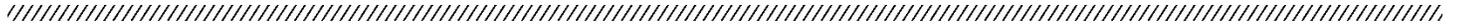


# Quarter Two 2020 Report to the Oregon Public Utility Commission & Energy Trust Board of Directors



**ENERGY TRUST OF OREGON**  
**August 14, 2020**

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A glossary of program descriptions and key terms is available online at [www.energytrust.org/reports](http://www.energytrust.org/reports)

# I Results at a glance<sup>1,2</sup>

## Savings

 = Year-to-date goal  = Annual goal

### ⚡ Total electric savings



### ⚡ PGE



### ⚡ Pacific Power



### 🔥 Total gas savings



### 🔥 NW Natural



### 🔥 Cascade Natural Gas



### 🔥 Avista



<sup>1</sup> This document reports gross savings.

<sup>2</sup> Note that aMW indicates average megawatts, MMTh indicates million therms and MM is million.

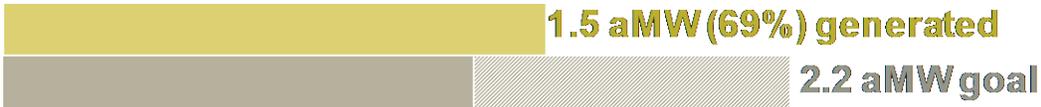
## Generation

 = Year-to-date goal  = Annual goal

### Total renewable electric generation



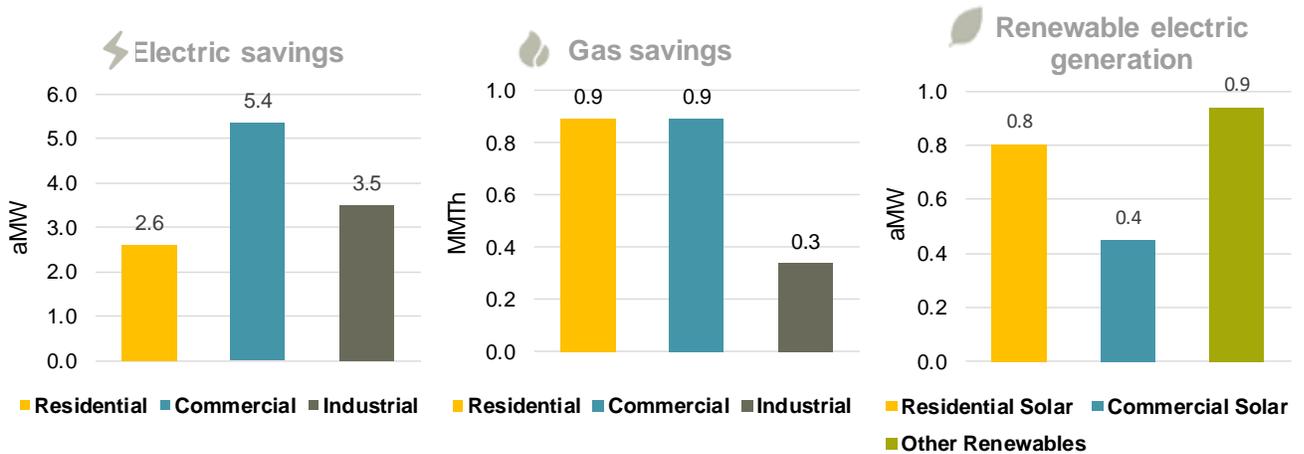
### PGE



### Pacific Power



## Savings and generation by sector year-to-date<sup>3</sup>



<sup>3</sup> Charts may not total due to rounding.

## Customer satisfaction<sup>4</sup>



## Expenditures<sup>5</sup>

■ = Year-to-date budget    ▨ = Annual budget

\$ Total



\$ Energy Efficiency



\$ Renewable Energy



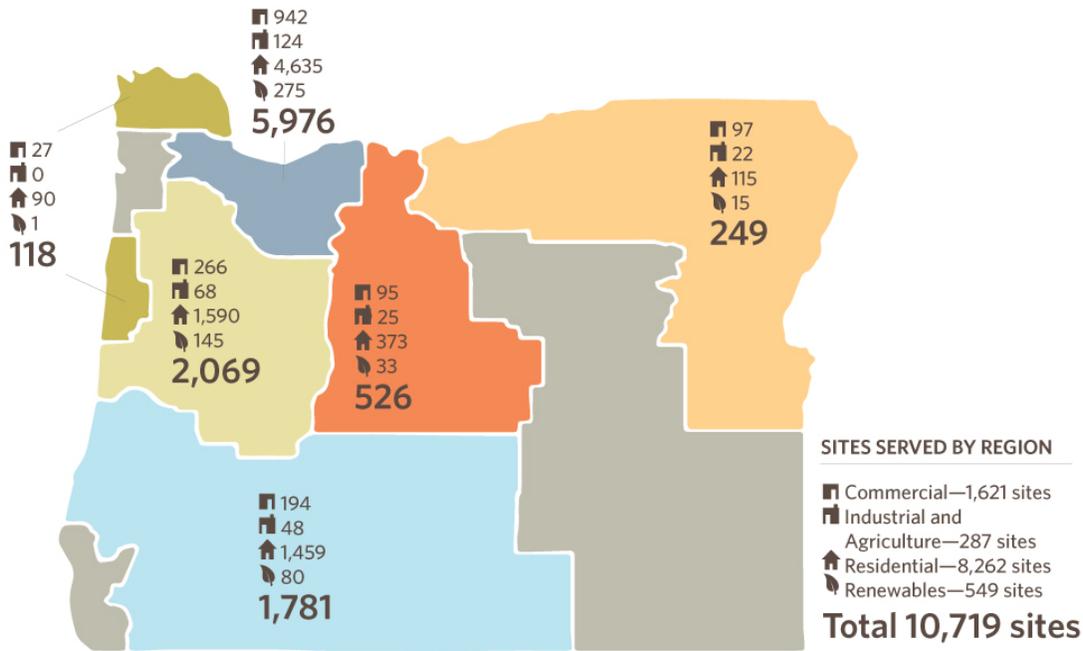
\$ Administrative



<sup>4</sup> From May to June 2020, Energy Trust delivered a short web and telephone survey to 449 randomly selected participants in Oregon programs who completed projects between December 2019 and March 2020 and received an incentive or discount from Energy Trust. New Buildings participants are surveyed every other year; the most recent survey in Q2 2018 found 98% customer satisfaction.

<sup>5</sup> Expenditures include public purpose funds only and exclude expenditures for Energy Trust's subcontract to deliver the Oregon Community Solar Program. For more information, see Section IV.

## Sites served by region<sup>6</sup>



## Progress to annual organization goals<sup>7</sup>

This table provides an at-a-glance update on Energy Trust’s progress toward 2020 organization goals, established through the 2020 business planning, budget and action plan process with input from advisory councils and approval by the board. These goals reflect the organization’s priorities for the year and guide staff decision-making regarding allocation of resources. For more detail on progress to 2020 goals, see Section VI.

Goal	Status
Meet energy savings targets	Off track
Meet renewable generation targets	On track
Create future opportunities	On track
Develop guidelines for resource investments in community efforts, engage stakeholders for input	On track
Provide information to policymakers, agencies and implementers	On track
Strengthen internal innovation capabilities, develop new proposals	On track
Make operational improvements	On track

<sup>6</sup> This document reports on Energy Trust services to Oregon customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista. Areas in gray are not served by these utilities. Sites served excludes products purchased from distributors and retailers.

<sup>7</sup> Some savings targets are off track due to COVID-19. For more information, see pages 11-13.

## II Executive summary

### A. Progress to energy efficiency and renewable energy goals<sup>8,9</sup>

The purpose of the quarter two report is to highlight the organization's mid-year savings and generation; preview expected achievement of year-end goals based on early indicators, such as pipelines and forecasts; and reflect priorities and any needed changes to reach year-end goals.<sup>10</sup>

- At the close of quarter two, **Energy Trust expects to meet its annual energy efficiency goal in NW Natural Oregon territory and come close to goal for Avista. In Portland General Electric, Pacific Power and Cascade Natural Gas territories, it expects to reach 90% or better of its annual energy efficiency goals.** Shortfalls are due to market conditions related to COVID-19.
- **Electric efficiency improvements completed in quarter two saved 6.6 average megawatts of electricity, contributing to 11.5 aMW saved year-to-date.** Year-to-date savings account for 25% of the 2020 goal of 45.4 aMW.
- **Gas efficiency improvements completed during quarter two saved approximately 900,000 therms of natural gas<sup>11</sup>, contributing to 2.1 million therms saved year-to-date.** Year-to-date savings account for 32% of the 2020 goal of 6.5 million therms.
- **Renewable energy systems installed during quarter two will generate 1.77 aMW of electricity, contributing to 2.19 aMW of electricity year-to-date.** Year-to-date generation accounts for 67% of the 2020 goal of 3.27 aMW. Renewable energy programs are forecast to exceed goals for the year.
- **Year-to-date savings and generation achieved represent about 78,000 tons of carbon dioxide** kept out of the atmosphere, the equivalent of removing 16,500 cars from Oregon roads.

11.5

AMW SAVED IN 2020

2.1

MILLION THERMS SAVED IN 2020

2.19

AMW GENERATED IN 2020

78,000

TONS OF CARBON DIOXIDE AVOIDED IN 2020

### B. Notable activities and trends

- **Energy Trust expanded its response to COVID-19 in quarter two, including by revising program offers and launching bonuses.** Trade allies report that bonuses have motivated customers to invest in energy-efficiency projects and in some cases even helped businesses hire back furloughed or laid-off employees. Bonuses and program innovations also yielded energy

<sup>8</sup> This document reports gross savings.

<sup>9</sup> This report includes the best available energy savings data as of the date of submission. Energy savings reported here for periods prior to January 1, 2018, may be different than previously reported as a result of applying updated evaluation factors to Energy Trust savings and generation in Oregon through the annual true up process. The full True Up 2018 Report is available online at [www.energytrust.org/reports](http://www.energytrust.org/reports).

<sup>10</sup> Each report serves a specific purpose for communicating activities: quarter one reflects efforts to build a pipeline of projects through analyses, studies and outreach to achieve annual savings and generation goals; quarter two described above; quarter three identifies year-to-date savings and generation and previews expected achievement to year-end goals based on indicators, such as pipelines and forecasts, with more information available than in quarter two; quarter four reflects Energy Trust's final accomplishments and is delivered as an appendix to the annual report in April of the following year.

<sup>11</sup> The gas savings do not include results for NW Natural in Washington. These results are available at [www.energytrust.org/reports](http://www.energytrust.org/reports).

savings that greatly improved Energy Trust's earlier forecasts on progress toward annual goals.

- **Staff made a rapid shift to conduct customer engagement virtually**, which has resulted in higher than expected participation in some areas. For instance, New Buildings training and education event attendance year-to-date has surpassed that seen in all of 2019.
- **Operational changes implemented before COVID-19 enabled Energy Trust's effective response to changing customer needs and working environments under the state's stay-at-home order.** These include a new measure maintenance and approval process, which enabled faster development of new offers and digital approval, and implementation of DocuSign, a digital form and signature process that enables faster completion of customer applications and faster processing of transactions.
- **Energy Trust launched direct deposit electronic payments for trade allies and vendors** in April. More than 1,500 trade allies and more than 200 vendors received instructions on how to enroll, and nearly 200 enrolled in quarter two. (Not all trade allies receive payments from Energy Trust. Most incentives are paid directly to the customer.)
- **Staff participated in two OPUC public workshops to understand the impacts of COVID-19 on utility customers** and provided information on Energy Trust activities to support customers during the pandemic.
- Energy Trust evaluated proposals for contracts to deliver Existing Buildings and multifamily programs, commercial Strategic Energy Management and commercial and industrial lighting offers starting in 2021. **Priorities in evaluation included cost and administrative efficiency, innovation, and diversity, equity and inclusion activities.** Energy Trust regularly rebids large program management and delivery contracts to ensure value for utility customers.
- Energy Trust ran **promotions for residential and commercial customers in the Medford area of Pacific Power's targeted load management pilot** to reduce peak demand. Some marketing activities were delayed due to COVID-19. Staff also developed and launched increased incentives and received **confirmation from the OPUC to apply a localized avoided cost value to further increase incentives for the NW Natural targeted load management pilot** in Creswell and Cottage Grove.
- **A tubular LED lighting promotion for rural commercial and industrial customers in Eastern Oregon** wrapped up in quarter two. The offer has now launched in Klamath and Lake counties and portions of the targeted load management pilot in the Medford area. Under the promotion, **local trade allies install TLEDs at small businesses and multifamily housing properties at no cost to the customer.** Combined, the Eastern Oregon and the Southern Oregon promotions have served nearly 400 small industrial and commercial businesses.
- Energy Trust was **awarded a State Leadership in Clean Energy award from the Clean Energy States Alliance for its work developing more equitable**



OPERATIONAL  
CHANGES  
SUPPORTED  
REMOTE  
WORKING

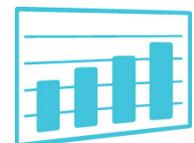


EXPANDED NO-  
COST TLED  
OFFER

and inclusive ways to engage communities in the development of solar projects.

- **Staff developed services to support nonprofits that may apply for funding from Portland Clean Energy Community Benefits Fund (PCEF)**, the city's new grant program launching in the latter half of 2020 to support clean energy projects and job training for underserved communities, including communities of color and low-income Portlanders. Staff participated in public PCEF meetings, submitted comment on draft PCEF guiding principles and grant criteria and identified **opportunities to help PCEF applicants leverage Energy Trust funds for projects**.
- In light of COVID-19, a marketing campaign was reconfigured to **promote low- and no-cost offers to residential customers** through broadcast media, targeted emails and digital and social marketing. The first week resulted in **more than 5,300 orders for Energy Saver Kits, far more than the 100-300 weekly orders** Energy Trust sees throughout the year. The campaign focused on promoting offers that provide immediate benefit to customers with little or no upfront investment and scaled back promotions of costly upgrades given the economic difficulty.
- **Energy Trust staff supported community energy plans and local efforts**, including Hillsboro's 2035 Community Plan and the Hood River County Energy Council.
- In quarter one, **Energy Trust welcomed two members to its board of directors** who have experience serving rural customers **and six members to its Diversity Advisory Council** who represent communities of color and rural parts of the state.
- For the first time, **Energy Trust reported gas market transformation savings from Northwest Energy Efficiency Alliance activities in the commercial and residential sectors**. Energy Trust began investing in NEEA's gas market transformation efforts when they launched in 2015. The timing of these savings was expected given the nature of NEEA's work.

**5,300**  
ENERGY SAVER  
KIT ORDERS IN  
ONE WEEK



REPORTED NEEA  
GAS SAVINGS  
FOR THE FIRST  
TIME

## C. Updates requested by the OPUC

*This section provides information requested by the OPUC in comments provided on Energy Trust's 2020 Budget and 2020-21 Action Plan, plus other information requested by OPUC staff.*

### **Focus on decreasing transaction costs for high-volume activities, such as expediting the rollout of electronic signatures and automated form processing:**

- Energy Trust's webforms and use of DocuSign to enable electronic signatures on forms have been **key resources in avoiding interruptions and/or delays in serving customers during COVID-19**. Energy Trust began using DocuSign in 2019 and was able to quickly expand use throughout quarter two of 2020 to include incentive applications for

commercial, industrial and multifamily customers and enable integration of DocuSign forms data with Energy Trust's project tracking system.

- Energy Trust used DocuSign to digitally manage more than 1,400 transactions in quarter two compared with about 1,000 transactions in all of 2019.
- Pre-DocuSign, paper and email-based transactions across the organization averaged seven to 14 days to complete. In quarter two, **60% of DocuSign transactions were completed in less than a day and nearly all were completed in less than a week.**
- Internal paper- or email-based transactions are now completed with DocuSign including contracts, accounts payable invoices, W9s, trade ally and vendor payment agreements and human resources paperwork.
- **Energy Trust transitioned trade ally and vendor payments to direct deposit**, limiting the use of paper checks and getting payments out faster.

**60%**

**OF DOCUSIGN  
TRANSACTIONS  
COMPLETED IN  
ONE DAY**

**Complete the measure development automation project in 2020:**

- The project to replace a paper-based measure development process with a digital one was **completed in quarter one and was critical to enabling measuring development in the remote work environment** in quarter two. Responding to COVID-19 required dozens of measure changes that would have been time-consuming using the previous process. The new process also frees up staff time.

**Report on diversity, equity and inclusion initiative progress:**

- Energy Trust **advanced efforts to achieve its diversity, equity and inclusion operations plan goals established in 2018**. These goals help drive activities across programs and operations, which are reflected throughout this report and in appendices included in Energy Trust's quarter two and annual reports. See APPENDIX 1: Progress Toward Diversity, Equity and Inclusion Goals for more information on activities and progress to goals.



**PRIORITIZED  
DIVERSITY IN  
COMPETITIVE  
BID PROCESS**

**Prioritize the future of the residential and multifamily sectors through activities such as pilot studies and program redesign:**

- Energy Trust evaluated proposals for a program management contractor to design and deliver the Existing Buildings program (including services for multifamily customers and energy performance management) and a program delivery contractor for commercial, multifamily and industrial lighting offers. This represents a change in contracting designed to improve the long-term viability and cost-effectiveness of lighting and multifamily programs, **promote innovation, better serve underserved customers and diversify the Trade Ally Network.**

**Report quarterly on complementary funds activities, tracking the status of co-funding opportunities and the outcomes of those arrangements:**

- **Since 2015, Energy Trust’s investments in irrigation modernization have leveraged nearly \$170 million** in state and federal funding. Working with Farmers Conservation Alliance, Energy Trust is connecting irrigation districts and farmers with tools to invest in modern irrigation infrastructure, save energy and water, improve wildlife habitat and generate clean renewable energy. Energy Trust added another irrigation district in quarter two, **bringing the total number of enrolled districts to 25.**
- The **OPUC extended Energy Trust’s Manufactured Home Replacement Pilot in May**, allowing for additional funding for projects. Energy Trust organized two webinars ahead of the OPUC’s decision to inform stakeholders of the pilot’s initial results. In partnership with nonprofits and the Oregon Housing and Community Services Department, Energy Trust seeks to replace aging manufactured homes with highly efficient homes, helping residents save energy and money on their utility bills and improve their quality of life. Energy Trust staff also participated in advisory committees convened by the state on the implementation of HB 2896, which provides funding for nonprofits to support manufactured home park preservation and affordability.
- Energy Trust wrapped up a successful co-funding initiative with the community action agency in Washington County that enabled it to help more customers do home weatherization upgrades. It received **OPUC approval to expand co-funding with four additional community action agencies.**

25

PARTICIPATING  
IRRIGATION  
DISTRICTS



MANUFACTURED  
HOME PILOT  
EXTENDED

**Complete the implementation of the budget tracking tool:**

- **Energy Trust transitioned to Prophix, an online platform for budgeting that incorporates planning, data analysis and reporting** and that can accommodate more data than previous software and help Energy Trust forecast with more accuracy. Prophix was used for basic financial data in quarter two and will be used to develop the 2021 budget in quarter three.

**Identify and prioritize the organizational review recommendations that quantifiably either save costs or add flexibility:**

- Responding to COVID-19 required an unprecedented level of adaptability and flexibility across the organization. **Because of improvements made as a result of the organizational review and implementation of an organizational business planning process, staff was well positioned to make changes quickly.** Directors reprioritized business plan initiatives so managers could apply limited staff resources where they were needed most. Staff demonstrated flexibility by adapting programs to meet customer needs and adjusting to the new working environment, including rapid rollout of technologies to support remote work and accelerated adoption of

electronic payments. Energy Trust did not experience significant interruptions to productivity.

- Energy Trust staff identified high priority projects and re-prioritized ongoing projects to ensure staff is focused on work most urgent to support customers and contractors during the pandemic.
- Results of a staff survey **indicated positive shifts in perception** and validated efforts around innovation, decision making and prioritization through business planning.

### III Program and operations activity

#### A. Commercial sector highlights

*The commercial sector is comprised of three programs: Existing Buildings, Existing Multifamily and New Buildings, delivered by Program Management Contractors ICF International, TRC Environmental and CLEAResult, respectively. The Existing Buildings program offers incentives for energy-efficient improvements in existing commercial buildings of all sizes. The Existing Multifamily program serves existing multifamily structures with two or more dwelling units, including market-rate housing, affordable housing, assisted living facilities, campus housing facilities, homeowners' associations and individual unit owners. The New Buildings program supports design and construction of high-performance commercial buildings and major renovations of all sizes and building types.*

- **The sector is off track to meet its annual savings goals in all utility territories due to market changes related to COVID-19.** Although nearly all customer groups have been affected, projects for retail, restaurants and small businesses have been especially hard hit.
- Electric savings were driven by Existing Buildings lighting projects due to **Energy Trust increasing incentives and offerings for lighting installations.**
- Gas savings were driven by **Energy Trust's increased standard incentives,** boiler installations and three large New Buildings projects.
- In response to COVID-19, **staff launched bonuses in quarter two including New Buildings design bonuses, commercial Strategic Energy Management (SEM) bonuses, and Existing Buildings and Existing Multifamily custom and standard bonuses.** Energy Trust helped several stalled projects restart by offering additional funding, which also attracted interest from contractors who had not done projects with Energy Trust in recent years.
- The sector continued **offering virtual SEM workshops, remote installation and verification** for Existing Buildings, New Buildings and Existing Multifamily projects, enabling projects to continue despite social distancing requirements.



**LAUNCHED  
BONUSES FOR  
COMMERCIAL  
CUSTOMERS**

- Staff developed and launched an offer **providing free kits to multifamily property managers to distribute to tenants** containing LEDs, low-flow water devices and advanced power strips. This helps customers continue to save energy while social distancing requirements required in-person services to pause.
- Starting in quarter two, Energy Trust **expanded eligibility for a residential fixed-priced promotion for ductless heat pumps to include small multifamily rental customers**. For fixed-price offers, Energy Trust provides an incentive to trade ally contractors who agree to offer equipment to customers at a reduced price even if the contractor's costs go up. In the first month, nearly 20 trade allies enrolled to offer the promotion.
- New Buildings enrolled fewer than expected new projects, likely due to economic uncertainty and delays to permit processing related to the pandemic. This **could impact the pipeline of New Building projects in 2021** and beyond.
- **Staff is engaged with OPUC and stakeholders including Northwest Energy Efficiency Alliance and the Oregon Department of Energy** to consider program changes to New Buildings custom projects and Market Solutions projects to align with the 2019 Oregon commercial energy code.
- **Commercial savings from NEEA activities** comprised approximately 3% of the sector's year-to-date savings in PGE territory, 3% in Pacific Power territory and less than 1% in NW Natural, Cascade Natural Gas and Avista territories.
  - Electric savings were driven by NEEA's influence on federal standards for fluorescent ballasts and the adoption of the state's commercial energy code.
  - Gas savings were driven by NEEA's condensing rooftop unit program.



**STARTED  
OFFERING FREE  
MULTIFAMILY  
KITS**

## B. Industry and agriculture sector highlights

*The industrial and agriculture sector provides energy-efficiency solutions for all sizes and types of eligible industrial, agricultural, municipal water and wastewater customers. The Production Efficiency program provides services and incentives through three primary delivery tracks: standard, custom and energy performance management. Production Efficiency is designed and managed in-house by Energy Trust staff and is delivered to customers through Program Delivery Contractors and other market actors.*

- **The sector is off track to meet its annual savings goals** in PGE, Pacific Power and Cascade Natural Gas territories due to COVID-19 related market impacts. **It is on track to exceed goals** in NW Natural territory, where a large regenerative thermal oxidizer project that integrates energy efficiency into the customer's environmental remediation efforts is expected to complete in the fall, and in Avista territory.
- Electric savings were driven by **lighting and custom projects**.
- Gas savings were driven by **custom and standard projects**.



**LAUNCHED  
BONUSES FOR  
INDUSTRIAL AND  
AGRICULTURAL  
CUSTOMERS**

- In response to COVID-19, the sector **adjusted offers and delivery to customers, including launching bonuses** for custom operations and maintenance, lighting and standard projects and permanently increasing industrial Strategic Energy Management incentives in quarter two.
  - The sector **made 30% more incentive offers for standard projects** than average by launching bonuses and engaging trade allies and vendors in marketing them to customers.
  - A **lighting bonus resulted in 86 bonus-eligible projects** completed or forecasted to complete in 2020.
  - Similar to the commercial sector, the industrial sector continued to offer remotely its industrial **SEM workshops, project verification and data collection to initiate custom projects**.
- In response to reduced capital budgets, **customers are showing more interest in low- and no-cost industrial SEM and custom operations and maintenance improvements** that provide ongoing financial savings. Increased industrial SEM incentives are also helping enrollment for fall cohorts.
- The sector developed a simplified custom operations and maintenance project process in quarter two to **make it easier for customers to participate and provide higher incentives for projects that achieve greater energy savings**. The process will be tested in quarter three.
- The sector has initiated **significantly more custom technical studies** by mid-2020 than this time last year thanks in part to a streamlined technical study process introduced in late 2018.
- The sector **launched a no-cost direct installation pipe insulation offer** in quarter one and enrolled eight trade allies across the state to deliver the offer. It is forecasting below expectations due to COVID-19 related delays.
- The sector has seen **fewer greenhouse projects than average as greenhouses have been exceptionally busy due to high demand for landscaping plants and food production**. Additionally, the trade show Farwest Show, historically a major driver of greenhouse projects, was canceled this year due to COVID-19. Staff is looking in other areas to make up the projected savings gap.
- **Industrial savings from NEEA activities** comprised approximately 5% of the sector's year-to-date savings in PGE territory and 4% in Pacific Power territory. Savings were driven by NEEA's influence on federal standards for the electric motor market. Energy Trust also invests in NEEA's gas market transformation work but had no associated industrial savings this quarter.

86

LIGHTING  
BONUS-  
ELIGIBLE  
PROJECTS



INITIATED MORE  
TECHNICAL  
STUDIES

## C. Residential sector highlights

*Energy Trust's residential sector provides electric and gas energy-efficiency solutions for residential customers of single-family homes, manufactured homes and newly constructed homes. The program is delivered through Program Management Contractor CLEAResult and through two Program Delivery Contractors supporting retail promotions and EPS new construction offerings. Incentives are available for smart thermostats, energy-efficient HVAC and water*

heating equipment, lighting, appliances, weatherization upgrades and whole home improvements, and new construction.

- **The sector is on track to meet or exceed annual savings goals** in all utility territories thanks to promotions and increasing offers that enable customers to participate during COVID-19 and make up for lower than expected savings in other sectors due to the pandemic.
- Electric savings were driven by **Energy Trust's promotions for low- and no-cost offers including free Energy Saver Kits and smart thermostats as low as \$25** with a bonus incentive.
  - Staff worked with utilities and other stakeholders to promote Energy Saver Kits to rural and low- and moderate-income customers. Combined with success of the residential marketing campaign, this resulted in about **11,600 kits being distributed in quarter two**, compared with 3,200 kits in a typical quarter. (Savings from these kits will be reported in quarter three.)
  - Retail lighting projects rebounded significantly from a slowdown early in the quarter thanks to **increased retail lighting incentives at grocery stores, designed to meet customers where they were still shopping**, and expanded retail lighting promotions as the state began its phased reopening.
- Gas savings were driven by new construction and Energy Trust's work to increase adoption of energy-efficient technologies and practices. **Housing construction remained strong despite a slowdown in quarter two due to stay-at-home and social distancing requirements.** Smart thermostats and Energy Saver Kits also contributed to gas savings.
- Energy Trust **partnered with 37 service providers including food pantries and community action agencies to give away 22,000 free LED bulbs to their clients.** While the market shows signs of broad adoption of LEDs, there are different levels of adoption by customer type. This targeted approach ensures Energy Trust reaches all customers with LED technology, including low-income customers.
- The sector wrapped up a **successful co-funding initiative with the community action agency in Washington County.** Energy Trust was able to help more customers do home weatherization upgrades and received OPUC approval to expand co-funding with four additional community action agencies.
- The sector created a **Community Partner Funding pathway that allows nonprofits to offer increased incentives to underserved customers** within cost-effectiveness guidelines. Target populations include low- and moderate-income customers, rural customers, communities of color, veterans and people with disabilities.
  - Using that model, Energy Trust **contracted with Portland-based nonprofit Verde to begin installing low-cost ductless heat pumps in homes in Cully**, a mixed-income and racially diverse neighborhood.



**SMART  
THERMOSTATS  
AS LOW AS \$25**

**37**

**AGENCY  
PARTNERS ON  
LED GIVEAWAY**



**22,000 FREE LED  
BULBS  
DISTRIBUTED**

Verde is also conducting home assessments to help residents identify upgrades that qualify for Energy Trust incentives.

- **Staff helped the Confederated Tribes of the Umatilla Indian Reservation solicit bids from manufactured home dealers**, including reviewing and editing technical specifications. Energy Trust will provide the tribes with incentives to replace 17 homes at the Lucky 7 manufactured home park with energy-efficient models as part of Energy Trust's Manufactured Home Replacement Pilot.
- The sector **continued development of a ductless heat pump controls pilot** in coordination with PGE with equipment testing occurring in quarter two. The pilot will launch in quarter three.
- **Residential savings from NEEA activities** comprised approximately 14% of the sector's year-to-date savings in PGE territory, 14% in Pacific Power territory, less than 0.5% in NW Natural territory, 1% in Cascade Natural Gas territory and less than 0.5% in Avista territory.
  - Electric savings were driven by NEEA's ductless heat pump initiative, which aims to accelerate the adoption of ductless heat pumps in electrically heated homes, and NEEA's influence on energy code adoption for single-family and multifamily homes in Oregon.
  - Gas savings were driven by NEEA's work to increase adoption of energy-efficient advanced building practices for single-family homes, and work to develop efficient gas water heating products.



SUPPORTED  
TRIBES ON  
HOME  
REPLACEMENT  
EFFORT

## D. Renewable energy sector highlights

*Energy Trust's renewable energy sector is comprised of two programs delivered in-house by Energy Trust staff: Solar and Other Renewables. The Solar program offers standard incentives for smaller-scale distributed systems for residential, business, public sector and nonprofit customers. The program is focused on improving equitable access to solar for lower-income customers and expanding innovative applications of solar that provide greater value to communities or the grid. The Other Renewables program supports renewable energy projects up to 20 megawatts in nameplate capacity that generate electricity using biopower, geothermal, hydropower and community-scale, municipally owned wind technologies. The goal of the program is to support a range of renewable energy technologies and improve market conditions for their development by providing project development assistance incentives and installation incentives.*



RESIDENTIAL  
SOLAR DEMAND  
REMAINS HIGH

- **The sector is on track to exceed its annual generation goals** in PGE and Pacific Power territories. The residential solar market has remained strong despite economic challenges due to COVID-19, while a large biopower project that completed in quarter two achieved one-quarter of the sector's yearly generation goal.
- **Customer demand has remained high, particularly for residential solar.** Incentive applications and project installations are up compared with 2019, driven in part by Oregon Department of Energy's Solar + Storage Rebate

program, though applications remained steady even after the program ended in April.

- To support contractors during COVID-19, the solar program is **keeping incentive levels steady** throughout the year to help stabilize the solar market, unlike typical years when incentive levels are reduced based on demand and other factors.
- Municipalities continued to pursue renewable energy projects to control energy costs and meet climate goals. **Energy Trust provided a \$3 million incentive to the City of Salem's 1.17-megawatt biogas cogeneration project** at the Willow Lake Water Pollution Control Facility, which achieved commercial operation in quarter two. The project, which will generate 7,600 megawatt hours of electricity a year or about one-half the facility's electric load, also received \$3 million from customers contributing to the PGE Renewable Development Fund.
- **Energy Trust committed an \$85,000 incentive to the City of Hillsboro's 30-kilowatt hydropower project** at the Gordon Faber Recreation Complex. The project, which will generate 171,000 kilowatt hours of renewable electricity a year, is scheduled to reach commercial operation in September.
- In quarters one and two, Energy Trust received 73 applications and installed 22 solar systems under the new Solar Within Reach incentive offer for income-qualified customers. The **Solar Within Reach incentive is about five times the standard residential solar incentive** and covers about half of the cost of a solar system.
- In 2019, Energy Trust began awarding innovation grants for nonprofits to develop community-centric program models that help low- and moderate-income Oregonians benefit from solar energy. **The first of these projects completed in quarter two, with solar installations at 10 Habitat for Humanity homes in the Corvallis area.**
- Staff began work in January with American Microgrid Services on solar + storage microgrid feasibility studies at 19 sites in Hood River. This technology can provide valuable flexibility and resilience to utilities and individual customers. **Study results will guide Energy Trust efforts to support solar + storage.**
- Energy Trust's Irrigation Modernization program is a joint effort with Farmers Conservation Alliance to help irrigation districts and farmers update irrigation infrastructure and generate hydropower where possible. In quarter two, **Energy Trust funded feasibility analysis for three potential hydropower projects** totaling 2.5 megawatts of potential capacity on irrigation systems in Hood River, Wasco and Wallowa counties.

**\$3M**

**INCENTIVE FOR  
SALEM BIOGAS  
PROJECT**



**SOLAR  
INSTALLED AT  
10 HABITAT FOR  
HUMANITY  
HOMES**

## **E. Internal operations highlights**

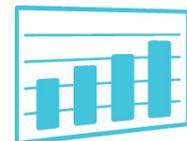
*Energy Trust's internal operations teams support all program and organizational functions. These operational functions include communications (sharing organizational news, information and milestones with stakeholders, public reporting and public relations); customer service (providing customers with online and phone*

assistance to help resolve questions or problems); general marketing (educating customers and stakeholders through advertising, web content, social media and other marketing efforts); trade and program allies (engaging and supporting Energy Trust's network of 2,300 contractors and trade allies statewide); general outreach (providing regional and statewide support to customers, trade allies, partners, utilities and community organizations); IT and business systems (maintaining and improving Energy Trust's technology and business infrastructure); and planning and evaluation (estimating costs and savings of efficiency programs, developing long-range savings forecasts and evaluating effectiveness and impact of offerings).

- Staff continued to adjust to working from home in quarter two, **accelerating the rollout of digital tools to support remote work while maintaining operations**, including DocuSign to sign and process forms digitally, Zoom and Slack for video conferencing, and the online platform Mural to facilitate collaborative work on the 2021 organizational goals and business plan.
- **Energy Trust finalized the 2021 business plan in June**, the result of a process through which Energy Trust prioritizes its core work and identifies areas for innovation that can be achieved with existing resources.
  - The process started in April with development of 2021 organizational goals, which align with focus areas in the organization's 2020-2024 Strategic Plan. Staff participated in an internal ideation event that produced three new initiatives planned for 2021.
  - Staff also **used the business planning process to manage work in 2020**, including identifying high priority projects, re-prioritizing ongoing projects and ensuring staff availability as part of the organization's COVID-19 response.
- Staff **surveyed members of the Trade Ally Network to understand how COVID-19 was affecting their businesses** and how Energy Trust could support them. Staff also added personal protective equipment as an eligible business development fund reimbursement item. The fall trade ally forum will be held online.
- Staff began developing an initiative concept to offer grants to nonprofits that focus on serving low-income customers, rural customers and communities of color. This is a **new strategy for potential relationship development with community-based organizations** that could accelerate development of future joint efforts to serve underserved customers.
  - Energy Trust expects to continue development work in quarter three to identify and refine desired outcomes and grant processes, engaging community-based organizations and people of color in the design process. Energy Trust is updating OPUC staff on this new approach as it develops. Grants may be offered before the end of the year.
- As part of the OPUC's stakeholder engagement process, **Energy Trust staff met with OPUC staff to discuss current and new activities the commission could take** to accelerate or implement to meet Governor Brown's Executive Order 20-04 objectives on greenhouse gas reductions.

# 2021

BUSINESS PLAN  
FINALIZED IN  
JUNE



IDENTIFIED NEW  
WAYS TO  
PARTNER WITH  
COMMUNITY  
ORGANIZATIONS

- **Outreach staff provided support and connections** for the City of Hillsboro on its 2035 Community Plan; the Oregon Department of Energy on the Oregon Biennial Energy Report; the City of Grants Pass on lighting upgrades; Confederated Tribes of Warm Springs for home renovation projects on the Warm Springs Reservation; Latinx Interagency Committee in the Rogue Valley on a light bulb giveaway; Energize South Coast's ductless heat pump group purchase program; Euvalcree on its residential audit, weatherization and HVAC program; Umatilla County on its flood recovery efforts; Confederated Tribes of the Umatilla Indian Reservation on manufactured home replacements; the City of Umatilla on municipal water pressure reduction stations; and Wallowa County officials on a potential application for funding from the USDA's Rural Energy Savings Program.
  - **Staff participated or attended meetings** of the Grants Pass & Josephine County Chamber of Commerce, South Central Region Economic Recovery Team, Hood River County Energy Council, League of Oregon Cities, the City of Pendleton's Housing and Neighborhood Improvement Committee and the League of Oregon Cities.
  - **Energy Trust sponsored community events** including Juneteenth Oregon's virtual celebration, ¡Conéctate! at Eastern Oregon University, Earth Day at The Environmental Center in Bend and Wallowa Resources' virtual Woodlands and Watersheds event.
- **Through public relations efforts, Energy Trust garnered 18 articles in quarter two that represent a media value of more than \$253,000**—what it would have cost to purchase the equivalent advertising space or airtime.
- **Energy Trust received 2,800 calls to its main hotline in quarter two**, about 7% fewer calls than in quarter two of 2019 as more customers access resources online. Call volumes were also lower in quarter two compared with quarter one, which is typical as the winter heating season ends.
- **Energy Trust's website received 157,500 visits in quarter two, generating 440,500 pageviews**. More than 80% of visitors were new visitors, which is typical. Many customers were driven to the Energy Saver Kit page through targeted email marketing as part of Energy Trust's COVID-19 response promotions, resulting in a single-day high of nearly 10,000 visits.
- On average, visitors to the Energy Trust website in quarter two viewed 2.1 pages per visit and spent just under three minutes on the website. This is comparable to the previous quarter and **a good indicator of high-quality engagement by organic traffic**.
- IT staff **implemented a SmartConnect application to enable electronic payments** to program management and delivery contractors and vendors.
- **Energy Trust processed 21,900 customer projects**, including 19,800 submitted through web applications.
- **Staff created 206 new energy-efficiency measures and revised 145 measures**. Measure designs and revisions fluctuate based on how quickly market conditions are changing.
- **Staff posted 10 evaluations and studies** to the Energy Trust website.

**\$253K**

VALUE OF NEWS  
COVERAGE FOR  
THE QUARTER

**441K**

PAGEVIEWS AT  
ENERGY TRUST'S  
WEBSITE

- Staff submitted an energy-efficiency forecast to NW Natural for its integrated resource planning process and supported PGE, Avista and Pacific Power on their integrated resource planning.

## IV Revenues and expenditures tables<sup>12,13</sup>

### A. Revenues and expenditures summary<sup>14</sup>

- Overall revenues totaled \$42.3 million for quarter two 2020, 2% below what was budgeted.
- Quarter two expenditures totaled \$41.2 million, 13% below budget. One-half of expenditures, or \$20.1 million, was for incentives.
- Quarter two electric efficiency expenditures were 14% below budget.
- Quarter two gas efficiency expenditures were 10% below budget.
- Quarter two renewable energy expenditures were 2% below budget.

### B. Revenues<sup>15,16</sup>

Source	Q2 actual revenues	Q2 budgeted revenues
Portland General Electric \$	9,676,356 \$	9,722,340
PGE Incremental \$	11,288,289 \$	11,289,757
Pacific Power \$	6,528,868 \$	6,491,869
Pacific Power Incremental \$	7,506,409 \$	7,912,096
NW Natural \$	5,641,603 \$	6,196,049
NW Natural Industrial DSM \$	- \$	-
Cascade Natural Gas \$	1,048,208 \$	735,173
Avista \$	518,323 \$	518,323
Oregon Community Solar Program \$	121,034 \$	137,715
Low- and moderate-income grant \$	(4,355) \$	-
<b>Total \$</b>	<b>42,324,735 \$</b>	<b>43,003,322</b>

<sup>12</sup> Columns may not total due to rounding.

<sup>13</sup> The gas savings do not include results for NW Natural in Washington. These results are available at [www.energytrust.org/reports](http://www.energytrust.org/reports).

<sup>14</sup> Revenues and expenditures in Section A include public purpose funds, funds for a subcontract to deliver the Oregon Community Solar Program and funds for low- and moderate-income solar innovation grants. Revenues and expenses for the Oregon Community Solar Program and low- and moderate-income solar innovation grants are included in the tables.

<sup>15</sup> Revenues in Table B include public purpose revenue, including incremental electric revenue from SB 838, and revenue from the low- and moderate-income solar grant and the Oregon Community Solar Program. Incremental revenues are those authorized under SB 838 to support capturing additional cost-effective electric efficiency savings above the amount supported by funding through SB 1149.

<sup>16</sup> Negative figure is due to timing of grant allocations.

## C. Expenditures<sup>16,17</sup>

Source	Q2 actual expenditures	Q2 budgeted expenditures
Portland General Electric \$	19,887,876 \$	23,882,979
Pacific Power \$	15,009,096 \$	16,292,719
NW Natural \$	4,667,421 \$	4,839,310
NW Natural Industrial DSM \$	757,074 \$	951,751
Cascade Natural Gas \$	468,092 \$	689,748
Avista \$	342,998 \$	452,901
Oregon Community Solar Program \$	66,007 \$	94,462
Low- and moderate-income grant \$	(4,953) \$	-
Business development \$	4,570 \$	-
<b>Total \$</b>	<b>41,198,181 \$</b>	<b>47,203,870</b>

## D. Expenditures by sector and program<sup>16</sup>

		Q2 actual expenditures	Q2 budgeted expenditures
Commercial	Existing Buildings \$	10,205,127 \$	10,561,059
	Existing Multifamily \$	2,152,097 \$	2,381,499
	New Buildings \$	3,614,840 \$	4,989,129
	NEEA Commercial \$	745,452 \$	843,729
	<b>Commercial total \$</b>	<b>16,717,516 \$</b>	<b>18,775,416</b>
Industrial	Production Efficiency \$	7,464,331 \$	9,394,111
	NEEA Industrial \$	36,050 \$	107,623
	<b>Industrial total \$</b>	<b>7,500,381 \$</b>	<b>9,501,734</b>
Residential	Residential \$	10,259,778 \$	11,939,377
	NEEA Residential \$	989,061 \$	993,205
	<b>Residential total \$</b>	<b>11,248,839 \$</b>	<b>12,932,581</b>
	<b>Energy efficiency total \$</b>	<b>35,466,736 \$</b>	<b>41,209,732</b>
Renewables	Solar \$	2,235,724 \$	2,163,278
	Other Renewables \$	1,197,242 \$	1,321,069
	<b>Renewable generation total \$</b>	<b>3,432,966 \$</b>	<b>3,484,347</b>
Administration	Administration \$	2,235,934 \$	2,419,381
	<b>Administration total \$</b>	<b>2,235,934 \$</b>	<b>2,419,381</b>
Other	Oregon Community Solar Program \$	62,560 \$	90,410
	Low- and moderate-income grant \$	(4,585) \$	-
	Business development \$	4,570 \$	-
	<b>Total expenditures \$</b>	<b>41,198,181 \$</b>	<b>47,203,870</b>

<sup>17</sup> Business development funds were spent on work to pursue a role with PGE in its solar + storage pilot, a new opportunity that was not anticipated when the 2020 budget was set in 2019.

**E. Incentives paid**

<b>Qtr</b>	<b>PGE efficiency</b>	<b>Pacific Power efficiency</b>	<b>NW Natural efficiency</b>	<b>Cascade Natural Gas efficiency</b>	<b>Avista efficiency</b>	<b>PGE generation</b>	<b>Pacific Power generation</b>	<b>Total</b>
<b>Q1</b>	\$ 5,580,213	\$ 4,103,630	\$ 2,880,466	\$ 193,953	\$ 71,170	\$ 523,516	\$ 669,645	\$ 14,022,593
<b>Q2</b>	\$ 8,499,559	\$ 6,425,756	\$ 2,248,167	\$ 291,711	\$ 225,009	\$ 1,457,679	\$ 996,914	\$ 20,144,794
<b>Total</b>	\$ 14,079,772	\$ 10,529,386	\$ 5,128,633	\$ 485,664	\$ 296,179	\$ 1,981,195	\$ 1,666,559	\$ 34,167,387

## V Savings and generation tables<sup>18,19,20,21,22</sup>

### A. Savings and generation by fuel

	Q2 savings/generation	YTD savings/generation	Annual goal	Percent achieved YTD
Electric savings	6.6 aMW	11.5 aMW	45.4 aMW	25%
Natural gas savings	913,643 therms	2,120,081 therms	6,526,799 therms	32%
Electric generation	1.77 aMW	2.19 aMW	3.27 aMW	67%

### B. Progress toward annual efficiency goals by utility

	Q2 savings	YTD savings	Annual goal	Percent achieved YTD	Annual IRP target	Percent achieved YTD
Portland General Electric	3.8 aMW	6.3 aMW	27.4 aMW	23%	30.5 aMW	21%
Pacific Power	2.8 aMW	5.1 aMW	18.0 aMW	28%	19.2 aMW	27%
NW Natural	731,742 therms	1,808,437 therms	5,591,966 therms	32%	6,018,697 therms	30%
Cascade Natural Gas	92,195 therms	184,395 therms	547,244 therms	34%	621,804 therms	30%
Avista	89,707 therms	127,250 therms	387,588 therms	33%	313,420 therms	41%

<sup>18</sup> Columns may not total due to rounding.

<sup>19</sup> This document reports gross savings.

<sup>20</sup> Electric savings also include transmission and distribution savings.

<sup>21</sup> The gas savings do not include results for NW Natural in Washington. These results are available at [www.energytrust.org/reports](http://www.energytrust.org/reports).

<sup>22</sup> Energy Trust reports 100% of generation and capacity for renewable energy installations supported by Energy Trust's cash incentives. While some of these projects have additional sources of funding, Energy Trust enabled project completion.

### C. Electric savings by sector and program

		Q2 savings aMW	YTD savings aMW	Annual goal aMW	Percent achieved YTD
Commercial	Existing Buildings	2.1	3.5	13.1	27%
	Existing Multifamily	0.3	0.5	1.5	35%
	New Buildings	0.8	1.2	4.8	24%
	NEEA Commercial	0.1	0.1	0.7	22%
	<b>Commercial total</b>	<b>3.3</b>	<b>5.4</b>	<b>20.0</b>	<b>27%</b>
Industrial	Production Efficiency	1.8	3.4	17.1	20%
	NEEA Industrial	0.1	0.2	0.8	19%
	<b>Industrial total</b>	<b>1.9</b>	<b>3.5</b>	<b>17.9</b>	<b>20%</b>
Residential	Residential	1.2	2.2	5.5	41%
	NEEA Residential	0.2	0.4	1.9	19%
	<b>Residential total</b>	<b>1.4</b>	<b>2.6</b>	<b>7.4</b>	<b>35%</b>
<b>Total electric savings</b>		<b>6.6</b>	<b>11.5</b>	<b>45.4</b>	<b>25%</b>

### D. Natural gas savings by sector and program<sup>23</sup>

		Q2 savings therms	YTD savings therms	Annual goal therms	Percent achieved YTD
Commercial	Existing Buildings	297,629	699,337	1,757,530	40%
	Existing Multifamily	35,931	78,903	204,919	39%
	New Buildings	86,245	113,560	548,061	21%
	NEEA Commercial	92	92	456	20%
	<b>Commercial total</b>	<b>419,897</b>	<b>891,893</b>	<b>2,510,966</b>	<b>36%</b>
Industrial	Production Efficiency	49,125	337,865	1,514,698	22%
	NEEA Industrial	0	0	0	-
	<b>Industrial total</b>	<b>49,125</b>	<b>337,865</b>	<b>1,514,698</b>	<b>22%</b>
Residential	Residential	440,175	885,877	2,478,903	36%
	NEEA Residential	4,446	4,446	22,232	20%
	<b>Residential total</b>	<b>444,621</b>	<b>890,323</b>	<b>2,501,135</b>	<b>36%</b>
<b>Total natural gas savings</b>		<b>913,643</b>	<b>2,120,081</b>	<b>6,526,799</b>	<b>32%</b>

### E. Renewable energy generation by utility

		Q2 generation aMW	YTD generation aMW	Annual goal aMW	Percent achieved YTD
Portland General Electric		1.34	1.55	2.25	69%
Pacific Power		0.43	0.64	1.02	63%
<b>Total</b>		<b>1.77</b>	<b>2.19</b>	<b>3.27</b>	<b>67%</b>

<sup>23</sup> Energy Trust allocates budget to NEEA for gas market transformation activities. This is the first quarter with associated savings in the Commercial and Residential sectors.

## F. Renewable energy generation by program

	Q2 generation	YTD generation	Annual goal	Percent achieved
	aMW	aMW	aMW	YTD
Solar	0.83	1.25	2.24	56%
Other Renewables	0.94	0.94	1.03	91%
<b>Total generation</b>	<b>1.77</b>	<b>2.19</b>	<b>3.27</b>	<b>67%</b>

## G. Incremental utility SB 838 expenditures<sup>24</sup>

Utility	Q2 SB 838 Expenditures	YTD SB 838 Expenditures
Portland General Electric \$	323,786 \$	583,166
Pacific Power \$	196,109 \$	292,653
<b>Total \$</b>	<b>519,894 \$</b>	<b>875,819</b>

<sup>24</sup> Reflects expenditures by Pacific Power and PGE in support of utility activities described in SB 838. Reports detailing these activities are submitted annually to the OPUC.

## VI Progress to 2020 organization goals

This section provides updates on Energy Trust's progress toward meeting its 2020 organization goals, which are set as part of Energy Trust's 2020 Budget and 2020-2021 Budget and Action Plan approved by the board of directors. Updates will be provided in quarterly and annual reports. This information represents highlights and is not comprehensive. For more information, see program and operations highlights in this report.

Goal	Status and highlights
<p>1. Meet savings and generation targets, create future opportunities</p> <ul style="list-style-type: none"> <li>• Serve more diverse customers</li> <li>• Support higher value renewable energy and energy efficiency</li> <li>• Sustain services for efficiency programs where cost-effectiveness is becoming a challenge</li> <li>• Push new construction beyond code</li> </ul>	<p>Off track to meet electric and gas savings targets, on track to meet generation target:</p> <ul style="list-style-type: none"> <li>• Evaluated contract proposals to deliver Existing Buildings, multifamily and lighting offers based on the ability to reach underserved customers and subcontract with minority- and women-owned businesses, in addition to cost-effectiveness.</li> <li>• Offered higher residential solar incentives to income-qualified customers and expanded eligibility for higher residential efficiency incentives.</li> <li>• Added members to the Diversity Advisory Council, expanded community partnerships to reach people of color and people with low incomes.</li> </ul>
<p>2. Develop guidelines for resource investments in community efforts, engage stakeholders for input</p> <ul style="list-style-type: none"> <li>• Coordinate with utility efforts in communities</li> <li>• Build capacity in communities and community-based organizations</li> <li>• Strengthen internal capabilities to support community efforts</li> <li>• Develop toolkits and templates</li> </ul>	<p>On track to meet goal:</p> <ul style="list-style-type: none"> <li>• Held monthly meetings with staff members who serve as community-based organization relationship managers to discuss progress and barriers to deepening relationships.</li> <li>• Trained program management and delivery contractor representatives on developing and managing relationships with community-based organizations.</li> <li>• Introduced a Community Partner Funding pathway, which allows community-based organizations to offer increased incentives for residential projects.</li> <li>• Began developing an initiative to offer grants to nonprofits that focus on serving customers with low incomes, rural communities and communities of color.</li> <li>• Conducted initial stakeholder engagement to understand needs and inform the development of community engagement guidelines.</li> </ul>
<p>3. Provide information to policymakers, agencies and implementers</p> <ul style="list-style-type: none"> <li>• OPUC</li> <li>• Portland's Clean Energy Fund</li> <li>• State carbon policy development</li> <li>• Communities forming clean energy objectives</li> </ul>	<p>On track to meet goal:</p> <ul style="list-style-type: none"> <li>• Participated in two OPUC workshops to understand the impacts of COVID-19 on utility customers, provided information on steps Energy Trust has taken to support customers and provided ideas on ways to serve low-income customers hardest hit by COVID-19.</li> <li>• Staff met with OPUC staff to discuss current or different activities the commission could</li> </ul>

	<p>accelerate or implement to meet Governor Brown’s Executive Order 20-04 objectives on greenhouse gas reductions and responded to OPUC requests for ideas on greenhouse gas reduction.</p> <ul style="list-style-type: none"> <li>• Informed the City of Hillsboro's 2035 Community Plan activity on solar development and provided Energy Trust participation data to the City of Portland to inform its decarbonization pathway report.</li> <li>• Participated in the OPUC’s Distribution System Planning docket proceedings (UM 2005).</li> <li>• Submitted public comment on the draft Portland Clean Energy Community Benefits Fund guiding principles and grant criteria.</li> <li>• Met with staff from the Oregon Department of Energy to inform development of the Oregon Biennial Energy Report that will be published this fall.</li> </ul>
<p>4. Strengthen internal innovation capabilities, develop new proposals</p> <ul style="list-style-type: none"> <li>• Establish an Innovation Team and resourcing initiatives</li> <li>• Develop an innovation approach</li> <li>• Adopt a framework, processes and tools</li> </ul>	<p>On track to meet goal:</p> <ul style="list-style-type: none"> <li>• Innovation Team hosted first-ever ideation event that produced three ideas for business planning and that were approved as strategic initiatives for 2021.</li> <li>• Designed and facilitated sessions for a NEEA and Energy Trust collaboration event and a targeted load management team retrospective.</li> </ul>
<p>5. Make operational improvements</p> <ul style="list-style-type: none"> <li>• Budgeting tools</li> <li>• Forecasting</li> <li>• Staff development</li> <li>• Alignment of systems, data and reporting</li> <li>• Collaborations</li> </ul>	<p>On track to meet goal:</p> <ul style="list-style-type: none"> <li>• Completed testing and user training on Prophix budget software implementation and did system integration ahead of launch in quarter three.</li> <li>• Made product delivery alignment a strategic initiative for 2021. The project aims to address challenges related to planning and delivery in cases where programs share incentives and/or energy savings or where these vary based on location, demographics or other factors.</li> </ul>

# APPENDIX 1: Progress Toward Diversity, Equity and Inclusion Goals

Energy Trust developed 10 diversity, equity and inclusion goals to improve and enhance offerings for underserved customers. Goals were finalized at the end of 2018 using baseline data through 2017 unless otherwise noted. Progress reports will be provided in quarter two and annual reports for 2019 and 2020. This appendix reflects activities and progress made from January 2019 through June 2020 unless otherwise noted. Energy Trust identifies underserved customers (people of color, people with low incomes and rural people) based on census tract characteristics.

Highlights of this work and key lessons learned include:

- **Energy Trust is helping customers and trade allies hardest hit by COVID-19 and related economic uncertainty.** Energy Trust has expanded eligibility for residential Savings Within Reach incentives, launched bonuses targeting businesses affected by COVID-19 and worked with community partners to deliver 22,000 free LEDs.
- **COVID-19 may affect Energy Trust’s ability to advance diversity in hiring, contracting and other areas.** The pandemic has dramatically slowed the rate of hiring at Energy Trust, while the office closure means fewer contracts for services. Continuing to make progress in these areas may require tailored response strategies, particularly in hiring.
- **Staff continues to build meaningful relationships with community-based organization.** In 2020, Energy Trust trained staff on relationship management, identified additional organizations to partner with and expanded co-funding opportunities. These connections are critical to success but take time and skill to manage.
- **Diversity, equity and inclusion was a top priority in contracting for commercial and industrial program management and delivery.** Energy Trust launched a competitive bid process in March for two major contracts that required diversity, equity and inclusion in hiring, subcontracting and community engagement. In evaluating contract proposals, diversity, equity and inclusion was weighted at 25% of scoring criteria.
- **Six people joined Energy Trust’s Diversity Advisory Council in 2020.** They bring valuable experience working with communities of color, customers with low incomes and rural Oregonians. The board of directors also added two members in 2020 with experience in rural Oregon.
- **Improvements in data collection and tracking resources are needed.** Energy Trust needs more methods to identify minority- and women-owned businesses and a new mechanism for assessing the organization’s cultural responsiveness.
  - For the 2020 Customer Insights Survey of residential and multifamily customers, staff employed improved recruiting tactics and oversampled in areas with high racial diversity to gather more data on awareness of and barriers to participating in Energy Trust programs.

**Key**

	Goal achieved	On track (high confidence) 	On track (low confidence) 	Off track 
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**1. Increase customer participation in energy efficiency programs for all underserved populations by 20% by the end of 2020.**

**1A: Increase residential participation rate by 20% in communities of color by the end of 2020.**

Baseline	Progress January 2019 – June 2020	2020 Target	Status
50,000 total participants from communities of color through 2017 (24% participation rate)	62,413 total participants from communities of color (30% participation rate)	66,128 total participants from communities of color through 2020 (32% participation rate)	On track (low confidence) 

- **Energy Trust delivered more smart thermostats in targeted geographic areas** in quarter two 2020 compared with previous quarters thanks to targeted marketing of low- and no-cost offers such as smart thermostats and Energy Saver Kits in these areas.
- Energy Trust **partnered with food banks, community action agencies and other groups** to distribute 22,000 free LED bulbs to their clients and information on how to order a free Energy Saver Kit. (Since these savings are not claimed at the site level, participation is not reflected in this goal.)
- The OPUC **approved Energy Trust expanding co-funding efforts with agencies that serve low-income Oregonians** after an initial effort with the community action agency in Washington County resulted in reaching additional customers and achieving additional savings.
- **Energy Trust partnered with the Portland nonprofit Verde** to provide low-cost ductless heat pumps to eligible customers in the Cully neighborhood. The offer cuts costs to customers by 70-80%. To cover the remaining cost, which is a significant barrier for many, Energy Trust incorporated an on-bill financing option.
- Energy Trust expanded **eligibility guidelines for Savings Within Reach**, which are higher incentives for income-qualified customers, and financing support to include any customer who is receiving unemployment benefits or other financial assistance as a result of COVID-19.

**1B: Increase participation in Existing Buildings program for small and medium business customers and business customers in very rural areas by 20% by the end of 2020.**

Baseline	Progress January 2019 – June 2020	2020 Target	Status
1,200 participating small/medium businesses per year on average	1,525 additional small/medium business in 2019 and 2020	3,000 additional participating small/medium businesses in 2019 and 2020	On track (low confidence) 

(7% cumulative participation rate for small/medium business through 2017)	(8.5% cumulative participation rate for small/medium businesses)	(9% cumulative participation rate for small/medium businesses)	
50 participating very rural businesses (5% cumulative participation rate for very rural businesses through 2017)	98 additional very rural businesses in 2019 and 2020 (7.5% cumulative participation rate for very rural businesses)	120 additional participating very rural businesses in 2019 and 2020 (7% cumulative participation rate for very rural businesses)	On track (high confidence) 

- Energy Trust **launched bonuses in quarter two 2020 targeting businesses hardest hit by COVID-19**. Development of new offers continues to support small business customers, with new offers targeted to launch in quarter three.
- **Relationships established in 2019 with customers in very rural areas**, along with continued attention from regional field representatives and trade ally coordinators on engaging rural customers, have driven **significantly increased project volumes in these regions**.
- Staff is developing partnerships with community-based organizations and businesses—including National Association of Minority Contractors, LatinoBuilt, Professional Business Development Group, Verde and Cox Electric—with specific **focus on trade ally outreach and recruitment and workforce development**. To date in 2020, three new minority-owned businesses have been recruited to the Trade Ally Network, with additional recruitment efforts with six additional businesses and three women-owned businesses.

### 1C: Increase customer participation in Production Efficiency for small and medium businesses in rural areas by 20% by the end of 2020.

Baseline	Progress January 2019 – June 2020	2020 Target	Status
413 total small/medium sites served through 2017	677 total small/medium sites served	495 total small/medium sites served through 2020	Goal achieved 

- **Energy Trust’s offer in Eastern Oregon to install tubular LEDs at no cost** to qualifying businesses has increased participation in these rural areas. The offer has now launched in Southern Oregon.
- To **support industrial and agricultural customers affected by COVID-19**, Energy Trust launched bonuses, increased incentives for industrial Strategic Energy Management (SEM) and rolled out virtual project verifications. These changes helped customers achieve savings despite disruptions related to COVID-19 and have fueled interest in businesses participating in SEM in the fall.

**2. Increase customer participation in renewable energy programs in low-income, rural and racially diverse communities by 20% by the end of 2020.**

Baseline	Progress January 2019 – June 2020	2020 Target	Status
33% of 2017 residential solar projects sited in low-income, rural and racially diverse communities (597 out of 1,831 projects)	32% residential solar projects in 2019 and 2020 were sited in low-income, rural and racially diverse communities (723 out of 2,291 projects)	38% of 2020 residential solar projects sited in low-income, rural and racially diverse communities	Off track 

- As part of its COVID-19 response, **Energy Trust allocated additional funding to support Solar Within Reach incentives for income-qualified customers.** These are about five times the standard residential solar incentive. So far in 2020, the program has received 73 applications and installed 22 systems and is on track to meet its goal of 100 applications and 50 installations for year.
- Energy Trust **enrolled 10 projects in its Community Solar Development Assistance program in 2020.** The program, launched in 2019, offers financial assistance in the planning stage for projects intending to operate under the state’s Oregon Community Solar Program. Energy Trust will provide up to \$185,000 in total for development of projects benefiting low-income customers; funding amounts depend on developer type (public, nonprofit or private).
- Solar systems were installed at 10 of Habitat for Humanity homes in the Corvallis area, **the first completed projects funded by Energy Trust’s innovation grants to help nonprofits develop community-centric program models** that help low- and moderate-income Oregonians benefit from solar energy. The grant program launched in 2019.
- Staff is developing **new offers for projects installed by organizations, tribes and businesses that provide housing, food or other services to communities of color and/or Oregonians with lower incomes.** These offers are slated to roll out in the second half of 2020 and will provide significantly higher installation incentives for eligible customers, similar to the residential Solar Within Reach offer.
- **A significant lesson here is that while staff has made progress in outreach and program design, that work doesn’t consistently align with current data tracking and targets.** Since the use of composite scores and exclusion of nonresidential projects do not provide an accurate picture of the solar program’s activities and success, staff will look to set different targets in the future.

**3. Increase participation in the Trade Ally Network by minority- and women-owned business by 50% each by the end of 2020.**

Baseline	Progress January 2019 – June 2020	2020 Target	Status
25 total minority-owned businesses enrolled as of 2017	3 new minority-owned businesses enrolled (total of 29)	13 new minority-owned businesses enrolled as of 2020 (total of 38)	Off track 

15 total women-owned businesses enrolled as of 2017	1 new women-owned business enrolled (total of 30)	8 new women-owned businesses enrolled as of 2020 (total of 23)	Off track	
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*This report represents a change in how Energy Trust validates tracking of minority- and women-owned businesses in its Trade Ally Network in response to lessons learned about the accuracy of previous tracking methods. When developing goals 3 and 4, Energy Trust identified businesses as women- and minority-owned in three ways: businesses could be certified by Oregon’s Certification Office of Business Inclusion and Diversity (COBID); businesses could self-identify as minority or women owned; or Energy Trust program management contractors (PMCs) could identify a business as minority or women owned. Since then, some previously enrolled businesses have been identified as minority and/or women owned, which is reflected in the current total enrollment figures above.*

*In 2020, Energy Trust changed the way it validates minority- and women-owned business. Self-identified businesses must now complete and submit a form to Energy Trust. PMC staff can no longer identify ownership status; only businesses with which Energy Trust has a long-standing relationship and whose ownership has been confirmed by Energy Trust staff will be counted. Staff expects additional trade allies will complete self-identification documentation, and Energy Trust will provide updated results in its quarter three report to the OPUC.*

- **Staff added a function to Energy Trust’s data systems to track** minority-owned businesses, women-owned businesses, service-disabled veteran/veteran-owned businesses and businesses enrolled with local Native American tribes. Additional work is planned to identify trade allies enrolled with tribes.
- Energy Trust is **enhancing its systems to allow reporting on incentives delivered through contractors** based on the business owner’s race, as requested by stakeholders.
- Energy Trust’s Existing Buildings program **collaborated with LatinoBuilt to support enrollment of Latino-owned contractors in Energy Trust’s Trade Ally Network**, support project submissions for trade allies, and provide assistance in hosting events and workforce development training.
- In quarter three, Energy Trust will host two webinar information sessions to **educate prospective minority-owned and women-owned trade allies about the benefits of joining Energy Trust’s Trade Ally Network**, including one event in partnership with LatinoBuilt.
- Energy Trust is working with Gaucha Translations and Oswaldo Bernal of OBL Media LLC, both minority-owned businesses, to **transcreate trade ally enrollment and program applications in Spanish**.

#### **4. Increase the number of projects completed by minority- and women-owned trade allies by 15% by the end of 2020.**

<b>Baseline</b>	<b>Progress January 2020 – June 2020</b>	<b>2020 Target</b>	<b>Status</b>	
1,150 projects completed by minority- and women-owned businesses in 2017	818 projects completed by minority- and women-owned businesses in 2020 (153 projects completed by minority-owned trade allies; 808	1,323 projects completed by minority- and women-owned businesses per year in 2019 and 2020 (increase by a total of 173 per year)	Off track	

	projects by women-owned trade allies; some trade allies are both minority and women owned)		
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- Beyond expanding awareness of incentives through upcoming contractor orientations described above, Energy Trust is **looking at ways to expand incentives and benefits for minority- and women-owned contractors already participating in Energy Trust’s Trade Ally Network**. Two ideas currently being discussed are extending Community Partner Funding incentives for residential projects to these trade allies or providing project submittal bonuses.
- **Staff continues to see a need to provide additional support for minority- and women-owned businesses** to help them see the benefits of getting into the energy efficiency field. Targeted offers provide value for trade allies and support direct customer leads that boost customer participation and savings acquisition.

**5. Increase the number of contracts executed with minority- and women-owned businesses by 15% by the end of 2020.**

Baseline	Progress January 2019 – June 2020	2020 Target	Status
48 contracts with businesses identified as diverse from 2016-2018	99 contracts with businesses identified as diverse total since 2016; (51 new contracts in 2019 and 2020)	104 contracts with businesses identified as diverse (total since 2016)	On track (high confidence) 

- Staff is **consistently reminded of the need to contract with minority- and women-owned businesses** and encouraged to seek out new firms when entering in contracts for services, supplies or sponsorships. Energy Trust has had success with contracts for smaller amounts such as catering.
- In the competitive bid process for commercial and industrial programs that launched in March, **Energy Trust made a significant commitment to diversity, equity, and inclusion in response to feedback from stakeholders**. Bidders were required to describe program design strategies to reach diverse participants; show an ability to successfully partner with minority- and women-owned subcontractors to deliver services; and submit a plan for subcontracting including the expected dollar value of subcontracts.
- **With Energy Trust’s office closed and in-person events moved to remote platforms due to COVID-19**, the organization must find ways to continue these contract practices in the absence of purchasing for office supplies, sponsorship and catering.

**6. Increase overall market awareness and understanding of underserved populations through the engagement and deepening of relationships with 50 culturally specific/culturally responsive organizations by the end of 2020.**

Baseline	Progress January 2019 – June 2020	2020 Target	Status
80 existing relationships with organizations in 2017	17 new relationships and 30 deeper relationships	25 new relationships and 25 deeper relationships	On track (high confidence) 

- Energy Trust has begun holding monthly meetings with more than 20 staff members who serve as community-based organization relationship managers to **discuss progress and barriers to deepening relationships** with those organizations.
- In April, staff conducted **training for more than 80 program management and delivery contractor representatives** on developing and managing relationships with community-based organizations.
- **Staff identified additional organizations to track and report on in 2020:** Soul District, Portland Community Reinvestment Initiatives, Professional Business Development Group, The Next Door, Lake County Resources Initiative, South Central Oregon Economic Development District, Rural Voices for Conservation, Bethlehem Inn, REACH CDC and LatinoBuilt.
- **Staff advanced efforts to reach new customers through partner organizations with the introduction of Community Partner Funding**, which allows community-based organizations to offer increased incentives for residential projects.

**7. Increase the diversity in recruitment of employees by 25% by the end of 2020.**

Baseline	Progress January 2019 – June 2020	2020 Target	Status
7.5% of staff identified as people of color at the end of 2017 (8 people out of 107)	13% of staff identify as people of color (14 people out of 111)	Increase diversity of staff and applicants to be more reflective of Portland demographics (28% of Portlanders identify as non-white)	Off track 
	26% of applicants in 2020 identify as people of color		On track (high confidence) 
27% of new hires in 2017 identified as people of color (4 people out of 15)	30% of people hired in 2019 and 2020 identify as people of color (6 people out of 20)	34% of new hires identify as people of color	On track (low confidence) 

- **Hiring in 2020 has slowed down significantly due to COVID-19.** At the current rate of hiring, it will take Energy Trust about four years to reach 28% racial diversity among staff. Efforts are focused on accelerating this timeline and managing the effect of COVID-19 on hiring.
- Staff implemented a demographic tracking system for applicants and is **working with external talent and acquisition firms that focus on diverse applicants.**
- **Hiring panels must now have applicants of color in consideration** throughout the hiring process. This will be tracked and monitored by human resources.
- **Members of the Diversity Advisory Council are asked to sit on all hiring committees.**
- Hiring managers and hiring panel participants will now be **required to attend an implicit bias training** prior to holding interviews.

**8. Develop systems and support needed to collect, track, analyze and report demographic information related to program participation, program delivery and trade ally network members by the end of 2018.**

2020 Target	Status
Data, baseline and participation analysis is used to refine diversity, equity and inclusion goals and track and report progress to achieving those goals	Goal achieved 

- Energy Trust deployed the **2020 Customer Insights Survey that met sampling targets for underserved and non-participating customers** and the 2020 Fast Feedback Survey with additional questions on business owner demographics.
- Staff expanded **partnerships with community-based organizations to collect data** on underserved customers (e.g., customer with low incomes and communities of color).
- **Staff explored differential baseline analysis** for offers targeting specific underserved customers and/or lagging markets to better understand needs among specific customers groups.

**9. Based on the Intercultural Effectiveness Scale survey, increase cultural responsiveness of all staff and board of directors by 20% by the end of 2020.**

Baseline	Progress January 2019 – June 2020	2020 Target	Status
Scored 3.79 out of 5 on the Intercultural Effectiveness Scale in 2015	Scored 3.9 out of 5 on the Intercultural Effectiveness Scale in 2019 and 2020	A more culturally responsive and inclusive organization	Off track 

- **Energy Trust is using the Intercultural Effectiveness Scale survey** to assess the ability of staff and board members to work with people from different cultures. In 2019, 90% of staff including contractors and interns took the survey. Board members also completed the survey in May 2020. The two groups received

an average score of 3.9 out of 5. **Results showed a small but positive change overall with notable gains in interpersonal engagement.**

- Employees were invited to attend a presentation on organization-wide results and offered one-on-one meetings to **discuss their scores and ways to incorporate results into their workplans.**
- With guidance from outside consultants, **Energy Trust is assessing opportunities for growth and strategies for improvement.** Human resources staff used the 2019 results to select a suite of trainings that address areas of significant growth potential.
- **A lesson here is that the Intercultural Effectiveness Scale survey is likely not the most appropriate survey for Energy Trust** since it is geared to international engagement. Staff will select a new survey to track progress on this goal going forward.

## 10. Increase transparency and community engagement by publishing the Diversity, Equity and Inclusion Operations Plan and progress toward its goals.

2020 Target	Status
Internal and external stakeholders are aware of and informed of Energy Trust’s diversity, equity and inclusion activities, goals and progress to goals	On track (high confidence) 

- Staff provided **updates on goals and activities in regular progress reports and presentations** to the Oregon Public Utility Commission, Energy Trust’s board of directors and Diversity Advisory Council. These reports are posted on Energy Trust’s website at [www.energytrust.org/reports](http://www.energytrust.org/reports).
- Staff gave a **progress report to the Energy Trust Board of Directors in May and answered questions from board members.** Questions were about what lessons staff has learned from partnering with community-based organizations and potential for future funding agreements; how outreach staff is engaging small businesses; and how demographic information is being collected from Energy Trust job applicants.
- **Efforts are underway to develop and extend Energy Trust’s diversity, equity and inclusion goals for 2021**, including drafting a proposal and presenting it to Energy Trust’s Diversity Advisory Council and internal stakeholders.