

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 save 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 seek 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 the board of directors, Oregon Public Utility Commission (OPUC), advisory councils, stakeholders and the public. Revisions are made in November and the final proposed budget is presented for board approval in December.



How can I participate?

Public comments help shape our final proposed budget and action plan presented to the board, and can inform staff implementation of action plans. Public notices and materials for board and advisory council meetings are posted on our website in advance of each meeting and every meeting invites public comment. The OPUC special public meeting is also open to the public.

Written public comments are encouraged and the process promoted at Energy Trust public meetings and through our website, social media accounts and blogs. 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 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 cost-effective 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 greenhouse gas 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 Oregon's Community Solar Program and with 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 review of major contract decisions, monthly financial statements, program evaluations and progress to objectives in the five-year strategic plan.

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.