



Energy Trust of Oregon

2021 Annual Budget and 2021-2022 Action Plan

DRAFT

**Presented to the Board of Directors
October 14, 2020**

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DRAFT 2021 Annual Budget and 2021-2022 Action Plan

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MEMO

Date: October 7, 2020
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Draft 2021 Budget and 2021-2022 Action Plan

I am pleased to present to you Energy Trust of Oregon's Draft 2021 Budget and 2021-2022 Action Plan, which will be the focus of our October 14 budget workshop. A presentation highlighting the budget goals, context, strategies and expected benefits will be posted online at www.energytrust.org/budget and emailed to the board of directors on October 13.

In the materials that follow, a budget overview summarizes the budget and action plan. Individual action plans are provided for general management, including organizational diversity, equity and inclusion; energy efficiency and renewable energy programs; and program support groups. Supporting memos provide additional details on budget components such as planning assumptions, staffing, administrative costs and levelized costs. These budget materials show how 2021 expenditures and activities will help Energy Trust achieve the 2021 organizational goals and make progress to our 2020-2024 Strategic Plan.

Unless otherwise noted, the budget reflects all revenues and expenditures, including Oregon public purpose charge funds, NW Natural industrial demand-side management funds, NW Natural Washington funds, Community Solar Program funds, PGE Smart Battery Pilot funds and business development funds. Some budget materials, such as calculations regarding OPUC performance measures, reference a subset of the budget and are clearly marked.

These documents guide Energy Trust in delivering low-cost energy resources, diversifying Oregon's energy resource mix with small-scale renewable energy generation and ensuring all utility customers have the opportunity to participate and benefit from our programs. Outcomes and benefits of our investments will reduce participant utility bills, deliver system benefits to all customers, avoid carbon dioxide emissions and support our economy.

The draft budget and action plan are available for public comment from October 7 through October 28, 2020. We will also provide information on the draft budget to our five affiliated utilities and the OPUC. All materials are available at www.energytrust.org/budget.

Feedback and comments received through these presentations will be incorporated into a Final Proposed 2021 Budget and 2021-2022 Action Plan to be reviewed by the board at the December 11 board meeting.

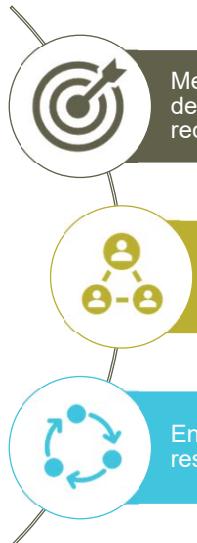
I look forward to our discussion next week and welcome your comments and questions.

Thank you,



Michael T. Colgrove, Executive Director

2021 Organizational Goals



Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic.

Invest in relationships and collaborations with other entities to meet common needs and future objectives.

Enhance operating processes and internal culture to efficiently respond to change.

2021 Organizational Goal 1



Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic.

We will meet 2021 targets of 41.5 aMW and 6.4 million therms of savings and 3.51 aMW of generation while creating opportunities for future savings and generation with a particular focus on:

- Continuing to adapt program design to respond to market changes resulting from the recovery related to the COVID-19 pandemic.
- Meeting the OPUC metrics for cost-effectiveness, diversity, customer service and innovation.
- Targeting savings and generation within specific communities when and where they have the greatest value to the utility grid.

2021 Organizational Goal 2



Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives.

We will focus resources on working with utilities, agencies, communities, and business- and community-based organizations on joint initiatives that help each entity accomplish its purpose with a particular focus on:

- Collaborating with workforce organizations to enhance the diversity of our Trade Ally Network.
- Resolving funding uncertainties to enable continued delivery of clean energy programs and benefits and identifying other funding sources for complementary initiatives.
- Connecting our programs to community planning, housing affordability, economic recovery, resiliency and greenhouse gas reduction efforts.
- Collaborating with the Portland Clean Energy Fund and prospective grantees.
- Working with the OPUC and state agencies to support implementation of the state's energy- and climate-related policies.
- Working with mid-stream market actors to retain our ability to deliver affordable, clean energy at volume.

2021 Organizational Goal 3



Goal 3: Enhance operating processes and internal culture to efficiently respond to change.

We will enhance operating efficiency through process improvements and continued investment in innovation that results in a flexible workforce and work environment with a particular focus on:

- Enhancing employee development and growth with an emphasis on intercultural awareness and inclusion.
- Improving the efficiency of our budget process.
- Continuing policy development and technology adoption to support remote work arrangements and social distancing for staff.
- Learning from experience and adapting our organizational structure to support progress in the focus areas identified in the strategic plan.
- Furthering our efforts to foster and promote innovation.
- Accelerating our use of digital platforms and increased process automation to enhance our customer and contractor experience through increased efficiency.

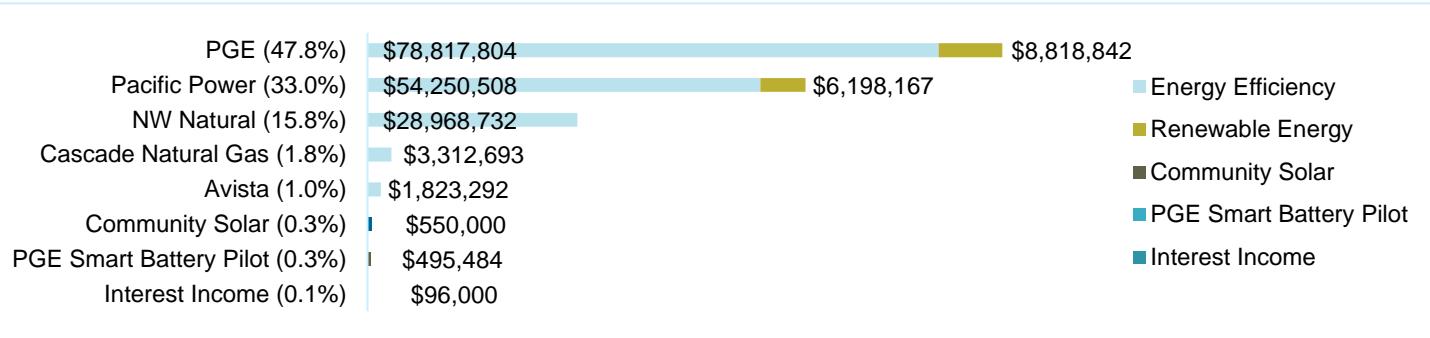
2021 Draft Budget Overview

Investing \$209.6 Million to Deliver Significant Benefits

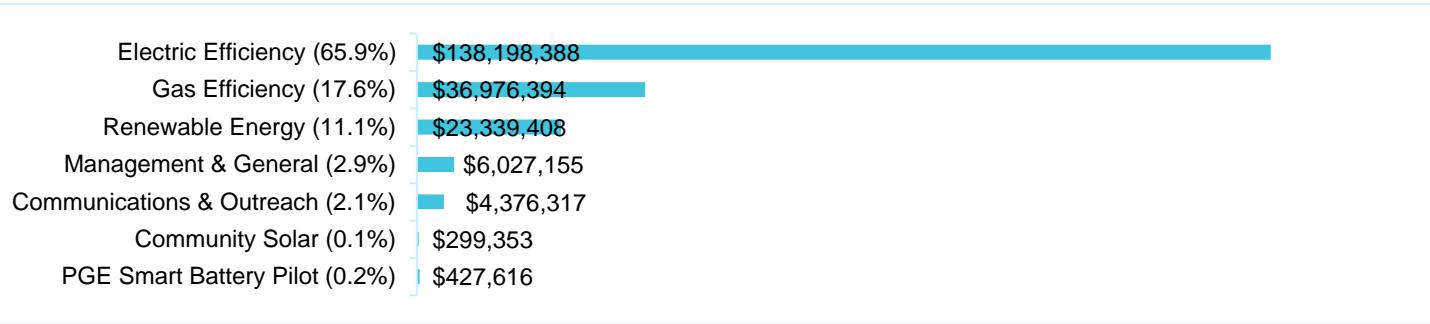
- Participants save \$706 million on utility bills over time from projects completed in 2021
- Energy saved at a cost of 4.1 cents/kWh and 46.6 cents/therm (in Oregon), a fraction of what utilities would pay to provide energy from other sources
- Jobs, wages and business income added to the local economy
- Air quality improvements from avoiding 3.9 million tons of carbon dioxide
- Training and support for 2,300 local businesses
- Building and strengthening relationships with communities of color, customers with low incomes and rural communities to better serve all customers

Revenue and Expenses¹

Annual Revenue: \$183.3 Million



Annual Expenses: \$209.6 Million



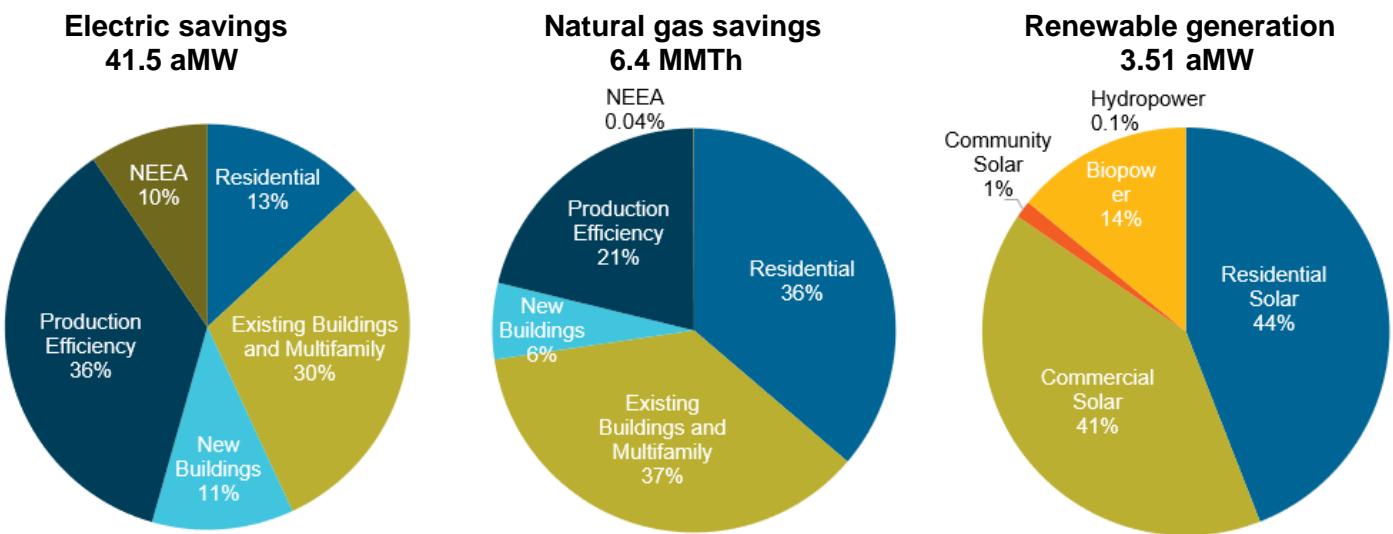
2021 Organizational Goals

Energy Trust set three organizational goals to guide staff in prioritizing new and existing work during the annual business planning process. These goals ensure alignment of priorities and activities across the organization.

1. **Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
2. **Invest in relationships and collaborations with other entities to meet common needs and future objectives**
3. **Enhance operating processes and internal culture to efficiently respond to change**

¹ Reserve funds will be used where planned expenses exceed anticipated revenue.

Energy Efficiency and Generation Targets (Oregon and Southwest Washington)²



Year-to-year Comparison of Budgeted Savings, Generation, Levelized Costs

	Electric Savings (aMW)	Gas Savings (MMTh)	Electric Generation (aMW)
2020 Budget	45.40	6.87	3.27
2021 Budget	41.53	6.37	3.51
% change	-8.5%	-7.3%	7.3%
	Electric Levelized Cost (cents/kWh)	Gas Levelized Cost OR (cents/therm)	Gas Levelized Cost WA (cents/therm)
2020 Budget	3.6	38.2	54.6
2021 Budget	4.1	46.6	76.4
% change	12.2%	21.9%	40.0%

Administrative and Program Support Costs, and Staffing Costs, Subject to OPUC Performance Measures

- In 2021, Energy Trust projects to meet the OPUC performance measures for administrative and program support costs and staffing costs.
- Administrative and program support costs are budgeted at \$14.4 million.
- Staffing costs are budgeted at \$16.4 million. They are increasing due to healthcare costs and resource demands for community outreach and cross-program delivery coordination.

2021 Administrative and Program Support Costs	Current OPUC Performance Measure Compliance
✓ 8% ³ of annual revenues	<8% of annual revenues
✓ 3.9% year-over-year increase	≤10% year-over-year increase
2021 Staffing Costs	Current OPUC Performance Measure Compliance
✓ 8.7% year-over-year increase	≤9% year-over-year increase

² Notes: MMTh (million annual therms), aMW (average megawatt); all savings are in gross. Costs/kWh or therm are leveled.

³ 8% is rounded from 7.996%.

Frequently Asked Questions: Energy Trust Annual Budget and Two-Year Action Plan

How is your budget and action plan developed?

Our annual budget and two-year action plan are developed through a transparent, public process that includes stakeholder review and input. Our five-year Strategic Plan, annual business plan, annual organizational goals and each utility's Integrated Resource Plan (IRP) serve as primary building blocks for the budget and action plan.

In July, August and September, we reference the strategic plan, business plan and organizational goals to develop action plans for each program, support group and major functional area. Energy efficiency program action plans are built to acquire all achievable, cost-effective energy efficiency in the upcoming year. We also work to determine planned renewable energy generation and project development activities. We work with and obtain input from Portland General Electric (PGE), Pacific Power, NW Natural, Cascade Natural Gas, Avista, the Conservation Advisory Council, the Diversity Advisory Council and the Renewable Energy Advisory Council. In October and November, we post our draft budget online and present it publicly to our board of directors, advisory councils, stakeholders, the OPUC and the public. Revisions are made in November and in December the final proposed budget is presented for board approval.



How can I participate?

Public comments help shape our final proposed budget and action plan presented to the board of directors. Public notices and materials for board, Conservation Advisory Council, Diversity Advisory Council and Renewable Energy Advisory Council meetings are posted on our website in advance of each meeting and every meeting invites public comment. The OPUC hearing is also open to the public.

Written public comments are due to Energy Trust on Wednesday, October 28. Comments are invited by email at info@energytrust.org, and by mail to Energy Trust of Oregon, 421 SW Oak St., Suite 300, Portland, Oregon 97204.

Who reviews and approves the budget and action plan?

Budget goals and action plans are reviewed by our board of directors, Conservation Advisory Council, Renewable Energy Advisory Council, Diversity Advisory Council, OPUC, PGE, Pacific Power, NW Natural, Cascade Natural Gas and Avista. We also engage the public and a variety of stakeholders and utility customers.

Comments received during the outreach period are considered when revising the draft budget. A summary of comments received and staff responses, as well as copies of actual comments submitted, are provided in the final proposed budget and action plan materials. The board approves the final proposed budget and action plan, and it is also submitted to the OPUC.

Where can I find more information about the 2021 budget and action plan?

Visit our website at www.energytrust.org/budget to find the budget and action plan materials. Budget presentations and materials delivered at board and advisory council meetings are available at www.energytrust.org/about/public-meetings.

What do you consider when setting the budget?

We work closely with all five utilities to update their plans to meet future energy needs for their customers with the goal of acquiring all available cost-effective energy efficiency. Additional information is drawn from renewable resource assessments and the most recent studies produced by the Northwest Power and Conservation Council, which identify energy efficiency and renewable energy potential throughout the Pacific Northwest. These resources inform our five-year strategic plan and guide our annual budget and two-year action plan.

Annual activities are guided by the organization's annual business plan, annual organizational goals, third-party program evaluations, market research, our experience delivering programs, feedback from installation contractors and customers, and input from our partner utilities, three advisory councils, the OPUC and the board of directors.

What benefits will the budget provide?

Our budget and action plan are designed to serve a range of customers from the residential, commercial and industrial sectors. We seek to expand participation among low-income customers, communities of color and rural communities to ensure all utility customers who pay the public purpose charge have the opportunity to participate in our programs. The benefits we deliver are providing low-cost energy efficiency that utilities rely on to meet their customers' energy needs, adding clean, renewable power to the electric grid; reducing customer utility bills; helping keep energy costs lower than they otherwise would be for all utility customers; avoiding carbon emissions; and strengthening local economies.

How are programs and services funded?

The vast majority of our funding comes from customers of PGE, Pacific Power, NW Natural, Cascade Natural Gas and Avista in Oregon, and NW Natural customers in Washington. We hold small contracts with Energy Solutions for the state's Community Solar Program and PGE for the utility's smart battery pilot.

What happens when funds are not spent by the end of the year?

At year-end, any unspent funds are carried over into the following year's budget and offset future revenue needs. Carryover of unspent funds can be a result of many factors, including meeting our savings goals at lower than expected costs or revenue forecasts being higher than projected due to unexpected weather changes. Renewable energy project development often occurs over multiple years and requires an upfront funding commitment. Some carryover funds are dedicated for those project commitments.

What accountability measures are in place to ensure funds are spent wisely?

All expenditures must comply with legal requirements and meet minimum annual performance measures established by the OPUC. All energy-efficiency investments, excluding pilots and limited activities exempted by the OPUC, are required to be cost effective, meaning that long-term project savings exceed related costs and are of net financial benefit to the customer. The board of directors oversight includes reviews of major contract decisions, monthly financial statements, program evaluations and progress to strategic plan goals.

How do you report on expenditures and progress to goals and performance measures?

We provide public quarterly and annually reports to the board and OPUC and provide information for a public purpose charge report submitted to the Oregon Legislature every two years by the OPUC and Oregon Department of Energy.

2021 Budget Outreach and Schedule

Outreach and Schedule

Key dates for the public noted in bold text

August 25	Discuss significant changes and new activities for 2021 with each utility
September 16	Present draft energy efficiency and renewable energy action plans to the Conservation Advisory Council and Renewable Energy Advisory Council
September	Review early budget information, including financials, action plan activities and initial revenue discussions with each utility
October 7	Open public comment period; post online draft budget and action plan
October 14	Present the draft budget and action plan to the board of directors at a virtual public budget workshop, which includes the three advisory councils, stakeholders and the public
October 19	Post online a recording of Executive Director Michael Colgrove's budget workshop presentation
October 28	Close public comment period
November	Review budget revisions and determine funding levels with each utility for 2021 and 2022, including any related rate adjustments needed to reach savings targets
November 12	Present the draft budget and action plan at a public workshop of the Oregon Public Utility Commission
November 17-18	Review any changes to the draft materials with the three advisory councils
December 3	Post online the final proposed budget documents
December 11	Present the final proposed budget and action plan to the board of directors, presentation includes a summary of public comments and staff responses; after making any final changes, the board votes on the budget
December 31	Submit the annual budget and two-year action plan to the Oregon Public Utility Commission

Submitting comments, attending public meetings

Written public comments are due to Energy Trust by 5 p.m., Wednesday, October 28, 2020. Comments may be emailed to info@energytrust.org, or mailed to Energy Trust of Oregon, 421 SW Oak St., Suite 300, Portland, Oregon 97204.

Energy Trust Board of Directors, Conservation Advisory Council, Diversity Advisory Council and Renewable Energy Advisory Council meetings are open to the public. All meetings are held virtually for now due to COVID-19 crowd restrictions. Check the online [events calendar](#) for the most up-to-date information.

Resources

Visit the Energy Trust website at www.energytrust.org/budget for links to budget and action plan materials and to view the budget schedule and workshop agenda. Check back October 19 to access the recorded workshop presentation.

All Energy Trust board and advisory council meeting agendas, packet materials and meeting notes are online at www.energytrust.org/about/public-meetings.

MEMO

Date: October 7, 2020
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Planning Assumptions for the Draft 2021 Budget

This memo includes a list of major planning assumptions that shape the direction and content of Energy Trust's 2021 Budget and 2021-2022 Action Plan.

Because of the impact of COVID-19, this year's planning assumptions memo will focus largely on the impact of the pandemic as it relates to both Oregon's overall economy as well as potential impacts on Energy Trust programs in 2021.

Executive Summary

Oregon is currently in its deepest recession since 1939 (when records first became available). This current recession is similar in some ways to the most recent 2007-2009 recession in that the reality and extent of the impact emerged inconsistently, businesses and consumers quickly retrenched, there was large federal monetary intervention and utility rate changes were curtailed. However, this recession also remains unique because of its rapid onset due to a pandemic as opposed to pre-existing economic issues or market imbalances, which are typical conditions triggering historical recession events. Because of the lack of these major imbalances in the economy, it is expected that the duration of this recession will be shorter than the recession of 2007-2009.

Still, there will be major post-recession impacts on Oregon's economy for several years with economists estimating best-case scenario recovery in late 2022 and worst-case scenario recovery in late 2027. The rate of recovery will depend on multiple factors including shifts in consumers' willingness to spend due to uneconomic uncertainty, retail and service-related businesses remaining open and ultimately the development of a vaccine. According to the Oregon Department of Administrative Services:

"After this rebound in economic activity, growth will continue but at a relatively slow pace due to the uncertainty surrounding public health. Firms and households are expected to remain somewhat hesitant and only gradually test the waters. Once business and consumer confidence fully return following available medical treatment or the passing of the pandemic, stronger economic growth will resume, and the economy will fully recover. While this recession is extremely severe – the deepest on record in Oregon with data going back to 1939 – it is expected to be shorter in duration than the Great Recession. The economy should return to health by mid-decade. The reasons for the faster recovery include the fact that there were no major macroeconomic issues or imbalances prior to the virus, much of the initial severity of the recession is due to suppressed economic activity, and the federal policy response, however imperfect, has been swifter and more targeted than in recent cycles.

Combined, these factors should help limit the amount of permanent damage done to the economy during the shutdown phase. Should the number of firms that close, or the number of workers displaced remain relatively limited, or rather the amount of time they spend as such be limited, then the overall economic recovery timeline should be shorter than last decade.”¹

A scenario analysis conducted by Northwest Energy Efficiency Alliance (NEEA) in May 2020 aligns with Oregon’s revenue forecast:

“... the epidemic is not seasonal, leading to a long tail of cases throughout the rest of the year. This results in continued social distancing and safety measures remaining in place to varying degree across the world for the remainder of 2020 and potentially beyond. The economic impact is much more severe and prolonged in this scenario, resulting in an 8% annual decline in GDP growth, with a return to pre-crisis levels by Q2 2024.”²

Finally, in mid-September, near the time of publishing this memo, Oregon experienced unprecedented damages due to the worst wildfires the state has seen in decades. It will take some time to understand the full impact of the fires, which had devastating outcomes for some ratepayers and communities that we serve. Energy Trust historically provides energy-efficiency and renewable energy programs that can help impacted populations to rebuild and recover and will adapt program offerings and redirect budgets to accommodate customer needs in 2021.

This memo will summarize major factors expected to influence 2021 outcomes for both the State of Oregon as well as Energy Trust and its programs. These areas include changes in employment, population and migration trends, utility avoided cost updates, efficiency measure baseline changes, programmatic realization rate results and sector-specific impacts. The memo discusses a range of possible outcomes that is broader than in most years. The course of the pandemic is far from certain as is its impact on economic activity. Energy Trust programs seem slightly less impacted by uncertainty due to the impact of proactive program adjustments, the mix of both positive and negative market impacts on program activity and trend data showing only moderately reduced program engagements to date, in aggregate. Based on Energy Trust Q2 2020 results, programs are on track to hit 90% of 2020 annual savings targets. Final 2020 results and the persistence of trends in the market are highly subject to changing market conditions.

State of Oregon Impacts

Employment

April 2020 unemployment statistics reported a 14% rate of unemployment, which was equivalent to about 267,000 jobs lost in Oregon in March and April.³ Estimates predict that Oregon will reach a 15% unemployment rate by end of year 2020 with slight improvements year-over-year to about a 7.6% unemployment rate by 2023.⁴ Best-case scenarios show Oregon reaching an unemployment rate of a little over 4% by 2023.⁵ This is compared to an unemployment rate of 3.5% in early March before the start of the pandemic.⁶ According to the Oregon Economic and Revenue Forecast report,

¹ Oregon Economic and Revenue Forecast, June 2020, Page 15. <https://www.oregon.gov/das/OEA/Documents/forecast0620.pdf>.

² Northwest Energy Efficiency Alliance communication May 2020.

³ Oregon Economic and Revenue Forecast, June 2020, Page 3. <https://www.oregon.gov/das/OEA/Documents/forecast0620.pdf>.

⁴ Oregon Economic and Revenue Forecast, June 2020, Page 15. <https://www.oregon.gov/das/OEA/Documents/forecast0620.pdf>.

⁵ Ibid.

⁶ Ibid.

“What took 3 weeks to break, takes 30 months to put back together.”⁷ Even with these large increases in unemployment rates, it’s important to note that job losses are concentrated and not as broad as in other downturns. Early Q3 2020 state economic reporting indicates only 5% of jobs that paid more than \$40,000 per year were lost. This disproportionate impact on low wage jobs allowed the state to see higher than expected tax revenues due to Oregon’s progressive income tax structure and the fact that higher income workers spend more money in aggregate than lower income households.⁸

Population

Projections in 2019 showed Oregon’s population would grow from 4.3 million in 2020 to 4.5 million by 2025.⁹ However, migration flows are closely tied to job availability and during recessions migration flows tend to be much smaller than during non-recession market conditions. Furthermore, due to immediate impacts of the pandemic, Oregon will see greater near-term reductions in migration due to people’s unwillingness to move due to “shelter in place” policies. Medium-term migration trends will also be affected due to the recession and its impact on employment. Estimates from the 2019 five-year projection of a 200,000-net increase in population will be reduced by 36,000 over the same five-year period¹⁰. This is equivalent to Oregon losing one year of migration over the next five years.

It is also possible that household demographics may shift:

“Will households prefer to live in suburbs like Gresham and Hillsboro relative to the Pearl District? Will the potential ability to work from home increase the attractiveness of Oregon and other secondary metros?”¹¹

The answers to these questions may have a disproportionate impact on minority and rural populations within our region. It will be even more important for Energy Trust to continue to strive through its diversity, equity and inclusion initiative to engage a broader and more diverse set of customers to ensure that all customers are able to directly benefit from Energy Trust’s programs.

Energy Trust Organizational Program Impacts

Although efficiency programs will be impacted by the Oregon employment and migration trends mentioned above, there are several additional factors that are expected to impact Energy Trust’s programs.

Trade and Tariffs

Program representatives and trade ally contractors working in the market report that increased trade conflicts, barriers and tariffs under the current federal administration are still impacting energy-efficiency project sales and creating increased prices on equipment components and price volatility from unknown tariff adjustments. This has resulted in short-lived price bids and constraining customer decision-making timelines.

⁷ Ibid.

⁸ “Oregon Insight: Economy is down but tax collections are up – here’s why.” The Oregonian. September 23, 2020.

<https://www.oregonlive.com/business/2020/09/oregon-insight-economy-is-down-but-tax-collections-are-up-heres-why.html>

⁹ Oregon Department of Administrative Services Short-term state forecast. Page 61.

<https://www.oregon.gov/das/OEA/Documents/appendixc.pdf>.

¹⁰ Oregon Economic and Revenue Forecast, June 2020, Page 10. <https://www.oregon.gov/das/OEA/Documents/forecast0620.pdf>.

¹¹ Ibid

The increased tariffs and barriers and COVID-19 related disruptions to global supply chains are acting together to reinforce disruption of the supply of goods and increase the cost of manufacturing and delivering goods. Compared to Q4 2019, air freight costs are currently up about 30% between China and North America and over 60% on some routes between Europe and North America due to travel bans and increases in demand for essential items.¹²

It is assumed this will result in a dampening effect on economic growth of unknown proportions. Resulting increases in equipment prices and possible labor shortages will reduce program opportunities associated with construction and equipment purchases, both in homes and businesses.

Manufacturing and Supply Chains

Manufacturing, supply partners and program trade allies will need to continue to adapt to keep their operations open and many may need to focus attention on core business in the near term, which could cause project delays or lack of focus on projects that contribute to Energy Trust goals. Goods production often relies on complex international supply chains that take a significant amount of time and effort to ramp back up once production resumes. This could potentially subject the manufacturing sector to a long recovery period.¹³

Based on statewide sector unemployment forecasts, manufacturing sectors will follow the average rates of unemployment mentioned above (~15% by end of 2020) with leisure and hospitality sectors seeing the highest impact (~31.6%) and government seeing the lowest impacts (~0.4%).¹⁴

The leisure and hospitality sector is seeing the greatest immediate impact; however, it is estimated this sector may bounce back sooner than other sectors:

“Prior to the virus, U.S. households were spending as much money on going out to eat as they were on groceries. This multi-decade, long-run societal trends is unlikely to permanently reverse.”¹⁵

New Construction and Major Renovations Market

There are fewer new construction and upgrade projects currently out for bid. Construction projects are continuing, but project schedules have been delayed, causing a cascade effect on trades and suppliers. From a May 2020 survey of multifamily construction companies, 84% expected their projects to be delayed with 12% reporting delays of more than six months. For projects that were expected to be delayed, delays in getting permits or receiving construction materials were the major factors.¹⁶

Schools activity remains strong and could even increase in some areas. School districts expect major budget cuts for the 2020-2021 school year, so they are investing in significant overhauls and upgrades in the short-term before funds are no longer available.¹⁷

Commercial and Industrial Production Market

¹² “COVID-19 and international trade: Issues and actions.” June 2020. Organization for Economic Cooperation and Development. <https://www.oecd.org/coronavirus/policy-responses/covid-19-and-international-trade-issues-and-actions-494da2fa/>.

¹³ Oregon Economic and Revenue Forecast, June 2020, Page 12. <https://www.oregon.gov/das/OEA/Documents/forecast0620.pdf>.

¹⁴ Oregon Economic and Revenue Forecast, June 2020, Page 31. <https://www.oregon.gov/das/OEA/Documents/forecast0620.pdf>.

¹⁵ Oregon Economic and Revenue Forecast, June 2020, Page 13. <https://www.oregon.gov/das/OEA/Documents/forecast0620.pdf>.

¹⁶ “Impact of COVID-19 on Multifamily Construction.” May 2020. National Multifamily Housing Council. https://www.nmhc.org/news/nmhc-news/2020/surveys-third-installment-shows-continued-impact-of-covid-19-on-multifamily-construction/?utm_source=facebook&utm_campaign=nmhc_news&utm_medium=social.

¹⁷ Energy Trust program experience.

While industrial shutdowns have grave influence on business cash flows, a significant number of larger Oregon industrial customers have shut down with a positive cash situation; when that happens, they often use shutdowns to upgrade their facilities for when production resumes, presenting efficiency project opportunities.¹⁸

In contrast to these institutional customers, COVID-19 has created significant unknowns about the viability of business models and/or the design and location of physical spaces. The severity varies based on the market:

- The market for central city office real estate is in a period of unknown prospects, with high degrees of uncertainty regarding when or whether office environments will return to resembling pre-pandemic conditions. Nationally, only 58% of retail rents were paid in May of 2020 compared to 94% a year earlier.¹⁹ Furthermore, commercial real estate sales fell 5% year-over-year in Q2 2020, with sales prices also down 3%.²⁰
- Grocery outlets and some home supply stores are thriving while smaller retail outlets are not.
- Health businesses have seen severe cash flow impacts from a combination of re-prioritizing their resources for COVID-19 and individuals choosing to delay care.
- Government support for businesses during COVID-19 has had wildly different impacts on different businesses for a complex and varying set of reasons. Federal and state interventions for businesses and individuals have been blunting the near-term worst for the last six months. Similarly, rent freezes and eviction restrictions have also kept the typical impacts from being as significant as usual in a downturn.

There is no analogous event in the last 100 years that provides us with guidance on how this will play out. If a vaccine is quickly found (possible) and universally and rapidly deployed (uncertain given some resistance to vaccines), it may reverse some current trends. However, some trends, such as an increasing shift toward remote work for knowledge workers, appear immutable.

Retail Market

Based on March and April NEEA program data, consumer interest in home appliances and products remains less impacted than other sectors. It is assumed there will be a reduction in sales as the year progresses and the lingering impacts of the economic conditions become more pronounced. Consumers with retained spending power will likely remain focused on products that make their homes comfortable and healthy.

Avoided Costs

Avoided costs for Oregon energy-efficiency measures were updated in 2020 for 2021 measure and program planning.

¹⁸ Ibid.

¹⁹ "The next big problem for the economy: Businesses can't pay their rent". June 2020. Washington Post. <https://www.washingtonpost.com/business/2020/06/03/next-big-problem-businesses-cant-or-wont-pay-their-rent-its-setting-off-dangerous-chain-reaction/>.

²⁰ "Commercial Market Insights: July 2020". National Association of REALTORS® Research Group. <https://www.nar.realtor/research-and-statistics>.

Oregon

On average based on the measure mix for 2018 and part of 2019, Oregon saw an average decrease in electric avoided costs of 1.5% and an average increase in gas avoided costs of 27%. On average, electric savings in Oregon will have slightly less value per kilowatt hour whereas gas savings will have more value per therm, which will help to offset increasing savings baselines for some gas measures and will help keep these gas measures cost-effective.

The decrease in Oregon electric avoided costs were driven mainly by changes in transmission and distribution capacity deferral ratios, which shifted summer/winter splits from a 100% winter allocation in 2020 to a 50% winter/50% summer allocation for 2021; this resulted in a shift so that measures that save during summer peak have significantly more value and measures that save during winter peak have less value. The 2021 increase in gas avoided costs were driven by increased future gas price forecasts and increases in carbon and capacity values attributed to gas.

Washington

For Washington, gas avoided cost values increased significantly by an average of 74% due to increased capacity values and Washington legislation putting value on the social cost of carbon. This means on average gas savings in Washington will have more value per therm, which will help to offset increasing savings baselines for some gas measures and will keep these measures cost-effective.

Prescriptive Measure Baselines

Prescriptive measure baselines for many residential and commercial measures have been updated to reflect changes in federal minimum equipment efficiency standards, state energy building codes and market preferences and new information from evaluations and field tests.

- Staff anticipate the Oregon commercial building code will significantly reduce resource acquisition savings from commercial new construction projects that come through the New Buildings program due to higher baseline standards. However, it is anticipated that some of the savings attributed to code compliance will come in as market transformation savings booked by NEEA and New Buildings program.
- Increasing adoption of LED products in the commercial and industrial lighting markets has resulted in significant savings. However, this continued strong market adoption has also led to increasing market baselines and will ultimately reduce per-unit program savings. This trend is resulting in a re-examination of how Energy Trust takes these products to market.
- Energy Trust will continue to track equipment standards and market trends, and these may result in additional adjustments for Energy Trust's 2022 programs in the next budget cycle in 2021.

Energy-Efficiency Program Savings Realization Rates

Realization rates are the percent of savings as estimated by programs through engineering analyses found to occur in post-program evaluation review. Realization rates from prior years are then used to adjust future savings forecasts. The updates below are compared to prior year program-level results. Note that in 2020 we started reporting realization rates at the track level and will compare year-over-year results in next year's memo to these track levels. Please reference the 2021-2022 Budget Savings Realization Adjustment Factors Memo dated July 31, 2020 for more details.

These rates:

- Increased for Existing Buildings program electric and gas savings.
- Decreased for Strategic Energy Management (SEM) electric savings and increased for SEM gas savings.
- Stayed the same for Existing Multifamily electric and gas savings.
- Increased for New Buildings program electric savings and stayed the same for New Buildings program gas savings.
- Decreased for Production Efficiency program electric savings and increased for Production Efficiency program gas savings.
- Vary by measure for Residential program electric and gas savings.

Line Loss Assumptions

Transmission and distribution system power losses, or line losses, represent the electric energy lost or wasted as a result of transmitting and distributing energy from a generating source to the location where it is consumed. Line losses for 2021 remain the same for residential sites at an average of 8% but are reduced from 8% to 7% for commercial sites (including multifamily housing sites) and reduced from 6% to 5% for industrial sites.

All-Sector Summary

Energy Trust anticipates continued engagement in all major efficiency market sectors. All programs offered in 2020 will continue. Multifamily retrofit activities will be integrated into the Existing Buildings program. Lighting programs for all existing businesses will be managed through one contract but will continue to interact with other marketing activities, and lighting savings will continue to be accounted for under Production Efficiency and Existing Buildings programs. New Buildings program will undergo redesign in response to increases in building code efficiency.

Solar programs will be influenced by:

- Economic impacts of COVID-19. Solar installation is primarily outdoor work and demand has been resilient to early impacts of the pandemic; however, a longer-term economic downturn will likely reduce investments in solar, particularly from businesses and public entities facing budget constraints.
- Continued declines in solar costs. A global slowdown in solar installations due to COVID-19 may result in an oversupply of modules and other system components, leading to price reductions. Also, import tariffs for modules will step down from 20% to 15% in 2021.
- An assumption of no significant changes to net metering policy in 2020 or 2021.
- The reduction of the 26% Investment Tax Credit that is available in 2020 to 22% in 2021. Under current law, the federal residential tax credit for solar expires and the ITC for businesses drops to 10% in 2022. This could result in heavy demand for incentives at the end of 2021.

Other Renewables program will be influenced by:

- Continued low avoided-cost rates available for renewable projects that sell power on the wholesale energy market, leading to high above-market costs.

- Protracted procurement and project development timelines due to impact of COVID-19 on materials and labor markets and consistently high interconnection costs and challenging access to distribution and transmission.
- Constricting municipal budgets leading to reduced capital available for renewable energy project development and installation and limited direct financial support for renewable energy generation from the state and federal government.
- Growing policy commitments from municipalities to procure 100% renewable electricity for their residents and businesses.
- Continued support for the Irrigation Modernization Program from irrigation districts, rural stakeholders and federal/state agencies to modernize aging irrigation infrastructure and develop resulting hydropower opportunities.

Strategic Energy Management

Commercial and industrial Strategic Energy Management (SEM) savings are based on working with occupants to modify their behavior to reduce their on-site energy consumptions. Baselines are based on what building occupants would have done without modifications to their behavior. For the duration of 2020, savings will be based on the delta between baseline and reduced loads from Q1 applied to loads for Q2 through Q4. It is assumed that savings projections for 2021 will be derived from this methodology.

Large Customers

Based on a regulatory agreement in 2017 that increased the PGE large customer incentive spending cap, Energy Trust will not exceed the incentive spending caps for large energy-using customers in PGE or Pacific Power territory.²¹ Energy Trust will continue to track SB 838 spending for large energy-using customers. If a 2021 analysis indicates that 2020 spending on large energy-using customers exceeded the cap, commercial and industrial programs will act to reduce spending on these customers.

Commercial and Industrial Lighting

Lighting activity is expected to remain relatively strong for commercial and industrial sectors through 2021 with customer investment in LED projects. However, per unit savings are decreasing as baselines for LED products evolve with increased market uptake of LED lamps.

Residential Lighting

Energy Trust continues to monitor baselines for LED lamps. Recently, the federal government eliminated lightbulb standards on specialty consumer lamps that were slated to take effect in 2020 per the Energy Independence and Securities Act and forestalled enforcement of efficiency minimums for standard lamps. These changes, combined with decelerated rates of market adoption of LEDs, has resulted in a continued need for Energy Trust incentives to influence the retail lighting market in 2021.

Multifamily

Multifamily offers will save less energy from measures directly installed in dwelling units, including LEDs, showerheads and faucet aerators. This is a result of the program's success saturating the

²¹ Certain larger customers are exempt from paying utility charges under one of Energy Trust's electric funding mechanisms as provided for under SB 838. The caps relate to our proportion of electric funding under the other mechanism as provided for under SB 1149. This does not impact gas program funding.

market, evaluations that showed less-than-expected energy savings from water saving measures and the increasing efficiency of market baselines.

Midstream Programs

Successful market penetration and evolving market conditions will lead to a continued focus on midstream approaches in residential and commercial sectors in 2021-2022.

Peak Load Management

Interest in peak load management continues to grow as utilities anticipate more load constraints. Energy Trust will continue to engage with Pacific Power, NW Natural, PGE and other stakeholders to design and deliver demand reduction activities that are linked to energy-efficiency and renewable generation objectives. We will also monitor as utilities track how COVID-19 and other evolving market conditions influence the timing and magnitude of peaks. This will influence which efficiency measures are of highest value. These shifts are related to difficult-to-predict impacts of COVID-19 on business and work patterns.

NEEA

Energy Trust will continue to fund Northwest Energy Efficiency Alliance in Oregon, and NEEA will continue to collaborate with other funding partners in pursuit of electric and gas market transformation. Based on analysis conducted by NEEA in June of 2020, it is expected that NEEA programs will see a 7% reduction in total projected spending for the year for electric, a 15% reduction for natural gas and a 12% reduction for the total organization.

Diversity, Equity and Inclusion

It is a priority for Energy Trust to ensure that underserved customers can directly participate in and benefit from energy-efficiency and renewable energy programs, especially customers with low incomes, customers of color and customers in rural communities. One driver of this work is the organization's Diversity, Equity and Inclusion Operation Plan that includes 10 goals to be achieved in 2019 and 2020. For 2021, Energy Trust will extend the plan with modified goals based on current market conditions and lessons learned from work in 2019 and 2020. Goals for 2021 will be updated in fall of 2020.

Also in 2021, Energy Trust will begin new program management and delivery contracts for commercial programs that incorporate a minimum subcontracting spend with minority-owned businesses, women-owned businesses, emerging small businesses, businesses owned by service-disabled veterans and community-based organizations.

Portland Clean Energy Community Benefits Fund

Energy Trust has included funds to facilitate coordination and project development with organizations applying for grant funds as the City of Portland implements the Portland Clean Energy Community Benefits Fund.

Community Solar

The current budget accounts for Energy Trust serving as a subcontractor to support delivery of the Oregon Community Solar Program.

Summary

The COVID-19 pandemic has created unprecedented economic uncertainty, and the resulting recession is unique due to the lack of pre-existing large-scale economic issues or market imbalances. Because this recession was primarily triggered by health-related conditions, economists are forecasting this recession to be shorter in duration than previous events. However, the immediate impacts of the recession are still large with 15% unemployment in Oregon by the end of 2020 and significant reductions and shifts in population migration trends. Furthermore, economists forecast that some Oregon business sectors like manufacturing will have longer recoveries with average unemployment rates, whereas hospitality and leisure will have quicker recoveries but with higher initial unemployment.

Even though there have been large macroeconomic impacts on Oregon's economy, Energy Trust made immediate adjustments to serve customers while complying with state public health directives and guidelines. Energy Trust has continued to effectively deliver efficiency programs and as of Q2 2020 Energy Trust is on track to hit 90% of 2020 annual targets. Eventual results are subject to changing market conditions. Some efficiency program trends like retail lighting baseline changes and continued market saturation were in process before the pandemic, whereas some program trends such as new construction and major renovations have seen delays in projects due to closures. Energy Trust will continue its strategy to deliver cost-effective programs but will adapt to market conditions. As specified in its Diversity, Equity and Inclusion Operations Plan, Energy Trust will continue to focus on specific diversity, equity and inclusion goals to ensure the organization is increasing participation among underserved customers and delivering benefits to all who pay into the public purpose charge.

MEMO

Date: October 7, 2020
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Measure Cost-Effectiveness Exceptions Status as of September 18, 2020

In response to the Oregon Public Utility Commission's request to provide the status of Energy Trust requests for cost-effectiveness exceptions, this memo summarizes energy efficiency measures that have received exception approval from the OPUC.

Background

Commission Order No. 94-590 in Docket UM 551 specifies that the Total Resource Cost (TRC) test and Utility Cost Test (UCT) must be used to determine if energy efficiency measures and programs are cost-effective. The same order allows for measures that are not cost-effective to be included in utility programs if it is demonstrated that at least one of the following conditions is met:

- A. The measure produces significant non-quantifiable, non-energy benefits. In this case, the incentive payment should be set at no greater than the cost-effective limit (defined as present value of avoided costs plus 10%) less the perceived value of bill savings, e.g., two years of bill savings.
- B. Inclusion of the measure will increase market acceptance and is expected to lead to reduced cost of the measure.
- C. The measure is included for consistency with other demand-side management programs in the region.
- D. Inclusion of the measure helps to increase participation in a cost-effective program.
- E. The package of measures cannot be changed frequently, and the measure will be cost-effective during the period the program is offered.
- F. The measure or package of measures is included in a pilot or research project intended to be offered to a limited number of customers.
- G. The measure is required by law or is consistent with commission policy and/or direction.

Summary of Measures with Exceptions that Will Be Offered in 2021

The OPUC has granted exceptions on 22 measures that will be offered in 2021 in four programs, including:

- Existing Buildings (including multifamily)
- New Buildings
- Residential (single-family and manufactured homes, products, new construction)
- Production Efficiency

Exceptions that will be active in 2021 are summarized in Table 1.

Recently the OPUC has suggested that Energy Trust pursue more exceptions specifically for measures that would benefit low-income households, improve indoor air quality and reduce carbon emissions. Those discussions may result in additional exceptions active in 2021.

Table 1 List of Measure exceptions that will be active in 2021

Program	Measure	Order Number	Date Granted	Expiration Date
Existing Buildings (multifamily)	Gas tank water heaters	NA – minor	7/16/2020	12/31/2021
Residential	Gas tank water heaters	NA – minor	7/16/2020	12/31/2021
Residential	Gas heated new manufactured homes	NA – minor	7/16/2020	12/31/2023
Residential	New manufactured homes replacement pilot	20-158	5/05/2020	12/31/2021
Existing Buildings (multifamily)	Ductless heat pumps s in heating zone 1	20-105	3/31/2020	3/31/2022
Existing Buildings (multifamily)	Ductless heat pumps with supplemental fuels	20-105	3/31/2020	3/31/2022
Residential	Ductless heat pumps with supplemental fuels	20-105	3/31/2020	3/31/2022
New Buildings	Custom and market solutions tracks	20-018	1/14/2020	12/31/2021
Existing Buildings (multifamily)	Hydronic pumps less than 1/2 hp	NA – minor	10/03/2019	12/31/2021
Existing Buildings (multifamily)	Direct install lighting	NA – minor	9/30/2019	3/31/2021
Residential	Floor insulation (electric)	NA – minor	9/26/2019	12/31/2021
Existing Buildings (multifamily)	Floor insulation (electric)	NA – minor	9/26/2019	12/31/2021
Residential	Floor insulation with incentive cap (gas)	NA – minor	9/26/2019	12/31/2021
Existing Buildings (multifamily)	Floor insulation with incentive cap (gas)	NA – minor	9/26/2019	12/31/2021
Residential	Wall insulation with incentive cap (gas)	NA – minor	9/26/2019	12/31/2021
Existing Buildings (multifamily)	Wall insulation with incentive cap (gas)	NA – minor	9/26/2019	12/31/2021
Existing Buildings (multifamily)	Flat roof insulation (hp)	NA – minor	9/26/2019	12/31/2021
Existing Buildings (multifamily)	Flat roof insulation (gas)	NA – minor	9/26/2019	12/31/2021
Production Efficiency	Irrigation - new or rebuilt brass impact sprinkler	NA – minor	11/21/2018	12/30/2021
Production Efficiency	Irrigation – drop tubes	NA – minor	8/03/2018	12/31/2021
Residential	Clothes washers (gas-only territory)	NA – minor	9/02/2015	N/A
Multiple	Pilots under \$500,000	15-029	1/29/2015	N/A

Portion of Energy Trust Savings from Measures with Exceptions in 2019 and 2020

The following tables represent the portion of total Energy Trust savings from measures with exceptions for 2019 and 2020 (year-to-date through September 18, 2020).

In 2019, some of the excepted measures were part of whole-building or whole-home packages, which are groups of measures applied to a single project. These are not tracked independently in Energy Trust's databases, and as a result, their savings that are not cost-effective cannot be reported accurately. The values in Table 2 for packages include savings for both cost-effective and non-cost-effective measures.

Table 2 Savings from measures with exceptions in 2019

	kWh	kWh % of total	Therms	Therms % of total
Savings from measures with cost-effectiveness exceptions	4,743,610	1.01%	62,995	0.99%
Savings from packages that contain measures with cost-effectiveness exceptions	2,787,805	0.59%	26,791	0.42%
Total	470,554,242		6,375,810	

Table 3 Savings from measures with exceptions in 2020, year to date through 9/18/2020

	kWh	kWh % of total	Therms	Therms % of total
Savings from measures with cost-effectiveness exceptions	2,203,223	1.34%	23,741	0.71%
Total	164,525,464		3,323,234	

In 2020, with Order 20-018 the New Buildings program was granted an exception for TRC testing for custom and new Market Solutions projects permitted under the new commercial building code. This was in response to flexible code options that make calculating measure-level TRC difficult. Savings from these projects will have unknown cost-effectiveness; most likely there will be a mix of cost-effective and non-cost-effective measures. Due to the long lead time of New Buildings projects, no savings have been recorded under this exception to date.

Exception History

There are 127 measure exceptions on record granted by the OPUC since 2012 when counted per measure and per program. Past memos reported this value differently.

Of the 127 measure exceptions, 56 are considered minor. A minor exception is one where the total dollars and savings associated with the measure are less than 5% of total annual program activity and TRC is greater than 0.8. Minor exceptions do not require commission approval and are approved by OPUC staff.

Measure exceptions were approved by the OPUC according to the criteria outlined in the Background section above. Table 4 identifies how many exceptions were granted based on each criterion. Some measures meet multiple criteria.

Table 4 Number of all-time exceptions granted based on measure exception criteria

Exception Criteria	Number of Instances
A	49
B	27
C	52
D	49
E	8
F	9
G	6

MEMO

Date: October 7, 2020
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Levelized Cost Trends and Managing Future Costs

Energy Trust's Draft 2021 Budget and 2021-2022 Action Plan shows that levelized costs for energy efficiency are increasing in comparison to Energy Trust's 2020 approved budget. This is largely due to Energy Trust's successful savings acquisition strategies and results in prior years coupled with offerings put in place in 2020 to help customers adapt to economic circumstances caused by COVID-19; these offerings will largely be sustained in 2021.

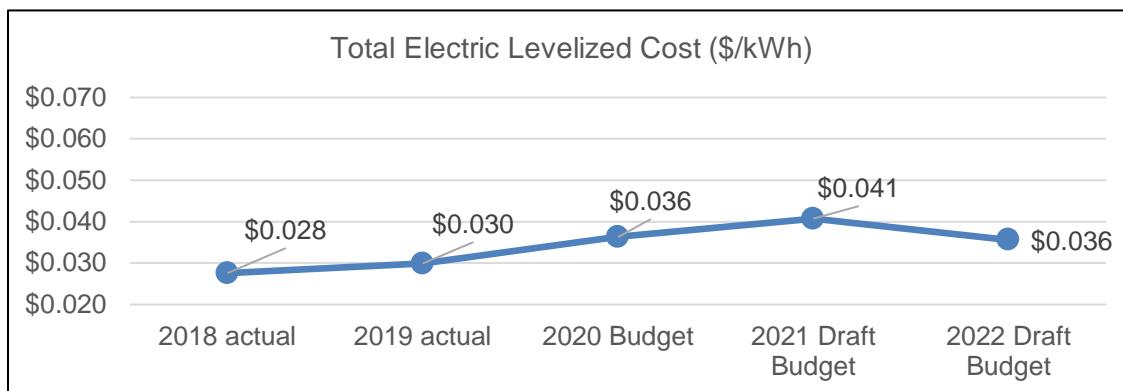
The trend of increasing levelized costs is of interest to stakeholders. We highlighted it for discussion last year and will continue to do so as we discuss the budget with the board, OPUC, utilities and other stakeholders. To supplement the discussion, this memo details the reasons levelized costs for energy efficiency are increasing and identifies actions to manage levelized costs over time.

Levelized costs for renewable energy are not covered in this memo because above market cost is the basis for Energy Trust's investment in renewable energy, not levelized cost.

Levelized Costs in Draft Proposed 2021 Budget

The draft 2021 Budget delivers electric savings at a cost of 4.1 cents per kilowatt hour (kWh) and 46.6 cents per therm (Oregon only) levelized. This is a 12% increase over 2020 electric levelized costs and a 22% increase over 2020 gas levelized costs. Levelized cost for NW Natural Washington programs are 76.4 cents per therm, a 40% increase over 2020 gas levelized costs. Despite these increases, the savings Energy Trust acquires for utility customers remains the lowest cost resource to meet ratepayer energy needs.

The 2022 budget projection shows electric levelized costs decreasing to 3.6 cents per kWh. Gas levelized costs are projected to decrease to 46.0 cents per therm (Oregon only) in 2022. Projected levelized cost for NW Natural Washington programs in 2022 is 95.7 cents per therm, a 25% increase over 2021.





Levelized Cost Drivers

There are several drivers contributing to increased leveled costs in 2021. We identify and describe them below.

- In 2021, Energy Trust will continue to report fewer savings for some measures than what we are reporting for the same measures in 2020. This is because we are using updated evaluation information about how some measures actually perform in homes and businesses, or our studies indicate market transformation is at work and fewer customers need our support to install the energy-efficient option.
 - In particular, high-efficiency, low-cost LEDs are becoming standard in the residential market and most segments of this market no longer need our support. Therefore, we will claim significantly fewer savings for these measures in 2021. LEDs provided some of the lowest-cost savings in our portfolio.
 - In addition, evaluation studies indicate that electric and gas savings associated with water-saving devices delivered through mass market channels (e.g., Energy Saver Kits) are not as robust as previous analysis had indicated. Therefore, Energy Trust will no longer offer these measures in 2021 except for in a few targeted markets where opportunities remain.
 - Evaluations have also indicated that actual savings realized from custom industrial projects, while still relatively high, are lower than previously thought.
- On average, we are claiming fewer savings per project in business programs. This trend arises from prior success at completing large savings projects and efforts to increase participation from more small- to medium-sized business customers, where project opportunities are smaller in scale and yield lower savings.

- The majority of electric savings from a very large multi-year industrial project were acquired from 2017-2020. The project is now complete, and no more savings are expected in 2021.
- Northwest Energy Efficiency Alliance (NEEA) is in the second year of its five-year business cycle. NEEA electric savings in 2021 will increase by 16%, and costs of electric savings are up by 26%. NEEA gas programs are still under development, and savings from these efforts are nominal in comparison to the rest of the savings that Energy Trust is expected to acquire in 2021. Energy Trust will continue to invest in developing NEEA gas savings programs in 2021, and expenses will increase by 32% due to more focus in developing residential gas market transformation savings opportunities. The increases in NEEA expenditures are not coupled with commensurate increases in savings, resulting in leveled cost increases in 2021. However, it is anticipated that these investments will result in future market transformation savings from investments in market infrastructure for more efficient window systems, consumer products through NEEA's retail products portfolio, motor/pump systems, HVAC products, advanced lighting controls, and future codes and standards related to water heating measures and commercial and residential new construction.
- New code changes with more stringent efficiency requirements will be in effect for new home and new commercial building construction. Therefore, we no longer need to provide incentives for some measures, and we will claim fewer savings for pushing customers above code than we did before the code change.
- We increased incentive offerings in 2020 to help the market adapt to market conditions associated with the COVID-19 pandemic. In 2021, these higher incentive offerings will remain in place and expand to more measures to continue to offset market uncertainties and economic impacts associated with the pandemic. In residential programs, we are partnering with more community-based organizations to reach underserved customer segments.
- We expect the mix of actions taken by customers will shift for some programs to lower-cost measures with shorter measure lives. Shorter average measure lives add to the upward pressure on leveled costs.
- For NW Natural Washington, leveled costs are up more significantly than leveled costs for gas savings in Oregon. Many of the drivers described above are applicable. In addition, in Washington Energy Trust's portfolio only serves residential and commercial customers. There are no industrial customer services or savings. These relatively cheaper industrial savings help moderate increasing leveled costs in the Oregon portfolio.

Managing Leveled Costs

Managing leveled costs over time requires that we continuously work to find new sources of savings, adjust program design and delivery methods, and ensure efficient and effective operations. Managing leveled cost becomes more complicated during efforts to help customers offset energy costs during challenging economic conditions and the COVID-19 pandemic. Regardless, the same strategies apply. These activities have been embedded in our budgets and action plans for years, and we continue to prioritize work in this area as we adapt programs to customer needs and align with cost-effectiveness requirements.

- 1) **Finding new sources of savings**—by conducting and evaluating pilots, participating in the Northwest Power and Conservation Council's Regional Technical Forum and investing in emerging technology efforts through NEEA—may add cost per unit of savings in the short-term but helps us manage leveled costs in the long-term. We make these investments to fill the pipeline for future program savings measures, and the expectation is that some of these future measures will contribute to a portfolio of reasonably priced, cost-effective savings over time.

In 2020, we completed measure development work resulting in the following new measures for 2021:

- Commercial and multifamily advanced rooftop controls retrofit
- Small commercial heat pump water heaters
- Small commercial heat pump prescriptive measure
- Small commercial condensing gas furnaces
- Commercial pre-rinse spray valves
- Commercial and industrial midstream lighting
- Self-cleaning wastewater lift pumps
- Residential direct installation ceiling insulation
- Residential gas tankless water heater retrofit
- Residential and small multifamily high-efficiency window tier
- Industrial pipe insulation direct installation

In 2020, Energy Trust continued to update existing measures and add new measures for targeted offerings in 2021. These targeted offers are intended to reach underserved customers and communities who have not participated in Energy Trust programs or would otherwise not be able to make energy-efficient upgrades. These important offers typically require higher incentives, which adds to overall program costs. Some examples include:

- Single-family direct installation ceiling insulation
- Residential lighting measures targeting lagging markets and community organizations
- Residential and small multifamily gas furnaces
- Direct ship smart thermostats for homes
- Small business lighting and refrigeration measures
- Multifamily instant savings measures for individual units

Energy Trust staff have identified at least 20 additional new measures to explore in 2021 for potential implementation in 2022, including the following examples:

- Line voltage thermostats for residential and multifamily
- Large multifamily central heat pump water heaters
- Small commercial smart thermostats devices and optimization technology
- Advanced ventilation controls for commercial kitchens
- Indoor air quality and ventilation for residential and commercial buildings
- Engine block heater controls
- Ultralow temperature freezers for medical facilities
- Very high efficiency refrigerators
- Home Energy Reports
- Room air conditioners for homes

- 2) **Exploring new program designs and delivery methods** helps us manage program and delivery costs. This also contributes to keeping down levelized costs. We take advantage of opportunities, such as market saturation, to reexamine and redesign our programs to work more effectively in new market conditions. We may remove some services and reconfigure others to effectively target resource potential in various markets.

We are always looking for ways to reach more customers. In 2020, we developed more new program approaches and pilots for implementation in 2021, including the following examples:

- Test streamlined industrial Strategic Energy Management
- Commercial and industrial network lighting controls pilot
- Commercial direct installation smart thermostats pilot
- Residential heat pump replacement at time of failure
- Residential heat pump water heater for coordinated implementation with PGE
- Smart thermostats in new home construction
- Standalone heat pump water heater for new home construction
- Targeted load management pilots
- Using home heating and cooling tune up to install thermostats or efficient motors
- Net zero new home construction
- Residential new construction grid harmonization
- Exploration of multiple funding sources for direct installation of heat pump water heaters
- Windows in stacked multifamily properties

Additionally, Energy Trust is focusing on reaching underserved customers, especially communities of color, customers with low incomes and rural communities. By designing measures and programs to reach and serve these customers, we will create new sources of savings in the future. Some examples of measures and approaches developed in 2020 that will be implemented in 2021 are:

- Co-funding low-income projects with community action agencies funded through Oregon Housing and Community Services Low-Income Weatherization Program
- Coordinated energy audits with low-income agencies and community organizations
- Delivery of free LEDs through community-based organizations
- Direct installation ceiling insulation
- Ductless heat pump initiative for limited income housing with nonprofit Verde
- Multifamily Savings Within Reach for moderate-income customers
- Multifamily do-it-yourself cooling workshops
- Multifamily on-bill repayment
- Multifamily fixed price ductless heat pump
- Additional channels for home thermostat direct installation
- Umatilla new home construction development planning
- Continuation of tubular LEDs in targeted rural areas, which started in 2020

- 3) **Ensuring efficient and effective operations** enables us to continue processing high volumes of transactions, maintain strong customer service standards, and meet high standards for accountability and public reporting. Every year we identify system and process enhancements that reduce manual data entry, save time for customers and staff, and streamline administrative processing.

In 2021, we will continue to apply DocuSign to more customer and internal forms and continue multi-year efforts to invest in a more efficient budget system. The Information Technology and Operations Analysis action plans identify additional activities to improve staff productivity and systems efficiency.

We will also continue to invest in the adoption of improved organizational processes for business planning, budgeting, decision-making and innovation, all driven by the organizational review project completed in 2018. These changes help us make decisions, explore new ideas and develop new program approaches more efficiently. They also ensure we apply limited staff resources to highest priority work.

MEMO

Date: October 7, 2020
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Long-Range Forecast for Other Renewables and Solar Projects

Energy Trust's renewable energy programs provide incentives to generation projects primarily utilizing solar, hydropower and biopower technologies. Because projects take time to construct, the program has contractual incentive obligations that stretch over multiple years. This memo provides visibility into existing contractual obligations.

Other Renewables

The Other Renewables program provides incentives to projects utilizing non-solar renewable generation technologies, primarily focusing on hydropower and biopower. These projects often have long construction timelines, requiring Energy Trust to commit and set aside funding several years before projects are completed and begin generating electricity. Incentive payments are usually partially paid upon the projects successfully reaching commercial operation, with the rest of a committed incentive paid over the first several years. This results in incentive funds being held in reserve over a period that may last as long as five years from incentive commitment to final incentive payment.

In Portland General Electric service territory, Energy Trust has existing commitments of incentives for three generation projects that have reached commercial operation or are under construction.

Installation Incentive Funding Commitments for Other Renewables Projects in PGE Territory

Project	Generation	Expected payments	Scheduled payment dates
City of Salem—Willow Lake Wastewater Treatment Facility (biopower) - Reached commercial operation June 15, 2020	0.9 aMW	\$306,250 based on reaching milestones \$1,263,500 in four payments based on reaching milestones \$624,000 in two payments based on reaching milestones	December 2020 March, June, September, December 2021 March, June 2022
Water Environment Services—Tri-City Wastewater Treatment Facility (biopower) - under construction	0.5 aMW	\$1,000,000 upon completion \$800,000 based on reaching milestones	January 2021 January 2022

City of Hillsboro Gordon Faber Recreation Complex (hydro) - under construction as of September 15, 2020	0.02 aMW	\$85,000 upon completion	December 2020
TOTAL		\$4,078,750	

In Pacific Power service territory, Energy Trust has existing commitments of incentives for two generation projects. One is completed and one is under construction.

Installation Incentive Funding Commitments for Other Renewables Projects in Pacific Power Territory

Project	Generation	Expected payments	Scheduled payment dates
Deschutes Valley Water District—Opal Springs (hydropower)	0.1 aMW	\$225,000 based on reaching milestones	December 2020
Three Sisters Irrigation District—McKenzie (hydropower)	0.1 aMW	\$465,000 upon completion \$100,000 based on reaching milestones \$100,000 based on reaching milestones \$100,000 based on reaching milestones \$100,000 based on reaching milestones	December 2020 December 2021 December 2022 December 2023 December 2024
TOTAL		\$1,090,000	

In addition to contractual commitments of installation incentives, Energy Trust has existing commitments of project development assistance incentives. Project development assistance incentives are used for technical studies, feasibility studies and other kinds of pre-development work that helps projects mature to the point where they are ready to apply for an installation incentive.

Project Development Assistance Incentive Commitments for Hydropower and Biopower Projects in PGE and Pacific Power territories

	Q4 2020	2021	2022	2023
Portland General Electric	6 projects \$246,027	4 projects \$314,159 REC registration costs for two projects: \$2,124	REC registration costs for two projects: \$2,124	REC registration costs for two projects: \$2,124

Pacific Power	12 projects \$512,688	10 projects \$330,928	n/a	n/a
TOTAL	18 projects \$758,715	14 projects \$647,211	2 projects \$2,124	2 projects \$2,124

Solar

The Solar program has existing approved projects that are in various stages of design and construction. Following is a summary of these incentive obligations for both utilities including expected aggregated generation (aMW) and incentive dollars. The generation and the incentive dollars in the table haven't been reduced from the total existing applications to reflect expected project cancellations. Historically, about 10% of residential applications and about 20% of commercial applications result in canceled incentive reservations.

Aggregated Incentive Commitments for Solar Projects

	Q4 2020	2021	2022	Total
Portland General Electric	0.53 aMW \$1,029,799	0.45 aMW \$668,917	0.13 aMW \$91,337	1.81 aMW \$3,177,259
Pacific Power	0.40 aMW \$703,719	0.33 aMW \$438,462	n/a	1.10 aMW \$1,713,128
TOTAL	0.93 aMW \$1,733,518	0.78 aMW \$1,107,379	0.13 aMW \$91,337	2.92 aMW \$4,890,387

MEMO

Date: October 7, 2020
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Community Solar Development Assistance Commitments

In 2019, Energy Trust began to offer Community Solar Development Assistance incentives to support public and nonprofit organizations developing community solar projects for participation in the Oregon Community Solar Program as well as private companies developing small community solar projects. The Renewable Advisory Council advised during the development of this program that these are the types of projects most in need of early stage assistance.

The objective of Energy Trust's Community Solar Development Assistance is to increase the feasibility and success of these community-driven projects and provide public and nonprofit organizations with additional support so that they have an equitable opportunity to participate in the community solar market. A project may receive up to \$20,000 for expenses and activities such as staff time needed for pre-development work, permitting, market analysis, site-leasing, grant writing, feasibility studies, pre-design and design work, and other early stage project development activities that help projects overcome market barriers. This is a critical role that Energy Trust has played for all renewable technologies in the territories it serves. The funds for this program are public purpose charge dollars. Supporting community solar projects helps Energy Trust reach people who do not have access to rooftop solar including renters, low-income families or people whose homes have too much shading.

Eventually, generation from projects that are developed and receive installation incentives from Energy Trust will be reported in Energy Trust's quarterly and annual reports.

Energy Trust has committed Community Solar Development Assistance to nine projects. Following is an aggregated summary. All of these projects are expected to complete their development activities by the end of 2020. None of the projects are operational at this time.

Utility	Project count	Committed Energy Trust incentives	Capacity (AC)
Pacific Power	7 projects	\$85,970	6,480 kW
Portland General Electric	2 projects	\$19,920	400 kW

MEMO

Date: October 7, 2020
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Staffing for Draft 2021 Budget and 2021-2022 Action Plan

Energy Trust's draft staffing budget balances the cost of the staffing resources needed to accomplish 2021 goals and compliance with Oregon Public Utility Commission performance measures.

This memo provides background and information about staffing planning and considerations in 2021, staffing cost drivers and compliance with the OPUC minimum performance measure for applicable staffing costs.

1. 2021 Staffing Planning

Energy Trust employees are the basis of the organization's strategic and operations management and accountability. Energy Trust's staffing planning is guided by its 2020-2024 Strategic Plan. The plan envisions a future for Energy Trust that furthers its core mission of energy efficiency and renewable energy resource acquisition through continued innovation and expanded program participation to reach all eligible customers, particularly underserved customers. The plan envisions deeper relationships with customers, communities, utilities, OPUC and policymakers in order to strengthen Energy Trust's capacity to quickly and effectively provide solutions and respond to opportunities in the evolving clean energy future.

Energy Trust's staffing planning for 2021 is aimed at taking incremental steps toward an organizational structure and the resources to accomplish work envisioned in strategic plan focus areas. Even with this future focus, management and human resources staff members are committed to compliance with the OPUC's minimum performance measure for year-over-year staffing cost increases, which caps increases for portions of the budget overseen by the OPUC¹ at 9%.

In planning for the 2021 budget, Energy Trust management undertook an extensive business and staffing planning exercise that began by setting three 2021 organizational goals:

- Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic
- Invest in relationships and collaborations with other entities to meet common needs and future objectives
- Enhance operating processes and internal culture to efficiently respond to change²

Energy Trust's proposed 2021 staffing budget is based on identifying priority work to support its 2021 goals and its strategic plan focus areas and matching staffing capacity to that prioritized work. This plan provides all program, support and administrative functions for programs and

¹ The OPUC oversees the largest portion of Energy Trust expenditures under a grant agreement. That includes all expenditures for programs funded by Oregon customers of PGE, Pacific Power, NW Natural, Cascade Natural Gas and Avista. Energy Trust's NW Natural Washington and Oregon Community Solar Program expenditures are not overseen by the OPUC.

² The full text of Energy Trust's 2021 annual goals includes additional information on how we will focus our efforts under each of the goals. Please see the complete 2021 annual goal statements at the front of the draft budget and action plan for this detail.

services delivered in Oregon and Southwest Washington and for the Oregon Community Solar Program subcontract with Energy Solutions.

To minimize staffing cost growth, Energy Trust has taken every opportunity to examine needs across the organization using the business plan as the primary reference. Through this process, lower priority work is eliminated to make room for work that is tied to annual and strategic plan goals. We identify staffing gaps and managers plan for re-alignment of staff resources as needed. Energy Trust has and will continue to change staffing positions and shift roles and responsibilities consistent with organization needs and priorities. This process occurs during staffing planning and when any vacant position arises during the year.

For 2021, this process resulted in changes to existing roles and a shift of FTE from one group to another. Those changes are described in the staffing shifts section below. In addition to the FTE shifts, the 2021 staffing budget includes four new additional staff positions, proposed primarily to advance and support Energy Trust's efforts in achieving its diversity, equity and inclusion goals and internal staffing objectives. More information is provided in the new staff section below.

Energy Trust executive staff applied the organization's Diversity, Equity and Inclusion Lens to the staffing plan and views diversity, equity and inclusion as a key driver and outcome in both shifted and new positions for 2021. More information can be provided upon request.

2. Total Staffing Costs and Cost Drivers for the Final Proposed 2020 Budget

In the final proposed 2021 budget, total staffing costs across all major funding sources represent 8% of total costs. The increase in total staffing costs from 2020 to 2021 is 8.7%. Factors contributing to this increase in staffing costs include rising health insurance costs, staff compensation and the addition of staffing resources described below.

The three major funding sources are: Oregon ratepayers under the OPUC grant agreement, Washington programs funded by NW Natural under oversight by the Washington Utilities and Transportation Commission and the Oregon Community Solar Program subcontract through Energy Solutions. The following table provides a breakout of staffing costs by major funding source. Staff costs in administrative and other shared services have been allocated across funding sources.

Staffing Cost by Major Funding Source	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Budget
Oregon PUC Grant	12,904,850	13,465,688	15,053,097	16,368,909	17,266,652
Washington	279,520	304,271	358,712	387,486	394,481
Community Solar	-	139,601	273,979	237,875	247,356
PGE Storage	-	-	-	51,832	50,353
LMI Federal Grant and other	12,942	27,179	-	-	-
Total	13,211,234	13,942,991	15,685,787	17,046,103	17,958,843

Healthcare Costs

Employee healthcare premium increases for 2021 are high, resulting from unusual utilization. Last year's projections for 2021 did not take such increases into account. The 2021 rate increase is estimated to be 35% compared to a 15% projection. Healthcare benefits continue to be the largest cost driver in Energy Trust's benefit package. Energy Trust projects a 25% increase in healthcare premiums for 2022 based on discussions with its insurer.

Staff Compensation

The draft budget includes 3% for staff compensation adjustments, which allows for minimal annual increases consistent with market information from 2020-2021 World at Work salary budget adjustments and to support staff in an ongoing COVID-19 work environment. This budget also provides remaining dollars to support promotions and other pay adjustments if needed to ensure pay equity compliance.

Staffing Shifts

Legal/Contracts to Human Resources

In 2020, a retirement in the Legal/Contracts group provided the opportunity to examine critical staffing needs to support strategic goals. Given the organizational focus on staff diversity and the complexity of human resource challenges, including a shift to a remote work environment as a result of COVID-19, staffing budget was shifted from Legal/Contracts to HR to support a new HR position.

Planning and Evaluation to Programs

In 2018, a group of Energy Trust staff reviewed Energy Trust's organizational processes and structures and recommended process and structure changes to advance Energy Trust's ability to adapt well to future changes. The recommendations call for more positions that are cross functional and cross program. Since that review, several staffing shifts have occurred including, but not limited to, the redeployment of staff in cross-functional roles, such as a cross-program marketing lead and a measure development manager to coordinate between Energy Trust's Planning and Evaluation and Program groups.

In 2021, Energy Trust plans to redeploy a position open in the Planning and Evaluation group to serve as a cross integration lead who would oversee and coordinate the many cross functional activities across Energy Trust. The person who fills this position is expected to work closely with the four program sectors to ensure alignment of strategy and implementation of cross program offerings. In addition, the cross integration lead will work with the diversity, equity and inclusion lead and Communications and Customer Service staff focused on community outreach and diversity, equity and inclusion goals for contractor and community-based organization engagement. This position will also support teams to bring new cross-program offerings to market and ensure implementation activities are aligned with other organizational initiatives.

New Staff

RAY Conservation Diversity Fellows

The 2021 staffing budget includes two new Roger Arliner Young (RAY) Conservation Diversity Fellows³. These fellowship positions, which are two-year, full-time commitments, support Energy Trust's efforts to diversify its staff, bring diverse life experiences to Energy Trust's energy efficiency program design and delivery and build a

³ Inspired by efforts to increase racial diversity in conservation, the Roger Arliner Young (RAY) Conservation Diversity Fellowship Program aims to increase and facilitate conservation-related career pathways for emerging leaders of color. The RAY Fellowship Program is a paid fellowship designed to equip recent college graduates with the tools, experiences, support and community they need to become leaders in the conservation sector—one that, in our visions of the future, fully represents, includes and is led by the diverse communities, perspectives and experiences of the United States.

pipeline for future energy efficiency industry leaders. The RAY program provides expertise, training and support to both the RAY fellows and Energy Trust leadership to create and sustain a more inclusive environment.

Solar Project Manager

The 2021 staffing budget also includes budget to convert an agency contractor solar program coordinator resource to a regular staff position. This conversion to a staff position will result in more stability in the position. This position will support streamlining of the application process and work on strategic efforts to bring solar to underserved customers.

Two Outreach Staff to Support and Build Deeper Community Relationships, Particularly in Underserved Communities

Energy Trust's strategic plan, its annual goals and its Diversity, Equity and Inclusion Operations Plan all call for building deeper stakeholder and community relationships, particularly in underserved communities. Energy Trust's 2021 staffing plan budgets for two additional outreach staff. These outreach roles, one a lead and the other a coordinator, are aimed at supporting Energy Trust's efforts to expand its reach in previously underserved communities and will have a focus on building relationships with and creating opportunities for communities of color throughout the state. They will join existing outreach resources dedicated to serving Eastern and Southern Oregon and rural customers in those regions.

Energy Trust is prioritizing these new positions as opportunities to address two important diversity, equity and inclusion priorities: (i) expanding program participation in underserved communities and (ii) recruiting more staff with lived experience and direct connections to communities of color and underserved communities in Energy Trust's service territories.

Energy Trust outreach staff build and retain knowledge regarding community needs and serve as an organization representative and trusted resource within those communities. They inform and educate individual program field representatives and staff, and they provide a consistent and cross-program perspective to ensure the most effective and efficient approaches are utilized to engage the community and achieve all program goals. Just as existing regional outreach managers working in Eastern and Southern Oregon focus on general outreach initiatives to increase participation of customers and communities in their regions, both of the new positions will carry out outreach initiatives with the long-term objective of increasing participation and delivery of benefits to customers and communities of color.

Importantly, adding these positions builds out Energy Trust's ability to reach customers and communities of color by providing close, in-community connections on a regular basis in a way that the diversity, equity and inclusion lead role does not. The diversity, equity and inclusion lead has a broad scope of leadership and guidance for the organization's diversity, equity and inclusion work through the Diversity, Equity and Inclusion Operations Plan; internal diversity, equity and inclusion committee; Diversity Advisory Council; inclusive culture initiatives and supplier diversity program development. As we've learned from our experience with our regional outreach staff, effective outreach requires consistent presence and community trust. Working closely with the diversity, equity and inclusion lead to advance Energy Trust's diversity, equity

and inclusion work, new outreach staff will be able to build, implement and coordinate with stakeholders and underserved communities.

Total Staffing Costs Detail by Year

The following table provides (i) employee cost drivers in the preceding three years for the total company and (ii) further detail of costs specific to the OPUC grant and the OPUC staffing cost performance measure.

	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Budget
Total Company Employee Cost	13,211,234	13,942,991	15,685,787	17,046,103	17,958,843
Drivers					
Employee count (FTE)	108.5	109.0	112.0	115.5	115.5
Interns (FTE)	7.5	6	4.4	3	3
RAY fellows (FTE)				2	2
Compensation adjustment pool	4%	5%	5%	3%	3%
Benefits rate increase	11%	24%	5%	35%	25%
Oregon PUC Grant Funded Employee Cost and Performance Measure					
Employee Cost	12,904,850	13,465,688	15,053,097	16,368,909	17,266,652
Employee Count (FTE)	107.5	107.5	109.0	112.0	112.0
Year over Year \$ change	708,542	560,839	1,587,409	1,315,812	897,742
Year over Year % change	5.8%	4.3%	11.8%	8.7%	5.5%
Performance Measure	10%	10%	9%	9%	9%
Performance Measure	1,219,631	1,290,485	1,211,912	1,354,779	1,473,202

3. Compliance with OPUC Staffing Cost Performance Measure

Energy Trust and OPUC staff worked together closely beginning in early 2019 to examine the reasonableness of Energy Trust's staffing costs and determine an appropriate indicator of reasonable management costs. As a result of those conversations and following public comments and a public workshop discussion in July 2019, the OPUC adopted a single revised measure for 2020 and 2021 focusing on year-over-year cost increases. Under this staffing performance measure, Energy Trust must limit staff cost growth to 9% annually. This measure remains in place for two years while Energy Trust and OPUC staff continue to work collaboratively with stakeholders to review staffing costs and trends to consider potential new staffing metrics for the 2022-2023 Budget and 2022 Action Plan.

Staffing costs in Energy Trust's proposed 2021-2022 Budget and 2021 Action Plan comply with the new single staffing cost year-over-year percentage cap performance measure. The 2021 staffing costs under the OPUC grant increase 8.7% over 2020 costs under the OPUC grant.

MEMO

Date: October 7, 2020
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Administrative and Program Support Costs for Draft 2021 Budget and 2021-2022 Action Plan

This memo provides information about the nature and purpose of administrative and program support costs to support stakeholder review of the budget. The first section describes administrative costs as they are measured in nonprofits typically and the benchmarks that are customarily applied to nonprofits. The second section describes administrative and program support costs as they are measured by the OPUC and the performance measure the OPUC established to set limits on administrative and program support.

SECTION 1: Administrative Costs Defined Generally and Comparable to Other Nonprofits

All organizations, no matter the size or purpose, have administrative costs. Administrative costs are necessary to lead the organization, support the board of directors, execute strategic direction, engage with stakeholders, manage risk, comply with laws and regulations, manage funds responsibly and manage employees, among other things.

Nonprofit entities are required to categorize costs by function, as program, management and general or fundraising. These functional costs are reported in a nonprofit's financial statements and Form 990 tax return. According to generally accepted accounting standards, shared costs such as building rent and technology can be allocated among programs and administration.

What is considered reasonable administrative costs varies by industry, organization size, complexity and development stage. While there is no one right answer, there are benchmarks published by nonprofit watchdog organizations. An example is Charity Navigator's 15% cap, which, if met, qualifies an organization for its highest rating. Charity Navigator uses the management and general and fundraising totals on an organization's 990 tax return to calculate the administrative cost.

Activities Included in Administrative Costs:

Management and General: Providing finance, legal, human resources, office administration and board of directors' administration to ensure general management and operations of the organization. This year, Energy Trust expanded the organizational development cost center to incorporate innovation and program development.

General Communications and Outreach: Ensuring the organization's accountability, accessibility and responsiveness through general communications, quarterly and annual reporting to the board and OPUC, public and stakeholder relations, website management and content, and general outreach and marketing functions.

Energy Trust's Draft 2021 Budget and 2021-2022 Action Plan includes administrative costs of \$10.4 million, or 5% of total expenditure, comparing favorably to the 15% benchmark established by Charity Navigator for similarly sized organizations.

SECTION 2: Administrative and Program Support Costs Subject to the OPUC Performance Measure

The Oregon Public Utility Commission oversees Energy Trust expenditures for serving Oregon customers of PGE, Pacific Power, NW Natural, Cascade Natural Gas and Avista with energy-efficiency and renewable energy programs.

The OPUC performance measure includes administrative costs and program support costs, which is more stringent than benchmarks for other nonprofits. The performance measure limits this total to less than 8% of utility revenue. The performance measure also caps administrative and program support cost increases to no more than 10% from year to year. NW Natural Washington, Oregon Community Solar and PGE storage programs are not included in the calculation under the OPUC performance measure.

Administrative costs include management and general costs and communications and outreach costs. Program support costs include the program share of office space and equipment, IT services and general expenditures by programs such as travel, conferences and materials.

Detail of Administrative and Program Support Costs Subject to the OPUC performance Measure in Final Proposed 2021 Budget

Oregon PUC Grant Funded Expenditure			
	Total	Program Costs	Administrative and Program Support
Incentives	114,195,019	114,195,019	-
Program Delivery Contractors	57,623,732	57,623,732	-
Employee Salaries & Fringe Benefits	16,368,909	7,935,312	8,433,597
Agency Contractor Services	2,356,887	1,385,986	970,901
Planning and Evaluation Services	2,740,081	2,713,531	26,550
Advertising and Marketing Services	3,381,382	2,204,599	1,176,782
Other Professional Services	6,253,153	5,421,572	831,580
Travel, Meetings, Trainings & Conferences	242,204		242,204
Dues, Licenses and Fees	267,957		267,957
Software and Hardware	807,708		807,708
Depreciation & Amortization	264,562		264,562
Office Rent and Equipment	1,193,749		1,193,749
Materials Postage and Telephone	146,284		146,284
Miscellaneous Expenses	5,325		5,325
TOTAL FUNCTIONAL EXPENSE	205,846,952	191,479,751	14,367,201

The administrative and program support costs in the draft 2021 budget are \$14,367,201, or just under 8% of total revenue. **Costs are compliant with the OPUC performance measure capping applicable administrative and program support costs at less than 8% of total revenue.**

Historical View of Administrative and Program Support Costs Subject to the OPUC Performance Measure¹

	2017	2018	2019	2020 Budget	2021 Budget	2022 Projection
Annual Revenue	194,236,916	188,075,428	183,141,017	177,369,785	179,681,483	178,333,383
Performance measure	8%	8%	8%	8%	8%	8%
Maximum cost allowed per measure at 8%	15,538,953	15,046,034	14,651,281	14,189,583	14,374,519	14,266,671
Administrative and program support costs	10,387,058	10,808,953	11,422,288	13,831,271	14,367,201	14,955,793
as percent of revenue	5.3%	5.7%	6.2%	7.8%	8.0%	8.4%
Increase from prior year	421,895	613,335	2,408,982	535,930	588,593	
Increase percentage		4.1%	5.7%	21.1%	3.9%	4.1%

Some administrative costs increased as the organization continues investments in diversity, equity and inclusion initiative activities and formalizes the activities of an innovation team to support developing new pathways to reach customers, as recommended in the 2018 Organization Review. Other costs decreased, notably travel and conferences as the organization adapts to COVID-19-related restrictions. **For costs subject to OPUC oversight, administrative and program support costs in the draft 2021 budget increased 3.9% over 2020, which is below the 10% annual increase cap set by the OPUC.**

Administrative and Program Support Cost Management

Energy Trust has always taken seriously its responsibility to manage ratepayer funds in a cost-effective manner and has continuously invested in systems and process efficiencies to maintain low administrative and program support costs. Strong administrative cost management has helped the organization deliver energy savings at a low leveled cost since inception.

As Energy Trust realizes success in transforming the efficient lighting and efficient showerhead market, it is losing some of its lowest-cost savings measures. This means effective management of all costs—program, delivery and administrative costs—remains of critical importance.

To manage administrative costs in the future, Energy Trust is continuing to prioritize systems and process enhancements for 2021 that will enable it to process high volumes of transactions, serve customers more efficiently and continue maintaining high customer satisfaction in future years. Some specific projects identified in final proposed 2021 action plans include enabling more electronic signatures in customer and vendor forms using DocuSign and implementing the next phase of new budget tools.

¹ The 2020 budget versus 2019 actual increase of 21.1% was due to 2019 actuals spending below plan, with certain projects deferred or costs managed differently.

MEMO

Date: October 7, 2020
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Net Assets for the Draft 2021 Budget and 2021-2022 Action Plan

This memo provides information about the net assets of the organization to provide context and rationale on the 2021 net asset levels.

Background

Net assets appear on the balance sheet as the difference between total assets and total liabilities and are the balance of cumulative revenues in excess of expenses. An organization should carry net assets sufficient to meet upcoming needs and to weather any downturns or variations in cash flow.

Net assets are sometimes called carryover or reserves. In a for profit business, net assets would be called owner equity. Net assets is the term used by nonprofits and by Energy Trust.

Energy Trust maintains four categories of net assets:

- Efficiency Program Reserves by Utility
- Renewable Program Reserves by Utility
- Other Funding Sources
- Contingency Reserves

Efficiency Program Reserves by Utility are discussed with each of the five partner utilities during the budget process, given to pursuing all cost-effective energy savings, establishing an appropriate reserve amount exclusive to each utility with consideration to customer rate impacts. Efficiency Program Reserves by Utility are budgeted to decrease from \$22 million to \$6 million during 2021.

The Renewable Program Reserves by Utility are based on SB 1149 revenue receipts and not negotiated. Renewable Program Reserves by Utility are budgeted to be reduced by \$9.5 million in 2021, going from \$18.5 million to \$9 million. Renewable Program Reserves by Utility are held to ensure funds are available to meet outstanding commitments which will be paid in the future.

Contingency Reserves are maintained and controlled through board policy. Contingency Reserves are divided into two pools: Emergency Contingency Reserve and Operational Contingency Reserve. Ongoing analysis ensures Contingency Reserves are sufficient for unanticipated and emergency needs to avoid business interruption.

Contingency Reserves have been used in the past to temporarily or permanently cover for program needs, and \$2.3 million of contingency reserves have been loaned through Craft3 for low-income energy improvements and manufactured home replacements.

Net assets are invested conservatively to earn a modest, but secure return. Beginning in 2018, investment returns are distributed back to the individual net asset category. Investment returns help offset ratepayer impact in energy efficiency programs and contribute to further renewable energy activity. Since Q2 2020 the rate of return on investments has fallen due to decisions by the Federal Reserve in response to COVID-19. The return for 2021 is forecasted to be 0.25% (25 basis points).

Energy Trust total net assets are forecast to be \$53 million by the end of 2020, and drop further to \$26 million by the end of 2021. See Table 1.

At \$26 million, net assets are just 1.5 months of average monthly expenditures. The decrease in net assets is consistent with plans to minimize impacts on ratepayers' bills, while continuing to pursue all cost-effective savings and renewable generation.

While the ratio of net assets to total budget is far below nonprofit best practice of 6-12 months, Energy Trust revenue flow is well established, and therefore this low ratio is a manageable risk to the organization.

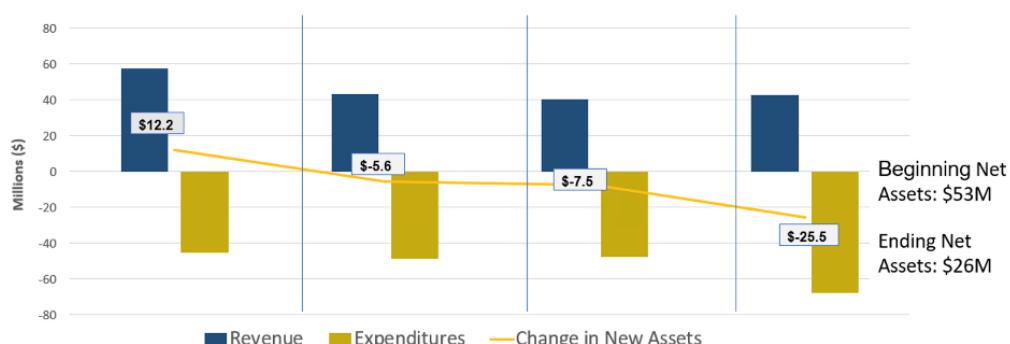
Table 1: Five-year View of End-of-year Net Asset Balances, Expenditure Coverage Ratio

	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Draft Budget
Efficiency Program Reserves	24,934,949	36,385,826	34,268,936	22,589,996	5,965,612
Renewable Program Reserves	13,341,150	16,001,476	19,094,978	19,213,525	8,909,313
Washington & Other Program Reserves	176,506	501,071	526,296	1,038,217	775,326
Programs	38,452,605	52,888,372	53,890,210	42,841,739	15,650,251
Investment Income To Be Attributed				458,499	96,000
Loans for Low Income and Manufactured Homes	800,000	800,000	1,800,000	2,300,000	2,300,000
Operational Contingency	3,880,018	4,116,381	3,371,427	2,861,765	2,862,208
Emergency Contingency	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Company	48,132,624	62,804,754	64,061,637	53,462,003	25,908,459
Annual Expenditures	182,575,398	176,994,343	186,038,915	190,038,466	209,644,633
Monthly Expenditures	15,214,616	14,749,529	15,503,243	15,836,539	17,470,386
# of months	3.2	4.3	4.1	3.4	1.5

Seasonality by quarter

Net assets are expected to increase temporarily in mid 2021, and then decline with the increase in forecasted incentive expenditures in quarter four, as illustrated in the following chart. With revenues steady, and somewhat front-loaded in the beginning of the year, and incentives heavily weighted to the end of the year, this is a typical pattern for the organization.

Chart 1: 2021 Draft Budget Quarterly Change and Ending Balances of Net Assets



Millions \$	Q1	Q2	Q3	Q4
Revenue	\$57.4	\$43.2	\$40.2	\$42.5
Expenditures	\$-45.2	-48.7	-47.7	\$-68
Change	\$12.2	\$-5.6	\$-7.5	-\$25.5
Ending Net Assets	\$65.7	\$59.6	\$52.1	\$25.9

Energy Trust of Oregon
 Income Statement- Budget, Forecast and Projection
 For the Draft Budget



	Actual 2019	Board Approved Budget 2020	Reforecast 2020	Board Approved Projection 2021	Draft Budget 2021	Draft Projection 2022
Revenue from Utilities	185,371,938	179,926,067	178,345,405	180,361,760	182,190,038	180,841,938
Contract Revenue	282,502	546,896	625,360	552,000	1,045,484	887,200
Grant Revenue	34,837		9,567			
Investment Income	1,606,520	1,000,000	458,499	900,000	96,000	96,000
Revenue	187,295,797	181,472,963	179,438,832	181,813,760	183,331,522	181,825,138
Incentives	101,237,643	113,220,092	100,466,860	101,433,226	116,099,298	109,321,782
Program Delivery Contractors	59,492,117	58,123,983	59,276,444	57,025,683	58,473,145	57,116,436
Employee Salaries & Fringe Benefits	13,942,991	15,685,787	15,426,935	16,658,688	17,046,103	17,958,843
Agency Contractor Services	1,523,234	1,730,794	1,870,586	1,424,280	2,382,925	2,133,550
Planning and Evaluation Services	2,142,430	3,512,048	2,749,899	2,753,929	2,763,087	2,970,462
Advertising and Marketing Services	2,606,786	3,309,550	3,471,515	3,031,050	3,415,100	3,197,499
Other Professional Services	2,806,397	5,907,948	4,177,709	4,787,238	6,400,383	5,655,841
Travel, Meetings, Trainings & Conferences	390,836	573,760	173,156	558,640	254,403	461,275
Dues, Licenses and Fees	153,581	280,501	179,268	276,063	301,842	309,934
Software and Hardware	355,893	638,721	671,596	669,300	828,803	831,348
Depreciation & Amortization	213,751	273,112	271,130	284,576	275,295	246,408
Office Rent and Equipment	1,054,185	1,140,433	1,116,389	1,115,433	1,247,500	1,255,750
Materials Postage and Telephone	111,382	154,050	150,098	159,750	151,250	161,225
Miscellaneous Expenses	7,688	5,350	36,879	5,650	5,500	6,000
Expenditures	186,038,913	204,556,129	190,038,466	190,183,506	209,644,633	201,626,352
Net Income	1,256,884	(23,083,166)	(10,599,634)	(8,369,747)	(26,313,110)	(19,801,214)

2021 Budget Recap Spending and Savings
 Draft Budget 2021

Program	Budget (\$M)			Electric		Gas	
	Electric	Gas	Total	Electric Savings Goal (aMW)	Levelized Cost per kWh	Annual Therms	Levelized Cost per Therm
Existing Buildings with MF	\$ 46.0	\$ 13.7	\$ 59.7	12.4	\$ 0.042	2,208,062	\$ 0.553
New Buildings	\$ 17.1	\$ 1.7	\$ 18.8	4.7	\$ 0.038	388,593	\$ 0.394
NEEA Commercial	\$ 3.9	\$ 0.4	\$ 4.4	1.2	\$ 0.064	609	\$ 51.791
Commercial Sector	\$ 67.0	\$ 15.9	\$ 82.8	18.3	\$ 0.042	2,597,264	\$ 0.544
Industry and Agriculture	\$ 39.0	\$ 3.7	\$ 42.7	15.0	\$ 0.031	1,346,781	\$ 0.267
NEEA - Industrial	\$ 0.1	\$ 0.0	\$ 0.1	0.7	\$ 0.002	-	
Industry and Agriculture Sector	\$ 39.1	\$ 3.7	\$ 42.8	15.6	\$ 0.030	1,346,781	\$ 0.268
Residential	\$ 34.9	\$ 14.9	\$ 49.8	5.5	\$ 0.071	2,143,280	\$ 0.457
NEEA Residential	\$ 4.5	\$ 1.4	\$ 5.9	2.1	\$ 0.025	2,140	\$ 40.155
Residential Sector	\$ 39.3	\$ 16.3	\$ 55.6	7.6	\$ 0.059	2,145,420	\$ 0.500
Oregon Efficiency Programs	\$ 145.4	\$ 35.9	\$ 181.3	41.5	\$ 0.041	6,089,465	\$ 0.466
Solar	\$ 15.7		\$ 15.7	3.0			
Other Renewables	\$ 8.9		\$ 8.9	0.5			
Renewables Programs	\$ 24.6		\$ 24.6	3.5			
Commercial Washington		\$ 1.0	\$ 1.0			112,714	\$ 0.693
NEEA Commercial Washington		\$ -	\$ -			-	
Residential Washington		\$ 2.0	\$ 2.0			163,843	\$ 0.812
NEEA Residential Washington		\$ -	\$ -			-	
Washington Programs		\$ 3.0	\$ 3.0			276,557	\$ 0.764
Community Solar			\$ 0.3				
PGE Storage			\$ 0.4				
LMI			\$ -				
Total Programs			\$ 209.6				

Energy Trust of Oregon
 2021 Budget Income Statement by Funding Source
 Draft Budget 2021

	Oregon OPUC Efficiency Funders						Total Oregon OPUC Efficiency	Oregon OPUC Renewables			Other Funding Sources				TOTAL	
	PGE	PAC	NWN IND	NWN	CNG	AVI		PGE	PAC	Total Renewables	Washington	LMI	Community Solar	PGE storage	Investments / Contingency	
Beginning Net Assets	10,079,356	7,749,262	766,399	2,339,691	1,291,210	364,079	22,589,997	12,524,040	5,926,357	18,450,397	605,702	-	310,378	102,887	10,152,208	52,221,569
Revenue	78,817,804	54,250,508	6,102,033	20,358,144	3,312,693	1,823,292	164,664,474	8,818,842	6,198,167	15,017,009	2,508,555		550,000	495,484	96,000	183,331,522
<i>detail: Incentives</i>	46,593,777	31,326,722	3,859,273	11,233,328	2,090,249	1,245,850	96,349,198	12,092,734	5,753,087	17,845,821	1,604,278		300,000		116,099,298	
<i>detail: Program Delivery</i>	27,175,466	18,251,145	1,819,232	7,623,140	1,490,393	916,286	57,275,662	226,660	121,410	348,070	818,913		30,500		58,473,145	
Total Expenditures	86,890,714	58,504,348	6,668,432	22,462,882	4,211,027	2,551,454	181,288,859	16,472,533	8,085,560	24,558,093	3,032,753		314,983	449,944		209,644,633
Net Income	(8,072,911)	(4,253,839)	(566,399)	(2,104,738)	(898,334)	(728,162)	(16,624,385)	(7,653,692)	(1,887,392)	(9,541,084)	(524,198)		235,017	45,540	96,000	(26,313,110)
Ending Net Assets	2,006,445	3,495,423	200,000	234,953	392,876	(364,083)	5,965,612	4,870,348	4,038,965	8,909,313	81,504	-	545,395	148,427	10,248,208	25,908,459
less:Renewables Dedicated								(1,515,337)	(300,000)	(1,815,337)						
Renewables funds yet to be dedicated for future periods								3,355,011	3,738,965	7,093,976						

Energy Trust of Oregon
2021 Budget OPUC Administrative Cost Performance Measure

	2021 Draft budget			2020 Approved budget		
	Total	Program	Administrative and Program Support	Total	Program	Administrative and Program Support
Incentives	114,195,019	114,195,019	-	111,909,140	111,909,140	-
Program Delivery Contractors	57,623,732	57,623,732	-	57,409,844	57,409,844	-
Employee Salaries & Fringe Benefits	16,368,909	7,935,312	8,433,597	15,053,097	7,404,773	7,648,324
Agency Contractor Services	2,356,887	1,385,986	970,901	1,712,145	858,794	853,351
Planning and Evaluation Services	2,740,081	2,713,531	26,550	3,496,829	3,383,151	113,679
Advertising and Marketing Services	3,381,382	2,204,599	1,176,782	3,292,672	2,202,344	1,090,328
Other Professional Services	6,253,153	5,421,572	831,580	5,819,442	4,621,780	1,197,662
Travel, Meetings, Trainings & Conferences	242,204		242,204	554,101		554,101
Dues, Licenses and Fees	267,957		267,957	237,100		237,100
Software and Hardware	807,708		807,708	625,561		625,561
Depreciation & Amortization	264,562		264,562	263,186		263,186
Office Rent and Equipment	1,193,749		1,193,749	1,093,864		1,093,864
Materials Postage and Telephone	146,284		146,284	148,922		148,922
Miscellaneous Expenses	5,325		5,325	5,193		5,193
Expenditures	205,846,952	191,479,751	14,367,201	201,621,095	187,789,824	13,831,271
Revenue from Utilities			179,681,483			177,369,785
Program Support and Administrative Cost as Percent of Revenue from OPUC Utilities			8.00%			7.80%
Program Support and Administrative cost as Percent Change versus Last Year			3.87%			
Maximum Allowed as % of Revenue			14,374,519			
Margin			7,318			
Maximum Allowed as % over Last Year budget			15,214,398			
Margin			847,197			

Energy Trust of Oregon
Budget Summary by Funding Source

All Funding Sources

Expenditures Detail	OPUC Efficiency	OPUC Renewables	Washington	Community Solar	PGE Storage	Programs
Incentives	96,349,198	17,845,821	1,604,278		300,000	116,099,298
Program Delivery Contractors	57,275,662	348,070	818,913		30,500	58,473,145
Employee Salaries & Fringe Benefits	13,686,056	2,682,853	387,486	237,875	51,832	17,046,103
Agency Contractor Services	2,161,583	195,304	21,844	2,570	1,624	2,382,925
Planning and Evaluation Services	2,638,193	101,888	22,907	41	58	2,763,087
Advertising and Marketing Services	2,938,163	443,219	17,345	1,801	14,572	3,415,099
Other Professional Services	4,072,898	2,180,255	69,917	37,454	39,859	6,400,383
Travel, Meetings, Trainings & Conferences	198,549	43,655	9,979	1,952	268	254,403
Dues, Licenses and Fees	210,502	57,455	33,607	126	152	301,842
Software and Hardware	409,769	397,939	10,364	5,822	4,909	828,803
Depreciation & Amortization	227,142	37,420	5,892	3,953	887	275,295
Office Rent and Equipment	989,312	204,437	27,306	21,598	4,846	1,247,500
Materials Postage and Telephone	127,294	18,990	2,812	1,735	419	151,250
Miscellaneous Expenses	4,538	787	102	56	17	5,500
Expenditures	181,288,859	24,558,093	3,032,753	314,983	449,944	209,644,632
<i>Expenditure break down by function:</i>						
Program Costs	172,292,590	23,339,408	2,882,193	299,353	427,616	199,241,160
Communications and Outreach	3,784,364	512,651	63,334	6,575	9,392	4,376,317
Management & General	5,211,905	706,034	87,225	9,056	12,936	6,027,155
Total Administrative	8,996,269	1,218,685	150,560	15,631	22,328	10,403,472
Expenditures	181,288,859	24,558,093	3,032,753	314,983	449,944	209,644,632

Energy Savings and Generation Detail

Efficiency electric kWh savings	363,809,589				363,809,589
Efficiency gas therms savings	6,089,465		276,557		6,366,022
Renewables electric kWh generation		30,717,800			30,717,800

Energy Trust of Oregon
Budget Detail by Funding Source and Program

All Programs

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency	Solar	Other Renewables	OPUC Renewables	Washington
Incentives	10,205,967	32,808,034		25,822,792		27,512,406		96,349,198	11,142,950	6,702,871	17,845,821	1,604,278
Program Delivery Contractors	5,806,959	18,137,976	4,117,356	10,271,941	70,137	13,303,693	5,567,600	57,275,662	348,070		348,070	818,913
Employee Salaries & Fringe Benefits	1,440,198	4,272,397	158,458	3,325,164	10,994	4,269,741	209,104	13,686,056	1,727,222	955,632	2,682,853	387,486
Agency Contractor Services	150,685	873,619	13,721	553,989	664	550,620	18,285	2,161,583	152,233	43,071	195,304	21,844
Planning and Evaluation Services	523,834	780,014	5,762	508,115	2,455	811,689	6,323	2,638,193	44,502	57,386	101,888	22,907
Advertising and Marketing Services	216,382	852,233	24,921	644,214	494	1,166,263	33,656	2,938,163	330,433	112,786	443,219	17,345
Other Professional Services	203,942	1,262,242	17,687	1,071,661	801	1,492,960	23,605	4,072,898	1,337,052	843,203	2,180,255	69,917
Travel, Meetings, Trainings & Conferences	17,775	67,001	2,561	45,356	114	62,322	3,420	198,549	22,449	21,206	43,655	9,979
Dues, Licenses and Fees	20,006	107,005	2,416	32,818	492	44,778	2,987	210,502	21,407	36,048	57,455	33,607
Software and Hardware	47,355	123,674	2,841	91,531	56	140,476	3,836	409,769	377,600	20,339	397,939	10,364
Depreciation & Amortization	24,834	70,059	1,911	53,764	38	73,955	2,580	227,142	24,473	12,947	37,420	5,892
Office Rent and Equipment	96,588	316,792	10,439	259,526	207	291,661	14,098	989,312	133,704	70,733	204,437	27,306
Materials Postage and Telephone	11,180	43,428	1,168	36,742	23	33,176	1,577	127,294	11,993	6,997	18,990	2,812
Miscellaneous Expenses	455	1,474	77	1,135	2	1,291	104	4,538	510	277	787	102
Expenditures	18,766,161	59,715,948	4,359,318	42,718,746	86,477	49,755,033	5,887,175	181,288,859	15,674,598	8,883,496	24,558,093	3,032,753
<i>Expenditure break down by function:</i>												
Program Costs	17,834,910	56,752,607	4,142,992	40,598,873	82,186	47,285,992	5,595,030	172,292,590	14,896,752	8,442,656	23,339,408	2,882,193
Communications and Outreach	391,739	1,246,557	91,000	891,744	1,805	1,038,625	122,893	3,784,364	327,208	185,443	512,651	63,334
Management & General	539,512	1,716,784	125,327	1,228,129	2,486	1,430,416	169,251	5,211,905	450,638	255,396	706,034	87,225
Total Administrative	931,251	2,963,341	216,327	2,119,873	4,291	2,469,041	292,145	8,996,269	777,846	440,839	1,218,685	150,560
Expenditures	18,766,161	59,715,948	4,359,318	42,718,746	86,477	49,755,033	5,887,175	181,288,859	15,674,598	8,883,496	24,558,093	3,032,753

Energy Savings and Generation Detail

Efficiency electric kWh savings	41,166,411	109,023,388	10,399,136	131,182,967	5,872,505	47,779,665	18,385,516	363,809,589				
Efficiency gas therms savings	388,593	2,208,062	609	1,346,781	-	2,143,280	2,140	6,089,465	26,362,800	4,355,000	30,717,800	276,557
Renewables electric kWh generation												

Energy Trust of Oregon
Budget Detail by Funding Source and Program

PGE

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency	Solar	Other Renewables	OPUC Renewables
Incentives	6,130,323	16,034,507		13,346,041		11,082,906		46,593,777	7,262,950	4,829,784	12,092,734
Program Delivery Contractors	3,505,813	9,089,000	2,121,602	4,951,148	33,574	5,057,935	2,416,394	27,175,466	226,660		226,660
Employee Salaries & Fringe Benefits	865,802	2,126,325	81,650	1,685,382	5,262	1,687,225	90,753	6,542,399	1,125,767	672,999	1,798,766
Agency Contractor Services	90,593	428,155	7,070	280,781	318	217,568	7,936	1,032,420	99,222	30,333	129,555
Planning and Evaluation Services	298,694	376,960	2,969	249,460	1,175	311,508	2,744	1,243,510	29,005	40,414	69,419
Advertising and Marketing Services	130,072	415,565	12,841	326,521	237	464,995	14,607	1,364,838	215,370	76,273	291,643
Other Professional Services	122,613	617,579	9,113	552,258	383	589,870	10,245	1,902,061	871,463	493,668	1,365,130
Travel, Meetings, Trainings & Conferences	10,684	32,947	1,320	22,989	54	24,628	1,484	94,107	14,632	12,983	27,615
Dues, Licenses and Fees	11,540	52,639	1,217	16,203	231	18,089	1,299	101,217	13,953	21,411	35,364
Software and Hardware	28,473	61,882	1,464	46,392	27	55,506	1,665	195,408	246,112	14,324	260,436
Depreciation & Amortization	14,931	34,939	985	27,250	18	29,223	1,120	108,465	15,951	9,118	25,069
Office Rent and Equipment	58,063	157,194	5,379	131,542	99	115,255	6,119	473,651	87,145	49,814	136,959
Materials Postage and Telephone	6,721	21,474	602	18,622	11	13,110	684	61,225	7,817	4,841	12,657
Miscellaneous Expenses	273	725	40	575	1	510	45	2,170	333	195	528
Expenditures	11,274,594	29,449,889	2,246,252	21,655,165	41,391	19,668,327	2,555,095		10,216,379	6,256,154	16,472,533
<i>Expenditure break down by function:</i>											
Program Costs	10,715,104	28,004,056	2,134,784	20,580,551	39,337	18,692,307	2,428,302	82,594,441	9,709,396	5,945,695	15,655,091
Communications and Outreach	235,355	608,203	46,890	452,047	864	410,572	53,337	1,807,267	213,267	130,597	343,865
Management & General	324,135	837,630	64,578	622,568	1,190	565,448	73,457	2,489,006	293,716	179,861	473,578
Total Administrative	559,490	1,445,833	111,468	1,074,615	2,054	976,020	126,794	4,296,274	506,984	310,459	817,443
Expenditures	11,274,594	29,449,889	2,246,252	21,655,165	41,391	19,668,327	2,555,095	86,890,714	10,216,379	6,256,154	16,472,533
Energy Savings and Generation Detail											
Efficiency electric kWh savings	25,014,314	66,397,356	5,927,508	74,144,059	3,347,328	19,637,106	10,479,744	204,947,415			
Efficiency gas therms savings	-	-	-	-	-	-	-	-			
Renewables electric kWh generation									15,746,400	4,324,000	20,070,400

Energy Trust of Oregon
Budget Detail by Funding Source and Program

Pacific Power

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency	Solar	Other Renewables	OPUC Renewables
Incentives	3,142,089	9,272,212		10,561,291		8,351,130		31,326,722	3,880,000	1,873,087	5,753,087
Program Delivery Contractors	1,804,532	4,813,502	1,574,335	4,115,164	23,755	4,113,172	1,806,685	18,251,145	121,410		121,410
Employee Salaries & Fringe Benefits	444,990	1,185,559	60,588	1,352,608	3,723	1,304,070	67,854	4,419,393	601,454	282,633	884,087
Agency Contractor Services	46,561	241,223	5,246	225,342	225	168,160	5,934	692,691	53,011	12,738	65,749
Planning and Evaluation Services	159,518	223,966	2,203	208,205	832	254,767	2,052	851,541	15,496	16,972	32,469
Advertising and Marketing Services	66,852	234,937	9,529	262,050	167	356,486	10,921	940,943	115,064	36,512	151,576
Other Professional Services	63,019	348,342	6,763	443,216	271	455,915	7,660	1,325,186	465,589	349,535	815,124
Travel, Meetings, Trainings & Conferences	5,491	18,520	979	18,450	39	19,035	1,110	63,624	7,817	8,223	16,041
Dues, Licenses and Fees	5,931	29,545	903	13,004	163	13,981	971	64,498	7,454	14,637	22,092
Software and Hardware	14,634	34,378	1,086	37,232	19	42,901	1,245	131,495	131,488	6,015	137,503
Depreciation & Amortization	7,674	19,454	731	21,870	13	22,586	837	73,165	8,522	3,829	12,351
Office Rent and Equipment	29,842	87,823	3,992	105,569	70	89,081	4,575	320,952	46,558	20,920	67,478
Materials Postage and Telephone	3,454	12,026	447	14,946	8	10,133	512	41,524	4,176	2,156	6,332
Miscellaneous Expenses	140	408	30	462	1	394	34	1,468	178	82	260
Expenditures	5,794,728	16,521,893	1,666,832	17,379,408	29,285	15,201,812	1,910,389	58,504,348	5,458,218	2,627,342	8,085,560
<i>Expenditure break down by function:</i>											
Program Costs	5,507,171	15,704,828	1,584,117	16,516,974	27,832	14,447,438	1,815,588	55,603,948	5,187,356	2,496,961	7,684,317
Communications and Outreach	120,964	343,706	34,795	362,791	611	317,334	39,879	1,220,080	113,941	54,846	168,786
Management & General	166,594	473,359	47,920	499,644	842	437,040	54,922	1,680,320	156,921	75,535	232,456
Total Administrative	287,557	817,065	82,715	862,435	1,453	754,374	94,801	2,900,400	270,862	130,381	401,243
Expenditures	5,794,728	16,521,893	1,666,832	17,379,408	29,285	15,201,812	1,910,389	58,504,348	5,458,218	2,627,342	8,085,560
Energy Savings and Generation Detail											
Efficiency electric kWh savings	16,152,097	42,626,033	4,471,628	57,038,908	2,525,178	28,142,559	7,905,772	158,862,175			
Efficiency gas therms savings	-	-	-	-	-	-	-	-			
Renewables electric kWh generation									10,616,400	31,000	10,647,400

Energy Trust of Oregon
Budget Detail by Funding Source and Program

NWN - Industrial

Expenditures Detail	New Buildings	Existing Buildings with MF	Industry and Agriculture	OPUC Efficiency
Incentives	73,216	2,464,612	1,321,445	3,859,273
Program Delivery Contractors	6,800	900,700	911,732	1,819,232
Employee Salaries & Fringe Benefits	7,226	269,346	205,477	482,049
Agency Contractor Services	756	59,326	34,249	94,331
Planning and Evaluation Services	3,508	51,343	36,098	90,949
Advertising and Marketing Services	1,087	59,225	39,812	100,123
Other Professional Services	1,022	86,382	54,512	141,916
Travel, Meetings, Trainings & Conferences	89	4,479	2,802	7,371
Dues, Licenses and Fees	142	7,043	2,584	9,769
Software and Hardware	237	7,585	5,658	13,480
Depreciation & Amortization	124	4,371	3,323	7,818
Office Rent and Equipment	485	20,272	16,038	36,795
Materials Postage and Telephone	56	2,827	2,271	5,155
Miscellaneous Expenses	2	98	70	171
Expenditures	94,750	3,937,611	2,636,070	6,668,432
<i>Expenditure break down by function:</i>				
Program Costs	90,048	3,732,225	2,505,258	6,327,531
Communications and Outreach	1,978	86,398	55,027	143,403
Management & General	2,724	118,989	75,785	197,497
Total Administrative	4,702	205,386	130,812	340,900
Expenditures	94,750	3,937,611	2,636,070	6,668,432

Energy Savings and Generation Detail

Efficiency electric kWh savings	-	-	-	-
Efficiency gas therms savings	13,513	673,028	999,632	1,686,173
Renewables electric kWh generation				

Energy Trust of Oregon
Budget Detail by Funding Source and Program

NWN

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency
Incentives	699,499	3,336,805		389,193		6,807,830		11,233,328
Program Delivery Contractors	398,244	2,209,300	306,783	200,885	9,315	3,497,826	1,000,786	7,623,140
Employee Salaries & Fringe Benefits	99,386	459,874	11,808	54,294	1,460	1,079,651	37,587	1,744,060
Agency Contractor Services	10,392	95,765	1,022	9,050	88	139,252	3,287	258,856
Planning and Evaluation Services	51,049	84,932	429	9,538	326	212,851	1,137	360,263
Advertising and Marketing Services	14,944	93,971	1,857	10,520	66	292,102	6,050	419,509
Other Professional Services	14,063	138,636	1,318	14,404	106	377,641	4,243	550,411
Travel, Meetings, Trainings & Conferences	1,229	7,316	191	740	15	15,757	615	25,863
Dues, Licenses and Fees	1,947	11,802	215	683	71	10,733	533	25,985
Software and Hardware	3,262	13,226	212	1,495	7	35,528	690	54,420
Depreciation & Amortization	1,712	7,522	142	878	5	18,703	464	29,426
Office Rent and Equipment	6,669	34,221	778	4,238	28	73,747	2,534	122,214
Materials Postage and Telephone	772	4,711	87	600	3	8,389	283	14,845
Miscellaneous Expenses	31	161	6	19	0	326	19	562
Expenditures	1,303,199	6,498,244	324,848	696,536	11,492	12,570,336	1,058,227	22,462,882
<i>Expenditure break down by function:</i>								
Program Costs	1,238,529	6,171,715	308,728	661,971	10,922	11,946,547	1,005,713	21,344,125
Communications and Outreach	27,204	137,357	6,781	14,540	240	262,403	22,090	470,616
Management & General	37,466	189,172	9,339	20,025	330	361,387	30,423	648,142
Total Administrative	64,670	326,529	16,120	34,565	570	623,790	52,513	1,118,757
Expenditures	1,303,199	6,498,244	324,848	696,536	11,492	12,570,336	1,058,227	22,462,882

Energy Savings and Generation Detail

Efficiency electric kWh savings	-	-	-	-	-	-	-	-
Efficiency gas therms savings	293,566	1,085,567	443	255,221	-	1,768,319	1,558	3,404,674
Renewables electric kWh generation								

Energy Trust of Oregon
Budget Detail by Funding Source and Program

Cascade Natural Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency
Incentives	114,044	1,060,433		166,052		749,720		2,090,249
Program Delivery Contractors	64,928	701,901	69,245	77,028	1,164	342,828	233,297	1,490,393
Employee Salaries & Fringe Benefits	16,162	144,105	2,665	22,366	183	113,994	8,762	308,237
Agency Contractor Services	1,690	30,678	231	3,728	11	14,703	766	51,807
Planning and Evaluation Services	7,846	26,714	97	3,929	41	18,673	265	57,565
Advertising and Marketing Services	2,430	30,312	419	4,334	8	30,208	1,410	69,121
Other Professional Services	2,287	44,515	297	5,934	13	39,873	989	93,908
Travel, Meetings, Trainings & Conferences	200	2,333	43	305	2	1,664	143	4,690
Dues, Licenses and Fees	317	3,725	49	281	9	1,133	124	5,638
Software and Hardware	530	4,111	48	616	1	3,751	161	9,218
Depreciation & Amortization	278	2,350	32	362	1	1,975	108	5,106
Office Rent and Equipment	1,084	10,771	176	1,746	3	7,786	591	22,157
Materials Postage and Telephone	126	1,490	20	247	0	886	66	2,835
Miscellaneous Expenses	5	51	1	8	0	34	4	104
Expenditures	211,929	2,063,490	73,322	286,935	1,436	1,327,228	246,687	4,211,027
<i>Expenditure break down by function:</i>								
Program Costs	201,412	1,958,245	69,684	272,696	1,365	1,261,366	234,446	3,999,214
Communications and Outreach	4,424	44,272	1,531	5,990	30	27,706	5,150	89,101
Management & General	6,093	60,972	2,108	8,249	41	38,157	7,092	122,712
Total Administrative	10,517	105,245	3,639	14,239	71	65,862	12,242	211,814
Expenditures	211,929	2,063,490	73,322	286,935	1,436	1,327,228	246,687	4,211,027

Energy Savings and Generation Detail

Efficiency electric kWh savings	-	-	-	-	-	-	-	-
Efficiency gas therms savings	50,711	266,410	113	68,409	-	174,773	397	560,813
Renewables electric kWh generation								

Energy Trust of Oregon
Budget Detail by Funding Source and Program

Avista Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency
Incentives	46,796	639,465		38,770		520,819		1,245,850
Program Delivery Contractors	26,642	423,572	45,391	15,983	2,329	291,931	110,438	916,286
Employee Salaries & Fringe Benefits	6,632	87,188	1,747	5,038	365	84,800	4,148	189,918
Agency Contractor Services	693	18,471	151	840	22	10,937	363	31,478
Planning and Evaluation Services	3,220	16,099	64	885	82	13,891	125	34,365
Advertising and Marketing Services	997	18,223	275	976	16	22,472	668	43,627
Other Professional Services	938	26,789	195	1,337	27	29,662	468	59,415
Travel, Meetings, Trainings & Conferences	82	1,406	28	69	4	1,238	68	2,894
Dues, Licenses and Fees	130	2,250	32	63	18	843	59	3,395
Software and Hardware	218	2,492	31	139	2	2,791	76	5,748
Depreciation & Amortization	114	1,423	21	81	1	1,469	51	3,161
Office Rent and Equipment	445	6,510	115	393	7	5,792	280	13,543
Materials Postage and Telephone	51	900	13	56	1	659	31	1,711
Miscellaneous Expenses	2	31	1	2	0	26	2	63
Expenditures	86,961	1,244,820	48,064	64,630	2,873	987,329	116,777	2,551,454
<i>Expenditure break down by function:</i>								
Program Costs	82,646	1,181,537	45,679	61,423	2,730	938,333	110,982	2,423,331
Communications and Outreach	1,815	26,621	1,003	1,349	60	20,610	2,438	53,896
Management & General	2,500	36,662	1,382	1,858	83	28,385	3,357	74,227
Total Administrative	4,315	63,283	2,385	3,207	143	48,995	5,795	128,123
Expenditures	86,961	1,244,820	48,064	64,630	2,873	987,329	116,777	2,551,454

Energy Savings and Generation Detail

Efficiency electric kWh savings	-	-	-	-	-	-	-	-
Efficiency gas therms savings	30,803	183,057	53	23,520	-	200,188	185	437,805
Renewables electric kWh generation								

Energy Trust of Oregon
 Budget Detail by Funding Source and Program

NWN Washington

	Washington
Expenditures Detail	
Incentives	1,604,278
Program Delivery Contractors	818,913
Employee Salaries & Fringe Benefits	387,486
Agency Contractor Services	21,844
Planning and Evaluation Services	22,907
Advertising and Marketing Services	17,345
Other Professional Services	69,917
Travel, Meetings, Trainings & Conferences	9,979
Dues, Licenses and Fees	33,607
Software and Hardware	10,364
Depreciation & Amortization	5,892
Office Rent and Equipment	27,306
Materials Postage and Telephone	2,812
Miscellaneous Expenses	102
Expenditures	3,032,753
<i>Expenditure break down by function:</i>	
Program Costs	2,882,193
Communications and Outreach	63,334
Management & General	87,225
Total Administrative	150,560
Expenditures	3,032,753

Energy Savings and Generation Detail

Efficiency electric kWh savings	
Efficiency gas therms savings	
Renewables electric kWh generation	276,557

Capital Expenditure Budget

Description	Useful Lives / Depreciation Policy	2021	2022
Information Systems			
Servers and Storage	3 years	63,000	
Leashold Improvements			
none			
TOTAL CAPITAL PURCHASES		63,000	-

Executive Summary

Energy Trust's 2021-2022 Action Plan highlights strategies and activities for all programs, program support groups and general management. In each action plan, we highlight the program's or function's strategic focus in relation to 2021 organizational goals. We also provide relevant context, key activities and summary expenditures with savings and generation goals, where applicable.

2021 Goal Alignment

Three 2021 goals were established early in the organization's annual business planning process. To draft the goals, staff looked to Energy Trust's draft 2020-2024 strategic plan and identified what would be most important to accomplish in the plan's second year to fully realize the plan by 2024. Oregon Public Utility Commission staff reviewed and provided input on the draft goals. The resulting three 2021 goals provide detail specifying where Energy Trust will focus efforts.

1 Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic.

We will meet 2021 targets of 41.5 aMW and 6.4 million therms of savings and 3.51 aMW of generation while creating opportunities for future savings and generation with a focus on:

- Continuing to adapt program design to respond to market changes resulting from the recovery related to the COVID-19 pandemic.
- Meeting the OPUC metrics for cost-effectiveness, diversity, customer service and innovation.
- Targeting savings and generation within specific communities when and where they have the greatest value to the utility grid.

2 Invest in relationships and collaborations with other entities to meet common needs and future objectives.

Energy Trust will focus resources on working with utilities, agencies, communities, and business- and community-based organizations on joint initiatives that help each entity accomplish its purpose with a focus on:

- Collaborating with workforce organizations to enhance the diversity of our Trade Ally Network.
- Resolving funding uncertainties to enable continued delivery of clean energy programs and benefits and identifying other funding sources for complementary initiatives.
- Connecting our programs to community planning, housing affordability, economic recovery, resiliency and greenhouse gas reduction efforts.
- Collaborating with the Portland Clean Energy Fund and prospective grantees.
- Working with the OPUC and state agencies to support implementation of the state's energy- and climate-related policies.
- Working with mid-stream market actors to retain our ability to deliver affordable, clean energy at volume.

3 Enhance operating processes and internal culture to efficiently respond to change.

Energy Trust will enhance operating efficiency through process improvements and continued investment in innovation that results in a flexible workforce and work environment with a focus on:

- Enhancing employee development and growth with an emphasis on intercultural awareness and inclusion.
- Improving the efficiency of our budget process.
- Continuing policy development and technology adoption to support remote work arrangements and social distancing for staff.
- Learning from experience and adapting our organizational structure to support progress in the focus areas identified in the strategic plan.
- Furthering our efforts to foster and promote innovation.
- Accelerating our use of digital platforms and increased process automation to enhance our customer and contractor experience through increased efficiency.

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General Management

The general management group represents the executive, legal, financial, human resources, project management and facility operations functions at Energy Trust, along with board relations and organizational development. It provides leadership to support Energy Trust's strategic goals and operations.

Context

Several significant challenges, uncertainties and opportunities are expected in 2021. The effects and uncertainties related to COVID-19, the increasing focus on and awareness of racial inequities and continued changes in the clean energy industry will require Energy Trust to be even more flexible, adaptable and nimble. The management strategies identified in this action plan are designed to ensure Energy Trust remains responsive and successful in this dynamic environment.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Ensure support for and alignment with savings and generation goals by engaging the Oregon Public Utility Commission, utilities and stakeholders.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Develop a standardized set of equity metrics for the clean energy industry by working with multiple organizations across the country.
 - Create a pipeline of diverse clean energy professionals by working with various work study, internship and job placement programs.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Ensure the board is fully equipped to lead the organization in a changing environment by continuing to enact recommendations from a 2019 assessment of the organization's board related to its structure, culture and processes.
 - Nurture and accelerate the development of innovative ideas by continuing to test and refine tools and approaches.
 - Develop a three-year planning process that better engages customers, communities and stakeholders to guide the development of our annual budgets.

2021 Key Activities

- Provide support to the board of directors that enables it to perform its fiduciary responsibilities. This includes supporting the implementation of various changes to the board's structure and processes and responding to requests for information from the board and its committees.
- Review, draft and negotiate contracts that support organizational goals, manage the organization's legal risks and ensure efficient and effective operations. In 2021, significant time and focus will be on contracts for tools and services arising out of the new programs' structures for commercial, multifamily and business lighting programs.
- Manage and research competitive purchasing from local diverse and environmentally friendly vendors for office supplies, furniture, office enhancements, food vendors and customer service while reducing costs on all purchasing.
- Provide project management support for 20 projects across the organization, including projects focused on increasing diversity, equity and inclusion of program offers.
- Modify and maintain office support to provide a safe and efficient environment for staff to perform, whether in the office or remote.
- Oversee the management and mentoring of interns from De La Salle North Catholic High School to expose students of color to the clean energy industry.
- Ensure people of color are included in the development of significant activities and on key committees and project teams by recruiting external resources as needed.
- Enhance innovation capabilities by nurturing early development of promising ideas and accelerating pursuit of new opportunities in a dynamic environment.
- Adopt decision-making tools and best practices, providing staff with clearer authority and autonomy to address the needs of internal and external customers.
- Create and test a new approach to developing three-year business plans that better engages customers, communities and stakeholders and guides the development of Energy Trust's annual budgets.
- Create a diversity, equity and inclusion employee retention strategy to improve the retention rate and support Energy Trust in becoming a more inclusive and innovative environment.
- Enhance the organization's ability to pursue and manage new sources of funding.

2022 Expected Changes

- A new, three-year planning process will be established to support the development of Energy Trust's annual budgets.
- Staff who identify as Black, Indigenous or other persons of color will be more supported through the development and implementation of a diversity, equity and inclusion (DEI) employee retention action plan.
- Energy Trust will continue its operational support for staff working at the office or remotely to conduct its business effectively and efficiently in both situations.
- Staff will better understand the roles and responsibilities related to internal decision-making and how to explore and develop new ideas.

Budgeted Expenditures

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$5.0	\$5.8	\$6.0

*Expenditure detail is provided under budget details tab in the budget binder.

Diversity, Equity and Inclusion

Energy Trust's strategic goals recognizes our diverse pool of customers and the obligation to ensure all customers benefit equitably from services and investments. This action plan provides a summary of activities to support organization-wide efforts to promote diversity, equity and inclusion. The information and budget figures provided below are not a comprehensive accounting of all diversity, equity and inclusion activities or investments. Program and support group activities implemented throughout the organization are integrated into program and support group action plans and are not called out separately in this budget.

Context

The coming year will be another significant year for Energy Trust's diversity, equity and inclusion activities. At the end of 2020, Energy Trust measures its progress to the goals set in its initial Diversity, Equity and Inclusion Operations Plan, which launched in 2018. In early 2021, staff will start on the next iteration of the plan and goals to address and enhance work in diversity, equity and inclusion through all parts of the organization.

Energy Trust is focused on bringing more voices and perspectives into the organization through its board, staff, especially in senior leadership, and external council members. Energy Trust's human resources group and Director of Human Resources is supporting the organization with strategies to recruit, hire and retain more diverse staff members. Energy Trust DEI Lead continues to bring expertise and passion for advancing diversity, equity and inclusion to Energy Trust and to the larger energy efficiency and renewable energy industries by leading Energy Trust's internal Diversity, Equity and Inclusion Committee and serving as staff liaison to the Diversity Advisory Council. The DEI Lead will also work on Energy Trust's community outreach efforts to communities of color, rural communities and low-income communities. In 2021, Energy Trust will undertake development of a supplier diversity program to increase the number of minority-, women-and veteran-owned businesses contracting with Energy Trust and its Program Management Contractors and Program Delivery Contractors.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Support energy efficiency and renewable energy program design to expand participation, informed by Diversity Advisory Council, DEI Lead and community outreach.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Work closely with the Diversity Advisory Council and individual Diversity Advisory Council members to understand and support community needs.
 - Build on relationships in communities through outreach and events aimed especially at communities of color, rural communities and low-income communities.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Build a supplier diversity program to track and monitor Energy Trust spending with minority-, women- and veteran-owned companies.
 - Create ongoing learning opportunities for deeper understanding by staff and board members on diversity, equity and inclusion, including cultural events and learnings around history, systemic racism, microaggression, organizational inclusion through ongoing Diversity Days.

2021 Key Activities

- Continue to connect the Diversity Advisory Council with the internal Diversity, Equity and Inclusion Committee and the Energy Trust Board to work collaboratively on the top 10 agenda items derived from the March 2020 Diversity Advisory Council retreat.
- Continue to execute diversity, equity and inclusion initiatives through our Diversity, Equity and Inclusion Committee while building on partnerships with Energy Trust's utility funders and the OPUC to pool resources for outreach events and related activities.
- Advance use of Energy Trust's Diversity, Equity and Inclusion Lens more extensively across Energy Trust including, but not limited to for contracting decisions with Minority, Women-Owned, Emerging Small Business and Service Disable Veterans (MWESB/SDV) firms and community-based organizations, for decisions making and for project planning. Engage Diversity, Equity and Inclusion Committee for feedback and to implement continuous improvements on its use.
- Collaborate with human resources staff, the Diversity, Equity and Inclusion Committee and funding utilities and other industry organizations to build an onboarding plan of action for employees of color. This should include organizational and individual cultural responsiveness training to ensure Energy Trust has a supportive culture where people of different backgrounds feel welcomed.
- Engage the Diversity, Equity and Inclusion Committee to help new Program Management Contractors and Program Delivery Contractors—along with any community-based organizations that would be contracted to assist—in achieving their MWESB/SDV trade ally goals. Community-based organization could also help in collecting data and analyzing methods to identify demographics of customers served.
- Collaborate with Program Management and Delivery Contractors and the legal/contracts and finance groups to create a supplier diversity tracking system to monitor, track and report on Energy Trust's MWESB/SDV and community-based organization contracting activities.
- Continue developing Diversity First Thursday as a fun and interactive activity for Energy Trust staff to glean diversity, equity and inclusion information.

2022 Expected Changes

- As the Diversity, Equity and Inclusion Operations Plan goals are measured at the end of 2021, staff expects to set new diversity, equity and inclusion activities and goals in 2022, informed by the Diversity, Equity and Inclusion Committee, the Diversity Advisory Council and the diversity lead staff member.
- First Thursday is Diversity Day and will continue to be used as a catalyst for personal development and cultural responsiveness and will be a focus for staff.

Budgeted Expenditures

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)— DEI action plan activities only	\$0.49	\$0.25	\$0.27
Estimated Expenditures (millions)— Organization-wide activities, delivery and incentives associated with DEI goals*	Not tracked	\$28.5	\$28.8

*This is a conservative estimate of total expenditures in programs, support groups and general management associated with organization-wide efforts to expand participation of underserved customers and minority- and women-owned contractors and accomplish other DEI Operations Plan Goals. The estimate is provided here for reference only. The activities and expenditures are embedded in program, support group and general management action plans and associated budgets.

General Communications and Outreach

The communications and customer service (CCS) group engages customers, stakeholders, communities and the public through communications, outreach, public relations, advertising, education, online resources, social media and results reporting.

The general communications and outreach budget provides staff and resources to support customer access to information and cash incentives; create and strengthen awareness of Energy Trust and the value of energy efficiency and renewable energy; expand the organization's reach to new customers and stakeholders; serve as a resource for policymakers and implementers; and support organizational transparency and accountability.

The community services budget provides staff and resources to support working with community-based organizations and municipalities to expand customer participation in energy efficiency and renewable energy programs. Community services resources and grants will be specifically focused on increasing engagement with communities of color, rural communities and low-income customers. This is a developing area of focus within CCS in 2021 that is expected to become a new community-focused program in future years.

Context

The COVID-19 pandemic will continue to impact customers in 2021 and the severity, longevity and exact nature will vary customer to customer. Natural disaster and economic recovery and rebuilding will be a priority for communities throughout the state. This will require Energy Trust outreach and community services to continuously adapt to successfully engage customers and communities, particularly those who have been underserved.

Meanwhile, research and outreach completed in 2020 indicates low awareness of Energy Trust programs and services among Black, Indigenous and Latino customers is a barrier to engagement. More community-led clean energy efforts present additional opportunity to work with cities, counties and community-based organizations to connect with customers, while constrained government and nonprofit capacity means they will need more support to make progress. Stakeholder interest in Energy Trust's investment and impact in communities of color and rural areas will continue in 2021. Energy Trust's mission, programs, funding and data resources will also continue to be a focus for stakeholders working on public policies to relieve energy burdens on low-income customers and to ensure public benefit for historically underserved customers.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Promote awareness of Energy Trust programs and benefits among customers and stakeholders—with a focus on customers and communities of color—to help the organization achieve diversity, equity and inclusion participation goals.
 - Provide leadership on market research, strategies and tactics that inform Energy Trust outreach to market segments and increase awareness among diverse and underserved customer groups.
 - Develop and enhance online channels and web-based forms needed to cost-effectively serve customers.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Invest in long-term relationship building with community-based organizations to learn about each other and identify potential new collaborations to serve customers and achieve mutual goals.
 - Expand outreach to communities and customers of color.
 - Involve organizations representing the communities we seek to serve in the development and design of community offers and services.
 - Provide funds to organizations and municipalities to support efforts leading to future engagement in energy efficiency and renewable energy programs and benefits.
 - Continue to be an informational resource to policy makers at the state and local levels. Engage with stakeholders to better understand the value of Energy Trust information and engagement.

2021 Goals and Strategic Focus (*continued*)

Goal 3: Enhance operating processes and internal culture to efficiently respond to change

- Drive innovation online to reduce costs and better serve customers and stakeholders with targeted email marketing resources and easier online transactions using digital tools.
- Bring communications and leadership skills to ensure staff is engaged in Energy Trust culture and values and informed about key priorities and initiatives accomplishing annual goals. Support change management initiatives related to internal operations and adaptation.

2021 Key Activities

- Reconfigure CCS to expand outreach team resources for customer, community and stakeholder relations and support development of a future community-focused program; hire personnel to lead and support initiatives to engage communities of color and the organizations serving them.
- Serve as a resource for communities in their energy, sustainability and climate planning and energy efforts. Connect communities rebuilding from natural disasters to relevant program offers.
- Continue to increase engagement with communities and community-based organizations as a channel for reaching customers. Develop a small grant program to support nonprofit efforts to reach underserved customers with offers and services leveraging Energy Trust programs.
- Continue to support nonprofits applying to the City of Portland's Portland Clean Energy Community Benefits Fund, serving as a resource to help them accomplish clean energy projects inclusive of energy efficiency and renewable energy.
- Support projects to connect rural community energy planning with available energy efficiency and renewable energy offers and with community-targeted marketing efforts.
- Increase customer and stakeholder awareness of offers, services and benefits through additional advertising, public relations, outreach and sponsorships support with a focus on engaging people of color and rural customers. Create a new general marketing campaign using insights of 2020 brand audit.
- Identify opportunities to inform and support policymakers and implementers. Provide information and expertise to policy discussions and dockets related to state agencies' implementation of Governor Brown's Executive Order 20-04 to regulate greenhouse gas emissions. During the 2021 state legislative session, provide information as requested on the public purpose charge, energy efficiency and small-scale renewable energy development.
- Maintain and enhance Energy Trust's website, campaign microsites, social media presence and bulk email platform using best practices to ensure positive digital customer experiences.
- Increase accessibility to the website and digital resources by optimizing downloadable documents for customers with disabilities and increasing efforts to provide translated content for all audiences.
- Expand the use of DocuSign to deliver digital signature solutions, reduce data entry costs and delays through systems integration and support customers, contractors and vendors operating remotely or in reduced capacity.
- Deliver quarterly and annual public reports, utility reports and data analysis as requested. Explore ways to streamline reporting processes and products to increase efficiency. Communicate progress toward diversity, equity and inclusion objectives to stakeholders and the public.
- Provide general support as needed to the organization to support emerging program approaches, process innovation, utility coordination and stakeholder engagement.

2022 Expected Changes

- Continue to develop and evolve a community-focused program, learning from 2021 engagement with communities and community-based entities.

- Continue building on efforts to engage communities of color and monitor progress through research and stakeholder feedback.

Budgeted Expenditures

Total Expenditures (millions)*	2020 Budget	2021 Draft Budget	2022 Projection
Communications and Outreach	\$4.2	\$4.4	\$4.5
Community Services	\$0.0	\$0.5	\$0.5

*Expenditure detail is provided under budget details tab in the budget binder.

Existing Buildings Program

The Existing Buildings and Multifamily programs completed a competitive rebid for the PMC contract. Based on this rebid, in 2021 Existing Buildings and Multifamily will be combined under a single contract, Existing Buildings. Lighting is also in the bid process for a PDC contract that will create a combined Business Lighting offering for commercial, industrial, and multifamily lighting. These contract changes are being made to capture administrative efficiencies, better serve and reach customers, and align cross-cutting strategies.

In 2021, the Existing Buildings program will offer incentives, tools, training and technical assistance to customers who complete energy efficiency, behavioral, and operational improvements in existing commercial buildings and multifamily structures with two or more dwelling units. Incentives will be available for standard and custom projects, including capital upgrades and operations and maintenance improvements; direct installation offerings; lighting upgrades; and energy performance management offerings, including Strategic Energy Management (SEM) and Pay for Performance.

Context

COVID-19 and the aftermath of 2020 wildfires will dominate changes in market trends in 2021, shifting customer priorities due to economic impacts and required operational changes. Small to medium businesses and restaurants have shifted to take-out, delivery, or shut their doors, temporarily or permanently. Across almost all industries, customers are focused on ensuring a safe indoor environment for occupants. Buildings are addressing occupant health concerns by making permanent operational changes with filtration, outside air levels, hours of operation, and air exchanges/hour, which will impact methods for achieving and claiming savings. Unemployment will most likely reduce rental income for multifamily units, decreasing the capacity of property managers to take on upgrades. Additionally, supply chain delays for both raw materials and products will further exacerbate the ability to plan for and complete capital upgrades.

The program will continue to be challenged by cost-effectiveness due to product baseline changes as reflected in measure development and the significant technical assistance required to identify and maintain savings.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Provide additional technical support to SEM customers to stay engaged and garner savings.
 - Engage new and underserved customers.
 - Develop new calculated and standard measures and investigate new pilot opportunities.
 - Work with distributors and retailers to increase savings through midstream and buy-down channels.
 - Recalibrate incentive levels for measures as needed based on economy and other factors.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Connect with community organizations and incorporate feedback into program design.
 - Partner with organizations to expand workforce development opportunities.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Develop Performance Tracking Tool Platform to better manage the Energy Performance Management offerings.
 - Review internal processes and identify opportunities to streamline program procedures.
 - Launch new program structure to incorporate existing multifamily offerings into the Existing Buildings program.

2021 Key Activities

- Design and launch new program offerings for small businesses, and those impacted by wildfire.
- Expand trade ally outreach and development to recruit more rural and women- and minority-owned contractors.
- Promote re-tooled Pay for Performance pilot to test a new delivery and acquisition strategy.
- Work with Lane Community College to expand Building Operator Certificate offering.
- Implement concepts proposed in the RFP process to launch pilots and outreach strategies with a longer-term focus and emphasis on incorporating diverse contractor services and serving diverse communities.
- Partner with community-based organizations to reach new business and multifamily customers with a focus on communities of color, low income, and rural communities.
- Develop a financing offer for businesses to bridge the gap between incentives and customer funds.
- Explore new ways to leverage external funding sources and resources such as PropertyFit/CPACE financing, U.S. Department of Energy asset scores, and Energy Performance Reporting in Portland.
- Emphasize cross-program collaboration opportunities, such as joint offerings and targeted promotions with Residential to reach multifamily customers and coordinating with Business Lighting PDC to drive direct-install offerings in small businesses.
- Further integrate Strategic Energy Management with a streamlined point of contact for participants.
- Deepen engagements and offerings for multifamily affordable housing, including co-funding collaboration with Oregon Housing and Community Services, developing customized multifamily Strategic Energy Management offerings and continuing support of tenant education workshops through Community Energy Project.
- Collaborate with the commercial energy performance management team on the customization, user acceptance testing and launch of a performance tracking tool that will improve the SEM customer experience and streamline delivery of SEM offerings.

2022 Expected Changes

- Refine program design and expand new strategies and offerings launched in 2021.
- More cost-effectiveness challenges, particularly in direct installation offerings, boilers and foodservice measures.
- Continue to move toward more streamlined delivery mechanisms, including Midstream, that will reduce operational costs.
- Augment strategies to reach underserved customers based on 2021 research and analysis.

Budgeted Expenditures and Savings

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$62.5	\$59.7	\$56.3
Gas Savings (therms)	1,962,449	2,208,062	2,455,621
Electric Savings (aMW)	14.58	12.45	12.50

*Expenditure detail is provided under budget details tab in the budget binder.

New Buildings Program

The New Buildings program supports design and construction of high-performance commercial buildings and major renovations of all sizes and building types. Staff engage early in the design process with building owners, developers and design professionals to influence decisions that maximize efficiency through standard incentives, Market Solutions incentive packages and custom, whole-building incentives. Market Solutions incentives help businesses make quick decisions with pre-packaged options to achieve deeper energy savings over individual standard incentives. Whole-building incentives support the use of energy modeling to consider integrated design and systems to achieve efficiencies significantly above code.

Context

COVID-19 impacts on commercial new construction have resulted in fewer new enrollments and elongated construction timelines, as contractors implement social distancing and grapple with constrained skilled labor markets and tight cost margins. COVID-19 impacts will continue to be varied across the commercial building spectrum. Overall, savings in 2021 are negatively impacted by lower lighting and boiler savings from baseline changes and market delays due to COVID-19 as project timelines push to 2022 completions.

Whole Building and Market Solutions, tracks comprising about 50% of the pipeline, currently operate under an OPUC cost-effectiveness exception that expires at year-end 2021. An additional code update is pending, as the adoption of the 2020 changes was delayed due to COVID-19. This is creating uncertainty around program redesign efforts and savings impacts. Some work in the program will be redirect to technical services and deeper market engagement to keep builders engaged amid all the changes while being poised to ramp up for a recovering market. Wildfire impacts will require targeted approaches as recovery efforts become clear.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Maintain high-touch customer service during COVID-19 recovery by leveraging virtual delivery methods, enhancing online resources, and using analytics to identify new target areas.
 - Continue to support the market with more robust incentives.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Continue investment in building relationships and understanding the communities served, through community-based organizations.
 - Enhance development and implementation of Community Engagement Guidelines, being poised to help address wildfire recovery efforts.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Refine processes and automate data entry and data transfer to reduce delivery costs.
 - Create more online forms to improve customer experience and internal process.

2021 Key Activities

- Invest in outreach resources for virtual delivery and online resources to maintain high-touch customer service during COVID-19 recovery.
- Extend 2020 incentive bonuses to support markets during COVID-19 recovery, drive savings, and maintain engagement.
- Launch revised custom offerings (Whole Building and Market Solutions multifamily) with updated program methodology adjusted to the OPUC resolution on cost effectiveness.
- Develop, launch and promote new program offerings, including for lighting, in response to pending code update and changes to utility avoided cost. Enhance marketing of program offerings with regional messaging to reach rural customers.
- Increase virtual training and education with on-demand access to technical resources. Create feedback loop between online attendees and outreach team to bolster lead generation and deepen engagement. Increase engagement and momentum for high performance buildings.
- Increase marketing investment in online resources to meet virtual demand, and in data analytics to fine-tune outreach strategies with gap analysis.
- Continue to support customers in use of target-setting to address total building energy use, aligning with the 2019 code, which focuses on whole-building energy consumption and better enables market transformation.
- Develop system-level and central water heating savings strategies for low-income and affordable housing developments.
- Incubate new collaboration opportunities for partner organizations to increase commitment within the design industry toward more aggressive energy goals.
- Deliver solar as part of the design and construction of a building, leveraging the solar add-on incentive and coordinating closely with customers and solar trade allies.
- Coordinate with NEEA on complex emerging technologies including very high-efficiency dedicated outdoor air systems and emerging gas technologies.

2022 Expected Changes

- Expecting strong 2022 pipeline comprised of past enrollments delayed due to COVID-19 working their way through completion, and anticipated uptick in new enrollments as the market begins to recover, with multifamily and industrial projects leading the market.
- Resurgence of “super-saver” data centers anticipated to increase, while new public projects (K-12, higher-ed and government) could lag due to lasting effects of COVID-19, creating low bond-measure passage.
- Anticipating a second Oregon energy code update in 2021/2022. This code will be the fourth code change since 2010 and creates uncertainties with determining the next increment of cost-effective prescriptive measure savings.
- Uncertainty around custom track cost effectiveness requirements is anticipated to be resolved, with updated Whole Building and Market Solutions offerings resulting in a continuation of customer engagement and savings acquisition.

Budgeted Expenditures and Savings

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$18.8	\$18.8	\$20.0
Gas Savings (therms)	548,061	388,593	497,135
Electric Savings (aMW)	4.76	4.70	5.40

*Expenditure detail is provided under budget details tab in the budget binder.

Commercial and industrial lighting offers

Beginning in 2021, Energy Trust will deliver lighting offerings to commercial and industrial customers through a single Program Delivery Contract, a change that consolidates services previously provided through subcontracts to the commercial Program Management Contract and an industrial Program Delivery Contract. This change was made to gain program efficiencies and delivery cost savings, as well as strengthen diversity, equity and inclusion efforts.

Business lighting will have four delivery offerings:

- Midstream: Incentives provided through a lighting distributor at point of purchase
- Direct install: Select lighting and non-lighting direct install measures for small and medium businesses and multifamily
- Custom and prescriptive: Measures not included in the midstream offer
- Comprehensive lighting design: Holistic performance pathway and a basic design pathway for substantial remodels and expansions to existing buildings

Context

As the new Program Delivery Contract launches, COVID-19 and the 2020 wildfires will continue to impact businesses by reducing hours and lowering productivity through closures. Energy Trust expects to see a corresponding decrease in lighting projects. To address these challenges, Energy Trust will continue virtual delivery where possible and extend incentive bonuses introduced in 2020. Staff will focus on lighting offers that support small, medium and minority-owned businesses that have been disproportionately impacted by COVID-19. Lighting measures continue to reflect increasingly efficient baseline conditions throughout the market. Energy Trust will continue to pursue lighting measures with differential baselines for lagging markets (e.g., small and medium businesses, multifamily, rural). Lighting controls are getting more market interest and offer potential growth. However, safety practices in response to COVID-19 make it harder for trade allies to install equipment. As the cannabis market has stabilized, growers who are able to do so will continue to invest in efficient lighting. Staff expects strong cannabis participation to continue into 2021.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Continue lighting bonuses from 2020.
 - Introduce midstream offerings and expand direct install lighting offers that will help attract higher participation from small and medium businesses.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Join community efforts that can leverage business lighting bonuses, direct install and midstream offers to help business customers.
 - Expand relationships with National Association of Minority Contractors, Professional Business Development Group and LatinoBuilt to bring in more COBID eligible trade allies.
 - Continue to work with industry organizations, including OMEP, economic development organizations and utility outreach teams to build connections with smaller and more diverse customers.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Develop new lighting tools that build efficiencies for trade allies and distributors to streamline participation.

2021 Key Activities

- Provide direct install lighting offers to help meet savings goals and enhance offers to include no-cost options delivered through a larger number of trade allies.
- Introduce midstream incentives to customers, trade allies and contractors at point of purchase through participating distributors. Previously, a small suite of measures was available through distributors, and the application process was administratively burdensome.
- Replace the Performance Plus offering with a comprehensive lighting design process that will provide more direct design assistance to customers and/or their lighting designers and trade allies.
- Extend 2020 lighting incentive bonuses into 2021 in response to COVID-19 related challenges.
- Restart the Networked Lighting Control pilot—launched in 2020 and paused due to COVID-19 challenges—when trade allies can access buildings and facilities return to higher occupancy levels.
- Expand diversity, equity and inclusion efforts to serve small and medium businesses, rural areas and other underserved customer groups.
- Ensure a smooth transition for trade allies and customers to maintain and grow customer participation. Marketing and outreach efforts will prioritize change management with trade allies, distributors, customers and contractors around changes and introduction of any new tools.
- Develop and enhance marketing strategies to build market interest in new delivery models and offerings, particularly for diverse audiences.
- Develop lighting incentive changes to reflect new delivery models:
 - Some measures will be removed from downstream and added to the Midstream channel.
 - New direct installation model and offers may change the incentives paid to installers.

2022 Expected Changes

- Savings levels in the commercial and industrial lighting tracks are not expected to change significantly in 2022.
- Adjustments to new commercial and industrial lighting offerings will be made based on learnings from 2021.
- The 2022 budget holds incentives flat to allow the potential for continued bonuses and/or targeted increased incentives for underserved customers.

Budgeted Expenditures and Savings

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$22.7	\$19.6	\$19.6
Electric Savings (aMW)	13.51	10.11	10.11

*Expenditure detail is provided under budget details tab in the budget binder, included in Existing Buildings and Industry and Agriculture programs. This detail includes lighting incentives for 2020, and lighting incentives and delivery for 2021 & 2022.

Southwest Washington Commercial Program

Energy Trust provides standard and custom capital, operations and maintenance and retrocommissioning incentives for Washington State business customers on qualifying NW Natural commercial firm or interruptible rate schedules. These include upgrades and retrofits for existing buildings; energy-efficient equipment for new construction; energy-efficient equipment and retrofits at existing and new multifamily properties with two or more units; and measures for natural gas-heated production greenhouses.

Context

The robust building market coupled with ongoing construction labor shortages continue to divert commercial customers' attention away from energy efficiency projects. Tariffs are increasing costs and have led to projects being rebid leading to delays. Many projects have also been delayed because of halts to construction due to COVID-19. At the same time, the passage of Washington school bond measures has led to significant retrofit and new construction activity expected to continue for the next few years. Working with design and construction teams has allowed the program to explore custom modeled savings approaches to ensure no savings opportunities are left behind. Washington HB 1444 and HB 1257 will begin to impact Energy Trust's ability to offer certain measures including commercial fryers, dishwashers, steam cookers, and showerheads beginning in 2022. COVID-19 will dominate changes in market trends in 2021, shifting customer priorities due to economic impacts and required operational changes. Updated evaluations have resulted in greater savings per measure which has resulted in a slight increase of savings from last time we projected 2021.

Energy Trust will continue to monitor wildfire activity in Southwest Washington. Currently commercial gas customers do not appear to be in harm's way.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Influence design and construction of new school construction and major renovations.
 - Focus on building awareness and providing training to the design community, including general contractors, engineering firms and architects.
 - Update calculated and standard measures such as commercial condensing furnaces and water heaters.
 - Utilize data to inform outreach strategy to discover savings opportunities.
- ▶ **Goal 2: Provide information to policymakers, agencies and implementers**
 - Ensure NW Natural has all needed information requested by the Washington Utilities and Transportation Commission.
 - Coordinate with Energy Trust Planning to develop a two-year Conservation Potential Assessment savings goal.
- ▶ **Goal 3: Make operational improvements**
 - Assess application processes with PMC to help reduce incomplete customer information and streamline calculations of custom measures to improve operational efficiency for these offers.
 - Work to ensure faster customer incentive payments.
- ▶ **Goal 4: Enhance operating processes and internal culture to efficiently respond to change**
 - Coordinate with NW Natural and Residential PMC to develop streamlined marketing and communication strategies to ensure effective and consistent messaging to ratepayers.

2021 Key Activities

- Coordinate and manage the transition to a new Existing Buildings PMC. Based on this rebid, in 2021 Existing Buildings and Multifamily will be combined under a single contract, Existing Buildings.
- Explore efficiencies gained from the combination of Existing Buildings and Multifamily programs.
- Offer a range of standard measures, including restaurant equipment, insulation, water heaters and boilers.
- Continue to focus outreach activities on low-income housing by working with the Vancouver Housing Authority and other local agencies.
- Increase outreach and promotion of Building Operator Certification to capital improvement project teams; specifically, schools project teams.
- Expand regional involvement and cross-program collaboration in outlying rural areas, support Clark County's Green Business program activities, seek out sponsorships, training and outreach with local chambers and business organizations, and increase collaboration with the Washington Green Schools program.
- Coordinate with NW Natural on new marketing guidelines for NW Natural Washington delivery territory.
- Collaborate with Clark Public Utility District to explore co-funding of technical studies that provide electric and gas savings.
- Work with Energy Trust Planning, NW Natural and the Washington Utilities and Transportation Commission to draft a Washington Conservation Potential Assessment. Work to implement a two-year plan for 2022 and 2023; this includes adjusting the filing schedule in 2021.

2022 Expected Changes

- Washington's passage of WA HB 1444 "Concerning Appliance Efficiency Standards" and HB 1257 "Concerning Energy Efficiency" established efficiency standards for equipment such as foodservice and showerheads and are slated to take effect in 2021. As a result, some products will no longer be eligible for Energy Trust incentives. Changes will be implemented in 2022 such as discontinuation of certain restaurant equipment.
- Shift to new savings goal and budget structure for Washington utilities as defined through WUTC rule making. This structure could lead to a new savings goal-determination, contracting and budget process for Washington.

Budgeted Expenditures and Savings

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$0.9	\$1.0	\$1.0
Gas Savings (therms)	111,413	112,714	112,714

*Expenditure detail is provided under budget details tab in the budget binder.

Production Efficiency Program

Production Efficiency provides energy-efficiency solutions for all sizes and types of eligible industrial, agricultural, municipal water and wastewater customers. The 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.

Context

The Production Efficiency program is planning for challenging market conditions in the industrial and agricultural sectors in 2021. Oregon manufacturers are delaying energy efficiency projects due to concerns about the economic outlook, capital constraints, wildfire impacts and remote work. To address these challenges, the program will continue virtual delivery where possible, extend the incentive bonuses put in place in 2020 and consider additional bonuses in the custom track. Gas savings will be impacted by fewer greenhouse projects. Greenhouse owners lack bandwidth to participate because of high product demand and labor shortages resulting from COVID-19. Additionally, we do not have a large gas project in the pipeline. On the bright side, high customer interest in low/no cost measures is driving a strong SEM electric pipeline for 2021 and we anticipate high SEM savings will offset the decreased savings from capital equipment measures.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Continue Operations and Maintenance and standard track bonuses and consider other custom bonuses to spur project activity delayed by COVID-19.
 - Continue virtual delivery as needed to maintain project activity.
 - Evolve Operations and Maintenance and SEM offerings to increase uptake by better meeting customer needs.
 - Increase marketing and outreach, technical services and other support to small- to medium-sized, rural and diverse industrial and agricultural customers.
 - Continue outreach activities with industry groups, including OMEP and SOREDI to build connections with smaller manufacturers.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Expand relationships with National Association of Minority Contractors, Professional Business Development Group and LatinoBuilt to bring more COBID eligible trade allies into the program.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Develop Performance Tracking Tool Platform to better manage the SEM offering.
 - Improve internal processes and systems.

2021 Key Activities

- Continue Operations and Maintenance and standard track bonuses introduced in 2020 to maintain project activity. Consider other custom track bonuses.
- Continue virtual delivery to keep project activity moving during the COVID 19 pandemic, including initiating custom studies and remote verification where possible.
- Continue to evolve SEM offering, including improving virtual delivery and testing SEM cohorts that mix large and small customers, while addressing smaller customers barriers to participation.
- Test new Operations and Maintenance offering that streamlines program requirements and makes it easier for customers to participate.
- Rebid standard track program delivery contract in alignment with Energy Trust's Contract Execution and Oversight policy. Enhance diversity, equity and inclusion requirements to ensure we are serving all customers equitably and building capacity among a more diverse range of vendors and contractors.
- Continue to focus on engaging small- to medium-sized customer sites, in both rural and urban areas, through targeted marketing and outreach. Continue ongoing activities to connect to customers with low or no previous participation with the program.
- Collaborate with the Commercial energy performance management team on the customization, user acceptance testing and launch of a performance management tool that will improve the SEM customer experience and streamline delivery of SEM offerings.
- Continue to roll out new measures in the standard track including Self-Cleaning Wastewater Lift Pumps. Consider potential changes to the Boiler tool and Municipal Water Leak Repair offering to increase participation. Increase dehumidifier participation for cannabis projects by including new construction. Expand direct install pipe insulation to include hot water tank insulation.
- Collaborate with electric utilities to facilitate demand reduction at industrial sites.

2022 Expected Changes

- Savings levels in the custom track are not expected to change significantly in 2022.
- Savings levels in the SEM track are expected to decrease in 2022. After several years of successful SEM, we anticipate 2022 recruitment for First Year SEM to be more challenging and Continuous SEM savings to decline for participants who have been enrolled for several years.
- Savings from the standard track are projected to remain flat in 2022. There will likely be some changes to existing measures due to baseline changes, but the program will continually add new measures to make up the gap.
- The 2022 budget holds incentives flat to allow the potential for continued bonuses and/or targeted increased incentives for diverse, hard to reach customers.
- Implement results of standard track request for proposals.

Budgeted Expenditures and Savings

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$43.0	\$42.7	\$43.7
Gas Savings (therms)	1,514,698	1,346,781	1,322,366
Electric Savings (aMW)	17.1	15.0	17.8

*Expenditure detail is provided under budget details tab in the budget binder.

Residential Program

The Residential program provides electric and gas energy-efficiency solutions for customers of single-family homes, manufactured homes and newly constructed homes. The program is delivered by Program Management Contractor CLEAResult and 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 in new construction.

Context

2020 market dynamics have been largely dominated by program responses to the COVID-19 pandemic. As such, 2021 residential activities will focus on do it yourself (DIY) and lower-cost offers that are relevant to customers impacted by employment disruptions, wildfires and/or spending more time at home due to COVID-19.

HVAC bonuses and enhanced incentive pathways through community partners are increasing, while demand for market-rate heat pumps and ductless heat pumps continues to decline. Demand for central AC is growing. Retail lighting promotions will continue but lower volumes as incentives sunset at larger home improvement stores and offers focus on smaller, more rural retailers. Distributor promotions and contractor partnerships are expanding and will grow in 2021 at lower than forecast levels.

New home construction activity in Oregon is expected to slightly decline due to impacts from COVID-19; however, participation in EPS continues to be strong as builders navigate the current financial conditions and the program tracks on timing for a potential code change. Impacts of the 2020 wildfire season will be closely monitored to learn how new home construction and manufactured home replacement can help mitigate wildfire impacts.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Expand engagement with low-income agencies, community-based organizations and utilities to co-fund offerings that benefit low-income customers and funding partners.
 - Support efficiency solutions in current environment including DIY, program promotions, and trade ally delivered offers.
 - Drive diverse customer participation through local and regional engagement with tailored offers.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Expand working relationships with community-based organizations and utilities to align our services with community objectives.

2021 Key Activities

- Work with smaller and more rural retailers to drive sales of efficient lighting products to the lagging lighting market, while maintaining a presence in all current retail outlets for specialty lighting. Continue to drive increased savings from water heaters, appliances, and home-agricultural lighting technologies.
- Coordinate with Pacific Power and its contractor Bidgely to deliver digital home energy reports to roughly 165,000 customers, with a focus on driving increased awareness of Energy Trust offers, customized energy savings recommendations, and capturing behavioral savings.
- Coordinate with state efforts to advance the residential energy code and Reach Code and align program strategy with state efficiency and climate goals, while expanding participation in Net Zero and Energy Smart Home pathways.
- Implement existing manufactured homes program design enhancements that result in home audit and energy savings recommendations, direct install smart thermostats, as well as referrals to free duct sealing services, floor insulation promotions, and HVAC fixed price offers.
- Expand marketing to elevate DIY participation pathways, including low-cost and free smart thermostats for income-qualified customers, tank water heaters, ceiling insulation, appliances, and lighting.
- Engage residential HVAC market actors to align program strategies and provide incentives for efficient gas and electric HVAC equipment.
 - Deliver targeted offers to acquire savings from manufactured homes, zonal systems, single family rentals, targeted load management regions, and through Savings Within Reach.
 - Use targeted marketing to deliver full-cost HVAC replacements (direct installation and fixed price offers) to lower income, high heating consumption users, in coordination with community agencies.
 - Continue gas furnace incentive bonus through Savings Within Reach to provide enhanced support for income qualified customers and customers with COVID-19 related employment impacts.
- Work with community-based organizations to deliver no-cost ceiling insulation, water heaters, and HVAC installations.
- Expand co-funding to low-income agencies to increase the installation of insulation, windows, and heating systems for both gas and electric savings.

2022 Expected Changes

- Update EPS new construction incentive offerings using the 2021 energy code as the baseline and leverage the Reach Code as the target for advancements in new construction.
- Preparing for the expiration of the cost-effectiveness exception for ductless heat pumps that replace zonal heating systems will require measure development work. Additional measure development work will take place in 2021 with a 2022 impact around cooling, lighting, appliances and new construction measures.

Budgeted Expenditures and Savings

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$50.7	\$49.8	\$50.3
Gas Savings (therms)	2,478,903	2,143,280	1,964,300
Electric Savings (aMW)	5.50	5.45	6.54

*Expenditure detail is provided under budget details tab in the budget binder.

Southwest Washington Residential Program

Energy Trust helps single-family and small multifamily homeowners served by NW Natural in Washington achieve gas energy savings by offering cash incentives for efficient space heating and controls, water heating, insulation, windows, water conservation, behavioral actions, education, trade ally support, financing with repayment through utility bills and market interventions. The program also influences new residential construction by engaging with builders to increase gas energy efficiency of newly constructed homes through incentives, education, trade and program ally support and quality assurance.

Context

The program response to the COVID-19 pandemic is expected to continue shaping implementation and delivery tactics in 2021. As in 2020, Washington homeowners will continue to navigate changing economic and social conditions in 2021. Increased bonus incentives for HVAC systems, DHW and insulation will be necessary lower barriers for capital measures for impacted customers. The small multifamily market in Southwest Washington is full of potential despite low program uptake to date. The single-family rental housing stock continues to hold opportunities for growth. The program will sunset retail showerheads and Energy Saver kits, but low-cost smart thermostats will replace these offers as low-cost options for customers.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Support residential customer access and market actor participation with energy efficiency improvements in single-family and multifamily homes.
 - Expand efforts in lagging markets, increase opportunities in emerging markets and test new offerings to grow future savings.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Expand Community Partner Funding participation options for community-based organizations who could deliver energy efficiency improvements in single-family and multifamily homes.
 - Maintain support for organizations providing services to low-to-moderate income residents, such as Clark County, through the promotion of low-to-no-cost opportunities.
- ▶ **Goal 3: Provide information to policymakers, agencies and implementers**
 - Work with NW Natural and the Washington Utilities and Transportation Commission to ensure programs are properly responding to Washington HB 1444 and HB 1257, which provide direction to utilities and the Commission for efficiency investments and set state efficiency standards for products including showerheads.
 - Ensure NW Natural has all needed information requested by the Washington Utilities and Transportation Commission.

2021 Key Activities

- Respond to any reductions in portfolio savings and capital measure participation driven by the economic downturn due to COVID-19 through cost reduction strategies (such as Campaign ally and Fixed Price promotion offers) for measures and marketing activities to increase awareness of promotional offers.
- Promote bonus incentives for efficient gas HVAC equipment. Communicate bonus promotions to drive low-cost installations across customer types.
- Expand the installed base of smart thermostats through instant coupon promotions, downstream incentives and direct ship.
- Work with residential weatherization market actors to promote bonus incentives for insulation.
- Identify and engage with single-family housing rental property owners to installations of weatherization, DHW, and HVAC efficiency upgrades.
- Develop new strategies to support do it yourself (DIY) participation, including technical support, promotions and marketing.
- Continue to develop targeted marketing and communications strategies to drive leads to contractors, highlight ongoing bonus incentives and special promotions.
- Promote low-cost smart thermostat or community partner funded offerings through existing relationships with local community-based organizations (CBO) serving low-to-moderate-income residents, in light of the discontinuation of Energy Saver Kits.
- Introduce incentives for New Manufactured Homes.
- Expand community-based organization collaboration to bring capital measures to new customer segments through the newly created Community Partner Funding (CPF) pathway which is a set of increased incentive offers exclusively for CBOs to support programs for underserved populations living in detached single-family homes.
- Provide support to New Home Construction (EPS) participants to help the market prepare for program changes scheduled for Q4. Impacts of program changes will largely be realized in 2022. Builder participation in EPS will remain strong in 2021 and the program expects to maintain its current market share of 45%.

2022 Expected Changes

- Savings, incentives, and project volume are currently forecasted to remain stable for the majority of Home Retrofit, Midstream and Multifamily measures.
- The EPS New Home Construction Program will be experiencing a code baseline change in Q4 of 2021 that will possibly result in a large fall-off of builder participation in 2022. The program is launching a new code-based prescriptive offering that will allow builders to participate at the measure-level as opposed to whole-home EPS. The whole-home EPS performance path will also still be available.

Budgeted Expenditures and Savings

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$1.7	\$2.0	\$1.6
Gas Savings (therms)	227,919	163,843	103,693

*Expenditure detail is provided under budget details tab in the budget binder.

Northwest Energy Efficiency Alliance

Energy Trust has been working with the Northwest Energy Efficiency Alliance (NEEA) since 2002 to increase the availability and adoption of energy-efficient electric products, equipment and practices. In 2015, natural gas equipment was added. By pooling resources at a regional level to work with manufacturers, distributors and retailers, NEEA accelerates the development, testing and distribution of new energy-saving equipment and approaches. NEEA identifies and refines new high-efficiency products, services and practices and helps bring them to market. Once products are ready and available, Energy Trust creates and implements programs to support broad market adoption in Oregon.

Context

NEEA is an entity funded by Northwest utilities and efficiency program providers such as Energy Trust to pool resources and share risks in efforts to transform the market for energy efficiency to the benefit of consumers. Energy Trust is NEEA's second largest funder based on the size of its service territory. Energy Trust coordinates its program efforts with NEEA through participation on NEEA's board and advisory and work groups, specific program area partnerships, and savings reporting. NEEA's portfolio is organized in seven cross-sector, dual-fuel product groups designed to leverage shared relationships and market channels and deliver efficiencies for both the alliance and supply chain partners. NEEA also supports regional energy efficiency research projects including building stock assessments and end use load research. In 2021, NEEA expects a modest increase in annual savings compared to 2020. NEEA's "net" gas savings -- those savings beyond what Energy Trust also reports -- is forecasted to decline in 2021. However, "co-created" savings, which include savings supported by both Energy Trust and NEEA efforts are expected to offset a significant portion of that decline.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic.**
 - Identify and accelerate new opportunities through scanning for new measure opportunities and offering, research, and market partner engagement.
 - Work with mid-stream market actors to retain our ability to deliver affordable, clean energy at volume.
 - Determine the viability of newly identified emerging technologies using technical analysis to quantify their savings potential and assessing the market barriers to adoption of these technologies.
 - Influence market actors to increase availability of energy-efficient products and services.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives.**
 - Engage funders and other qualified advisors to identify, develop and sustain a portfolio of efficiency-enabling initiatives and activities consistent with NEEA's purpose.
 - Support dialogue and coordinate activities among stakeholders interested in accelerating efficiency through market transformation in the Northwest.

2021 Key Activities

- Windows: Advance efficient window attachments by working with a national industry group, identifying efficient products, encouraging product certification, raising awareness and working with funders to achieve commercial building installations. Promote the viability of thin triple-pane windows and work to remove market barriers by directly engaging window industry partners.
- Consumer products: Deliver project-specific strategies for NEEA's Retail Products Portfolio initiative, including targeted incentive structures, support for highest energy-saving products, and coordinating to establish ENERGY STAR® specifications or federal standard updates. Expand to online retailers and integrate online sales data into the Retail Platform for a more complete set of regional market data. Participate in NEEA's ongoing regional Smart Thermostat study that could produce data that would enable Energy Trust to analyze whether additional Smart Thermostat products would be eligible for incentives in 2021 and 2022 yielding additional savings from these measures.
- Motor/pump systems: Increase awareness, stocking, and sales of efficient motor-driven products, focusing on pumps and compressed air systems. Support procurement practices and standards to drive adoption of more efficient motor-driven products with integrated controls. Continue engagement with distributors to test and refine market interventions for efficient pumps and circulators.
- HVAC products: Continue to encourage market adoption of residential variable capacity heat pumps, very high efficiency dedicated outside air systems (VHE DOAS) and high efficiency rooftop units (RTUs). Increase distributor participation in HVAC sales data collection to enhance data to track related savings, inform future market interventions and expand regional market intelligence. Identify opportunities to influence codes and standards and labeling programs across high efficiency HVAC products.
- Lighting: Train trade allies, lighting designers and specifiers to promote and install luminaire level lighting and other advanced lighting control technologies. Enhance market tracking via pricing and sales data dashboard.
- Water heating: Support future federal standards for heat pump water heaters by increasing heat pump water heater adoption, including amplifying heat pump water heater impact on carbon goals, promoting efficient product specifications, and addressing challenging installation situations. Support the launch of gas heat pump water heater product through product demonstration and regional collaboration.
- New construction: Support and validate technologies and building strategies that may fit in future commercial and residential code cycles. Provide proposals to national code development bodies. Continue to support a new voluntary above-code specification for manufactured homes (NEEM 2.0), providing manufacturers/retailers with tools and resources to drive consumer demand.
- Regional infrastructure: Provide and enhance common resources for regional research and data, including the residential and multifamily building stock assessment and end use load research, which provide updated building characteristics, baseline conditions, and load and savings shapes to funders. Support efforts to safely resume meter installations for end-use load research as COVID impacts allow.

2022 Expected Changes

- Electric savings are expected to increase in 2022 due to higher adoption rates for heat pump water heaters, an increase in market share for ENERGY STAR® consumer products, and an increase in commercial new construction activity.

Budgeted Expenditures and Savings

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$8.2	\$10.3	\$9.2
Gas Savings (therms)	22,688	2,749	2,749
Electric Savings (aMW)	3.4	4.0	5.1

*Expenditure detail is provided under budget details tab in the budget binder.

Solar Program

The Solar program aims to create a vigorous and sustainable market for solar in Oregon that will ultimately thrive without incentives. The program offers incentives and support to increase consumer awareness through education and marketing; provide consumer support through quality standards; aids the industry to drive down non-hardware soft costs; and ensures a robust, qualified Trade Ally Network. The program offers incentives for smaller-scale distributed systems across all customer sectors with a particular focus on projects that improve equity for communities of color and customers with lower incomes and innovative applications of solar that support community resilience and grid flexibility.

Context

In 2020, COVID-19 and the resulting economic recession has had disproportionate impacts on customers with low-incomes and has highlighted systemic inequalities in Oregon's economic and health outcomes for people of color. These large interconnected societal challenges underscore the need for the Solar program to continue to shift funding and focus to projects that benefit underserved Oregonians.

Many of Oregon's rural communities will now face the added challenge of recovering from devastating wildfires. Longer-term, the impacts of this fire season will continue to drive interest in community resilience planning. The program has efforts underway to support communities exploring the feasibility of using solar + storage microgrids to provide energy resilience that would enable key functions and services to continue during outages.

Advanced solar + storage systems have benefits beyond customer resilience, providing flexibility and capacity for the grid. The Solar program has contracted with PGE to deliver components of the utility's Smart Battery pilot program. Program development is underway and incentives will be available in 2021 for qualifying residential customers that install solar + storage or stand-alone energy storage systems.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Allocate a majority of the program's new incentive funds to projects that benefit customers with lower incomes and communities of color.
 - Continue to provide value for trade allies with customer leads, business development support, relevant training and efficient standard incentives.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Partner with PGE to deliver a successful Smart Battery pilot program.
 - Respond to communities pursuing local resilience through solar + storage; fund energy planning and early stages of project development to help customers pursue outside funding.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Improve the program's ability to efficiently explore new ideas, engage with diverse stakeholders and launch new offerings that benefit the intended audience.
 - Continue simplifying standard offers and application processes to free up staff time for new areas of focus.

2021 Key Activities

- Continue standard-offer incentives for homeowners, businesses, nonprofits and public entities. Expand and promote the Solar Within Reach (SWR) offering for moderate-income homeowners.
- Offer higher incentive for non-profit service providers, tribes, affordable multifamily and other organizations that help us achieve our DEI goals.
- Provide education and outreach to community-based organizations to increase awareness and access to solar and solar + storage within the communities they serve.
- Fund select Community Solar projects and resilience projects through a custom incentive process.
- Document lessons learned from microgrid feasibility studies to guide communities preparing for power outages from wildfires, earthquakes or other disasters.
- Expand development assistance offerings for customers pursuing solar + storage systems for resilience.
- Collaborate with utilities to meet their goals for flexible distributed energy resources by pairing solar with controls, smart inverters and storage. Deliver incentives, quality management and customer outreach and support for PGE's Smart Battery pilot.
- Collaborate with the Residential program to increase adoption of net zero and energy smart home offers that combine renewable energy and energy efficiency benefits with a focus on customers with low to moderate incomes.
- Support the New Buildings program to address barriers to incorporating solar and solar + storage especially for affordable multifamily housing and sites that serve as critical facilities for disaster response.
- Shift portions of program delivery and customer and trade ally support to Energy Trust's call center to free staff time for implementation of new offerings.

2022 Expected Changes

- In 2022, the commercial Investment Tax Credit will drop to 10% and the residential tax credit will expire. The program expects heavy demand ahead of the deadline in 2021, followed by lower application volume in 2022.

Budgeted Expenditures and Generation

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$10.6	\$15.7	\$13.0
Generation (aMW)	2.2	3.0	2.5

*Expenditure detail is provided under budget details tab in the budget binder.

Other Renewables Program

The Other Renewables program supports renewable energy projects up to 20 megawatts in nameplate capacity that generate electricity using biopower, hydropower, geothermal and community-scale, municipally owned wind technologies. Most projects are less than two megawatts in size. The goal is to expand Energy Trust's renewable energy portfolio across a range of technologies and improve market conditions to completing projects. The program provides project development assistance and installation incentives. Project development assistance incentives can pay for a portion of the costs of feasibility studies, technical assistance or other non-capital cost assessments to help projects move from concept to construction. Qualified projects may access project development assistance incentives multiple times, up to the limits of funding caps, enabling applicants to move through consecutive development activities. The program also provides installation incentives calculated on a custom basis after a detailed technical and financial review of a project's application. All incentives are paid following successful commercial operation or activity completion.

Context

Early investments in the Irrigation Modernization Program have leveraged nearly \$170 million in additional state and federal funding in Oregon. Irrigation districts are in various stages of modernization with some completing their Watershed Plans and applying for additional federal funding for piping. Once open irrigation infrastructure is replaced with pressurized conveyances, significant energy savings are realized by permanently removing pumps. This also creates the pressure and flows necessary for in-conduit hydropower. In 2021, we will assess whether hydropower can power critical facilities during grid disruptions and support county energy planning to make communities safer and economically resilient. Program support for biopower at water resource recovery facilities continues, including helping secure additional sources of organic waste such as food waste to increase biogas. Collaboration with natural gas utilities on renewable natural gas projects will also continue. Project headwinds continue to be low wholesale power prices that favor net-metered projects over those that sell electricity through power purchase agreements, high interconnection costs, and reduced state and federal incentives.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Maintain incentives and support for a portfolio of technologies to sustain and grow Oregon's vibrant small- and community-scale distributed renewable energy generation markets.
 - Focus development assistance outreach on irrigation hydropower and net-metered biogas projects.
 - Identify opportunities where higher levels of project development assistance will be helpful to customers and businesses that are recovering from the recession and pandemic.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Support communities and community groups interested in renewable energy for economic development and resilience with project development and energy planning assessments.
 - Collaborate with utilities to develop effective pathways for making renewable power projects viable and for learning about the renewable natural gas market.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Develop learning from the community energy planning work that can be applied in future work with Oregon communities.

2021 Key Activities

- Hold competitive solicitations to identify distributed renewable energy projects eligible for installation incentives.
- Use project development assistance to develop a pipeline of hydropower and biogas projects that generate energy in addition to supporting resilience and peak energy management.
- Support a technical investigation of pressure reduction value (PRV) micro-hydropower potential for municipalities.
- Scope and fund development of a compendium of existing distributed Oregon hydropower projects.
- Examine how municipally-owned renewable energy projects provide benefits to low-income residents through lower rates.
- Evaluate additional locations where existing hydropower infrastructure can be configured to provide electricity to critical facilities during a public safety power shutoff or similar grid disruption.
- Support Wallowa County energy planning by guiding community leaders through a collaborative and structured process to capture an energy plan vision and community priorities. Apply lessons learned to other communities in 2022 using community engagement guidelines being developed in 2020.
- Help irrigation modernization participants move hydropower projects to the design phase.
- Help existing anaerobic digestion projects obtain additional secure supplies of co-digestible organic materials.
- Support the installation of food waste processing system(s) in the Portland metro area to recover organic material that will be converted to biogas at municipal-owned anaerobic digesters.
- Collaborate with natural gas utilities to develop and understand the nascent renewable natural gas market and investigate market impact on customers that produce biogas.
- Collaborate with utilities and other stakeholders to identify new funding streams that can support local renewable projects.

2022 Expected Changes

- Due to project development assistance several hydropower projects under development by municipalities and special districts are anticipated to apply for installation incentives.
- Post-commercial food waste collected from the Portland metro area will be delivered to municipal digesters and converted to biogas, creating additional biopower and renewable natural gas opportunities.

Budgeted Expenditures and Generation

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$7.9	\$8.9	\$5.9
Generation (aMW)	1.03	0.5	0.3

*Expenditure detail is provided under budget details tab in the budget binder.

Oregon Community Solar Program

The Oregon Community Solar Program gives Oregon customers of Portland General Electric, Pacific Power and Idaho Power the option to subscribe to or own part of a community solar project and be credited through their electric bills for their portion of the energy generated. Community solar is an option for renters, people who live in multifamily buildings and other customers who want to use solar energy but may not have a sunny roof of their own or are not able to invest in a rooftop system. The first round of community solar projects was approved in early 2020. Project development and participant recruitment are ongoing, with the first projects expected to become operational by the end of 2020. Twenty-five percent of program capacity has been reserved for small projects and projects managed by public sector or nonprofits, and 10% of each project's capacity must be reserved for low-income participants.

Context

The Oregon Community Solar Program was developed in response to passage of SB 1547 in 2016. The program is managed by the Oregon Public Utility Commission and administered through a contract with Energy Solutions. Energy Trust has a three-year subcontract with Energy Solutions that runs from March 2019 through March 2022 to support certain aspects of program development and delivery, including project manager registration, project certification, customer service and consumer protection. This work is funded by new revenue that is separate from utility customer public purpose funding directed to Energy Trust for energy efficiency and renewable energy programs. Energy Trust's services under the subcontract result in a small increase in the organization's net assets. Energy Trust's work on community solar will provide underserved customers with access to solar energy; however, Energy Trust will not claim any generation.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - While Energy Trust will not claim generation from the Community Solar Program, the program is designed to support customers that have historically faced barriers to participating in the solar market. Specifically, low-income participants in the program are guaranteed a greater amount of savings than general market participants.
 - During the COVID-19 pandemic, Energy Trust is working with program partners to explore opportunities for deeper savings for low-income customers, and to use community solar as a tool to reduce energy burdens for low-income residents during and after the pandemic.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - As a Program Administrator, Energy Trust is actively working with a broad range of community groups across the state to develop custom community solar projects that serve their communities' unique needs.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - As an activity that is not funded by the public purpose charge, the Community Solar Program provides an opportunity for Energy Trust to explore additional revenue models and creates flexibility for the organization to pursue future opportunities.

2021 Key Activities

- Deliver services during ongoing operations of the program, including management of the network of project managers, project pre-certification and certification processes, project quality control/assurance and customer service contact center, and implementation of the program's consumer protection plan.
- Conduct outreach and education to recruit a diverse pool of project managers and projects, including public entities and community organizations, to encourage wide and diverse participation in the program.
- Coordinate with the program low-income facilitator, Community Energy Project, to achieve the program goals specific to low-income participation, and ensure the program strategy and approach to consumer protection and customer service reflect and consider the needs of low-income participants.
- Provide impartial advice to the OPUC on policy issues relevant to the program.
- Recommend and implement continuous improvements to the program.
- Support a stakeholder engagement process to revise the Program Implementation Manual and make improvements to the program.
- Engage board of directors and executive team, in consultation with Energy Solutions and the OPUC, to evaluate the options for a contract extension, rebid or wind-down related to the end of Energy Trust's contract in March 2022.

2022 Expected Changes

- Same scope of work as 2021 through expiration of the current contract in March 2022.
- Should Energy Trust's role not continue past the current contract expiration: Support the development of a contract transition plan and wind down program activities.
- Should Energy Trust's contract be extended or renewed: Develop and implement a program plan for the next program period in collaboration with internal leadership, OPUC, and external partners.

Budgeted Expenditures

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures*	\$0.4	\$0.3	\$0.3

*Expenditure detail is provided under budget details tab in the budget binder.

Planning and Evaluation

The planning and evaluation group is comprised of the planning team and the evaluation and engineering team. The planning team develops estimates of efficiency program costs and savings. The team works with utilities to develop forecasts for long-range savings; updates avoided costs and tools; develops cost-effectiveness tools; and manages savings and cost-effectiveness reporting.

The evaluation and engineering team assesses the effectiveness of efficiency and renewable energy program implementation and estimates savings and generation on a retrospective basis. This team performs market research; manages complex datasets for Energy Trust such as third-party data and utility customer information data; and participates in regional research projects. Additionally, the team assists in and reviews development of proposed new and revised efficiency measures and helps Energy Trust incorporate new efficient technologies into programs.

Context

Energy Trust is facing industry challenges in the midst of an uncertain economy and pandemic. Industry challenges include: a) increasing existing efficiency levels and increasingly efficient building codes and product standards—that reflect past program successes but reduce further Energy Trust opportunities because remaining measures have fewer savings, and b) the slowing pace of introduction of new efficient technologies. To address remaining opportunities and benefit all ratepayers, Energy Trust is increasingly focused on providing services to customer groups who have not historically participated in large numbers. Energy Trust is also focusing more on helping utilities manage peak loads by saving energy during utility peak periods and in locations where the cost of gas and electric power delivery can be reduced.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Planning and evaluation will conduct an evaluation to learn which innovations during the COVID-19 era are successful and which merit long-term use.
 - Energy Trust will continue to forecast future potential savings for utility integrated resource plans as a basis to secure funding to acquire cost-effective savings for ratepayers.
 - Energy Trust will continue to innovate in the delivery of evaluations and maintain the most reliable results with reduced on-site activity in homes and businesses.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Energy Trust will monitor and evaluate how efforts to market and deliver programs in collaboration with community-based groups affect success, cost and savings.
 - Energy Trust will work closely with Oregon and Washington utility commissions and with utilities to adjust policies, cost-effectiveness framework and strategies as regulatory direction evolves.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Energy Trust will continue to maintain, streamline, and enhance analytical tools to meet existing needs and incorporate new tools and methods to understand the future value streams, including carbon and helping utilities manage peak loads.

2021 Key Activities

- Deliver enhanced energy efficiency supply and cost estimates for use in utility integrated resource planning processes. Communicate transparently with stakeholders to improve forecasting and modeling methodology.
- Work with Energy Trust's efficiency programs to forecast savings potential and develop programs that are responsive to evolving market conditions and future efficiency opportunities, including adapting to fewer measures that are available to a broad range of customers, a subsequent need to focus on more niche products and targeted customer groups and developing more controls and behavioral efficiency strategies to capture savings.
- Continue to develop a framework to quantify the value of energy savings in the changing industry landscape. Improve estimates of energy saved during utility peak periods from energy efficiency and renewable generation. Develop improved annual estimates of energy savings and a refined understanding of the time periods when measures save energy for selected measures that reflect summer peak savings.
- Adjust tools and process to meet policy needs as Oregon and Washington regulatory policies evolve in response to COVID-19, equity issues, carbon or other issues.
- Provide analysis of savings and generation results and economic impacts for use in Energy Trust annual and quarterly reporting. Ensure accuracy of energy savings and benefits reported by Energy Trust.
- Provide technical information and quality assurance for the measure development process. Obtain data on markets and measure performance that are critical to measure assessment.
- Work with IT to enhance datasets combining Energy Trust data, utility customer information and third-party data in a central location. Continue to train analysts on these datasets and support programs in using datasets for research and analysis.
- Deliver impact evaluations of savings from all major efficiency programs and select renewable energy programs. Adjust methods to reflect COVID-19 and increased importance of peak savings and generation.
- Conduct periodic process evaluations for all major programs to provide feedback that helps enhance program delivery and market understanding.
- Update avoided costs to reflect outcomes from OPUC Docket UM 1893 and incorporate these avoided costs into measure and program planning work in 2021 to prepare for 2022 implementation.
- Use evaluation results and other intelligence to revise savings estimates for programs.

2022 Expected Changes

- 2022 may bring significant adjustments to programs due to continued market adoption of efficient technologies and expected federal and state efficiency standards for several types of equipment.
- There may be further changes to avoided costs and measure approval processes as Oregon regulators evolve their approach to equity, climate, energy capacity value and locational value of savings.
- Experience in 2021 may lead to an expanded role for storage in utility systems. It is possible that Energy Trust may develop an enhanced role in commercializing storage, with its own investment and success criteria.

Budgeted Expenditures

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$5.48	\$4.77	\$5.13

*Expenditure detail is provided under budget details tab in the budget binder.

Program Marketing

The program marketing team develops and delivers marketing that drives participation in efficiency and renewable energy programs, supports savings and generation goals and supports Energy Trust's overall organizational goals. The team manages marketing activities of Program Management Contractors and Program Delivery Contractors and sets the overarching program marketing strategy to ensure consistency across programs. The team aligns with best practices and improves marketing effectiveness by applying learnings across sectors.

Context

Now more than ever, Energy Trust's program marketing team needs to be responsive, resilient and effective to help efficiency and renewable programs reach goals. On top of industry and technology changes, COVID-19, devastating wildfires and the related economic effects create a need to engage customers in new ways and to be even more aware of their needs. Social turmoil and racial injustice also underline the importance of deeper investments in strategies that support diversity, equity and inclusion goals. This includes customers and communities with little to no prior knowledge of efficiency and renewable energy and little to no awareness of Energy Trust. Demonstrating how Energy Trust can help these customers requires new approaches. The team is leveraging new technologies and techniques to identify and engage these customers and expand program reach. It is also adopting new ways of thinking about customer needs and motivations to expand how marketing can support program goals.

2021 Goals and Strategic Focus

Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic.

- Work with program management and delivery contractors to develop and evaluate marketing strategies that resonate with a range of target audiences.
- Continue to build out integrated marketing campaigns that demonstrate the relevance and benefits of efficiency and renewable energy, particularly for historically underserved customer groups.
- Apply market intelligence and research findings to optimize residential marketing and customer engagement strategies.
- Deepen understanding of the needs of smaller business customers to help drive program engagement, particularly in communities of color.
- Initiate market research projects that inform future program design and marketing opportunities.
- Enhance analytical tools to assess marketing effectiveness and refine strategies.

► **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**

- Continue to expand marketing collaborations with utilities, trade associations and community-based organizations that have complementary needs and goals.
- Support community efforts through targeted, direct marketing efforts that address local needs and opportunities.

► **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**

- Provide professional development opportunities for program marketing staff to expand proficiency in marketing strategies and implementation, particularly multicultural marketing.
- Optimize team structure to ensure resilience, redundancy and effectiveness in supporting program savings and generation.

2021 Key Activities

- Develop marketing strategies to advance diversity, equity and inclusion objectives, including supporting collaborations with community-based organizations, highlighting community voices and expanding program reach and participation in culturally and economically diverse and rural areas.
- Incorporate best practices for multicultural marketing into strategic planning and execution of marketing initiatives, including using Energy Trust's Diversity, Equity and Inclusion Lens, working with minority-owned firms or in-culture freelancers on market research and creative projects, soliciting input from community members and working with multicultural marketing specialists.
- Organize a working group to scope and launch the multiyear DEI 360 initiative that will take a holistic, in-depth and targeted approach to marketing and delivering incentives and services in key diverse communities.
- Build on the residential Save For campaign, internal and contractor marketing and public relations strategies to engage or re-engage and maximize benefits to individual customers and their communities, particularly communities of color, rural and low-income communities.
- Support initial scoping, development and launch of an online customer engagement tool to meet residential customer and savings acquisition goals.
- Build on 2020's business customer engagement campaign, Run Better, to create a strong link between the needs of small and minority-owned business customers and Energy Trust's offerings.
- Leverage and broaden relationships with trade and professional associations and regional economic development groups with complementary goals to identify and implement cooperative marketing strategies.
- Support the transition to new contracts for Existing Buildings and multifamily and business lighting offers.
- Continue to enhance relationships with utilities' marketing staff to better leverage their targeting capabilities and communication channels, as well as to inform and support collaborations.
- Launch a solar energy marketing campaign that communicates the breadth of Energy Trust offers that can make solar energy accessible and useful for resilience and support the development of new solar offers serving lower-income customers to align them with energy efficiency marketing efforts.
- Develop a public relations strategy to increase visibility and opportunity for renewable energy projects that provide both energy and non-energy benefits, including solar, biogas and hydropower.

2022 Expected Changes

- Use findings from market research focused on diversity, equity and inclusion and other work to enhance ongoing marketing efforts or develop new marketing approaches.
- Gather and apply learnings from the initial launch of the residential customer engagement tool to make enhancements or expand its capabilities.
- Gather and apply learning from initial phases of the DEI 360 initiative to refine and enhance strategies.
- Expand program engagement campaigns for residential and business customers to include new technologies.

Budgeted Expenditures

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$3.0	\$3.2	\$3.1

*Expenditure detail is provided under budget details tab in the budget binder.

Customer Service and Trade Ally

The customer service and trade ally budget provides customer access to information, services and cash incentives, supports a consistent and positive customer experience, and ensures contractor access to offers, training and customer leads, with a focus on greater engagement with minority and women contractors. This is accomplished by working with programs and support groups on standards, training and planning to support customers and a network of informed contractors with high-quality customer service. The customer service and trade ally team manages a call center and a trade ally insurance verification contract. The team coordinates across all Energy Trust business functions, including with the diversity, equity and inclusion lead on supplier and trade ally diversity. Staff also coordinate with customer service and trade ally specialists at Program Delivery Contractors and Program Management Contractors.

Context

Energy Trust has been working to evolve and expand offers in light of the COVID-19 pandemic to help stimulate economic activity and bring greater value to customers and contractors. These efforts include providing increased incentives through lighting, commercial and other programs for customers and expanding business development funds for trade allies to include personal protective equipment reimbursement. Offerings and resources to support economic recovery for customers and contractors will evolve in response to natural disasters. The pandemic has highlighted historic systemic injustices for communities of color, especially for Black communities. Energy Trust seeks to increase participation in underserved communities in its programs in addition to participation by minority- and women-owned contractors in the Trade Ally Network, acknowledging there is substantial work to be done.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Decrease customer barriers to participation by improving systems such as web-based Find a Contractor tool.
 - Support program design and implementation of offers by considering workforce and contractor impact to ensure offers are accessible to minority- and women-owned trade allies.
 - Work with programs to provide flexibility, such as exceptions, to navigate the COVID-19 pandemic and natural disasters.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Expand partnerships with trade organizations to increase participation of minority- and women-owned contractors in Energy Trust's Trade Ally Network and lower barriers to participation.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Improve trade ally data infrastructure to support tracking and reporting.
 - Streamline Trade Ally Network administration through contractor transition for some business programs.

2021 Key Activities

- Manage the customer service call center contract for general and solar calls and administrative functions. Monitor service levels of other contracted call centers to ensure alignment with quality control standards.
- Manage customer complaint resolutions and lead customer service process improvements.
- Enhance trade ally data structure in Energy Trust systems to improve network analytics including project attribution and program enrollment history.
- Work with trade partners to enroll diverse contractors in Energy Trust's Trade Ally Network and conduct outreach and training events. Tap trade partner expertise on state enrollment and certification process for diverse contractors and improvements to Energy Trust's trade ally procedures, processes and approaches to support increased number of project completions by diverse contractors.
- Support expanded work with communities and community-based organizations possibly, through the establishment of a network similar to the Trade Ally Network.
- Help existing minority- and women-owned trade allies become certified by Oregon's Certification Office of Business Inclusion and Diversity as minority- or women-owned contractors.
- Increase sponsorships and partnerships with trade and community-based organizations to increase awareness of the Trade Ally Network and help build connections with diverse contractors.
- Translate web-based Find a Contractor tool into Spanish to decrease barriers for Spanish-speaking customers seeking to access a qualified trade ally.
- Hold forums for trade allies across service territory and expand to two additional locations. These events may be held virtually depending on COVID-19 guidelines.
- Support development and implementation of Energy Trust's next Diversity, Equity and Inclusion Operations Plan.
- Support contractor and program transitions for business programs as a result of 2020 request for proposals process.
- Coordinate with program staff on targeted offers that can be delivered by trade allies, particularly minority- and women-owned contractors, and that can increase participation by underserved customers.

2022 Expected Changes

- The Trade Ally Network and customer service approaches will evolve as energy efficiency and renewable energy offers change.
- Economic recovery from COVID-19 and natural disasters may result in changes to how Energy Trust supports and engages with customers and trade allies.

Budgeted Expenditures

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$0.8	\$0.7	\$0.8

*Expenditure detail is provided under budget details tab in the budget binder.

Operations Analysis

The operations analyst team provides business system leadership and support, as well as operations, analytic and reporting support for Energy Trust. The team is also a forum for shared knowledge, solutions and approaches. The team manages projects across all groups and programs to promote alignment of priorities, standardization, replicability and best practices. The team ensures the staff resources, data and systems architecture, data quality and analysis capabilities are aligned to plan, forecast and deliver program that are valuable to all customer types and markets while reducing administrative burden on staff and customers alike.

Context

Energy Trust is in the second year of its 2020-2024 Strategic Plan while facing market and technology challenges and changes as a result of the COVID-19 pandemic, wildfires, contractor transitions and remote working. This requires a reevaluation of how the operations team members working within energy programs can support emerging delivery strategies, analyze lagging markets, encourage operational efficiency and standardization and develop new measures for and integration of offerings across programs.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Lead efforts to provide measure and market analysis that informs annual program goals, customer offers, budgets and rapid response strategies.
 - Improve the ability and efficiency of programs to implement location and customer segment-based product offerings in our core systems.
- ▶ **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives**
 - Lead program engagement with OPUC on measure-related topics, including exceptions and notifications, in coordination with planning and evaluation staff.
 - Lead analysis and ongoing tracking and monitoring of the proportion of SB 1149 incentive spending on projects with electric customers exempt from SB 838, as well as self-direct administration.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Improve the organization's ability to report on forecasted projects and eliminate duplicative data entry related to project pipeline management.
 - Lead efforts within programs to standardize processes, data definitions and operations to ensure operational efficiency and resilience.

2021 Key Activities

- Lead quarterly forecasting of savings and incentives for all energy programs in new budget software with the goal of providing program staff an accurate forecast through an efficient process.
- Support enhancements to budget software functionality and develop internal processes to support scenario development and longer budget cycles.
- Ensure the measure development process and analysis resources are aligned to support research and offer design for lagging and underserved customer segments.
- Enhance systems, process and reporting practices to support changes to program structure, implementation contractors, program design and delivery channels.
- Prioritize requests for enhancements and upgrades to business systems.
- Manage user acceptance testing and change management efforts for enhancements and upgrades to business systems.
- Streamline operational systems to eliminate administrative overhead and provide more accurate and accessible information to staff.
- Develop and utilize self-service reporting tools to enable staff to analyze and use information in day-to-day decision-making.
- Support the implementation of changes to system and data architecture to align and streamline delivery approaches across programs.
- Support diversity, equity and inclusion goal setting and tracking, as well as the DEI 360 initiative through data analysis, direct project support and staff resources.
- Support the loading of financial data into the data warehouse to support public reporting and the retirement of the legacy reporting systems.
- Support system changes to remove duplicative vendors and trade ally enrollments in our core business systems.

2022 Expected Changes

- Recommendations from an internal organization structure project may lead to changes in team structure, staffing assignments and a shift in priorities in future years.
- A large system enhancement project may be needed for tracking and budgeting of diversity, equity and inclusion activities across the organization.

Budgeted Expenditures

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$0.9	\$1.0	\$1.0

*Expenditure detail is provided under budget details tab in the budget binder.

Information Technology

The information technology (IT) group offers technical skills and system enhancements required by Energy Trust's energy programs and operational support groups. The IT group builds technical mastery within the team and focuses on continuous improvement of systems in partnership with engaged users. Resources include hardware, infrastructure, information systems, reporting capabilities and technical support.

Context

The COVID-19 pandemic required the IT group to reprioritize work in 2020 to support a fully remote Energy Trust staff. This will continue in 2021 in anticipation of a hybrid remote workforce. Along with this significant change, program offerings and delivery approaches are evolving. Operating programs efficiently in this environment requires information systems acquisition and enhancements. It also requires ongoing assessment of rapidly advancing technology in order to choose the best approaches for information systems architecture.

2021 Goals and Strategic Focus

- ▶ **Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic**
 - Develop robust systems to efficiently process and track customer projects, including through web applications.
- ▶ **Goal 3: Enhance operating processes and internal culture to efficiently respond to change**
 - Create and implement a user systems and security strategy in response to changing workforce requirements for variants of remote work.
 - Enhance foundational IT systems, including Project Tracking, CRM and web services.
 - Improve data and reporting infrastructure to accommodate changing business needs, including new visual presentation tools for data.
 - Implement new tools to automate processes, improve capabilities and streamline work across the organization.
 - Continue assessment of changing business needs, emerging technologies and new approaches to improve information technology systems.

2021 Key Activities

- Develop systems changes needed for new program delivery approaches, including cross-program and location-based savings and incentives.
- Implement additional information security efforts to comply with best practices established by the International Organization for Standardization.
- Allocate time for ongoing work on the backlog of smaller systems enhancements for operational improvements.
- Enhance integrations between the electronic signature application and Project Tracking and CRM to further automate data transfer from electronic forms to internal tracking systems.
- Improve several applications to streamline IT administrative work for user setup and security.
- Restructure various components in the server architecture for a more robust system with stronger administrative capabilities both on premises and in the cloud.
- Investigate additional tools and procedures to support electronic file retention and destruction.
- Complete various data quality improvement projects.
- Design systems changes to embed internal auditing processes and tracking within the Project Tracking system that would be implemented in 2021.
- Determine requirements for better visibility of workorder level details on contracts within existing systems with changes to be implemented in 2021.
- Continue to build out of remote infrastructure—including transition to laptops, further use of virtual desktops, and additional security features to support remote work.

2022 Expected Changes

- Investigate shifting additional resources from on-premise servers to the cloud.

Budgeted Expenditures

	2020 Budget	2021 Draft Budget	2022 Projection
Total Expenditures (millions)*	\$2.9	\$2.8	\$2.9

*Expenditure detail is provided under budget details tab in the budget binder.

2020 Forecast Recap Spending and Savings
for the Period 2020

Program	Budget (\$M)			Electric		Gas	
	Electric	Gas	Total	Electric Savings Goal (aMW)	Levelized Cost per kWh	Annual Therms	Levelized Cost per Therm
Existing Buildings with MF	\$ 46.5	\$ 9.1	\$ 55.7	12.4	\$ 0.046	1,727,216	\$ 0.476
New Buildings	\$ 17.2	\$ 1.9	\$ 19.1	4.8	\$ 0.039	480,718	\$ 0.357
NEEA Commercial	\$ 3.1	\$ 0.3	\$ 3.4	0.8	\$ 0.359	457	\$ 501.550
Commercial Sector	\$ 66.8	\$ 11.4	\$ 78.2	17.9	\$ 0.045	2,208,391	\$ 0.462
Industry and Agriculture	\$ 35.4	\$ 3.0	\$ 38.4	14.7	\$ 0.029	1,836,099	\$ 0.182
NEEA - Industrial	\$ 0.0	\$ -	\$ 0.0	0.7	\$ 0.004	-	
Industry and Agriculture Sector	\$ 35.4	\$ 3.0	\$ 38.4	15.4	\$ 0.028	1,836,099	\$ 0.182
Residential	\$ 35.7	\$ 15.6	\$ 51.3	6.3	\$ 0.127	2,489,244	\$ 0.794
NEEA Residential	\$ 3.6	\$ 0.9	\$ 4.6	1.7	\$ 0.096	22,231	\$ 17.423
Residential Sector	\$ 39.3	\$ 16.5	\$ 55.8	8.0	\$ 0.122	2,511,475	\$ 0.839
Oregon Efficiency Programs	\$ 141.6	\$ 30.9	\$ 172.4	41.3	\$ 0.046	6,555,965	\$ 0.504
Solar	\$ 10.3		\$ 10.3	2.9	\$ 0.031		
Other Renewables	\$ 4.6		\$ 4.6	0.2	\$ 0.122		
Renewables Programs	\$ 14.9		\$ 14.9	3.1	\$ 0.037		
Commercial Washington		\$ 0.8	\$ 0.8			99,531	\$ 1.212
NEEA Commercial Washington		\$ -	\$ -			-	
Residential Washington		\$ 1.6	\$ 1.6			194,951	\$ 1.365
NEEA Residential Washington		\$ -	\$ -			-	
Washington Programs		\$ 2.4	\$ 2.4			294,482	\$ 1.310
Community Solar			\$ 0.3				
PGE Storage			\$ 0.0				
LMI			\$ (0.0)				
Total Programs			\$ 190.0				

Energy Trust of Oregon
 2020 Forecast Income Statement by Funding Source
 Reforecast 2020

	Oregon OPUC Efficiency Funders							Oregon OPUC Renewables			Other Funding Sources					TOTAL	
	PGE	PAC	NWN IND	NWN	CNG	AVI	Total Oregon OPUC Efficiency	PGE	PAC	Total Renewables	Washington	LMI	Community Solar	PGE storage	Fund Development	Investments / Contingency	
Beginning Net Assets	17,012,201	11,192,320	984,268	3,702,232	1,134,247	243,667	34,268,935	12,524,040	6,570,938	19,094,978	417,192		109,104	-	19,220	10,152,208	64,061,637
Revenue	77,701,836	53,487,778	4,182,919	20,073,783	3,246,449	2,073,292	160,766,059	8,756,196	6,269,534	15,025,731	2,553,616	9,567	503,473	121,887		458,499	179,438,832
<i>detail: Incentives</i>	44,527,568	29,776,340	2,690,923	10,426,752	1,601,264	906,676	89,929,524	5,111,777	4,269,108	9,380,885	1,141,451			15,000			100,466,860
<i>detail: Program Delivery</i>	28,214,342	19,136,224	1,091,356	7,807,961	1,057,988	768,568	58,076,439	309,174	184,217	493,391	702,614			4,000			59,276,444
Total Expenditures	84,634,682	56,930,837	4,400,788	21,436,324	3,089,486	1,952,880	172,444,997	7,993,068	6,914,115	14,907,183	2,365,106	(23,883)	302,200	33,200	9,663		190,038,466
Net Income	(6,932,845)	(3,443,058)	(217,869)	(1,362,541)	156,963	120,412	(11,678,939)	763,128	(644,581)	118,547	188,510	33,450	201,274	88,687	(9,663)	458,499	(10,599,634)
Ending Net Assets	10,079,356	7,749,262	766,399	2,339,691	1,291,210	364,079	22,589,996	13,287,168	5,926,357	19,213,525	605,702	33,450	310,378	88,687	9,557	10,610,707	53,462,003
less:Renewables Dedicated								(4,726,723)	(1,166,934)	(5,893,657)							
Renewables funds yet to be dedicated for future periods								8,560,445	4,759,423	13,319,868							

Energy Trust of Oregon
2020 Forecast Summary by Funding Source and Program

All Funding Sources

Expenditures Detail	OPUC Efficiency	OPUC Renewables	Washington	Community Solar	PGE Storage	LMI	Community Solar, PGE Storage and Grants	Fund Development	Programs
Incentives	89,929,524	9,380,885	1,141,451		15,000		15,000		100,466,860
Program Delivery Contractors	58,076,439	493,391	702,614		4,000		4,000		59,276,444
Employee Salaries & Fringe Benefits	12,660,405	2,193,163	341,593	228,928		(6,816)	222,111	9,663	15,426,935
Agency Contractor Services	1,574,759	274,273	15,112	2,532		3,910	6,442		1,870,586
Planning and Evaluation Services	2,671,864	48,786	29,190	64		(5)	59		2,749,899
Advertising and Marketing Services	3,036,497	412,394	15,802	5,978	1,000	(156)	6,822		3,471,515
Other Professional Services	2,625,522	1,472,961	36,123	31,354	13,000	(1,251)	43,103		4,177,709
Travel, Meetings, Trainings & Conferences	152,088	17,018	3,754	373		(78)	295		173,156
Dues, Licenses and Fees	121,260	20,339	37,653	41		(25)	16		179,268
Software and Hardware	336,941	325,769	8,509	5,046	200	(4,869)	377		671,596
Depreciation & Amortization	223,311	41,419	5,743	4,279		(3,623)	656		271,130
Office Rent and Equipment	882,473	197,849	24,149	21,335		(9,417)	11,918		1,116,389
Materials Postage and Telephone	120,719	25,794	2,935	2,160		(1,510)	650		150,098
Miscellaneous Expenses	33,194	3,141	476	110		(42)	68		36,879
Expenditures	172,444,997	14,907,183	2,365,106	302,200	33,200	(23,883)	311,517	9,663	190,038,466
<i>Expenditure break down by function:</i>									
Program Costs	164,116,245	14,187,196	2,250,876	287,604	33,200	(22,729)	298,075		180,852,392
Communications and Outreach	3,867,565	334,336	53,044	6,778		(536)	6,242		4,261,187
Management & General	4,461,186	385,652	61,186	7,818		(618)	7,200		4,915,224
Total Administrative	8,328,752	719,987	114,230	14,596		(1,153)	13,442		9,176,411
Fund Development								9,663	9,663
Expenditures	172,444,997	14,907,183	2,365,106	302,200	33,200	(23,883)	311,517	9,663	190,038,466

Energy Savings and Generation Detail

Efficiency electric kWh savings	362,153,044								362,153,044
Efficiency gas therms savings	6,555,965								6,850,447
Renewables electric kWh generation	26,917,789								26,917,789

Energy Trust of Oregon
2020 Forecast Detail by Funding Source and Program

All Programs

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency	Solar	Other Renewables	OPUC Renewables	Washington	Community Solar, PGE Storage and Grants	Fund Development	Programs
Incentives	10,736,827	27,846,660		21,498,254		29,847,783		89,929,524	6,579,534	2,801,352	9,380,885	1,141,451	15,000		100,466,860
Program Delivery Contractors	5,904,383	20,513,884	3,197,487	10,894,094	26,794	13,235,227	4,304,571	58,076,439	493,391		493,391	702,614	4,000		59,276,444
Employee Salaries & Fringe Benefits	1,345,390	3,741,218	123,862	3,151,420	9,034	4,127,603	161,879	12,660,405	1,359,071	834,092	2,193,163	341,593	222,111	9,663	15,426,935
Agency Contractor Services	115,884	662,578	6,038	434,651	262	347,347	7,999	1,574,759	246,328	27,944	274,273	15,112	6,442		1,870,586
Planning and Evaluation Services	345,810	813,500	7,234	835,285	3,053	659,067	7,915	2,671,864	39,997	8,789	48,786	29,190	59		2,749,899
Advertising and Marketing Services	261,752	880,021	22,163	637,660	264	1,204,849	29,789	3,036,497	314,730	97,665	412,394	15,802	6,822		3,471,515
Other Professional Services	198,600	607,267	13,467	498,253	160	1,289,675	18,101	2,625,522	787,946	685,015	1,472,961	36,123	43,103		4,177,709
Travel, Meetings, Trainings & Conferences	13,842	46,357	1,861	40,873	115	46,595	2,445	152,088	10,078	6,940	17,018	3,754	295		173,156
Dues, Licenses and Fees	13,817	55,872	1,190	18,388	440	30,214	1,339	121,260	10,022	10,317	20,339	37,653	16		179,268
Software and Hardware	40,132	101,105	1,807	73,379	21	118,068	2,429	336,941	307,938	17,831	325,769	8,509	377		671,596
Depreciation & Amortization	25,244	68,550	1,514	51,569	18	74,381	2,035	223,311	27,965	13,454	41,419	5,743	656		271,130
Office Rent and Equipment	89,996	281,245	7,547	225,721	90	267,730	10,144	882,473	130,770	67,079	197,849	24,149	11,918		1,116,389
Materials Postage and Telephone	11,923	39,495	925	31,909	11	35,215	1,243	120,719	18,776	7,019	25,794	2,935	650		150,098
Miscellaneous Expenses	3,565	10,440	609	7,288	7	10,465	819	33,194	2,163	978	3,141	476	68		36,879
Expenditures	19,107,163	55,668,192	3,385,702	38,398,744	40,269	51,294,220	4,550,707	172,444,997	10,328,708	4,578,475	14,907,183	2,365,106	311,517	9,663	190,038,466
<i>Expenditure break down by function:</i>															
Program Costs	18,184,325	52,979,529	3,222,179	36,544,160	38,325	48,816,811	4,330,917	164,116,245	9,829,852	4,357,344	14,187,196	2,250,876	298,075		180,852,392
Communications and Outreach	428,532	1,248,516	75,934	861,200	903	1,150,418	102,062	3,867,565	231,650	102,685	334,336	53,044	6,242		4,261,187
Management & General	494,306	1,440,147	87,589	993,383	1,042	1,326,992	117,728	4,461,186	267,206	118,446	385,652	61,186	7,200		4,915,224
Total Administrative	922,838	2,688,663	163,523	1,854,583	1,945	2,477,409	219,790	8,328,752	498,856	221,131	719,987	114,230	13,442		9,176,411
Fund Development														9,663	9,663
Expenditures	19,107,163	55,668,192	3,385,702	38,398,744	40,269	51,294,220	4,550,707	172,444,997	10,328,708	4,578,475	14,907,183	2,365,106	311,517		190,038,466

Energy Savings and Generation Detail

Efficiency electric kWh savings	41,770,393	108,438,192	6,960,418	128,422,394	6,157,334	55,350,199	15,054,114	362,153,044							362,153,044
Efficiency gas therms savings	480,718	1,727,216	457	1,836,099	-	2,489,244	22,231	6,555,965							6,850,447
Renewables electric kWh generation									25,215,989	1,701,800	26,917,789	294,482			26,917,789

Energy Trust of Oregon
2020 Forecast Detail by Funding Source and Program

PGE

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency	Solar	Other Renewables	OPUC Renewables
Incentives	6,729,941	13,529,308		11,744,758		12,523,561		44,527,568	3,991,020	1,120,758	5,111,777
Program Delivery Contractors	3,874,898	10,641,547	1,665,522	5,405,217	15,345	4,650,767	1,961,046	28,214,342	309,174		309,174
Employee Salaries & Fringe Benefits	856,204	1,910,289	64,518	1,668,748	5,174	1,644,946	73,748	6,223,627	809,261	335,720	1,144,981
Agency Contractor Services	73,779	332,739	3,145	230,161	150	138,417	3,644	782,035	146,677	11,247	157,924
Planning and Evaluation Services	189,756	385,060	3,768	435,905	1,749	261,723	3,606	1,281,567	23,816	3,538	27,354
Advertising and Marketing Services	166,567	439,688	11,544	337,655	151	482,099	13,571	1,451,276	187,406	39,654	227,061
Other Professional Services	126,409	305,719	7,015	271,979	92	513,910	8,246	1,233,370	380,574	281,124	661,698
Travel, Meetings, Trainings & Conferences	8,805	23,245	969	21,643	66	18,570	1,114	74,412	6,001	2,982	8,983
Dues, Licenses and Fees	8,800	28,061	620	9,737	252	12,040	610	60,120	5,968	5,010	10,978
Software and Hardware	25,552	51,977	941	38,856	12	47,049	1,107	165,495	183,362	7,177	190,539
Depreciation & Amortization	16,069	35,093	789	27,307	10	29,642	927	109,837	16,652	5,415	22,067
Office Rent and Equipment	57,270	143,138	3,931	119,524	51	106,699	4,621	435,235	77,867	26,999	104,867
Materials Postage and Telephone	7,588	20,006	482	16,896	6	14,034	566	59,578	11,180	2,805	13,985
Miscellaneous Expenses	2,266	5,230	317	3,859	4	4,171	373	16,221	1,288	394	1,682
Expenditures	12,143,904	27,851,101	1,763,561	20,332,246	23,062	20,447,628	2,073,179	84,634,682	6,150,245	1,842,823	7,993,068
<i>Expenditure break down by function:</i>											
Program Costs	11,557,378	26,505,948	1,678,384	19,350,239	21,949	19,460,048	1,973,048	80,546,994	5,853,201	1,753,818	7,607,019
Communications and Outreach	272,361	624,639	39,553	456,008	517	458,596	46,497	1,898,171	137,937	41,330	179,267
Management & General	314,165	720,514	45,624	525,999	597	528,984	53,634	2,189,516	159,108	47,674	206,782
Total Administrative	586,527	1,345,153	85,176	982,007	1,114	987,580	100,130	4,087,687	297,045	89,005	386,049
Expenditures	12,143,904	27,851,101	1,763,561	20,332,246	23,062	20,447,628	2,073,179	84,634,682	6,150,245	1,842,823	7,993,068

Energy Savings and Generation Detail

Efficiency electric kWh savings	27,268,868	62,836,206	3,967,438	78,000,303	3,509,681	31,343,646	8,580,845	215,506,988		
Efficiency gas therms savings	-	-	-	-	-	-	-	-		
Renewables electric kWh generation										

Energy Trust of Oregon
2020 Forecast Detail by Funding Source and Program

PacificPower

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency	Solar	Other Renewables	OPUC Renewables
Incentives	2,935,646	9,329,927		8,305,185		9,205,582		29,776,340	2,588,514	1,680,594	4,269,108
Program Delivery Contractors	1,470,182	6,935,181	1,242,655	4,404,940	11,449	3,608,669	1,463,148	19,136,224	184,217		184,217
Employee Salaries & Fringe Benefits	356,004	1,220,031	48,137	1,236,369	3,860	1,227,574	55,024	4,146,998	549,810	498,373	1,048,183
Agency Contractor Services	30,677	221,357	2,346	170,525	112	103,296	2,719	531,033	99,652	16,697	116,349
Planning and Evaluation Services	82,499	275,244	2,811	327,761	1,305	203,716	2,690	896,027	16,181	5,252	21,432
Advertising and Marketing Services	69,258	296,011	8,613	250,167	113	353,806	10,125	988,093	127,323	58,010	185,334
Other Professional Services	52,560	202,598	5,234	192,930	68	383,516	6,152	843,058	407,372	403,891	811,263
Travel, Meetings, Trainings & Conferences	3,661	15,512	723	16,035	49	13,858	831	50,670	4,077	3,958	8,035
Dues, Licenses and Fees	3,659	18,665	462	7,214	188	8,985	455	39,628	4,054	5,306	9,361
Software and Hardware	10,624	32,648	702	28,788	9	35,112	826	108,710	124,576	10,654	135,230
Depreciation & Amortization	6,682	22,273	588	20,232	8	22,121	692	72,594	11,313	8,039	19,352
Office Rent and Equipment	23,813	92,155	2,933	88,555	38	79,626	3,448	290,568	52,903	40,080	92,983
Materials Postage and Telephone	3,155	13,031	359	12,518	5	10,473	422	39,963	7,596	4,214	11,809
Miscellaneous Expenses	942	3,497	237	2,859	3	3,113	278	10,930	875	584	1,459
Expenditures	5,049,361	18,678,130	1,315,803	15,064,079	17,207	15,259,446	1,546,811	56,930,837	4,178,463	2,735,652	6,914,115
<i>Expenditure break down by function:</i>											
Program Costs	4,805,487	17,776,014	1,252,252	14,336,514	16,376	14,522,445	1,472,103	54,181,190	3,976,652	2,603,526	6,580,177
Communications and Outreach	113,246	418,910	29,511	337,854	386	342,236	34,692	1,276,835	93,714	61,355	155,069
Management & General	130,628	483,207	34,040	389,711	445	394,765	40,016	1,472,812	108,098	70,772	178,870
Total Administrative	243,874	902,117	63,551	727,565	831	737,001	74,708	2,749,647	201,811	132,127	333,938
Expenditures	5,049,361	18,678,130	1,315,803	15,064,079	17,207	15,259,446	1,546,811	56,930,837	4,178,463	2,735,652	6,914,115

Energy Savings and Generation Detail

Efficiency electric kWh savings	14,501,524	45,601,985	2,992,980	50,422,092	2,647,654	24,006,552	6,473,269	146,646,057		
Efficiency gas therms savings	-	-	-	-	-	-	-	-	-	-
Renewables electric kWh generation										

Energy Trust of Oregon
2020 Forecast Detail by Funding Source and Program

NWN - Industrial

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	OPUC Efficiency
Incentives	90,168	1,670,906		929,850	2,690,923
Program Delivery Contractors	6,800	273,081		811,475	1,091,356
Employee Salaries & Fringe Benefits	7,914	131,807		169,373	309,094
Agency Contractor Services	679	25,879		23,356	49,915
Planning and Evaluation Services	4,296	40,835		49,250	94,380
Advertising and Marketing Services	1,541	35,397		34,271	71,209
Other Professional Services	1,167	22,729		22,929	46,824
Travel, Meetings, Trainings & Conferences	82	1,827		2,197	4,105
Dues, Licenses and Fees	81	2,181		988	3,250
Software and Hardware	235	3,402		3,943	7,580
Depreciation & Amortization	148	2,374		2,771	5,293
Office Rent and Equipment	530	10,121		12,131	22,782
Materials Postage and Telephone	70	1,464		1,715	3,249
Miscellaneous Expenses	21	414		392	827
Expenditures	113,731	2,222,416		2,064,641	4,400,788
<i>Expenditure break down by function:</i>					
Program Costs	108,238	2,115,078	-	1,964,923	4,188,239
Communications and Outreach	2,551	49,844		46,305	98,700
Management & General	2,942	57,494		53,413	113,849
Total Administrative	5,493	107,338		99,718	212,549
Expenditures	113,731	2,222,416		2,064,641	4,400,788

Energy Savings and Generation Detail

Efficiency electric kWh savings	-	-	-	-	-
Efficiency gas therms savings	20,546	713,861	-	1,574,351	2,308,759
Renewables electric kWh generation					

Energy Trust of Oregon
2020 Forecast Detail by Funding Source and Program

NWNatural

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	OPUC Efficiency
Incentives	807,081	2,252,447		413,153	6,954,070		10,426,752
Program Delivery Contractors	450,205	1,862,021	231,447	201,421	4,358,564	704,302	7,807,961
Employee Salaries & Fringe Benefits	102,717	342,106	8,966	59,778	1,084,604	26,486	1,624,657
Agency Contractor Services	8,814	57,336	437	8,243	91,286	1,309	167,426
Planning and Evaluation Services	57,018	75,126	524	17,382	169,528	1,295	320,873
Advertising and Marketing Services	19,996	74,943	1,604	12,095	319,801	4,874	433,314
Other Professional Services	15,141	53,508	975	8,092	338,970	2,962	419,647
Travel, Meetings, Trainings & Conferences	1,062	3,998	135	775	12,242	400	18,612
Dues, Licenses and Fees	1,047	4,835	86	349	7,942	219	14,478
Software and Hardware	3,051	9,441	131	1,392	31,030	397	45,442
Depreciation & Amortization	1,923	6,318	110	978	19,547	333	29,208
Office Rent and Equipment	6,874	25,448	546	4,282	70,349	1,660	109,159
Materials Postage and Telephone	910	3,519	67	605	9,253	203	14,558
Miscellaneous Expenses	275	899	44	138	2,748	134	4,239
Expenditures	1,476,115	4,771,945	245,071	728,684	13,469,935	744,574	21,436,324
<i>Expenditure break down by function:</i>							
Program Costs	1,404,822	4,541,470	233,234	693,490	12,819,364	708,613	20,400,992
Communications and Outreach	33,106	107,024	5,496	16,343	302,101	16,699	480,770
Management & General	38,187	123,451	6,340	18,851	348,470	19,262	554,562
Total Administrative	71,293	230,476	11,836	35,194	650,571	35,961	1,035,332
Expenditures	1,476,115	4,771,945	245,071	728,684	13,469,935	744,574	21,436,324
Energy Savings and Generation Detail							
Efficiency electric kWh savings	-	-	-	-	-	-	-
Efficiency gas therms savings	376,472	673,535	332	201,242	2,110,376	16,189	3,378,145
Renewables electric kWh generation							

Energy Trust of Oregon
2020 Forecast Detail by Funding Source and Program

Cascade Natural Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	OPUC Efficiency
Incentives	115,368	738,269		90,991	656,637		1,601,264
Program Delivery Contractors	60,868	504,259	28,931	62,039	313,854	88,038	1,057,988
Employee Salaries & Fringe Benefits	14,384	87,949	1,121	14,885	92,855	3,311	214,503
Agency Contractor Services	1,234	16,691	55	2,053	7,815	164	28,011
Planning and Evaluation Services	7,808	25,405	65	4,328	13,127	162	50,895
Advertising and Marketing Services	2,800	22,626	201	3,012	26,767	609	56,014
Other Professional Services	2,120	14,844	122	2,015	29,020	370	48,491
Travel, Meetings, Trainings & Conferences	149	1,175	17	193	1,048	50	2,632
Dues, Licenses and Fees	147	1,407	11	87	680	27	2,358
Software and Hardware	427	2,306	16	347	2,657	50	5,802
Depreciation & Amortization	269	1,593	14	244	1,673	42	3,835
Office Rent and Equipment	963	6,705	68	1,066	6,023	207	15,032
Materials Postage and Telephone	127	961	8	151	792	25	2,065
Miscellaneous Expenses	39	266	6	34	235	17	596
Expenditures	206,702	1,424,454	30,634	181,443	1,153,182	93,072	3,089,486
<i>Expenditure break down by function:</i>							
Program Costs	196,719	1,355,655	29,154	172,679	1,097,486	88,577	2,940,270
Communications and Outreach	4,636	31,947	687	4,069	25,863	2,087	69,290
Management & General	5,347	36,851	793	4,694	29,833	2,408	79,926
Total Administrative	9,983	68,798	1,480	8,763	55,696	4,495	149,216
Expenditures	206,702	1,424,454	30,634	181,443	1,153,182	93,072	3,089,486
Energy Savings and Generation Detail							
Efficiency electric kWh savings	-	-	-	-	-	-	-
Efficiency gas therms savings	44,583	224,342	86	43,972	174,969	4,123	492,075
Renewables electric kWh generation							

Energy Trust of Oregon
2020 Forecast Detail by Funding Source and Program

Avista Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	OPUC Efficiency
Incentives	58,623	325,804		14,317	507,932		906,676
Program Delivery Contractors	41,430	297,794	28,931	9,003	303,373	88,038	768,568
Employee Salaries & Fringe Benefits	8,166	49,037	1,121	2,268	77,624	3,311	141,526
Agency Contractor Services	701	8,575	55	313	6,533	164	16,340
Planning and Evaluation Services	4,433	11,830	65	660	10,974	162	28,123
Advertising and Marketing Services	1,590	11,356	201	459	22,376	609	36,591
Other Professional Services	1,204	7,869	122	307	24,260	370	34,131
Travel, Meetings, Trainings & Conferences	84	600	17	29	876	50	1,657
Dues, Licenses and Fees	83	723	11	13	568	27	1,426
Software and Hardware	243	1,331	16	53	2,221	50	3,913
Depreciation & Amortization	153	900	14	37	1,399	42	2,544
Office Rent and Equipment	547	3,677	68	162	5,035	207	9,697
Materials Postage and Telephone	72	515	8	23	662	25	1,306
Miscellaneous Expenses	22	135	6	5	197	17	381
Expenditures	117,350	720,146	30,634	27,650	964,029	93,072	1,952,880
<i>Expenditure break down by function:</i>							
Program Costs	111,682	685,365	29,154	26,314	917,469	88,577	1,858,560
Communications and Outreach	2,632	16,151	687	620	21,621	2,087	43,799
Management & General	3,036	18,630	793	715	24,940	2,408	50,521
Total Administrative	5,668	34,782	1,480	1,335	46,561	4,495	94,320
Expenditures	117,350	720,146	30,634	27,650	964,029	93,072	1,952,880
Energy Savings and Generation Detail							
Efficiency electric kWh savings	-	-	-	-	-	-	-
Efficiency gas therms savings	39,117	115,478	39	16,533	203,900	1,919	376,986
Renewables electric kWh generation							

Energy Trust of Oregon
 2020 Forecast Detail by Funding Source and Program

NWNatural Washington

Washington	
Expenditures Detail	
Incentives	1,141,451
Program Delivery Contractors	702,614
Employee Salaries & Fringe Benefits	341,593
Agency Contractor Services	15,112
Planning and Evaluation Services	29,190
Advertising and Marketing Services	15,802
Other Professional Services	36,123
Travel, Meetings, Trainings & Conferences	3,754
Dues, Licenses and Fees	37,653
Software and Hardware	8,509
Depreciation & Amortization	5,743
Office Rent and Equipment	24,149
Materials Postage and Telephone	2,935
<u>Miscellaneous Expenses</u>	<u>476</u>
Expenditures	2,365,106
<i>Expenditure break down by function:</i>	
Program Costs	2,250,876
Communications and Outreach	53,044
Management & General	61,186
Total Administrative	114,230
Expenditures	2,365,106

Energy Savings and Generation Detail

Efficiency electric kWh savings	
Efficiency gas therms savings	294,482
Renewables electric kWh generation	

2022 Projection Recap Spending and Savings
Projection 2022

Program	Budget (\$M)			Electric		Gas	
	Electric	Gas	Total	Electric Savings Goal (aMW)	Levelized Cost per kWh	Annual Therms	Levelized Cost per Therm
Existing Buildings with MF	\$ 43.4	\$ 12.9	\$ 56.3	12.5	\$ 0.040	2,455,621	\$ 0.481
New Buildings	\$ 18.1	\$ 1.9	\$ 20.0	5.4	\$ 0.035	497,135	\$ 0.351
NEEA Commercial	\$ 3.5	\$ 0.4	\$ 3.9	1.6	\$ 0.043	609	\$ 44.137
Commercial Sector	\$ 65.0	\$ 15.2	\$ 80.2	19.5	\$ 0.038	2,953,365	\$ 0.471
Industry and Agriculture	\$ 40.1	\$ 3.6	\$ 43.7	17.8	\$ 0.026	1,322,366	\$ 0.265
NEEA - Industrial	\$ 0.5	\$ 0.0	\$ 0.6	0.7	\$ 0.014	-	
Industry and Agriculture Sector	\$ 40.7	\$ 3.6	\$ 44.3	18.5	\$ 0.025	1,322,366	\$ 0.266
Residential	\$ 34.9	\$ 15.3	\$ 50.3	6.5	\$ 0.068	1,964,300	\$ 0.519
NEEA Residential	\$ 3.7	\$ 1.2	\$ 4.8	2.8	\$ 0.015	2,140	\$ 32.927
Residential Sector	\$ 38.6	\$ 16.5	\$ 55.1	9.4	\$ 0.051	1,966,440	\$ 0.558
Oregon Efficiency Programs	\$ 144.2	\$ 35.4	\$ 179.6	47.4	\$ 0.036	6,242,171	\$ 0.460
Solar	\$ 13.0		\$ 13.0	2.5			
Other Renewables	\$ 5.9		\$ 5.9	0.3			
Renewables Programs	\$ 18.8		\$ 18.8	2.8			
Commercial Washington		\$ 1.0	\$ 1.0			112,714	\$ 0.713
NEEA Commercial Washington		\$ -	\$ -			-	
Residential Washington		\$ 1.6	\$ 1.6			103,693	\$ 1.217
NEEA Residential Washington		\$ -	\$ -			-	
Washington Programs		\$ 2.6	\$ 2.6			216,407	\$ 0.957
Community Solar			\$ 0.3				
PGE Storage			\$ 0.3				
LMI			\$ -				
Total Programs			\$ 201.6				

Energy Trust of Oregon
 2022 Projection Income Statement By Funding Source
 Projection for 2022

	Oregon OPUC Efficiency Funders						Total Oregon OPUC Efficiency	Oregon OPUC Renewables			Other Funding Sources				TOTAL	
	PGE	PAC	NWN IND	NWN	CNG	AVI		PGE	PAC	Total Renewables	Washington	LMI	Community Solar	PGE storage	Investments / Contingency	
Beginning Net Assets	2,006,445	3,495,423	200,000	234,953	392,876	(364,083)	5,965,614	4,870,348	4,038,965	8,909,313	81,504	-	545,395	148,427	10,248,208	25,908,461
Revenue	78,817,804	54,250,508	4,804,314	20,358,144	3,262,312	1,823,292	163,316,374	8,818,842	6,198,167	15,017,009	2,508,555		550,000	337,200	96,000	181,825,138
<i>detail: Incentives</i>	46,361,344	30,874,807	3,612,217	11,308,900	1,994,939	1,199,632	95,351,839	8,351,950	4,124,500	12,476,450	1,283,493			210,000		109,321,782
<i>detail: Program Delivery</i>	26,583,670	17,879,032	1,899,830	7,349,216	1,420,632	879,432	56,011,812	226,660	121,410	348,070	729,554			27,000		57,116,436
Total Expenditures	86,415,280	57,773,300	6,505,580	22,352,246	4,045,577	2,469,322	179,561,306	12,492,879	6,332,586	18,825,465	2,626,088		294,065	319,429		201,626,352
Net Income	(7,597,477)	(3,522,792)	(1,701,266)	(1,994,102)	(783,265)	(646,030)	(16,244,932)	(3,674,037)	(134,419)	(3,808,456)	(117,533)		255,935	17,771	96,000	(19,801,214)
Ending Net Assets	(5,591,032)	(27,369)	(1,501,266)	(1,759,149)	(390,389)	(1,010,113)	(10,279,318)	1,196,311	3,904,546	5,100,857	(36,029)	-	801,330	166,198	10,344,208	6,107,247
less:Renewables Dedicated								-	(200,000)	(200,000)						
Renewables funds yet to be dedicated for future periods								1,196,311	3,704,546	4,900,857						

Energy Trust of Oregon
2022 Projection Summary by Funding Source and Program

All Funding Sources

Expenditures Detail	OPUC Efficiency	OPUC Renewables	Washington
Incentives	95,351,839	12,476,450	1,283,493
Program Delivery Contractors	56,011,812	348,070	729,554
Employee Salaries & Fringe Benefits	14,603,599	2,663,053	394,481
Agency Contractor Services	1,938,326	169,998	21,342
Planning and Evaluation Services	2,884,644	56,832	28,882
Advertising and Marketing Services	2,780,834	389,530	13,891
Other Professional Services	3,625,727	1,950,475	61,843
Travel, Meetings, Trainings & Conferences	373,908	73,525	12,598
Dues, Licenses and Fees	218,212	56,735	34,725
Software and Hardware	416,820	395,104	10,233
Depreciation & Amortization	205,818	31,202	5,151
Office Rent and Equipment	1,008,751	193,907	26,760
Materials Postage and Telephone	135,982	19,807	3,027
Miscellaneous Expenses	5,035	777	107
Expenditures	179,561,306	18,825,465	2,626,088
<i>Expenditure break down by function:</i>			
Program Costs	169,949,631	17,817,746	2,485,446
Communications and Outreach	3,971,320	416,366	58,110
Management & General	5,640,355	591,353	82,532
Total Administrative	9,611,676	1,007,719	140,642
Expenditures	179,561,306	18,825,465	2,626,088

Energy Savings and Generation Detail

Efficiency electric kWh savings	414,805,686		
Efficiency gas therms savings	6,242,171		
Renewables electric kWh generation		24,611,800	216,407

Energy Trust of Oregon
2022 Projection Detail by Funding Source and Program

All Programs

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency	Solar	Other Renewables	OPUC Renewables	Washington
Incentives	11,015,210	29,779,011		26,537,380		28,020,238		95,351,839	8,652,450	3,824,000	12,476,450	1,283,493
Program Delivery Contractors	5,918,459	17,820,060	3,618,867	10,382,871	516,085	13,223,275	4,532,194	56,011,812	348,070		348,070	729,554
Employee Salaries & Fringe Benefits	1,581,995	4,450,336	155,121	3,592,519	28,533	4,604,396	190,699	14,603,599	1,751,890	911,163	2,663,053	394,481
Agency Contractor Services	148,933	662,267	12,600	531,126	2,117	565,681	15,602	1,938,326	134,647	35,351	169,998	21,342
Planning and Evaluation Services	620,113	889,218	7,220	747,744	3,181	609,323	7,844	2,884,644	47,960	8,872	56,832	28,882
Advertising and Marketing Services	228,635	793,359	20,372	600,297	2,957	1,109,728	25,485	2,780,834	296,593	92,937	389,530	13,891
Other Professional Services	215,598	1,173,939	17,143	784,037	2,813	1,410,933	21,265	3,625,727	1,137,978	812,496	1,950,475	61,843
Travel, Meetings, Trainings & Conferences	41,717	116,393	4,371	85,487	700	119,808	5,432	373,908	42,967	30,558	73,525	12,598
Dues, Licenses and Fees	22,049	105,161	2,501	36,121	696	48,740	2,944	218,212	21,318	35,417	56,735	34,725
Software and Hardware	49,065	124,015	2,664	94,168	387	143,187	3,333	416,820	376,456	18,648	395,104	10,233
Depreciation & Amortization	23,171	62,273	1,555	49,035	226	67,612	1,945	205,818	20,824	10,379	31,202	5,151
Office Rent and Equipment	102,008	316,141	9,664	267,987	1,403	299,457	12,090	1,008,751	129,410	64,498	193,907	26,760
Materials Postage and Telephone	12,853	44,649	1,185	38,473	172	37,168	1,482	135,982	12,844	6,962	19,807	3,027
Miscellaneous Expenses	531	1,580	75	1,291	11	1,454	94	5,035	523	253	777	107
Expenditures	19,980,339	56,338,402	3,853,340	43,748,537	559,281	50,261,000	4,820,407	179,561,306	12,973,931	5,851,535	18,825,465	2,626,088
<i>Expenditure break down by function:</i>												
Program Costs	18,910,818	53,322,683	3,647,076	41,406,736	529,343	47,570,596	4,562,378	169,949,631	12,279,442	5,538,304	17,817,746	2,485,446
Communications and Outreach	441,901	1,246,025	85,224	967,577	12,369	1,111,612	106,612	3,971,320	286,947	129,420	416,366	58,110
Management & General	627,620	1,769,694	121,041	1,374,223	17,568	1,578,792	151,418	5,640,355	407,542	183,811	591,353	82,532
Total Administrative	1,069,521	3,015,719	206,264	2,341,800	29,938	2,690,404	258,030	9,611,676	694,489	313,231	1,007,719	140,642
Expenditures	19,980,339	56,338,402	3,853,340	43,748,537	559,281	50,261,000	4,820,407	179,561,306	12,973,931	5,851,535	18,825,465	2,626,088

Energy Savings and Generation Detail

Efficiency electric kWh savings	47,293,631	109,476,004	13,729,579	156,264,733	5,929,839	57,284,546	24,827,354	414,805,686				
Efficiency gas therms savings	497,135	2,455,621	609	1,322,366	-	1,964,300	2,140	6,242,171				
Renewables electric kWh generation								21,826,800	2,785,000	24,611,800		216,407

Energy Trust of Oregon
2022 Projection Detail by Funding Source and Program

PGE

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency	Solar	Other Renewables	OPUC Renewables
Incentives	6,939,282	14,438,864		13,768,416		11,214,782		46,361,344	5,777,950	2,574,000	8,351,950
Program Delivery Contractors	3,573,208	8,890,888	1,871,529	4,974,129	287,764	5,020,921	1,965,230	26,583,670	226,660		226,660
Employee Salaries & Fringe Benefits	981,497	2,207,328	80,221	1,823,927	15,909	1,811,607	82,690	7,003,178	1,168,756	597,542	1,766,299
Agency Contractor Services	92,404	323,773	6,516	269,642	1,181	222,560	6,765	922,841	89,828	23,183	113,012
Planning and Evaluation Services	371,676	440,093	3,734	376,976	1,774	230,809	3,401	1,428,463	31,996	5,818	37,814
Advertising and Marketing Services	141,847	384,976	10,536	304,768	1,649	440,475	11,051	1,295,302	197,869	58,423	256,292
Other Professional Services	133,769	571,883	8,866	406,089	1,568	555,094	9,221	1,686,489	759,191	473,332	1,232,523
Travel, Meetings, Trainings & Conferences	25,880	56,966	2,260	43,403	390	47,140	2,355	178,395	28,665	18,334	47,000
Dues, Licenses and Fees	13,165	51,528	1,264	17,876	366	19,628	1,279	105,108	14,222	20,801	35,023
Software and Hardware	30,446	61,850	1,378	47,808	216	56,335	1,445	199,478	251,149	12,229	263,378
Depreciation & Amortization	14,377	30,962	804	24,895	126	26,601	844	98,609	13,892	6,806	20,699
Office Rent and Equipment	63,285	156,306	4,998	136,057	782	117,823	5,242	484,493	86,335	42,298	128,632
Materials Postage and Telephone	7,974	22,013	613	19,532	96	14,624	643	65,494	8,569	4,513	13,082
Miscellaneous Expenses	329	775	39	655	6	572	41	2,417	349	166	515
Expenditures	12,389,139	27,638,205	1,992,757	22,214,174	311,827	19,778,971	2,090,207	86,415,280	8,655,433	3,837,447	12,492,879
<i>Expenditure break down by function:</i>											
Program Costs	11,725,966	26,173,570	1,886,088	21,025,079	295,135	18,720,229	1,978,321	81,804,388	8,192,111	3,632,029	11,824,140
Communications and Outreach	274,008	605,153	44,073	491,306	6,897	437,447	46,229	1,905,113	191,434	84,874	276,307
Management & General	389,166	859,482	62,596	697,789	9,795	621,294	65,657	2,705,779	271,888	120,544	392,431
Total Administrative	663,174	1,464,635	106,670	1,189,095	16,692	1,058,742	111,886	4,610,893	463,322	205,417	668,739
Expenditures	12,389,139	27,638,205	1,992,757	22,214,174	311,827	19,778,971	2,090,207	86,415,280	8,655,433	3,837,447	12,492,879
Energy Savings and Generation Detail											
Efficiency electric kWh savings	29,993,837	66,399,085	7,825,860	78,687,987	3,380,009	19,466,364	14,151,592	219,904,734			
Efficiency gas therms savings	-	-	-	-	-	-	-	-	13,975,200	2,100,000	16,075,200
Renewables electric kWh generation											

Energy Trust of Oregon
2022 Projection Detail by Funding Source and Program

PacificPower

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency	Solar	Other Renewables	OPUC Renewables
Incentives	2,996,501	8,596,798		10,933,755		8,347,753		30,874,807	2,874,500	1,250,000	4,124,500
Program Delivery Contractors	1,839,221	4,709,026	1,390,245	4,176,138	215,512	4,077,995	1,470,895	17,879,032	121,410		121,410
Employee Salaries & Fringe Benefits	451,486	1,248,696	59,591	1,470,416	11,914	1,386,006	61,890	4,690,000	583,134	313,621	896,754
Agency Contractor Services	42,506	184,989	4,840	217,380	884	170,274	5,063	625,937	44,819	12,168	56,986
Planning and Evaluation Services	170,970	251,169	2,774	303,911	1,329	176,585	2,546	909,283	15,964	3,054	19,018
Advertising and Marketing Services	65,249	221,102	7,826	245,698	1,235	332,693	8,271	882,074	98,724	34,514	133,238
Other Professional Services	61,533	327,550	6,586	327,381	1,175	424,685	6,901	1,155,812	378,787	339,164	717,951
Travel, Meetings, Trainings & Conferences	11,905	32,524	1,679	34,991	292	36,065	1,763	119,219	14,302	12,224	26,526
Dues, Licenses and Fees	6,056	29,350	939	14,411	274	15,017	958	67,005	7,096	14,616	21,712
Software and Hardware	14,005	34,856	1,024	38,542	161	43,100	1,082	132,770	125,307	6,418	131,726
Depreciation & Amortization	6,614	17,486	597	20,070	94	20,352	631	65,844	6,931	3,572	10,504
Office Rent and Equipment	29,111	88,617	3,713	109,686	586	90,143	3,924	325,779	43,075	22,200	65,275
Materials Postage and Telephone	3,668	12,504	455	15,747	72	11,188	481	44,115	4,275	2,450	6,725
Miscellaneous Expenses	151	442	29	528	5	438	30	1,623	174	87	261
Expenditures	5,698,977	15,755,109	1,480,298	17,908,654	233,533	15,132,294	1,564,435	57,773,300	4,318,498	2,014,088	6,332,586
<i>Expenditure break down by function:</i>											
Program Costs	5,393,919	14,914,357	1,401,059	16,950,028	221,032	14,322,283	1,480,693	54,683,371	4,087,331	1,906,274	5,993,605
Communications and Outreach	126,043	347,379	32,739	396,082	5,165	334,678	34,600	1,276,687	95,513	44,546	140,059
Management & General	179,016	493,373	46,499	562,544	7,336	475,334	49,142	1,813,243	135,654	63,267	198,922
Total Administrative	305,059	840,752	79,238	958,626	12,501	810,011	83,742	3,089,929	231,167	107,813	338,981
Expenditures	5,698,977	15,755,109	1,480,298	17,908,654	233,533	15,132,294	1,564,435	57,773,300	4,318,498	2,014,088	6,332,586
Energy Savings and Generation Detail											
Efficiency electric kWh savings	17,299,794	43,076,919	5,903,719	77,576,745	2,549,831	37,818,182	10,675,762	194,900,951			
Efficiency gas therms savings	-	-	-	-	-	-	-	-	7,851,600	685,000	8,536,600
Renewables electric kWh generation											

Energy Trust of Oregon
2022 Projection Detail by Funding Source and Program

NWN - Industrial

Expenditures Detail	New Buildings	Existing Buildings with MF	Industry and Agriculture	OPUC Efficiency
Incentives	64,654	2,258,836	1,288,727	3,612,217
Program Delivery Contractors	6,800	957,921	935,109	1,899,830
Employee Salaries & Fringe Benefits	6,704	284,800	216,146	507,650
Agency Contractor Services	631	45,256	31,971	77,858
Planning and Evaluation Services	3,359	57,769	48,464	109,593
Advertising and Marketing Services	969	55,979	36,122	93,070
Other Professional Services	913	81,466	36,656	119,035
Travel, Meetings, Trainings & Conferences	177	7,916	5,142	13,235
Dues, Licenses and Fees	127	7,009	2,778	9,914
Software and Hardware	208	7,728	5,667	13,603
Depreciation & Amortization	98	3,939	2,951	6,988
Office Rent and Equipment	432	20,535	16,125	37,092
Materials Postage and Telephone	54	2,938	2,315	5,308
Miscellaneous Expenses	2	106	78	186
Expenditures	85,129	3,792,200	2,628,251	6,505,580
<i>Expenditure break down by function:</i>				
Program Costs	80,572	3,580,158	2,487,564	6,148,294
Communications and Outreach	1,883	87,611	58,128	147,622
Management & General	2,674	124,431	82,558	209,664
Total Administrative	4,557	212,042	140,687	357,286
Expenditures	85,129	3,792,200	2,628,251	6,505,580

Energy Savings and Generation Detail

Efficiency electric kWh savings	-	-	-	-
Efficiency gas therms savings	7,448	730,752	975,487	1,713,688
Renewables electric kWh generation				

Energy Trust of Oregon
2022 Projection Detail by Funding Source and Program

NWN

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency
Incentives	877,237	2,939,990		366,660		7,125,014		11,308,900
Program Delivery Contractors	405,899	2,161,217	259,942	202,558	9,315	3,490,416	819,868	7,349,216
Employee Salaries & Fringe Benefits	120,648	469,290	11,144	55,325	516	1,187,698	34,497	1,879,118
Agency Contractor Services	11,354	71,222	905	8,183	38	145,928	2,822	240,453
Planning and Evaluation Services	63,255	92,716	519	12,405	57	176,088	1,419	346,460
Advertising and Marketing Services	17,439	86,163	1,464	9,246	54	285,703	4,610	404,678
Other Professional Services	16,433	126,850	1,232	9,382	51	364,008	3,847	521,802
Travel, Meetings, Trainings & Conferences	3,184	12,498	314	1,316	13	30,903	983	49,210
Dues, Licenses and Fees	2,289	11,410	218	711	40	11,899	529	27,096
Software and Hardware	3,736	12,978	191	1,451	7	36,939	603	55,905
Depreciation & Amortization	1,765	6,545	112	755	4	17,441	352	26,975
Office Rent and Equipment	7,783	33,483	694	4,127	25	77,243	2,187	125,543
Materials Postage and Telephone	981	4,747	85	593	3	9,587	268	16,264
Miscellaneous Expenses	41	169	5	20	0	375	17	627
Expenditures	1,532,042	6,029,279	276,824	672,732	10,124	12,959,243	872,002	22,352,246
<i>Expenditure break down by function:</i>								
Program Costs	1,450,034	5,702,208	262,006	636,722	9,582	12,265,552	825,325	21,151,429
Communications and Outreach	33,884	135,138	6,122	14,879	224	286,617	19,286	496,150
Management & General	48,124	191,933	8,696	21,132	318	407,074	27,391	704,668
Total Administrative	82,008	327,071	14,818	36,010	542	693,691	46,677	1,200,817
Expenditures	1,532,042	6,029,279	276,824	672,732	10,124	12,959,243	872,002	22,352,246

Energy Savings and Generation Detail

Efficiency electric kWh savings	-	-	-	-	-	-	-	-
Efficiency gas therms savings	419,465	1,174,830	443	254,950	-	1,626,443	1,558	3,477,689
Renewables electric kWh generation								

Energy Trust of Oregon
2022 Projection Detail by Funding Source and Program

Cascade Natural Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency
Incentives	96,100	960,642		143,552		794,645		1,994,939
Program Delivery Contractors	66,176	686,832	57,313	78,763	1,164	343,169	187,214	1,420,632
Employee Salaries & Fringe Benefits	15,225	149,403	2,457	21,608	65	126,754	7,877	323,389
Agency Contractor Services	1,433	23,064	200	3,196	5	15,574	644	44,116
Planning and Evaluation Services	7,629	29,563	114	4,845	7	14,951	324	57,433
Advertising and Marketing Services	2,201	28,139	323	3,611	7	29,424	1,053	64,756
Other Professional Services	2,074	41,244	272	3,664	6	38,848	878	86,987
Travel, Meetings, Trainings & Conferences	402	4,042	69	514	2	3,298	224	8,551
Dues, Licenses and Fees	289	3,649	48	278	5	1,270	121	5,659
Software and Hardware	471	4,103	42	567	1	3,942	138	9,264
Depreciation & Amortization	223	2,077	25	295	1	1,861	80	4,562
Office Rent and Equipment	982	10,701	153	1,612	3	8,244	499	22,194
Materials Postage and Telephone	124	1,522	19	231	0	1,023	61	2,981
Miscellaneous Expenses	5	55	1	8	0	40	4	113
Expenditures	193,333	1,945,038	61,036	262,744	1,266	1,383,043	199,118	4,045,577
<i>Expenditure break down by function:</i>								
Program Costs	182,984	1,838,312	57,769	248,679	1,198	1,309,011	188,460	3,826,412
Communications and Outreach	4,276	44,097	1,350	5,811	28	30,588	4,404	90,554
Management & General	6,073	62,630	1,917	8,253	40	43,444	6,255	128,611
Total Administrative	10,349	106,726	3,267	14,064	68	74,032	10,659	219,165
Expenditures	193,333	1,945,038	61,036	262,744	1,266	1,383,043	199,118	4,045,577
Energy Savings and Generation Detail								
Efficiency electric kWh savings	-	-	-	-	-	-	-	-
Efficiency gas therms savings	41,498	331,613	113	68,409	-	161,491	397	603,521
Renewables electric kWh generation								

Energy Trust of Oregon
2022 Projection Detail by Funding Source and Program

Avista Gas

Expenditures Detail	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Efficiency
Incentives	41,436	583,881		36,270		538,045		1,199,632
Program Delivery Contractors	27,154	414,175	39,837	16,175	2,329	290,773	88,987	879,432
Employee Salaries & Fringe Benefits	6,435	90,818	1,708	5,097	129	92,331	3,744	200,263
Agency Contractor Services	606	13,963	139	754	10	11,344	306	27,121
Planning and Evaluation Services	3,225	17,908	79	1,143	14	10,890	154	33,413
Advertising and Marketing Services	930	17,000	224	852	13	21,433	500	40,954
Other Professional Services	876	24,945	189	864	13	28,298	418	55,603
Travel, Meetings, Trainings & Conferences	170	2,448	48	121	3	2,402	107	5,299
Dues, Licenses and Fees	122	2,215	33	66	10	925	57	3,429
Software and Hardware	199	2,499	29	134	2	2,872	65	5,800
Depreciation & Amortization	94	1,264	17	70	1	1,356	38	2,840
Office Rent and Equipment	415	6,499	106	380	6	6,005	237	13,649
Materials Postage and Telephone	52	924	13	55	1	745	29	1,819
Miscellaneous Expenses	2	33	1	2	0	29	2	69
Expenditures	81,717	1,178,571	42,425	61,982	2,531	1,007,450	94,646	2,469,322
<i>Expenditure break down by function:</i>								
Program Costs	77,343	1,114,078	40,154	58,664	2,396	953,523	89,579	2,335,736
Communications and Outreach	1,807	26,647	938	1,371	56	22,282	2,093	55,194
Management & General	2,567	37,846	1,333	1,947	80	31,646	2,973	78,391
Total Administrative	4,374	64,493	2,271	3,318	135	53,927	5,066	133,585
Expenditures	81,717	1,178,571	42,425	61,982	2,531	1,007,450	94,646	2,469,322
Energy Savings and Generation Detail								
Efficiency electric kWh savings	-	-	-	-	-	-	-	-
Efficiency gas therms savings	28,724	218,425	53	23,520	-	176,366	185	447,273
Renewables electric kWh generation								

Energy Trust of Oregon
2022 Projection Detail by Funding Source and Program

NWN Washington

	Washington
Expenditures Detail	
Incentives	1,283,493
Program Delivery Contractors	729,554
Employee Salaries & Fringe Benefits	394,481
Agency Contractor Services	21,342
Planning and Evaluation Services	28,882
Advertising and Marketing Services	13,891
Other Professional Services	61,843
Travel, Meetings, Trainings & Conferences	12,598
Dues, Licenses and Fees	34,725
Software and Hardware	10,233
Depreciation & Amortization	5,151
Office Rent and Equipment	26,760
Materials Postage and Telephone	3,027
Miscellaneous Expenses	107
Expenditures	2,626,088
<i>Expenditure break down by function:</i>	
Program Costs	2,485,446
Communications and Outreach	58,110
Management & General	82,532
Total Administrative	140,642
Expenditures	2,626,088

Energy Savings and Generation Detail

Efficiency electric kWh savings	
Efficiency gas therms savings	
Renewables electric kWh generation	216,407

Glossary of Key Terms

Administrative costs: Costs that, by nonprofit accounting standards, have general objectives that enable an organization's programs to function. The organization's programs in turn provide direct services to the organization's constituents and fulfill the mission of the organization. Administrative costs are included in the Oregon Public Utility Commission performance measure on administrative and program support. See **program delivery efficiency OPUC performance measure.**

Administrative costs fall in these two categories. **Management and general** includes governance/board activities, interest/financing costs, accounting, payroll, human resources, general legal support and other general organizational management costs. Receives an allocated share of indirect costs. **General communications and outreach** covers expenditures of a general nature, conveying the nonprofit mission of the organization and general public awareness. Both management and general and generation communications and outreach receive an allocated share of indirect costs.

Allocation: A way of grouping costs together and applying them to a program as one pool based upon an allocation base that most closely represents the activity driver of the costs in the pool. Used as an alternative to charging programs on an invoice-by-invoice basis for accounting efficiency purposes. An example would be accumulating all costs associated with customer management such as call center operations, customer service personnel and complaint tracking. Costs are then spread to programs that benefited using the ratio of calls to the call center by program (i.e., the allocation base).

Allocation cost pools: These are: employee benefits and taxes; office operations including rent, telephone, utilities and supplies; information technology services including infrastructure, development and reporting and analysis; planning and evaluation general costs; customer service and trade ally support costs; general communications and outreach costs; management and general costs; shared costs for electric utilities; shared costs for gas utilities; and shared costs for all utilities.

Auditor's opinion: An accountant's or auditor's opinion is a report by an independent CPA presented to the board of directors describing the scope of the examination of the organization's books and certifying the financial statements meet the AICPA (American Institute of Certified Public Accountants) requirements of Generally Accepted Accounting Principles. Depending on the audit findings, the opinion can be unmodified or modified regarding specific items. Energy Trust strives for and has achieved in all its years an unmodified opinion. An unmodified opinion indicates agreement by the auditors that the financial statements present an accurate assessment of the organization's financial results. The OPUC requires an unmodified opinion regarding Energy Trust's financial statements. Failure to follow Generally Accepted Accounting Principles can result in a qualified opinion.

Average megawatt: Megawatt is the standard term of measurement for bulk electricity. One megawatt is 1 million watts. One million watts delivered continuously 24 hours a day for a year (8,760 hours) is called an average megawatt.

Benefit/cost ratio: For Energy Trust to provide an incentive for a project, the benefit must meet or outweigh the cost. This is expressed as a benefit/cost ratio with the benefits in the numerator and the costs in the denominator.

The OPUC has directed Energy Trust to apply the Total Resource Cost Test benefit/cost ratio and Utility Cost Test benefit/cost ratio to ensure that Energy Trust is responsibly investing ratepayer funds. The Total Resource Cost Test determines whether to provide an incentive for an energy-efficiency measure. The Utility Cost Test helps determine the maximum allowable amount of the incentive. Together, the tests assess the value of the energy-efficiency investment compared to a utility supplying the same amount of energy and determine whether energy efficiency is the best energy buy for a utility and for all utility customers.

Business planning: An annual process by which Energy Trust evaluates available staff resources and areas for innovation and prioritizes projects and business activities for the following year.

Board approved annual budget: Funds approved by the board for expenditures during the budget year (subject to board approved program funding caps and associated policy) for stated functions and capital asset expenditures. The board approves the general allocation of funds including commitments and cash outlays. Approval of expenditures is based on assumed revenues from utilities as forecasted in their annual projections of public purpose collections and/or contracted revenues.

Clean energy: Defined by Energy Trust as conservation, energy efficiency and small-scale renewable energy projects.

Committed funds: Represents funds obligated to identified efficiency program participants in the form of signed applications or agreements and tracked in the project forecasting system. If the project is not demonstrably proceeding within an agreed upon time frame, committed funds return to an incentive pool. Reapplication would then be required. Funds are expensed when the project is completed. Funds may be held in the operating cash account or in escrow accounts.

Contract obligations: A signed contract for goods or services that creates a legal obligation. Reported in the monthly Contract Status Summary Report.

Cost-effectiveness calculation: Programs and measures are evaluated for cost-effectiveness. The cost of the savings must be lower than the cost to produce the energy from both a utility and societal perspective. Expressed as a ratio of energy savings cost divided by the presumed avoided utility and societal cost of energy. Program cost-effectiveness evaluation is “fully allocated,” i.e., includes all program costs plus a portion of Energy Trust administrative costs. See **benefit/cost ratio** and **administrative cost**.

Dedicated funds: Represents funds obligated to identified renewable program participants in the form of signed applications or agreements and tracked in the project forecasting system. May include commitments, escrows, contracts, board designations or master agreements. Methodology used to develop renewable energy activity-based budgets amounts.

Direct program costs: Costs that can be directly linked to and reflect a causal relationship to an individual program/project or that can easily be allocated to two or more programs based on usage, cause or benefit.

Direct program evaluation and planning services: These include: evaluation services for a specific program rather than for a group of programs; costs incurred in evaluating programs and projects and included in determining total program funding caps; planning services for a specific program rather than for a group of programs; costs incurred in planning programs and projects and are included in determining program funding expenditures and caps; evaluation and planning services attributable to a number of programs are recorded in a cost pool and are subsequently allocated to individual programs.

Diversity, Equity and Inclusion Initiative: Energy Trust's work to promote diversity, equity and inclusion in internal and external activities to create more opportunities for underserved communities. This involves evaluating burdens, benefits and outcomes to these communities, including people of color, people with low to moderate incomes and people who live in rural areas. Work is guided by Energy Trust's Diversity, Equity and Inclusion board policy, the Diversity Advisory Council, an internal DEI Committee and a staff-led operations plan.

Energy Trust funding: Energy Trust is largely funded by customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista. It receives a small, dedicated percentage of customer utility bills to invest in energy efficiency and renewable energy programs in Oregon and Southwest Washington. The Oregon Public Utility Commission oversees Energy Trust investments of utility customer funds in Oregon. Under SB 1149, Energy Trust receives a portion of a public purpose charge to fund electric efficiency, market transformation and small-scale renewable energy development. Under SB 838, Energy Trust coordinates with the two electric utilities to identify additional cost-effective electric efficiency funding beyond the original amount determined in SB 1149. Energy Trust coordinates with the three natural gas utilities to identify natural gas efficiency funding. Energy Trust has small contracts separate from this core funding—these contracts are with Energy Solutions for the Oregon Community Solar Program and with PGE for its Smart Battery Pilot.

Expenditures, expenses: Amounts for which there is an obligation for payment of goods and/or services that have been received or earned within the month or year.

Free riders: Program participants who would have completed an energy-saving action even in the absence of Energy Trust programs.

Gross savings, gross generation: The estimate of savings from program participants, irrespective of free riders or spillover. Gross was adopted as the standard method of budgeting and reporting beginning in 2020. Where 2020 is compared to earlier years, those years will likewise be restated from net to gross for comparability. These values are also subject to annual updates following true-up adjustments. See **true up**.

Indirect costs: Costs within programs that are not directly associated with delivering to customers or projects, such as travel and supplies. These are shared costs that are allocated for accounting purposes rather than assigning individual charges to programs and are allocated to all programs and administration functions based on a standard basis such as hours worked, square footage and customer phone calls. Examples include rent/facilities, supplies, computer equipment and support and depreciation. See **allocation**.

Innovation Team: An internal team that trains and mentors staff members to use innovation tools and processes as they develop new and innovative ideas for the organization. The

Innovation Team integrates these processes into the organization and supports a culture of innovation at Energy Trust.

Kilowatt hour: A unit of energy commonly used as a billing unit by electric utilities.

Levelized costs: The level of payment necessary each year to recover the total investment and interest payments at a specified interest rate over the life of a measure.

Non-energy benefits: Benefits to utility customers and other stakeholders that don't involve energy and that are used in Energy Trust calculations for cost-effectiveness when the benefits are generally applicable and can be credibly quantified at a reasonable cost. Quantifiable non-energy benefits include comfort from adding cooling to a site; spending less on wood, propane or heating oil; or spending less on light bulbs and labor thanks to longer-lasting LEDs.

OPUC performance measures: Under Energy Trust's grant agreement with the Oregon Public Utility Commission, the OPUC is required to establish quantifiable performance measures that clearly define its expectation of Energy Trust's performance, including financials. Performance measures are adjusted on an annual basis.

Outsourced services: Miscellaneous professional services contracted to third parties rather than performed by internal staff. Can be incurred for program or administrative reasons and will be identified as such.

Program costs: Expenditures made to fulfill the purposes or mission of the organization and are authorized through the program approval process. Includes program management, incentives, program staff salaries, planning, evaluation, quality assurance, program-specific marketing and other costs incurred solely for program purposes. Can be direct or indirect (i.e., allocated based on program usage). See **indirect costs**, **direct program costs**.

Program Delivery Contractor (PDC): Company contracted to implement a specific program track or initiative. Using PDCs keeps costs low for utility customers, draws from existing expertise and skills in the market and allows Energy Trust to remain flexible and nimble as the market changes. PDC contracts are competitively selected, reviewed by a committee of internal staff and external representatives and reviewed and approved by the board. Contracts are rebid on a regular basis.

Program delivery efficiency OPUC performance measure: The maximum threshold set by the OPUC for administrative and program support costs as a percentage of total annual revenues. Administrative costs adhere to Generally Accepted Accounting Principles for nonprofit organizations. Program support costs were defined in coordination with the OPUC to enable comparison with other recipients of public purpose funding. For the purposes of this measure, program support costs are defined as program costs, except for direct program costs, in the following areas: program management, program delivery, program incentives, program payroll and related expenses, outsourced services, planning and evaluation services, customer service management and Trade Ally Network management. See **OPUC performance measures**.

Program delivery expense: Includes all Program Management Contract labor and direct costs associated with incentive processing, program coordination, program support, trade ally communications and Program Delivery Contractors. Includes contract payments to Northwest Energy Efficiency Alliance for market transformation efforts. Includes performance compensation incentives paid to Program Management Contractors and Program Delivery

Contractors under contract agreement if certain incentive goals are met. Includes professional services for items such as solar inspections and general renewable energy consulting. See **Program Management Contractor**.

Program Management Contractor (PMC): Company contracted to deliver and implement a program. PMCs keeps costs low for utility customers, draw from existing expertise and skills in the market and allow Energy Trust to remain flexible and nimble as the market changes. PMC contracts are competitively selected, reviewed by a committee of internal staff and external representatives and reviewed and approved by the board. Contracts are rebid on a regular basis.

Program management expense: PMC billings associated with program contract oversight, program support, staff management and other duties. See **Program Management Contractor**.

Program marketing, program outreach: PMC labor and direct costs associated with marketing, outreach and awareness efforts to communicate program opportunities and benefits to utility customers and program participants. Awareness campaigns and outreach efforts are designed to reach participants of individual programs. Co-op advertising with trade allies and vendors promote a program benefit to customers. See **Program Management Contractor**.

Program quality assurance: Independent in-house or outsourced services for the quality assurance efforts of a particular program (distinguished from program quality control).

Program reserves: Negotiated with utilities annually with a goal of providing margin of funds above what is needed to fulfill annual budgeted costs. The reserve percent varies by funder. Management may access up to 50% of annual program reserves without prior board approval. See **reserves**.

Project specific costs: For renewable energy, expenses directly related to identified projects or identified customers to assist in constructing or operating renewable projects. Includes services to prospective and current customers. Must involve direct contact with the project or customer, individually or in groups, and provide a service the customer would otherwise incur at their own expense. Does not include general program costs to reach a broad audience such as websites, advertising, program development or program management. Project specific costs may be in the categories of incentives, staff salaries, program delivery, legal services, public relations, creative services, professional services, travel, business meetings, telephone or escrow account bank fees.

Program support costs: A portion of the costs in the OPUC performance measure, includes support expenses incurred directly by the program and allocation of shared and indirect costs incurred in the following categories: supplies; postage and shipping; telephone; printing and publications; occupancy expenses; insurance; equipment; travel; business meetings; conferences and training; depreciation and amortization; dues, licenses, subscriptions and fees; miscellaneous expense; and an allocation of information technology department cost. Contained in statement of functional expense report.

Project Tracker project forecasting: Information in the Project Tracker system about the timing of future incentive payments. **Estimated** means project data may be inaccurate or incomplete; a rough estimate of energy savings, incentives and completion date by project and by service territory. **Proposed** means a project has received a written incentive offer but no

agreement or application has been signed; energy savings, incentives and completion date to be documented by programs in this phase. (For renewable energy projects, this is a project that has received board approval.) **Accepted** is used for renewable energy projects in the second round of application; projects have reached a stage where the approval process can begin.

Committed means a project has a signed agreement or application reserving incentive dollars until project completion; energy savings/generations, incentives and completion date by project and by service territory must be documented in project records and in Project Tracker. If project has not demonstrably proceeded within agreed upon time frame, committed funds are return to incentive pool. Reapplication is required. **Dedicated** is used for renewable energy projects that have been committed, have a signed agreement and, if required, have been approved by the board.

Public purpose charge: A charge on utility customer bills authorized by Oregon state law (SB 1149). Energy Trust receives a portion of the funds collected to deliver benefits from energy-efficiency improvements, market transformation and renewable energy generation. See **Energy Trust funding**.

Reserves: In any year, the amount by which revenues exceed expenses for that year in a designated category will be added to the cumulative balance and brought forward to the next budget year. If expenditures exceed revenues, the negative difference is applied against the cumulative carryover balance. Reserves do not equal cash on hand due to noncash expense items such as depreciation. Tracked by major utility funder and at high level program area (by energy efficiency or renewable energy); not tracked by program.

Spillover: The concept that some program participants will complete an energy-saving action because of awareness of the program but will not receive a program incentive.

Therm: A unit of natural gas commonly used as a billing unit by utilities.

Total program and administrative expenses (line item on income statement): Used only for cost-effectiveness calculations, levelized cost calculations and in management reports used to track funds spent/remaining by service territory. Includes all costs of the organization: direct, indirect and an allocation of administration costs to programs. Should not be used for external financial reporting; not Generally Accepted Accounting Principles.

Total program expenses (line item on income statement): All indirect costs have been allocated to program costs with the exception of administration (management and general costs and communications and outreach). Per the requirements of Generally Accepted Accounting Principles for nonprofits, administrative costs should not be allocated to programs. There is no causal relationship—costs would not go away if the program did not exist.

Trade Ally Network and customer service management: Costs associated with Energy Trust sponsorship of training and development of the Energy Trust Trade Ally Network. Some costs are tracked and allocated to programs based on the number of allies associated with that program; others support assisting customers which benefit all Energy Trust programs such as call center operations, customer service management and complaint handling. Customer service costs are tracked and allocated based on number of calls into the call center per month.

True up: An annual process in which prior years' energy savings and renewable generation are adjusted and corrected to reflect new information on how much energy programs and measures

are saving or generating in the field. This information is then used to update reports and software tools for forecasting and analyzing future savings. Information includes improved engineering estimates of savings, corrections to identified transaction errors, anticipated results of future evaluations based on what prior evaluations of similar programs have shown (anticipated evaluation factor) applied to future or current years savings and results from actual evaluations of the program and the year of activity in question (evaluation factor). Results are incorporated in annual reports (for the year just past) and the true-up report (for prior years). Sometimes the best data on program savings or generation is not available for two to three years, especially for market transformation programs. For some programs, savings are updated through the annual true-up process multiple times.

Working savings/generation: The estimate of savings/generation used for data entry by program personnel as they approve individual projects. Estimates are based on deemed savings/generation for prescriptive measures and engineering calculations for custom measures. They do not incorporate any evaluation or transmission and distribution line loss factors.