Energy Trust of Oregon
Organization Redesign Q1 Progress Report
March 17, 2010

This is the first quarterly report summarizing progress made and planned to integrate 2009 organization redesign recommendations into how Energy Trust works.

Background

In February 2009, Energy Trust of Oregon started an organization redesign effort led by a multi-disciplinary staff team and guided by senior management. The redesign process, findings, and recommended follow-up actions are documented in *Energy Trust of Oregon Organization Redesign Report*, published in October 2009. (E:\TRUST GENERAL\Organization Redesign 2009-2010\Final Report October 2009\2009 Energy Trust Organization Redesign Report PDF.pdf)

Redesign findings and recommended follow-up actions fall into four major categories and are listed in detail under Appendix F, page 63, of the Redesign Report: (1) work process and productivity improvements; (2) customer focus improvements; (3) structural changes; and (4) cultural changes.

After completion and distribution of the redesign report in October, a transition to implementation began. Work process improvements, customer focus improvements, and training to support cultural changes were incorporated into our 2010-2014 updated strategic plan, our 2010-2011 action plan and 2010 budget. Structural changes were made through staff reassignments and development and approval and recruitment of some new positions as part of the budget process.

Also in the fall of 2009, Coraggio Group was retained to work with the Executive Director and Management Team to identify and sequence priority tasks to be undertaken in 2010 and to develop simple management and communications systems to track and report progress throughout the organization. Coraggio Group was also tasked to initiate sector level strategic planning sessions with the business and homes sector groups, which is now underway. Lastly, Research Into Action was retained to help evaluate progress and measure outcomes from the redesign, over time.

By the end of February, Energy Trust had reorganized into energy sector (homes, commercial business, industry and agriculture) groups, renewable energy and support groups. Staff work plans prepared in February 2010 helped clarify new roles and responsibilities consistent with incorporating redesign objectives. More detailed progress updates were compiled by management team members and group leads for specific focus areas and groups. These appear below.

Implementation of the redesign is ongoing, expected to unfold over the next several years. True to the redesign purpose, we intend to maintain and strengthen our culture, clarify our strategies, improve efficiency through better data, reports and communication, better reach and serve customers and further align and position ourselves to achieve greater results and fulfill goals. As we move further into implementing recommendations, we transition to new and better ways of doing business, integrating new approaches into our work. We will continue to share and celebrate our progress and results with each other over time.

Updates

The following activity descriptions draw from and correspond to areas identified in the organization redesign final report and recommendations. Additions, corrections and feedback are welcome at any time.

Data: Improve the accuracy and quality of data; improve system capacity for data collection and analysis; secure updated data sharing agreements with utilities through the OPUC.

Information Technology (IT) Update:

1. Continue to automate forms online (see forms section for more detail)
2. Complete data warehousing project
    - Phase 1 – Levelized costs pilot – the project team is in the process of completing quality assurance checks on data; this project is scheduled to complete in March
    - Phase 2 – "Counting" – Christian has been assigned as project manager – project is being scoped
    - Phase 3 – scope of this phase has not yet be identified; possibilities include forecasting or budgeting, the quarterly report or an organizational dashboard
3. Integrated Solutions Project (formerly known as Enterprise Resource Project)
    - All needs assessment and requirements identified and prioritized
    - Funds included in the 2010 budget
    - Steering and Selection Committees formed and actively meeting
    - RFP will be issued March 22
    - RFP responses received April 16
    - Top 2 – 3 respondents chosen by May 4
    - Solution recommendation will be ready for the board strategic planning session in mid-June; depending on the chosen alternative, a second RFP may be required or a finalist may be chosen
4. Utility data was reloaded
5. Utility data warehouse project being formulated
6. Updated data sharing agreement with utilities identified as the next highest priority project to be led by the OPUC

Forms: Simplify the customer experience by creating shorter forms and 'user-friendly' procedures; improve the accuracy and quality of data; apply program specific data in decision-making.

IT Update:

1. Continue to develop more automated online forms
    - Form to capture HVAC data is in user acceptance testing and will be implemented this month
    - Web forms/services Steering Committee to reconvene in March to identify and prioritize next forms to be developed

Communications and Customer Service (CCS) Update:

1. Currently scoping forms streamlining project; adjusted work plans and contractor scopes to support forms improvement project in 2010
2. Participating in web forms steering committee to help prioritize highest volume forms and develop for online automation. Selected forms will be reviewed by CCS prior to IT web form development process. Appliance and customer application status web forms are complete and live. HVAC web forms near completion.

3. Position reassignments and new position duties reflect a separation between customer service and trade ally roles and responsibilities.

Customer Focus: Re-orient our products and services from a focus on individual program offerings to a focus on customers

<u>CCS Update:</u>

1. Examined key customer participation processes, such as home energy reviews and web forms, from a customer experience perspective and providing feedback to programs, IT, etc.
2. Worked with programs and utilities to coordinate general outreach with program outreach supporting community efforts
3. Developed Energy Trust and customer focus training for staff, PMCs, trade allies and Board
4. Retained Brooke Graham as a contractor to help implement recommendations stemming from organization redesign, including those identified during the creative juices meeting mapping exercises and to train staff in how to complete mapping analyses

<u>Program Updates:</u>

1. Re-defined home energy review materials, processes and customer support
    - Using new technologies to enter home energy review data for faster response for customers, electronic communication/follow-up and direct data uploading (less steps)
2. Extended Savings Within Reach to better serve moderate to low income gas and electric customers
3. Serving rural areas
    a. Continued support for Klamath Falls and NE Oregon through contractors
        i. Working with utilities and OPUC to further clarify and leverage roles to support outreach to customers in other outlying areas
    b. Established priority list of communities for targeted outreach and marketing and selecting sub-set based on best opportunities
        i. Doing as cross-program effort with PECI and CSG
    c. Supporting Clean Energy Works Portland (CEWP)
    d. Supporting Energy Efficiency and Sustainable Technology Act, HB 2626 (EEAST), rural pilot
    e. Considering geographic-specific messaging per segmentation study
    f. Expanded project development services for custom renewable projects, including cost sharing of grant application assistance, feasibility studies, interconnection technical assistance, permitting and construction management under one contracting process
    g. Supported Wallowa Resources to co-fund a project coordinator to identify all resources available to renewable projects including federal, state and local incentives and grants
    h. Small Industrial Initiative is reaching out to rural farmers and their vendors with irrigation incentives
    i. Industry and Agriculture's Central Oregon Program Delivery Contractor (PDC) sited staff in Bend to increase penetration in this territory
4. One-stop shopping
5. Coordinated and incorporated home energy reviews and solar electric offers under Solarize Portland
6. Continued solar reviews as part of Home Energy Reviews
7. Existing Industry and Agriculture sales culture is being emphasized and refined

    a. New PDC Action Plans chart a facilitative sales approach to deeper engagement with customers
    b. New customer recognition support tools are being developed by the Industry and Agriculture marketing subcommittee
    c. Approaches to long term energy planning, including training and support, are being developed for key customers
8. Encouraging all staff to attend volunteer training and volunteer to represent Energy Trust at Better Living Show
9. Continuing coordination of biopower renewable program and industry and agriculture group

Market Research: Market research ideas and prioritizing

Planning and Evaluation Update:

1. Completed review of Energy Trust market effects and possible alternative approaches
2. Proposed new framework to count savings for utility funding periods against plans for that funding
3. Cooperative CCS/P&E/Program team process to prioritize market research is advancing in residential and commercial sectors. Less formal discussions are happening with industrial/agriculture program group
4. Fast feedback pilot finished and implementation proceeding

Trade Ally Network: Seek new ways to balance trade ally interests while also serving customer needs

CCS Update:

1. Drafting two-year trade ally strategic plan and will coordinate with sector planning activities

Programs Update:

1. Establishing a tiered approach to classifying and promoting trade allies for residential customers
2. Providing travel incentive for trade allies who serve outlying geographic areas

Energy Trust Culture Change: Project management skills; pilot process; general improvements

IT Update:

Project management skills

1. All IT project managers attended project management training
2. Project management skills included in job descriptions and work plans
7. IT Project Management Methodology drafted; templates being gathered
    - Included participation by the Operations Analysts
    - Can be used organization wide

Program managers need time to think strategically

1. Formalized Operations Analysts as the PMC reporting “gatekeepers”; will interface with IT as needed
2. IT team representatives participating on the Operations Analyst team
3. Sector level strategic planning underway through Coraggio Group with homes and business sectors
4. Renewable group preparing to conduct its own strategic level planning activities
5. Industrial and Agriculture will conduct strategic planning later this year following implementation of current initiatives

6. Program Management Contracts and Program Delivery Contractor contracts revised and updated to reflect specific data entry and quality, customer service, forecasting and other requirements and responsibilities as identified in the redesign recommendations (see below for additional details)

Annual work plan preparation

1. Redesign responsibilities incorporated into work plans throughout the organization
2. Position descriptions have or will be updated to clarify lines of authority, responsibility, accountability and decision-making, where needed

Planning and Evaluation Update:

1. Feedback gathered on draft final pilot process and implementation pending management team review

CCS Update:

1. Initiated process mapping training and support for staff via Brooke Graham, contractor
2. CCS staff utilizing project management tools and methodologies from first training session

Internal Structural Development: Position descriptions; enhance programs; create a structure in support of what customers need and want

CCS Update:

1. Created Community Relations & Marketing Manager position and filled it
2. Transitioned customer service management and oversight responsibilities to new Community Relations Manager and new Sr. Manager
3. Redesigned and filled existing Sr. Manager Position to focus on customer service and outreach oversight, communications and Trade Ally Network strategy
4. Redesigned existing position to become full time Trade Ally Network Manager position
5. Updated documentation of customer service process; trained new staff in customer service operations
6. Transitioned marketing manager positions to Homes and Business Groups; developed scope/job description with Energy Program staff
7. Transitioned management and review of Homes and Business marketing collateral to programs; documented new process for collateral development and review, now led by program marketing managers; eliminated CCS review of all but a short list of program marketing communications; maintaining CCS tracking system and archiving of all marketing communications for customer service purposes
8. Transitioned Forms Development Administrator position from IT to CCS Group
9. Developed new functional teams within CCS: Customer Service & Trade Ally, Production & Web, Communications, and Utility Coordination

Planning and Evaluation Update

1. Planning Engineer hired to help with measure development backlog
2. Planning and Evaluation staff is assigned and specializing in specific sectors

Programs Update:

1. Identified four functional groups for delivery of energy programs
2. Created two new sector lead positions and staffed them
3. Created embedded, marketing managers positions and filled them
4. Created operations analysts functions and re-assigned staff to fill/support these
    a. Established the operations analysts team to coordinate efforts among groups and ETO operations

5. Embedded solar staff in the commercial business and residential groups
    a. Continued to provide program design, budgeting, technical support and implementation assistance from the RE group
6. Defined group staffing and reporting structures with job roles identified
7. Issued RFQ for contractor services for government customer-account support
8. Established matrix management structure for RE Group and identified a lead facilitator
9. Drafting vision and mission statements for each group
    a. Identifying leadership roles and measures of success
10. Initiated staff work in Business Group to define what this means and how it will apply in program implementation

Planning: Ongoing process improvements

<u>Programs Update:</u>

1. Established new metrics in PMC contracts for delivery, auditing, forecasting and savings
2. Expanded savings goals and action planning in PDC contracts
3. Initiated group-specific strategic planning
    a. Started with Business and Residential
        i. Using outside consultant support
    b. Renewables dependent on analysis of fall-out from Business Energy Tax Credit changes
        i. Using internal resources to support
    c. Industry & Agriculture to follow this summer