EnergyTrust of Oregon, Inc.

Staff Report

December 12, 2007

This report from Margie Harris is on behalf of all staff and spans the period October 29, 2007, through November 21, 2007. Items not otherwise addressed in this board packet are described here.

General

- Activity during this period focused primarily on seeking feedback on the draft 2008-2009 action plan and corresponding draft budget. Presentations were made to PGE officers, a Pacific Power VP and upper management, and NW Natural management and staff. Margie also presented the budget to interested Energy Trust staff.
- A series of meetings with PGE and Pacific Power focused on their supplemental energy efficiency plans to refine the approach and focus. Both companies filed their plans for consideration by the OPUC.
- The transition to the new and smaller NW Energy Efficiency Alliance board structure is complete, with Margie joining and attending the first board meeting of new members. New "expert committees" will soon be organized in key functional areas and will complement the board's focus on higher level strategy and policy-making.
- Energy Trust released a request-for-proposals designed to research elements of a joint regional marketing effort focused on energy efficiency messages linked to issues of climate change, sustainability and being more "green." Bonneville Power Administration, the NW Energy Efficiency Alliance, Portland Energy Conservation, Inc. and the NW Power and Conservation Council all collaborated on the RFP and will participate in the selection of the contractor.
- Commissioner John Savage, Lori Koho, Washington Utility and Transportation Commissioner Pat Oshie, Margie Gardner from the Alliance, Margie Harris and other staff participated in a discussion of potential opportunities to coordinate with California's new energy efficiency initiatives. Topics being considered include net zero energy residential and commercial buildings, LED lighting opportunities and appliance standards. Energy Trust staff is now researching and outlining the opportunities for further discussion with interested parties, including representatives from the California PUC.
- The mayor and a councilman from Corvallis joined staff in a planning session for the community energy pilot project. The work session was initiated by the mayor based on his interest in partnership and learning more about one another.
- Staff participated in The Natural Step workshop, learning more about this comprehensive and sustainable approach to resource usage and conservation, with opportunities to further integrate -promote this approach into Energy Trust business operations and co-promote program offerings being pursued.

Program Planning and Evaluation

General

- Updated "working" savings numbers and savings realization adjustment factors (SRAF) for all 2008 efficiency contracts. [1]
- At publication time, for this report we are very close to agreement with PUC and utilities on new avoided cost numbers and discount rate for avoided cost calculations. We'll know by the board meeting.
- Developed technical comments on the PacifiCorp climate change actions plan.
- Developed prospectuses for two candidate program areas for coordinated California/Oregon/Washington program coordination; zero net energy homes and zero net energy commercial buildings.

Residential

- Demonstrated cost-effectiveness of two efficient residential water heaters, one with a standard life and one with a 20-year warranty.
- Demonstrated cost-effectiveness using revised savings estimates for low flow showerheads and efficient aerators in existing single family and multifamily homes, based on data collected by our program management contractor and a new evaluation from Seattle City Light.
- Developed an estimate of spillover from training new home contractors to seal ducts more efficiently; after training, the contractors carried the practice to some homes outside our program without compensation.
- Developed a demographic and energy use summary for Corvallis as part of our support for the community based program there.

Commercial and Industrial

- Participated in filming a NEEA video for use at food processing trade shows.
- Completed cost-effectiveness analysis of steam traps in commercial laundries.

Efficiency Programs

Home Energy Solutions—ENERGY STAR® New Homes

- Signed 9 new builders to the program during October, 4 of which pledged to build 100% ENERGY STAR.
- In October, set the 2007 record for the number of whole ENERGY STAR home certifications issued in one month.
- Saw further increase in manufactured home incentive redemption as a result of a continued cooperative marketing push, which significantly increased cooperative marketing dollars spent to date in 2007.

[1] The SRAF adjusts electric savings entered by program contractors for savings on the utility grid that result from reducing customer loads, and gas and electric savings for market effects (free riders and spillover) for some programs. The resulting "contract" savings are used in the performance-based compensation elements of contracts with program management contractors. This keeps contractors working with savings numbers in their contracts that are very close to those reported by the Energy Trust.

Home Energy Solutions—ENERGY STAR® Products

- Signed a record 13 schools for the Change a Light Fundraiser Solar 4R Schools contest, and received positive and enthusiastic feedback from participants.
- Sold over 204,000 bulbs to date through the Fall Change a Light CFL specialty and twister promotions, resulting in almost 10 million kWh savings.

Home Energy Solutions—Existing Homes

- October realized the greatest electric savings so far this year, 934,482 kWh and the highest ever in-bound call volume of 2,720 calls.
- Multifamily realized over 500,000 kWh this month; 25 projects are projected to be complete in November and 61 in December.
- Conducted solar water heating trade ally training with 30 in attendance.

Business Energy Solutions—New Buildings

- Program enrolled 63 projects in about 5 ½ weeks, accounting for 25% of 2007 projects to date.
- Focused on closing projects for 2007 and implementing administrative changes for 2008.

Business Energy Solutions—Existing Buildings

- Focused on closing projects for the end of the year.
- Developing marketing and implementation plans for 2008.

Business Energy Solutions—Production Efficiency

- As of November 15, Energy Trust Production Efficiency staff began issuing all new study work orders and incentives offers, completing the first phase of the program transition from Lockheed Martin.
- With PGE, presented Schnitzer Steel an incentive check for $410,000 as part of a recognition celebration for their new high efficiency crusher, which uses a 7,000 hp crusher motor.
- Attended Northwest Environmental Business Council's conference Managing Carbon: Policy & Practice; several large industrial businesses expressed concerns regarding adjusting carbon baselines for early adopters.

Renewable Energy

Open Solicitation

- Made a presentation about Energy Trust renewable power programs at the Oregon Association of Conservation Districts' annual conference.
- Initiated small hydro scoping studies with Gresham and Sheridan.

Utility Scale

- Activities reported on earlier are still underway with no new activity during this period.

Wind

- Conducted additional trade ally meetings in Bend and Roseburg for the Small Wind Program, with 8 potential allies attending.
- Completed the wind resource assessment portion of community wind USDA Value-Added Production Grant feasibility studies for Sherman County Wind Farmers, Mason Producer Owned Wind Project, Bodewig Family Wind Farm and ODAK Wind Group.

Biopower

- Activities reported on earlier remain underway and no new activity during this period.

Solar

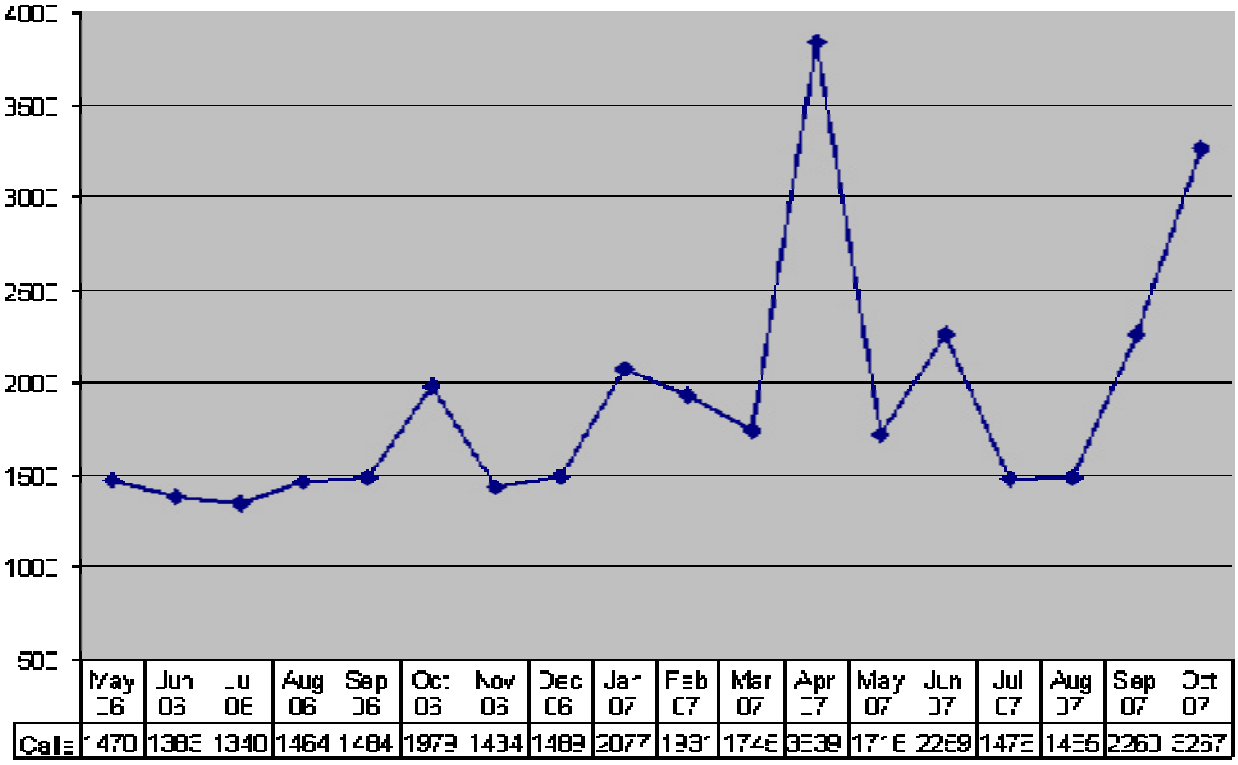
- Hosted a presentation by market research consultant Smart Power summarizing their survey and focus group findings. Attended by ODOE, PGE, Bonneville Environmental Foundation, Portland Office of Sustainable Development, Solar Oregon, Conservation Services Group, Oregon Solar Energy Industries Association and Energy Trust staff, the presentation focused on barriers and effective messaging for residential solar customers.
- Participated in Corvallis community energy planning meetings.
- Attended an open house event for Solaicx, a new manufacturer of silicon ingots for the photovoltaic industry located in Portland near the Columbia River terminals.

Communication, Marketing and Outreach

Call Center/Customer Service

- Developed a list of customer intake channels, along with review of intake procedures.
- Worked with Conservation Services Group and our web team to troubleshoot problems with online home energy review requests.
- Spoke at Oregon Interfaith Power and Light workshop in Newport.
- Met with Umpqua Community Action network in Roseburg to help with solar program information and possible projects.
- Reviewed first full month of website results with our three main reporting tools.

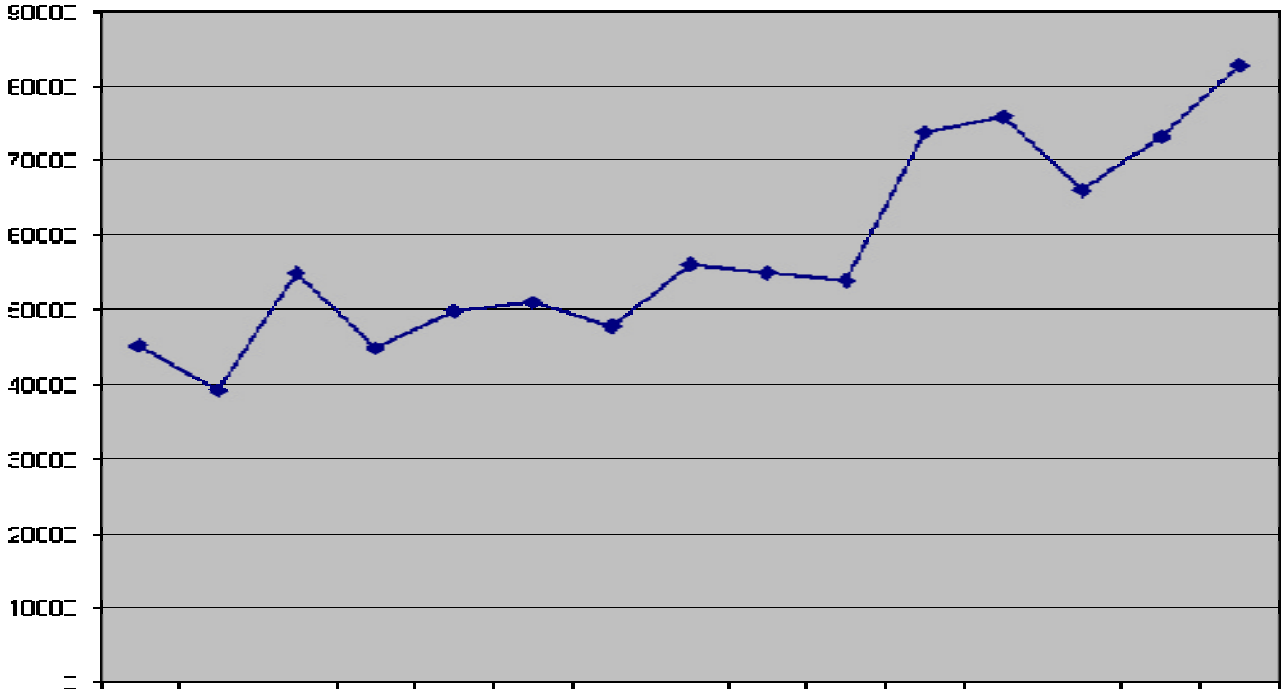
Call Volume through October 2007



Website

- Posted consumer pages for the new Small Wind program.
- Posted web touts and links to the Wash & Dry Sweepstakes that Energy Trust is promoting with Pacific Power.
- Updated Production Efficiency web pages to reflect the internal handling of projects as of November 15, 2007.

Website Visits through October 2007



Trade Ally Initiative

- Investigated Google Calendar for improved trade ally events calendar.
- Interviewed and hired trade ally coordinator.
- Began planning for HES trade ally awards meetings.
- Prepared training calendar for trade ally coordinator.
- Worked with legal and IT to create trade ally enrollment forms.

Community Energy

- Met for the second time with the Corvallis community energy committee October 31st.
- Facilitated a 3-hour workshop November 19th with the committee, six Energy Trust staff and two NW Natural staff to prioritize elements of the community energy campaign.

Events, Speaking Engagements and Sponsorships

- Participated in 22 energy/conservation-related events during the period.
- Sponsored five Building Smart Training Series on radiant heating, insulation and wall systems and efficient lighting.
- Presented and sponsored three solar-related seminars.

- Attended Behavior, Energy and Climate Change conference in Sacramento and GreenBuild in Chicago.

Creative Products

- Created 10 new and resized advertisements: 4 commercial, 3 residential, 3 renewable.
- Produced and released 3 newsletters: Synergy (general, monthly), Insider (for trade allies, bimonthly) and Pit Stop (internal, monthly).
- Created 1 new case study representing the Production Efficiency program.
- Created 1 new display representing Renewable Energy programs.

News Releases and Media Events

- Distributed 5 press releases: ACEEE Awards, Technical School Outreach program kickoff, Providence Health & Services Energy Leadership Award, Schnitzer Steel incentive check presentation and, Small Wind program launch.
- Responded to media inquiries on energy issues.
- Continued to build a pipeline of stories and press releases for 2007 and 2008.
- Continued to garner news coverage about Energy Trust programs in local newspapers around the state.

Utility Co-promotions

- *Cascade Natural Gas*: November bill insert on furnace, fireplace, insulation and air sealing incentives; Warm Neighbor News article on winter energy saving tips; Bend Rinnai tankless water heating sweepstakes winner notified.
- *NW Natural*: NW Natural home makeover winner announced; Rinnai tankless water heating sweepstakes winners notified in Portland, Salem and Eugene; co-branded high-efficiency gas furnace TV spot continued in Portland market.
- *Pacific Power*: Mailer distributed to 17,000 rural Pacific Power customers offering them a free Energy Saving Kit, consisting of 4 CFLs, a showerhead and 2 aerators or 6 CFLs, specific to water heating fuel.
- *PGE*: "Energize" commercial customer newsletter stories on URS Electronics and Energy Trust incentives, and on Energy Trust lodging incentives.

Operations, Contracts, Human Resources, Finance and Information Technology

Finance

- Prepared Round 2 budget input documents and reporting tools.
- Consolidated Round 2 budget results with change descriptions.
- Collaborated with Great Plains expert on potential to revise or expand system functions.
- Completed all interim audit work with Perkins & Company on both financial and information technology components.
- Updated cash flow analysis tools.
- Prepared October financial statements and reports.
- Prepared presentation materials for budget outreach sessions.
- Began year end preparations.
- Attended 'Creating and Implementing Effective Internal Controls' class.
- Began investigation into software to track inherent and residual risks and to perform a control self-assessment.

- Conducted quality assurance on Q3 OPUC Report.
- Participated in interviews for Trade Ally Coordinator position.
- Completed 2007 Q3 Fast Track audit.
- Continued review of vendor listings and W-9 information for 1099 preparation.
- Updated participant W9 information.
- Finalized document retention review for Energy Star Products, New Homes, and Manufactured homes and issued Verification Receipts for 2001-12/31/2006.
- Completed revision of Financial Policies.
- Processed approximately 1000 incentive checks/week.
- Continued with maintenance of Great Plains/Gold Mine vendor information.
- Followed up on vendor questions regarding IRS Notice B filing.
- Assisted with update of new Fast Track incentive import application.

Human Resources

- Hired Brian Thornton as the new commercial solar program manager. An engineer, Brian is currently finishing projects with Thornton Energy Consulting and previously held positions at Glumac International and Portland General Electric.
- Engaged Steven Jonas to fill the half time intern position in the IT department; Steven recently graduated from CSU Northridge and is interested in becoming a science writer.
- Hired Leana Mathews, current receptionist as the trade ally coordinator; Leana is a graduate of UC-Davis with a double major in communications and international relations.
- Began recruitment for an office assistant/receptionist.
- Continued recruitment for a lead business systems analyst in the IT department.
- Coordinated presentation of retirement planning session to staff by Jerry McFadden of Wealth Management Inc.
- Presented performance review update training to staff; the performance review process begins on December 1 and continues through February 28.
- Received benefit proposals for 2008 and initiated benefit renewal process with staff.

Legal and Contracts

- Incorporated into other sections of this report.

Information Technology

- Worked with consultant on development of IT strategic plan.
- Contacted Lockheed Martin and Oregon Trout to arrange for discussion of their projects for web based intake of client applications.
- Evaluated help desk software bids and selected Numara Track-it as the system.
- Upgraded telephone system to support additional staff.
- Investigated speaker phone systems and models in use by BPA, NW Natural, PGE, and PacifiCorp. Resulted in use of Polycom Soundstation 2 with external microphones the preferred standard. Assured usage of this same wireless system for teleconferencing, removing Polycom Soundstation 1 speakerphones from general usage. Recommended acquisition of Polycom VTX1000 using newer technology with 20' microphone pick-up radius.
- Procured replacement servers to retire those no longer be eligible for maintenance at the end of the year.
- Procured additional desktop computers for technology refresh of the oldest desktops and to provide workstations for recent new positions.
- Published year-end schedule for measure changes and incentive processing cut-offs.