# Board Decision
## Adopting Interim Amendments to the Strategic Plan

February 11, 2009

## Summary

Adopt interim amendments to the Energy Trust 2007-2012 strategic plan to reflect changes in funding pursuant to the Oregon Renewable Energy Act of 2007.

## Background

- The current strategic plan has the following mission statement, vision and 2012 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.*
>
> Vision:
>
> *Imagine meeting the future energy needs of Oregonians in a way that lowers energy cost, adds comfort to homes, strengthens our economy and leaves our environment healthier for generations to come. This will happen when we use energy efficiently and create renewable energy. The people at Energy Trust are committed to this future.*
>
> Goals (by 2012):
>
> 1. *Save 300 average megawatts of electricity.*
> 2. *Save 21 million annual therms of natural gas*
> 3. *Help Oregonians meet 10 percent of their electric energy needs from renewable resources.*
> 4. *Expand participation by customers that have been hard to reach historically.*
> 5. *Help businesses to thrive by promoting energy efficiency and renewable energy.*
> 6. *Encourage Oregonians to integrate energy efficiency and renewable energy in daily life.*

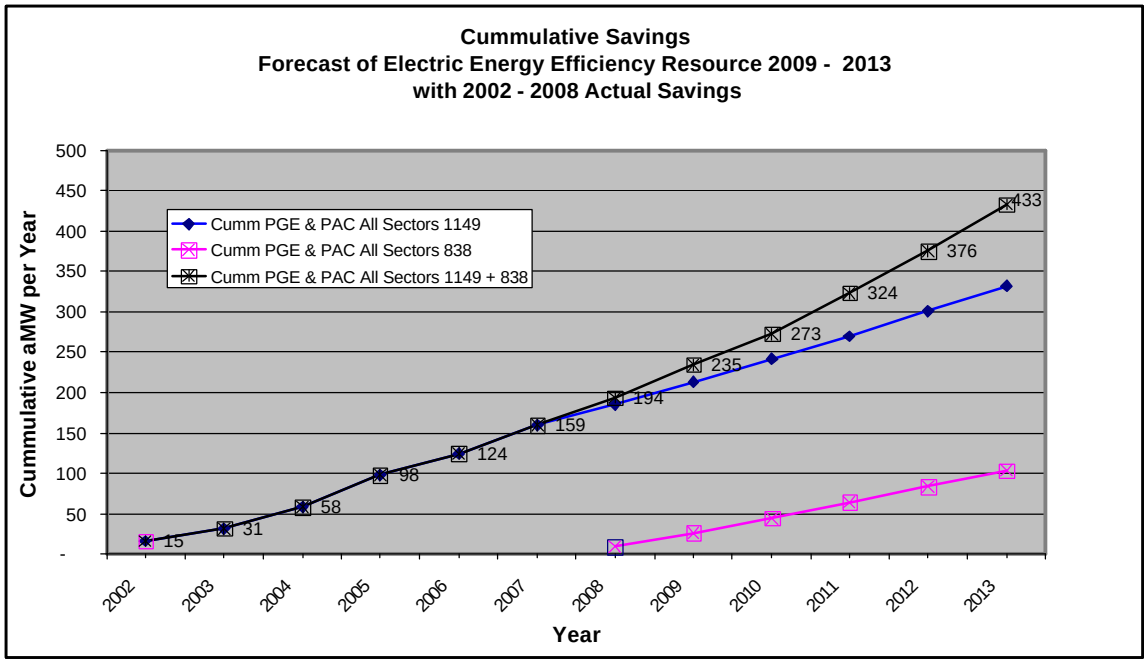
- Energy Trust now receives substantially higher revenues for commercial and residential programs under the 2007 Oregon Renewable Energy Act. As a result, the board discussed last June revising the quantitative goals (numbers 1-3) as follows:
    1. Secure 430 average megawatts (aMW) of electricity and 25 million annual therms of natural gas by 2014.
    2. Secure 130 average megawatts of electric generation from renewable resources by 2014.

- The board also discussed potential revisions to the plan's vision and mission statements, and has called for further revisions in the strategic plan to incorporate non-quantitative, 2025 goals and five-year objectives.

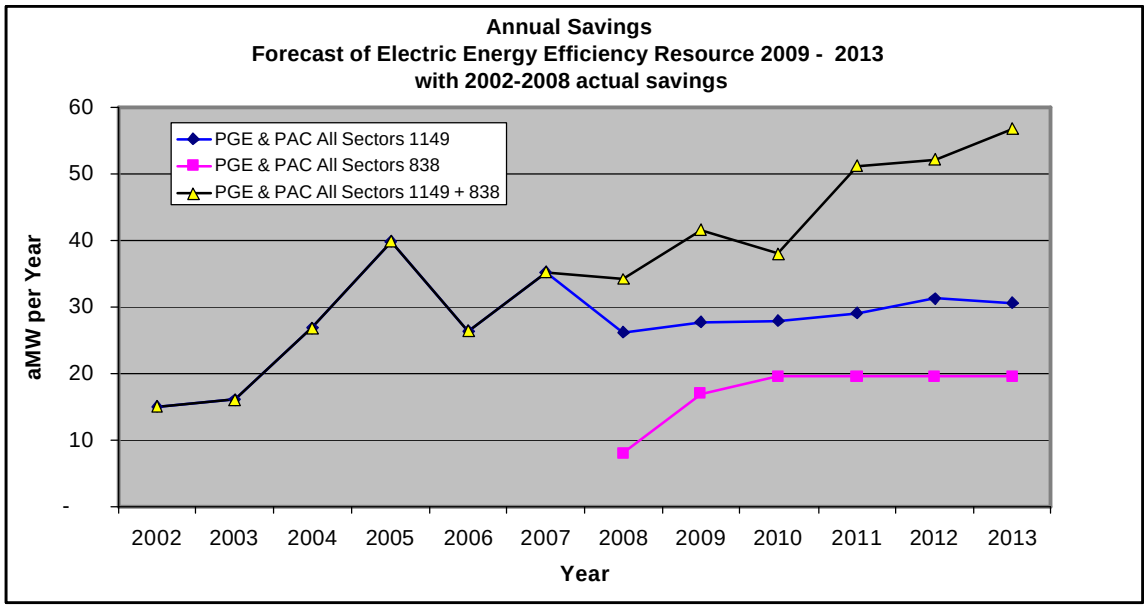
- Energy Trust is currently reviewing its internal organization to help ensure it can respond appropriately to increased demand for energy conservation and renewable energy. This review should be substantially completed this summer. Staff does not believe that the organization re-design will foreclose any choices regarding longer-term goals or objectives.

## Discussion

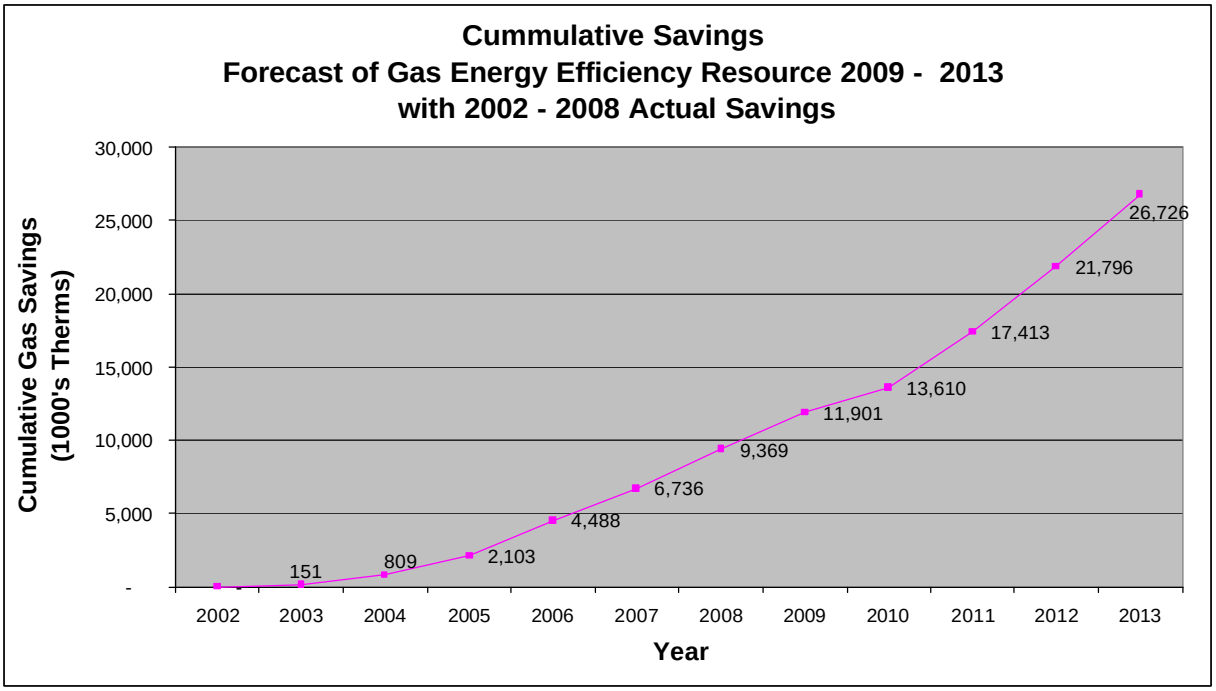
- The organizational redesign process, the pendency of the new federal administration's stimulus package and the pendency of energy bills in the 2009 Oregon legislature all have the potential to affect Energy Trust's strategic direction.
- At the same time, the strategic plan's current quantitative goals understate how much energy efficiency Energy Trust expects to secure over the coming five years, given higher funding levels for commercial and residential efficiency under the Renewable Energy Act of 2007.
- The interim efficiency goals discussed last summer (430 aMW electric and 25 million therms of gas savings) were based on resource assessments and analysis that Energy Trust staff has done in connection with utility integrated resource planning. The revised goals reflect actual savings in 2002-2008, plus a high-end estimate of cost-effective efficiency we expect to be available, projected to 2014.
- The following graph shows *cumulative* electric savings to 2008, and as projected for the coming five years (savings with the pre-2008 public purpose funds are the blue line; savings from supplemental Renewable Energy Act funds are the pink line; the two combined is the black line):



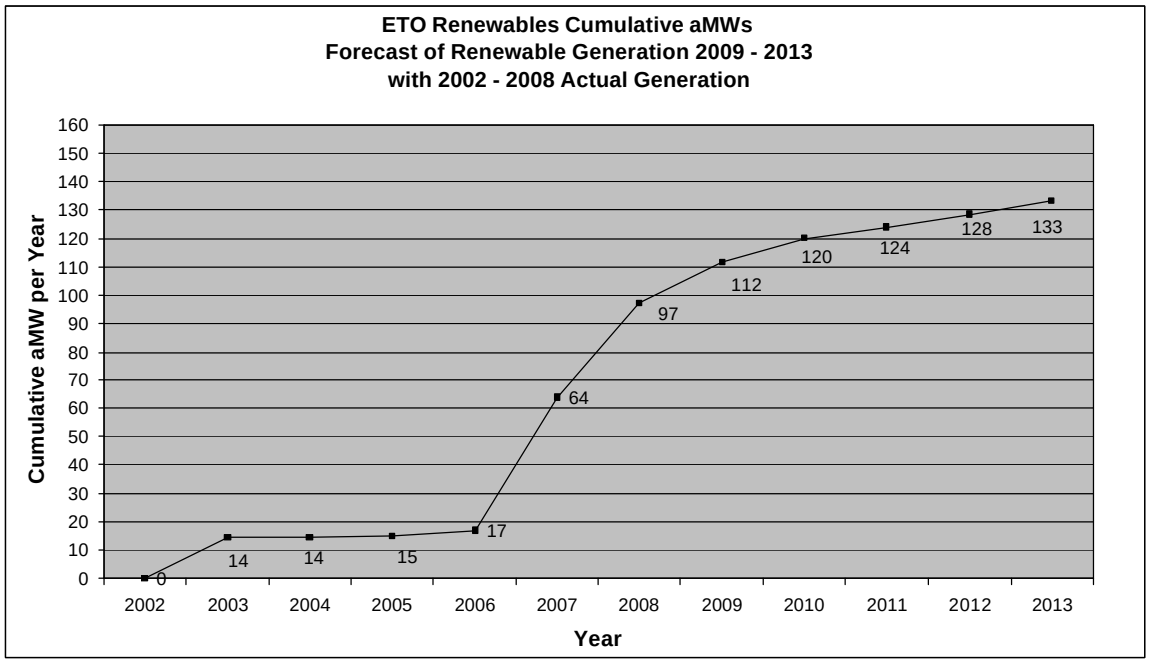
- The next graph shows the amount of electric savings *year-by-year*:




- The following graph shows *cumulative* gas savings to 2008, and as projected for the coming five years:




- To identify an interim goal for renewable energy, staff developed high and low estimates of generation from projects of 20 MW and less in size. The proposed 130 aMW interim goal reflects the high end of these estimates.




## Recommendation

We recommend the board amend the strategic plan to incorporate new five-year goals on an interim basis, and revisit them and the rest of the strategic plan this fall.

# RESOLUTION 504
# ADOPTING INTERIM AMENDMENTS TO THE STRATEGIC PLAN

**WHEREAS:**

**The quantitative goals of the Energy Trust strategic plan should reflect the substantially higher revenues that are being provided to Energy Trust for commercial and residential efficiency programs under the 2007 Oregon Renewable Energy Act.**

**It is therefore RESOLVED:**

**On an interim basis, the quantitative goals of the Energy Trust strategic plan, goals 1-3, are replaced with the following:**

**Achieve by 2014:**

1. ***430 average megawatts of electricity and 26 million annual therms of natural gas.***
2. ***130 average megawatts of electric generation from renewable resources.***

**The board will revisit these interim goals and the rest of the strategic plan in the fall of 2009.**

Moved by: Seconded by:

Vote: In favor: Abstained:

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