838)	2009 Projection (NO 838)
PMC Costs			
Delivery	$1,602,405	$1,628,959	$1,318,863
Total PMC Costs	**1,602,405**	**1,628,959**	**1,318,863**
Staffing	**14,126**	**4,409**	**4,673**
Other Services			
Evaluation and Planning Services	10,289	19,546	19,506
Total Other Services	**10,289**	**19,546**	**19,506**
General			
General Program Support Costs		933	933
Shared	1,362	246	246
IT Services	147	676	670
Total General	**1,509**	**1,855**	**1,849**
PROGRAM DIRECT COSTS	**1,628,329**	**1,654,769**	**1,344,891**
Allocated mgmt & general marketing	70,329	58,321	62,427
TOTAL EXPENSE, FULLY ALLOC	**1,698,658**	**1,713,090**	**1,407,318**

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: BUSINESS ENERGY SOLUTIONS- PRODUCTION EFFICIENCY SECTOR: INDUSTRIAL

PURPOSE: Acquire cost-effective electric savings through technical assistance and financial incentives for high-efficiency design and equipment in existing and new industrial processes and facilities. Although mostly funded through electric public purpose funding, small industrial gas customers on specific tariffs are eligible for gas program services and incentives. Contributes to Strategic Plan goals 1, 3, 4, 5.

PROGRAM STRATEGY:

In consideration of incremental funding stemming from the passage of the Renewable Energy Act and subsequent electric utility rate filing approvals, the following strategies are contemplated in this program for 2008 and 2009.

Base:

1. Strengthen direct communications with Program Delivery Contractors (PDCs) and service to program participants through in-house staffing of the Production Efficiency program.
2. Deliver program to owners, plant engineers and design process engineers through Program Delivery Contractors (PDCs) assigned to key sectors and geographic territories.
3. Promote program participation through developing a broad offering of services that include detailed technical analysis studies, project management assistance, prescriptive premium lighting and high efficiency motor incentives, and custom project incentives.
4. Develop with board approval, large-scale projects those being mega-projects, that exceed program incentive caps, or combined heat and power projects (CHP) to achieve program value through large-scale savings.
5. Target key decision makers of existing industrial process projects, including owners and Chief Financial Officers
6. Promote regional collaboration by working with neighboring utilities and complementary organizations to leverage our collective resources for energy efficiency in industry
7. Leverage Northwest Energy Efficiency Alliance industrial sector activities to develop projects in targeted industries.

Incremental:

8. Target measure offerings to small/medium industrial market through use of trade ally network and semi-prescriptive technology specific, incentive calculation tools.

2008 ACTIONS:

Base:

1. Promote service delivery and market penetration for small to medium sized industrial customers, focusing on irrigation, dairy, nursery, and manufacturing markets.
2. Expand project commitment pipeline through concentrated PDC outreach efforts
3. Explore new strategies targeting O&M opportunities, specifically in compressed air and refrigeration systems.
4. Develop strategies to integrate continuous energy improvement into program offerings
5. Monitor project commitment level expenditures relative to utility funding territory and adjust PDC marketing to balance revenue project funding.
6. Influence growth in technical analysis skills by expanding the ATAC pool of engineering consultants adept at energy savings analysis calculations in the production environment.
7. Work with NEEA industrial staff to provide a coordinated marketing approach to food processors and pulp and paper companies.

Incremental

8. Expand marketing and trade ally support for small to medium sized industrial initiative.
9. Expand training opportunities for participants through collaboration with regional organizations
10. Develop additional semi-prescriptive incentive calculation tools for compressed air, boilers, refrigeration, and hydraulic systems to support the small industrial initiative.
11. Expand outreach to participants through development of a participant only Industrial Advisory Committee.

2009 PLANNED ACTIVITIES:

1. Expand services that will be coordinating efforts with the potential Community Energy and T&D deferral projects.
2. Focus on delivering lower cost savings opportunities to achieve program delivery goals.
3. Implement strategies to reduce program management and delivery costs by optimizing PDC deployment.

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

TARGETS:

Year	Annual Electric & Gas Expense $M	Electric aMW	Electric MWh	Electric $M/aMW	Electric Levelized Cost ($/kWh)
2007 Full-Year Forecast	$ 12.0	14.27	125,027	$0.84	$0.011
2008 Proposed Budget	$ 13.5	5.86 - 7.81	51,295 - 68,393	$ 2.27 - $ 1.70	$ 0.026 - $ 0.019
2009 Projection	$ 13.5	6.03 - 8.05	52,856 - 70,475	$ 2.16 - $ 1.62	$ 0.025 - $ 0.019

	Gas Therms	Gas $/Therm	Gas Levelized Cost ($/therm)
2007 Full-Year Forecast	-	-	-
2008 Proposed Budget	29,177 - 38,903	$ 9.25 - $ 6.93	$ 0.93 - $ 0.70
2009 Projection	188,700 - 251,600	$ 2.14 - $ 1.61	$ 0.22 - $ 0.16

	2007 Forecast	2008 Budget (NO 838)	2009 Projection (NO 838)
PMC Costs			
Program Management	$231,760		
Delivery	2,149,705	2,749,630	2,762,169
Performance Comp	104,997	66,570	68,567
Incentives	8,225,706	9,111,570	8,881,917
Total PMC Costs	**10,712,168**	**11,927,770**	**11,712,653**
Staffing	**223,798**	**373,543**	**395,955**
Marketing	**25,183**	**65,600**	**67,568**
Other Services			
Evaluation and Planning Services	404,652	504,587	469,224
QA-Subcontracted	6,031	30,000	30,900
Customer Service & Trade Ally Support	930	1,274	1,045
Legal Services	928		
Other Professional Services	325	24,692	25,433
Total Other Services	**412,866**	**560,553**	**526,602**
General			
General Program Support Costs	18,115	42,240	43,507
Shared	23,159	30,220	30,222
IT Services	95,224	83,535	82,784
Total General	**136,498**	**155,995**	**156,513**
PROGRAM DIRECT COSTS	**11,510,513**	**13,083,461**	**12,859,291**
Allocated mgmt & general marketing	497,143	461,118	596,898
TOTAL EXPENSE, FULLY ALLOCATED	**12,007,656**	**13,544,579**	**13,456,189**

ENERGY EFFICIENCY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: **MARKET TRANSFORMATION NORTHWEST ENERGY EFFICIENCY ALLIANCE (NEEA)** **SECTOR:** **INDUSTRIAL**

PURPOSE: NEEA funds regional market transformation initiatives in the Northwest region across commercial, industrial and residential sectors working in coordination with Energy Trust programs. This budget contemplates leveraging the NEEA regional market transformation initiatives in the industrial market sector through the Industrial Efficiency Alliance program (IEA) to acquire cost-effective savings while creating sustainable and efficient purchasing patterns among industrial consumers. Contribute to Strategic Plan goals 1, 4, 5

PROGRAM STRATEGY:

1. Focus efforts in the pulp and paper and food processing "vertical" markets.
2. Offer Continuous Energy Improvement (CEI) as the business practice change initiative that leads to energy efficient actions.
3. Facilitate the companies engaged in the CEI process through support in energy related organizational structure development, technical support, employee development and energy indicators.
4. Market program efforts through peer organizations and their readily available publications, trade shows, executive-level meetings and committees.
5. Leverage Energy Trust and utility resources to increase delivery outreach, support and program incentive offerings.

2008 ACTIONS:

1. Capitalize on NEEA's partnership with the Northwest Food Processors Association to gain access to targeted, strategic food processing firms and to provide executive level support for setting an industry-wide energy efficiency goal.
2. Move companies engaged with the Industrial Efficiency Alliance through the CEI process in a manner that allows them to reach their energy efficiency goals.
3. Enhance the process for facility level measurement and reporting of energy key performance indicators (KPI's).
4. Coordinate NEEA's offerings and staff with Energy Trust outreach, technical studies and incentives, to help tie sound energy management to resource acquisition.

2009 PLANNED ACTIVITIES:

- The NEEA industrial initiative is a multi-year venture. Over time we can expect more firms to participate and the participants to permanently incorporate energy management practices and actions into their organizational structure and directives.

TARGETS:

Year	Annual Electric Expense $M	Electric			
		aMW	MWh	$M/aMW	Levelized Cost ($/kWh)
2007 Full-Year Forecast	$ 1.0	1.30	11,432	$0.79	$0.011
2008 Proposed Budget	$ 1.0	0.89 - 1.18	7,780 - 10,373	$ 1.18 - $ 0.88	$ 0.016 - $ 0.012
2009 Projection	$ 0.9	0.72 - 0.96	6,299 - 8,399	$ 1.20 - $ 0.90	$ 0.016 - $ 0.012

(see budget details on reverse)

The Energy Trust of Oregon, Inc
2008 Proposed Final Budget
Market Transformation (NEEA) - Industrial

	2007 Forecast	2008 Budget (NO 838)	2009 Projection (NO 838)
PMC Costs			
Delivery	$978,646	$986,821	$798,965
Total PMC Costs	**978,646**	**986,821**	**798,965**
Staffing	**2,771**	**4,409**	**4,673**
Other Services			
Evaluation and Planning Services	11,963	17,765	17,728
Total Other Services	**11,963**	**17,765**	**17,728**
General			
General Program Support Costs		933	933
Shared	239	246	246
IT Services	147	676	670
Total General	**386**	**1,855**	**1,849**
PROGRAM DIRECT COSTS	**993,766**	**1,010,850**	**823,215**
Allocated mgmt & general marketing	42,922	35,626	38,213
TOTAL EXPENSE, FULLY ALLOC	**1,036,688**	**1,046,476**	**861,428**

RENEWABLE ENERGY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: **BIOPOWER**

PURPOSE: Acquisition of significant amounts of renewable energy from wood-fired and other biomass generation; and development of markets for less mature energy resources such as dairy manure and forest biomass.

PROGRAM STRATEGY:

1. Perform targeted market analyses where necessary to fill in knowledge gaps.
2. Focus on sawmills and facilities using other sources of wood waste to acquire significant quantities of renewable energy.
3. Target upgrades at existing wastewater treatment plants to build capacity in PGE territory, and explore opportunities at such facilities in Pacific Power territory. Work with Energy Trust's energy efficiency programs and create strategic partnerships with local and regional trade associations.
4. In partnership with Oregon Dairy Farmers Association and OSU Dairy Extension Office, assist dairy community in exploring project opportunities and initiating project development. Coordinate offerings with Energy Trust efficiency programs.
5. Seek opportunities to position biogas projects as innovative waste management solutions receiving mixed waste streams including food processing waste, animal byproducts, human wastewater, manure and other organic material.
6. Offer cost-shared support for feasibility analyses to help potential applicants identify opportunities, where possible by leveraging other sources of funding (e.g., U.S. Department of Agriculture, Western Governors' Association and the Oregon Economic and Community Development Department).
7. Where appropriate, provide facilities that lack technical resources with assistance in applying for Energy Trust or other funding.
8. Remain engaged in forest biomass, participating in state initiatives while continuing to engage the Lake County Initiative and Warm Springs Biomass efforts.

2008 ACTIONS:

1. Begin commercial operation at Rough & Ready and Columbia Blvd. projects.
2. Roll out Dairy Initiative, including standard financial incentive offer.
3. Develop strategic partnership with wastewater sector, and explore potential for an "Energy Independence" campaign for wastewater treatment plants based on best efficiency practices and onsite generation.
4. Commit funding for 8 projects, totaling 4.00 – 9.31 aMW, and 12 feasibility studies.

2009 ACTIONS:

1. Begin commercial operation at Warm Springs Biomass.
2. Scale down standard WWTP. Focus on dairy, wood and innovative waste management projects (which could include WWTPs).

TARGETS:

Year	Annual Electric Activity $M	Energy Generation		
		aMW	MWh	$M/aMW
2007 Full-Year Forecast	$7.8	-	-	
2008 Proposed Budget	$10.8	4.00 - 9.31	35,068 - 81,553	$ 2.71 - $ 1.17
2009 Projection	$3.3	0.55 - 1.62	4,817 - 14,186	$ 6.04 - $ 2.05

(see budget details on reverse)

Note: Budget figures include dedicated funds

The Energy Trust of Oregon, Inc
2008 Proposed Final Budget
Biopower

	2007 Forecast	2008 Budget	2009 Projection
Program Management Costs			
Incentives	$258,093	$1,132,815	$3,687,500
Total Program Management Costs	**258,093**	**1,132,815**	**3,687,500**
Staffing	**141,753**	**263,174**	**278,964**
Marketing	**22,458**	**34,650**	**29,150**
Other Services			
Evaluation and Planning Services	33,326	115,029	100,884
QA-Subcontracted		6,600	19,500
Legal Services	11,670	26,250	17,500
Other Professional Services	57,952	299,400	208,100
Total Other Services	**102,948**	**447,279**	**345,984**
General			
General Program Support Costs	13,965	28,000	13,750
Shared	16,769	18,836	18,837
IT Services	31,674	52,060	51,592
Total General	**62,408**	**98,896**	**84,179**
PROGRAM DIRECT COSTS	**587,660**	**1,976,814**	**4,425,777**
Allocated mgmt & general marketing	25,381	69,672	205,433
TOTAL EXPENSE, Accounting Perspect	**613,041**	**2,046,486**	**4,631,210**
Plus/minus Dedicated Funds committed for futu	7,187,815	8,802,184	(1,307,500)
TOTAL EXPENSE, Action Plan Perspect	**7,800,856**	**10,848,670**	**3,323,710**

RENEWABLE ENERGY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: OPEN SOLICITATION

PURPOSE: Develop a portfolio of market-defining installations, each element of which demonstrates a new application, technology or business model not otherwise covered by Energy Trust programs, provides insight on whether and how to launch new, technology-specific Energy Trust programs, and/or secures a low-cost renewable energy resource. Contributes to Energy Trust strategic goals 2, 3 and 5.

PROGRAM STRATEGY:

1. Offer a program to help ensure that eligible good ideas do not "fall through the cracks."
2. Focus on outreach and lead generation, particularly for hydro and geothermal projects.
3. Make funds available for feasibility studies. When possible, work in concert with the Oregon Economic and Community Development Department's Renewable Energy Feasibility Fund (REFF).
4. Conduct specific outreach to municipalities in the PGE service territory to develop municipal hydro projects.
5. Assist selected applicants in further developing proposals.

2008 ACTIONS:

1. Complete approved projects.
2. Complete evaluations of existing applications for a geothermal project, hydro project, and other applications that arrive late in 2007.
3. Conduct an RFP for feasibility studies for municipal hydro projects.
4. Provide assistance to enable more municipalities in the PGE service territory to apply for funding from REFF and to help municipalities in PAC territory file more successful applications.
5. Continue outreach and communication work to municipalities to build the pipeline and to make sure we are aware of projects that may be coming in.
6. Determine what role, if any, Energy Trust will play in development of wave power projects.

2009 PLANNED ACTIVITIES:

1. Fund projects that result from feasibility studies conducted in 2007 and 2008.
2. Support wave power project(s) based on information gathered in 2008.
3. Examine possibilities for "spinning off" hydropower into its own program.

TARGETS:

Year	Annual Electric	Energy Generation		
		aMW	MWh	$M/aMW
2007 Full-Year Forecast	$3.5	0.01	60	514.08
2008 Proposed Budget	$9.0	2.07 - 3.18	18,097 - 27,842	$ 4.34 - $ 2.82
2009 Projection	$2.8	0.57 - 0.88	5,012 - 7,711	$ 4.96 - $ 3.23

(see budget details on reverse)

Note: Budget figures include dedicated funds

EnergyTrust of Oregon, Inc.

The Energy Trust of Oregon, Inc
2008 Proposed Final Budget
Open Solicitation

	2007 Forecast	2008 Budget	2009 Projection
Program Management Costs			
Delivery		$60,000	
Incentives	258,503	8,188,635	2,338,627
Total Program Management Costs	**258,503**	**8,248,635**	**2,338,627**
Staffing	**112,428**	**220,603**	**233,839**
Marketing	**10,412**	**22,500**	**48,300**
Other Services			
Evaluation and Planning Services	52,081	79,950	93,819
QA-Subcontracted	2,000	20,000	20,000
Legal Services	6,984	30,000	
Other Professional Services	116,771	203,500	200,150
Total Other Services	**177,836**	**333,450**	**313,969**
General			
General Program Support Costs	5,627	29,200	33,600
Shared	15,546	18,263	18,265
IT Services	27,110	50,482	50,028
Total General	**48,283**	**97,945**	**101,893**
PROGRAM DIRECT COSTS	**607,462**	**8,923,133**	**3,036,628**
Allocated mgmt & general marketing	26,235	314,490	140,955
TOTAL EXPENSE, Accounting Perspect	**633,697**	**9,237,623**	**3,177,583**
Plus/minus Dedicated Funds committed for futu	2,905,027	(264,500)	(338,628)
TOTAL EXPENSE, Action Plan Perspect	**3,538,724**	**8,973,123**	**2,838,955**

RENEWABLE ENERGY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: SOLAR ELECTRIC (PHOTOVOLTAIC)

PURPOSE: Transform the solar electric market for all sectors in Oregon by expanding participation, providing quality standards and ensuring there is a strong qualified installer base for consumers. Contributes to Energy Trust goals 2, 3 and 5.

PROGRAM STRATEGY:

1. Leverage increased state and strong federal tax benefits for businesses to expand the commercial sector.
2. Support 3rd party ownership model to expand into high visibility nonprofit/government sector.
3. Provide quality standards for consumers to rely on.
4. Foster growth in the installer base to maintain balance between local supply and demand.
5. Expand market opportunities to include homebuilders and commercial architects/engineers.
6. Leverage City of Portland Solar Now! campaign to increase participation in PGE territory.

2008 ACTIONS:

1. Expand market opportunities:
   a) Offer project support for governments and nonprofits seeking 3rd party investors.
   b) Establish guidelines for Energy Trust participation in large (1-2+ MW) solar projects.
   c) Offer intensive support for selected home builders. Promote successful solar home developments.
   d) Cross promote solar with all energy efficiency programs, coordinate targeted customer sector outreach.
2. Maintain high level of publicity for solar. Continue targeted outreach to PGE customers:
   a) Continue effective solar workshops (outsourced to Solar Oregon), primarily in PGE territory.
   b) Develop new messages based on 2007 focus group results.
   c) Work with Solar Now! to promote commercial solar through established business groups/networks.
   d) Continue support for solar home tours, Green + Solar magazine and NW Solar Expo.
   e) Continue coop ad incentives for trade allies.
3. Expand the installer base:
   a) Increase installer training available locally (outsourced to OSEIA); continue to promote best installation practices.
   b) Build relationships with large national integrators, including 3rd party owners, moving into Oregon.
   c) Encourage growth in residential installer base by sponsoring expansion of LRT apprenticeship program.

2009 PLANNED ACTIVITIES:

1. Adjust incentives and activities to respond to changes in federal tax credits after 12/31/08.
2. Manage incentive levels to provide predictable and stable market with equity between sectors.
3. Strive to quantify and demonstrate the value that solar energy systems add to a home in Oregon's market.

TARGETS:

Year	Annual Electric	Energy Generation		
		aMW	MWh	$M/aMW
2007 Full-Year Forecast	$2.9	0.17	1,464	17.45
2008 Proposed Budget	$9.1	0.47 - 0.62	4,106 - 5,475	$ 19.42 - $ 14.56
2009 Projection	$5.5	0.35 - 0.47	3,090 - 4,120	$ 15.63 - $ 11.72

(see budget details on reverse)

The Energy Trust of Oregon, Inc
2008 Proposed Final Budget
Solar Electric (Photovaltaic)

	2007 Forecast	2008 Budget	2009 Projection
Program Management Costs			
Delivery	$53,643	$39,500	$40,685
Incentives	2,113,962	7,782,118	4,257,500
Total Program Management Costs	**2,167,605**	**7,821,618**	**4,298,185**
Staffing	**185,917**	**251,442**	**266,529**
Marketing	**199,411**	**209,600**	**192,157**
Other Services			
Evaluation and Planning Services	32,244	108,327	106,171
Customer Service & Trade Ally Support	45,872	81,706	72,136
Legal Services	1,707		
Other Professional Services	74,800	173,300	182,104
Total Other Services	**154,623**	**363,333**	**360,411**
General			
General Program Support Costs	19,411	55,750	60,641
Shared	26,571	23,997	23,998
IT Services	42,584	66,332	65,736
Total General	**88,566**	**146,079**	**150,375**
PROGRAM DIRECT COSTS	**2,796,122**	**8,792,072**	**5,267,657**
Allocated mgmt & general marketing	120,764	309,870	244,511
TOTAL EXPENSE, Accounting Perspect	**2,916,886**	**9,101,942**	**5,512,168**
Plus/minus Dedicated Funds committed for futu	-	-	-
TOTAL EXPENSE, Action Plan Perspect	**2,916,886**	**9,101,942**	**5,512,168**

RENEWABLE ENERGY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: **UTILITY-SCALE PROJECTS**

PURPOSE: **Large-scale acquisition**

PROGRAM STRATEGY:

1. Phase out the program per SB 838 and focus on projects of 20 MW and less.

2008 ACTIONS:

1. Finish out current funding contracts for Biglow Canyon and GoodNoe Hills wind projects including reporting, review and inspection obligations.
2. Monitor projects over time.
3. Fulfill ongoing reporting responsibilities.

2009 PLANNED ACTIVITIES:

1. Monitor projects over time.
2. Fulfill ongoing reporting responsibilities.

TARGETS:

Year	Annual Electric	Energy Generation		
		aMW	MWh	$M/aMW
2007 Full-Year Forecast	$11.0	77.13	675,615	-
2008 Proposed Budget	$0.2	0.00 - 0.00	- - -	- - -
2009 Projection	$0.0	0.00 - 0.00	- - -	- - -

(see budget details on reverse)

Note: Budget figures include dedicated funds

RENEWABLE ENERGY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

The Energy Trust of Oregon, Inc
2008 Proposed Final Budget
Utility Scale

	2007 Forecast	2008 Budget	2009 Projection
Program Management Costs			
Incentives	$6,127,138	$4,373,000	$0
Total Program Management Costs	**6,127,138**	**4,373,000**	**-**
Staffing	**74,542**	**7,112**	**7,539**
Marketing		**6,400**	
Other Services			
Evaluation and Planning Services	11,699		
Legal Services	13,379		
Other Professional Services	90,232	50,500	27,200
Total Other Services	**115,310**	**50,500**	**27,200**
General			
General Program Support Costs	6,345	9,560	5,600
Shared	5,763	410	410
IT Services	10,988	1,127	1,117
Total General	**23,096**	**11,097**	**7,127**
PROGRAM DIRECT COSTS	**6,340,086**	**4,448,109**	**41,866**
Allocated mgmt & general marketing	273,829	156,771	1,942
TOTAL EXPENSE, Accounting Perspect	**6,613,915**	**4,604,880**	**43,808**
Plus/minus Dedicated Funds committed for futu	4,373,000	(4,373,000)	-
TOTAL EXPENSE, Action Plan Perspect	**10,986,915**	**231,880**	**43,808**

RENEWABLE ENERGY 2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

PROGRAM: WIND

PURPOSE: Expansion of the opportunities for wind from the current market models, transforming markets to bring development and construction of distributed generation and projects of varying, smaller sizes and alternative ownership models. Contributes to Strategic Plan goals 3, 4, 5 & 6.

PROGRAM STRATEGY:

1. Confirm sufficient wind resources through anemometer loans and support for Oregon State University's wind monitoring lab.
2. Provide simplified wind resource tool for small wind.
3. Develop financial and business models to help rural Oregon communities and landowners become project sponsors.
4. Define a standard incentive offer or open solicitation to seed market development.
5. Build the pipeline of future projects, partnering with USDA on feasibility grants and analyses.
6. Break down knowledge barriers by providing consolidated, Oregon-specific information for project sponsors.

2008 ACTIONS:

1. Bring to fruition 1-2 community wind projects.
2. Identify 2-3 PGE 10 MW projects for 2009.
3. Continue the expanded anemometer loan program to support community wind with data analysis and taller anemometers for the tier-two projects from the 2006 RFP.
4. Provide support for additional feasibility studies to continue building the pipeline of potential Community Wind projects.
5. Distribute the second edition of the Community Wind Guidebook.
6. Continue to partner with ODOE to gain federal co-funding of projects and studies.
7. Partner with Oregon farm groups and state agencies to co-promote the program.
8. Conduct one in-depth case study with financial fact sheet.
9. Address transmission and distribution barriers to bring BPA and Co-op wind resources to PGE.
10. Continue providing the industry with support to address interconnection issues.
11. Provide incentives for 7-10 small wind projects.
12. Evaluate the effectiveness of using wind map data for evaluating wind resources for small wind.
13. Expand the number of small wind contractors participating in the Small Wind Trade Ally network.
14. Hold 2-3 Small Wind Trade Ally training sessions.
15. Hold 2-3 Small Wind Workshops to give information for interested participants.

2009 PLANNED ACTIVITIES:

1. Have a fully operational program for community wind development with standard incentive or open solicitation.
2. Implement program revisions based on 2007/2008 experience.
3. Bring projects to fruition that were proposals in 2006 and 2007.
4. Grow the small-scale on-site generation program.

TARGETS:

Year	Annual Electric	Energy Generation		
		aMW	MWh	$M/aMW
2007 Full-Year Forecast	$0.5	0.00	-	
2008 Proposed Budget	$5.9	2.92 - 4.17	25,558 - 36,512	$ 2.03 - $ 1.42
2009 Projection	$3.4	1.87 - 2.67	16,349 - 23,356	$ 1.82 - $ 1.28

(see budget details on reverse)

The Energy Trust of Oregon, Inc
2008 Proposed Final Budget
Wind

	2007 Forecast	2008 Budget	2009 Projection
Program Management Costs			
Delivery	$43,121	$98,000	$95,000
Incentives	136,426	5,027,400	2,553,000
Total Program Management Costs	**179,547**	**5,125,400**	**2,648,000**
Staffing	**171,842**	**216,691**	**229,693**
Marketing	**9,077**	**18,550**	**54,150**
Other Services			
Evaluation and Planning Services	51,609	108,154	92,027
Legal Services	907	45,500	
Other Professional Services	17,083	123,100	131,500
Total Other Services	**69,599**	**276,754**	**223,527**
General			
General Program Support Costs	4,953	21,900	33,950
Shared	20,082	17,198	17,199
IT Services	29,408	47,528	47,101
Total General	**54,443**	**86,626**	**98,250**
PROGRAM DIRECT COSTS	**484,508**	**5,724,021**	**3,253,620**
Allocated mgmt & general marketing	20,925	201,740	151,025
TOTAL EXPENSE, Accounting Perspect	**505,433**	**5,925,761**	**3,404,645**
Plus/minus Dedicated Funds committed for futu	-	-	-
TOTAL EXPENSE, Action Plan Perspect	**505,433**	**5,925,761**	**3,404,645**

December 2007

2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

DEPARTMENT: **PLANNING AND EVALUATION** **ALL PROGRAMS**

PURPOSE: To provide strategic and quantitative planning, reporting, and evaluation for Energy Efficiency and Renewable Resources. Contributes to all Energy Trust Strategy goals.

STRATEGY:

1. Assess and prioritize new ideas and directions for meeting the evolving efficiency and renewable energy missions.
2. Increase program success by developing and coordinating enhanced market research capabilities.
3. Provide program design staff with expert feedback to enhance programs from evaluations and market studies.
4. Expand the list of qualifying prescriptive measures, including an increasing number of technology field tests.
5. Work with utilities to plan for additional efficiency funding and coordinate renewable energy activities through the integrated resource planning processes.
6. With utilities, explore and coordinate community-based efficiency opportunities and EE/RE options to defer transmission and distribution investments.

2008 ACTIONS:

1. Work with utilities to streamline access to customer information.
2. Develop market intelligence data set
3. Develop demographic data sets for market research focused on customer targeting.
4. Support and coordinate program-initiated market research focused on refining customer offerings and messaging.
5. Continue to use evaluations as pivotal market intelligence assets and to report accomplishments and refine programs.
6. Work regionally and nationally to harmonize approaches to markets and bring important new technologies forward.
7. Work with NW Natural to assess the hedge value of gas efficiency against volatility and high prices.
8. Complete market transformation analyses for additional markets to assess the relationship between Energy Trust goals and market transformation.

2009 PLANNED ACTIVITIES:

- Focus on market acceleration and more hard-to-reach markets.

TARGETS:

Year	Annual Expense $M	
2007 Full-Year Forecast	$	2.4
2008 Proposed Budget	$	3.2
2009 Projection	$	3.0

(see budget on reverse side of page)

2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

The Energy Trust of Oregon, Inc
2008 Proposed Final Budget
Planning & Evaluation

	2007 Forecast	2008 Budget	2009 Projection
Planning & Evaluation Dept (non-pooled)			
Evaluation Services	1,242,599	1,415,000	1,170,000
Planning Services	146,469	250,000	335,000
Total P&E Dept (non-pooled)	**1,389,068**	**1,665,000**	**1,505,000**
General (Pooled) P&E			
Evaluation Services	154,987	231,000	172,000
Planning Services	78,244	133,000	142,000
Staffing	525,821	844,723	895,406
Other Services	5,096		
General	27,170	34,000	32,000
Allocations	177,528	266,604	264,836
Total General (Pooled) P&E	**968,846**	**1,509,327**	**1,506,242**
GRAND TOTAL	**2,357,913**	**3,174,327**	**3,011,242**

2008 PROPOSED FINAL ACTION PLAN/BUDGET

DEPARTMENT: **COMMUNICATIONS & OUTREACH**

PURPOSE: Outreach and communications activities support all programs and general Energy Trust visibility needs. The 2008 budget provides for staff, services and materials necessary to achieve this purpose. Contributes to all strategic goals.

STRATEGY:

1. Expand utility collaboration to reach their customers with Energy Trust program messages.
2. Leverage resources and impacts by sponsoring outreach events in cooperation with peer and stakeholder organizations.
3. Position Energy Trust as an energy resource through story placements and limited advertising in Oregon media outlets.
4. Leverage relationships with associations representing niche market groups to reach prospective customers.
5. Accelerate communication support to meet growing demands with new contractors.
6. Improve website design, content and usability to serve a growing audience of participants, potential participants, trade allies and stakeholders.
7. Control website and publication costs by supplementing staff resources with free-lance contractors.
8. Facilitate development of comprehensive program communication plans to ensure integrated outreach.
9. Offer excellent customer service through call centers and email.
10. Develop Energy Trust trade ally network and improve both efficiency and service.
11. Build community relationships by developing community energy project(s) with utilities, cities and other stakeholders.
12. Use market research tools to refine strategies for program outreach to prospective participants.

2008 ACTIONS:

1. Design, review, approve and track Energy Trust communication and marketing activities across all programs.
2. Manage Energy Trust media relations on behalf of all programs; produce or support media events.
3. Develop limited general advertising, general information and educational pieces.
4. Provide non-PMC programs (renewables and production efficiency) with all marketing and communication services.
5. Manage content and look, and ensure accuracy and improve usability of, www.energytrust.org.
6. Build and maintain image library of representative Energy Trust projects.
7. Produce and disseminate public annual report; help prepare quarterly reports and other special reports.
8. Produce participant mailings and acknowledgements.
9. Publish monthly e-newsletter SYNERGY (general audience) and bimonthly INSIDER (trade allies).
10. Support annual publications Green + Solar Building Oregon and Green Living.
11. Develop and maintain cooperative relationships with utilities, Oregon Department of Energy and other stakeholder and peer groups, coordinating development of co-branded materials and joint outreach/communications initiatives.
12. Participate in community activities and organizations.
13. Manage Energy Trust participation in the Corvallis community energy pilot.
14. Coordinate stakeholder and special group outreach by all programs and PMCs.
15. Manage services provided by contracted creative and public relations professionals to programs.
16. Update marketing and communications guidelines to ensure consistent look and feel in all Energy Trust material.
17. Support trade allies through training and coordination with PMC trade ally managers; conduct annual trade ally survey.
18. Provide customer support through oversight of call center operations; work with utilities on service enhancements.
19. Team with evaluation group to conduct market research and focus groups to refine market segmentation and messaging for solar, residential efficiency and commercial efficiency programs.

2009 PLANNED ACTIVITIES:

- No major changes planned for 2009

December 2007

2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

TARGETS:

Year	Annual Expense $M
2007 Full-Year Forecast	$ 0.8
2008 Proposed Budget	$ 1.0
2009 Projection	$ 1.1

	2007 Forecast	2008 Budget	2009 Projection
Staffing	**$395,433**	**$366,263**	**$388,239**
Marketing			
Public Rel/Creative	32,700	31,350	34,485
Creative Services	18,000	35,000	38,500
Media Advertising	31,775	77,000	84,700
Events Co-Sponsor	23,950	25,000	27,500
Mktg Dev/Research	950		
Total Marketing	**107,375**	**168,350**	**185,185**
Services			
Evaluation and Planning Services	457	1,796	1,792
Legal Services		7,500	
Website Design & Maintenance	88,000	132,000	200,000
Other Professional Services	28,600	39,000	40,700
Total Other Services	**117,057**	**180,296**	**242,492**
General			
General Program Support Costs	45,061	90,300	99,330
Shared	48,222	31,777	31,779
IT Services	74,084	124,052	122,936
Total General	**167,367**	**246,129**	**254,045**
TOTAL EXPENSE (Note 1)	**787,232**	**961,038**	**1,069,961**

Note 1 - 100% of these expenses are allocated to programs, located at the bottom of each report on the line "Allocated mgmt & general mktg."

2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

DEPARTMENT: MANAGEMENT AND GENERAL ALL PROGRAMS

PURPOSE: To provide overall management, direction and resources in support of ETO strategies and operations. Contributes to all strategic goals.

STRATEGY:

1. Create and maintain a highly efficient internal organization that provides excellent guidance, resources and operational processes for the Energy Trust board, staff and stakeholders.
2. Enhance internal and external reporting processes to provide all stakeholders with timely and transparent information relating to Energy Trust activities.
3. Ensure that all financial data and operational systems are operating effectively and securely and are producing highly reliable and timely information.
4. Ensure that all contracts, employee relations and general operations are conducted in compliance with all applicable laws and regulations.
5. Ensure Energy Trust staff receives training and resources to foster continued maximum performance and career development goals.
6. Provide infrastructure to allow for adaptive management at all levels.

2008 ACTIONS:

1. Achieve unqualified audit opinion for 2007 from independent CPA firm
2. Continue to enhance systems via process improvements, designed with flexibility and transparency in mind
   - Re-evaluate potential "fixes" for Great Plains accounting software
   - Evaluate alternative accounting packages, if needed
   - Evaluate alternative budgeting/forecasting tools
   - Evaluate alternative contract management systems
   - Develop and initiate implementation plans for changes to systems
3. Improve internal financial systems by investing in software development to improve reporting and monitoring capabilities, especially for external financial reporting and internal contract tracking.
4. Implement new staffing plan and incorporate corresponding regulation changes
5. Assess and analyze all the internal control processes of the Energy Trust and its data integration points with contractors.
6. Invest in employee leadership and management training, reinforcing behaviors consistent with ETO values, improving communication and maintaining desirable culture and positive morale.
7. Enhance the performance review and work plan process for 2007 to reward individual performance and encourage teamwork.
8. Develop training plan based on needs and career goals identified during performance review process.
9. Achieve both PUC and JLAC/PUC performance measures for Administrative plus Program Support Costs.

2009 PLANNED ACTIVITIES:

- *Manage growth in demand with leveling of resources*
- *Facilitate completion of the five-year Management Audit*

TARGETS:

Year	Annual Expense $M
2007 Full-Year Forecast	$ 1.7
2008 Proposed Budget	$ 2.2
2009 Projection	$ 2.3

(see budget on reverse side of page)

2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

Energy Trust of Oregon, Inc.
2008 Proposed Final Budget
Management and General

	2007 Forecast	2008 Budget	2009 Projection
Staffing	**$1,041,588**	**$1,262,860**	**$1,340,780**
Services			
Evaluation and Planning Services	15,588	19,470	19,431
Legal Services	26,107	40,500	40,500
Accounting Services	110,355	111,000	122,500
Other Professional Services	115,137	235,855	265,969
Total Services	**267,187**	**406,825**	**448,400**
General			
General Program Support Costs	96,019	202,155	206,171
Shared	109,242	90,334	90,339
IT Services	199,304	263,277	260,909
Total General	**404,565**	**555,766**	**557,419**
TOTAL EXPENSE (Note 1)	**1,713,340**	**2,225,451**	**2,346,599**

Note 1 - 100% of these expenses are allocated to programs, located at the bottom of each report on the line "Allocated mgmt & general mktg."

2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

DEPARTMENT: INFORMATION TECHNOLOGY ALL PROGRAMS

PURPOSE: To provide reliable and efficient technical infrastructure in support of Energy Efficiency, Renewable Resources, and Energy Trust management, helping strengthen program management through effective project, budget, data collection and reporting tools. Contributes to all strategic goals.

STRATEGY:

1. Strengthen the IT governance processes and align IT with ETO strategies, goals and objectives.
2. Partner with management, staff and PMCs to continually evolve systems to meet changing business requirements.
3. Establish and maintain highly flexible systems in support of distributed program delivery, performance analysis and stakeholder reporting.
4. Apply appropriate technology to streamline data intake processes, simplify participation and maximize data quality and consistency.
5. Improve customer service.
6. Maintain secure systems to protect confidential information.
7. Provide reliable communication systems and IT infrastructure.
8. Maintain technology refresh cycles to assure efficient and reliable operation of equipment and software.
9. Establish reasonable benchmarks for IT disaster recovery.

2008 ACTIONS:

1. Develop an IT strategic plan for long-term information systems enhancement.
2. Collaborate with Finance to investigate alternatives to the current financial, budgeting and contract management systems and to select and begin implementation of software enhancements or replacement applications.
3. Investigate alternatives to the Goldmine contact management system to provide a more integrated and efficient means of tracking participant contact information.
4. Establish an IT Governance Committee and process to assist in aligning IT resources with business strategies and objectives.
5. Facilitate IT Advisory Committee meetings as a user forum to foster innovative ideas and strategic direction.
6. Strengthen the IT organizational structure through re-alignment of positions, conversion of temporary and contract positions to staff positions and by investing in existing staff leadership, training and technical skills.
7. Simplify ETO participant forms and to extent possible, integrate with ODOE and federal tax credit participant application forms.
8. Develop capability to accept incentive applications via Web interface and leverage that technology to simplify the application process for ETO, ODOE, and federal incentives and tax credits.
9. Continue FastTrack enhancements to improve efficiency, automate data capture and evolve platforms.
10. Strengthen administration tools to improve customer service, support audit requirements, and enhance efficiency.
11. Implement a new Helpdesk tracking system and assure prompt and appropriate response to user assistance needs.
12. Evaluate a web based front end to FastTrack.
13. Develop an IT disaster recovery plan.
14. Develop IT operational and performance metrics.
15. Implement a customer survey process to measure satisfaction with current IT systems and processes.

2009 PLANNED ACTIVITIES:

1. *Complete implementation of financial and contact management systems changes selected in 2008*
2. *Evaluate conversion of FastTrack code base from Delphi to newer software technology and begin conversion process.*

TARGETS:

Year	Annual Expense $M
2007 Full-Year Forecast	$ 1.4
2008 Proposed Budget	$ 2.3
2009 Projection	$ 2.2

(see budget on reverse side of page)

2008 PROPOSED FINAL ACTION PLAN/BUDGET

EnergyTrust of Oregon, Inc.

Energy Trust of Oregon, Inc.
2008 Proposed Final Budget
Information Technology

	2007 Forecast	2008 Budget	2009 Projection
Staffing	**$583,623**	**$1,041,329**	**$1,103,809**
Services			
Other Professional Services	449,810	715,800	594,300
Total Services	**449,810**	**715,800**	**594,300**
General			
General Program Support Costs	309,499	400,896	439,628
Shared	88,329	96,641	96,646
Total General	**397,828**	**497,537**	**536,274**
TOTAL EXPENSE (Note 1)	**1,431,261**	**2,254,666**	**2,234,383**

Note 1 - 100% of these costs are allocated to programs and other support functions.

2009 Budget Recap - Round 2, Proposed Final

PROGRAM	TOTAL BUDGET ($M)	ELECTRIC GOALS[1]		ELECTRIC COST		GAS GOALS		GAS COST		EVAL DATE(S) (I=Impact; MA=Market Assessment; P=Process	PMC CONTRACT EXPIRATION
		Con- servative (aMW)	Best Case (aMW)	($mils/ aMW)	Levelized ($/kWh)	Conservative (annual therms)	Best Case (annual therms)	($/annual therms)	Levelized ($/Therm)		
ENERGY EFFICIENCY											
Residential											
Home Energy Solutions – Existing Homes	14.1	1.96	2.61	4.00 - 3.00	0.026 - 0.019	633,707	844,942	9.95 - 7.46	0.50 - 0.37	Q1-2008 (PI)	1/1/2011
Home Energy Solutions – New Homes & Products	12.2	2.31	3.08	3.56 - 2.67	0.047 - 0.035	338,791	451,721	11.59 - 8.70	0.69 - 0.51	Q1-2009 (PI) homes; Q1-2009 (I) homes; Q3-2008 (PI) prod	12/31/2008
Mkt Transformation (Alliance)	0.9	3.61	4.81	0.26 - 0.19	0.004 - 0.003	NA				NA	12/31/2010
Total Residential	**27.2**	**7.9**	**10.5**	**2.16 - 1.62**	**0.023 - 0.017**	***972,497***	***1,296,663***	**10.52 - 7.89**	**0.55 - 0.41**		
Commercial											
Business Energy Solutions – Existing Buildings	7.5	1.60	2.14	3.42 - 2.57	0.037 - 0.027	365,394	487,192	5.56 - 4.17	0.46 - 0.35	Q1-2008 (PI); Q1-2009 (I)	1/1/2011
Business Energy Solutions – New Buildings	9.8	2.91	3.88	2.90 - 2.17	0.024 - 0.018	311,850	415,800	4.36 - 3.27	0.33 - 0.24	Q1-2008 (PI); Q1-2009 (I)	12/31/2008
Mkt Transformation (Alliance)	1.4	0.17	0.22	8.37 - 6.28	0.080 - 0.060	NA				NA	12/31/2010
Total Commercial	**18.7**	**4.7**	**6.2**	**3.27 - 2.46**	**0.030 - 0.022**	***677,244***	***902,992***	**5.01 - 3.76**	**0.40 - 0.30**		
Industrial											
Production Efficiency	13.5	6.03	8.05	2.16 - 1.62	0.025 - 0.019	188,700	251,600	2.14 - 1.61	0.22 - 0.16	Q2-2008 (PI)	na
Mkt Transformation (Alliance)	0.9	0.72	0.96	1.20 - 0.90	0.016 - 0.012	NA				NA	12/31/2010
Total Industrial	**14.3**	**6.8**	**9.0**	**2.06 - 1.55**	**0.024 - 0.018**	**188,700**	**251,600**	**2.14 - 1.61**	**0.22 - 0.16**		
Total Energy Efficiency	**$60.3**	**19.3**	**25.7**	**2.39 - 1.80**	**0.025 - 0.019**	***1,838,441***	***2,451,255***	**7.63 - 5.72**	**0.47 - 0.36**		
RENEWABLE RESOURCES [2]											
Biopower	3.3	0.55	1.62	6.04 - 2.05		NA				NA	NA
Open Solicitation	2.8	0.57	0.88	4.96 - 3.23		NA				NA	NA
Solar Electric	5.5	0.35	0.47	15.63 - 11.72		NA				NA	NA
Utility-Scale	0.0	0.00	0.00	na - na		NA				NA	NA
Wind Cluster	3.4	1.87	2.67	1.82 - 1.28		NA				Q4-2008 (P)	NA
Total Renewable Resources	**$15.1**	**3.3**	**5.6**	**4.53 - 2.68**							

[1] some columns may not add due to rounding

[2] Budget amounts for Renewables are activity based and include dedicated funds

The Energy Trust of Oregon, Inc
Year to Date by Program / Service Territory - joint costs allocated at program level
Projection 2009-P-02 Round 2
For the Twelve Months Ending December 31, 2009

	ENERGY EFFICIENCY						RENEWABLE ENERGY				TOTAL	2008		
	PGE	PacifiCorp	NW Natural	Cascade	Avista	Total	PGE	PacifiCorp	Total	Other	All Programs	Budget	Change	Pct Chg
REVENUES														
Public Purpose Funding	$27,569,765	$16,907,801	$8,625,534	$1,638,985	$56,739	$54,798,824	$8,314,691	$5,099,178	$13,413,869		$68,212,693	$65,651,166	$2,561,527	3.90%
Revenue from Investments										2,164,506	2,164,506	2,373,210	(208,704)	-8.79%
TOTAL PROGRAM REVENUE	**27,569,765**	**16,907,801**	**8,625,534**	**1,638,985**	**56,739**	**54,798,824**	**8,314,691**	**5,099,178**	**13,413,869**	**2,164,506**	**70,377,199**	**68,024,376**	**2,352,822**	**3.46%**
EXPENSES														
Program Management (Note 4)	1,624,173	747,474	807,825	113,406	4,378	3,297,256	503,704	512,860	1,016,564		4,313,820	4,132,482	181,338	4.39%
Program Delivery	9,062,529	4,879,500	3,167,621	557,297	24,796	17,691,744	86,570	49,115	135,685		17,827,429	18,111,999	(284,570)	-1.57%
Incentives	14,068,398	7,589,464	5,522,614	624,798	16,040	27,821,317	6,566,270	6,270,357	12,836,627		40,657,944	56,874,055	(16,216,111)	-28.51%
Program Evaluation and Planning Services	1,329,243	646,416	546,968	70,490	2,209	2,595,326	196,121	196,780	392,901		2,988,227	3,151,265	(163,038)	-5.17%
Program Marketing/Outreach	1,430,349	612,395	829,188	129,903	5,347	3,007,181	173,494	160,578	334,072		3,341,253	3,441,915	(100,662)	-2.92%
Program Legal Services	0	0	0	0	0		8,750	8,750	17,500		17,500	101,750	(84,250)	-82.80%
Program Quality Assurance	84,753	41,220	51,300	4,280	96	181,650	16,700	22,800	39,500		221,150	189,600	31,550	16.64%
Outsourced Services	278,681	120,677	85,195	9,181	70	493,803	383,730	355,009	738,739		1,232,542	1,408,831	(176,289)	-12.51%
Trade Allies & Customer Service Management	324,650	144,941	293,859	25,165	703	789,318	41,248	30,888	72,136		861,454	835,695	25,759	3.08%
IT Services	615,622	275,141	363,526	49,715	1,814	1,305,818	106,450	109,124	215,573		1,521,391	1,535,202	(13,811)	-0.90%
Other Program Expenses	200,105	97,275	88,267	10,037	278	395,961	114,919	111,332	226,250		622,211	628,746	(6,535)	-1.04%
TOTAL PROGRAM EXPENSES	**29,018,503**	**15,154,503**	**11,756,364**	**1,594,273**	**55,730**	**57,579,374**	**8,197,955**	**7,827,594**	**16,025,548**		**73,604,922**	**90,411,541**	**(16,806,619)**	**-18.59%**
ADMINISTRATIVE COSTS														
Management & General (Note 1 & 3)	925,139	483,141	374,805	50,827	1,777	1,835,689	261,359	249,552	510,911		2,346,599	2,225,452	121,147	5.44%
Communication & Outreach (Note 2 &3)	421,829	220,294	170,897	23,175	810	837,005	119,170	113,786	232,956		1,069,961	961,038	108,923	11.33%
Total Administrative Costs	**1,346,968**	**703,435**	**545,702**	**74,002**	**2,587**	**2,672,694**	**380,529**	**363,338**	**743,867**		**3,416,560**	**3,186,490**	**230,070**	**7.22%**
TOTAL PROGRAM & ADMIN EXPENSE	**30,365,471**	**15,857,938**	**12,302,066**	**1,668,275**	**58,317**	**60,252,068**	**8,578,484**	**8,190,932**	**16,769,415**		**77,021,482**	**93,598,031**	**(16,576,549)**	**-17.71%**
TOTAL REVENUE LESS EXPENSES	**(2,795,706)**	**1,049,863**	**(3,676,532)**	**(29,290)**	**(1,578)**	**(5,453,244)**	**(263,793)**	**(3,091,754)**	**(3,355,546)**	**2,164,506**	**(6,644,283)**	**(25,573,655)**	**18,929,371**	**-74.02%**
Net Assets from prior years	6,943,408	(7,851,148)	4,052,750	29,290	1,578	3,175,878	13,185,314	4,553,721	17,739,035	9,947,537	30,862,450	56,436,104	(25,573,654)	-45.31%
Interest attributed	1,740,000	1,160,000				2,900,000		1,700,000	1,700,000	(4,600,000)				0.00%
TOTAL NET ASSETS CUMULATIVE	**5,887,702**	**(5,641,285)**	**376,218**	**(0)**	**0**	**622,634**	**12,921,521**	**3,161,967**	**16,083,489**	**7,512,043**	**24,218,167**	**30,862,449**	**(6,644,283)**	**-21.53%**

Note 1) Management and General (Administrative) Expenses have been allocated based on total expenses.
Note 2) General Communication and Outreach expenses (Administrative) have been allocated based on total expenses for budget purposes only, otherwise by Public Purpose Revenue from each Territory.
Note 3) 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 4) Program Management costs include both outsourced and internal staff.
Note 5) Cumulative carryover at 12/31/2006 has been adjusted to reflect audited results.
Note 6) Variance from budget are positive when revenue is greater or expenses are lower than budget, negative if revenue is lower or expenses higher than budget

The Energy Trust of Oregon, Inc
Program Budget Expenses by Service Territory
For the Twelve Months Ending December 31, 2009
Round 2, NO 838
PROGRAM TOTALS INCLUDE FULLY ALLOCATED MANAGEMENT AND GENERAL EXPENSE

	PGE	Pacific Power	Subtotal Elec. Utilities	Northwest Natural Gas	Cascade	Avista	Subtotal Gas Providers	Total	2008 Budget	Change	Pct Change
Energy Efficiency											
Residential											
Home Energy Solutions - Existing Homes	5,289,551	2,531,461	7,821,012	6,045,801	259,081		6,304,882	14,125,894	14,168,610	(42,716)	-0.30%
Home Energy Solutions - New Homes/Products	5,739,833	2,495,588	8,235,421	2,781,315	1,088,418	58,317	3,928,050	12,163,471	11,832,525	330,946	2.80%
Market Transformation (NEEA)	525,629	396,526	922,155				0	922,155	1,114,510	(192,355)	-17.26%
Total Residential	11,555,013	5,423,575	16,978,588	8,827,116	1,347,499	58,317	10,232,932	27,211,520	27,115,645	95,875	0.35%
Commercial											
Business Energy Solutions - Existing Buildings	4,301,762	1,191,448	5,493,210	1,858,445	173,057		2,031,502	7,524,712	10,245,110	(2,720,398)	-26.55%
Business Energy Solutions - New Buildings	5,770,393	2,660,539	8,430,932	1,212,267	147,717		1,359,984	9,790,916	9,016,424	774,492	8.59%
Market Transformation (NEEA)	802,171	605,147	1,407,318				0	1,407,318	1,713,090	(305,772)	-17.85%
Total Commercial	10,874,326	4,457,134	15,331,460	3,070,712	320,774		3,391,486	18,722,946	20,974,624	(2,251,678)	-10.74%
Industrial											
Business Energy Solutions - Production Efficiency	7,445,129	5,606,824	13,051,953	404,243			404,243	13,456,196	13,544,576	(88,380)	-0.65%
Market Transformation (NEEA)	491,014	370,414	861,428				0	861,428	1,046,476	(185,048)	-17.68%
Total Industrial	7,936,143	5,977,238	13,913,381	404,243			404,243	14,317,624	14,591,052	(273,428)	-1.87%
Total Energy Efficiency Costs	**30,365,482**	**15,857,947**	**46,223,429**	**12,302,071**	**1,668,273**	**58,317**	**14,028,661**	**60,252,090**	**62,681,321**	**(2,429,231)**	**-3.88%**
Renewables											
Biopower	2,790,319	1,840,894	4,631,213				0	4,631,213	2,046,485	2,584,728	126.30%
Open Solicitation	576,639	2,600,943	3,177,582				0	3,177,582	9,237,621	(6,060,039)	-65.60%
Solar Electric (Photovoltaic)	3,151,879	2,360,291	5,512,170				0	5,512,170	9,101,940	(3,589,770)	-39.44%
Utility Scale Projects	17,559	26,250	43,809				0	43,809	4,604,878	(4,561,069)	-99.05%
Wind	2,042,092	1,362,554	3,404,646				0	3,404,646	5,925,759	(2,521,113)	-42.54%
Total Renewables Costs	**8,578,488**	**8,190,932**	**16,769,420**				**0**	**16,769,420**	**30,916,683**	**(14,147,263)**	**-45.76%**
Cost Grand Total	**38,943,970**	**24,048,879**	**62,992,849**	**12,302,071**	**1,668,273**	**58,317**	**14,028,661**	**77,021,510**	**93,598,004**	**(16,576,494)**	**-17.71%**

Energy Trust of Oregon
Statement of Functional Expense
For the Twelve Months Ending December 31, 2009
Projection 2009-P-02 Round 2 NO 838

	Energy Efficiency	Renewable Energy	Total Program Expenses	Management & General	Communication & Outreach	Total Admin Expenses	Total
EXPENSES							
Program Expenses							
Incentives/ Program Management & Delivery	49,443,899	12,972,312	62,416,211			0	62,416,211
Payroll and Related Expenses	1,520,484	1,016,564	2,537,048	1,340,780	388,239	1,729,019	4,266,067
Outsourced Services	2,913,568	1,249,811	4,163,379	428,969	425,885	854,854	5,018,233
Planning and Evaluation	1,210,326	272,901	1,483,227	19,431	1,792	21,223	1,504,450
Customer Service Management	789,318	72,136	861,454			0	861,454
Total Program Expenses	**55,877,595**	**15,583,724**	**71,461,319**	**1,789,180**	**815,917**	**2,605,097**	**74,066,416**
Program Support Costs							
Supplies	9,248	5,843	15,091	12,436	3,679	16,115	31,206
Postage and Shipping Expenses	21,520	8,433	29,953	5,958	22,292	28,250	58,203
Telephone	506	5,978	6,484	1,240	1	1,241	7,725
Printing and Publications	95,702	42,432	138,134	4,751	50,165	54,916	193,050
Occupancy Expenses	82,508	52,130	134,638	59,833	21,048	80,881	215,519
Insurance	15,818	9,994	25,812	11,471	4,035	15,506	41,318
Equipment	3,683	2,327	6,010	15,871	2,260	18,131	24,141
Travel	55,796	61,980	117,776	46,835	7,602	54,437	172,213
Meetings, Trainings & Conferences	61,088	33,262	94,350	127,635	13,750	141,385	235,735
Depreciation & Amortization	2,069	1,307	3,376	1,500	528	2,028	5,404
Dues, Licenses and Fees	47,415	2,181	49,596	8,436	5,593	14,029	63,625
Miscellaneous Expenses	608	384	992	544	155	699	1,691
IT Services	1,305,818	215,573	1,521,391	260,909	122,936	383,845	1,905,236
Total Program Support Costs	**1,701,779**	**441,824**	**2,143,603**	**557,419**	**254,044**	**811,463**	**2,955,066**
TOTAL EXPENSES	**57,579,374**	**16,025,548**	**73,604,922**	**2,346,599**	**1,069,961**	**3,416,560**	**77,021,482**

PUC performance measure	11%
Administrative plus program support costs	8.2%