Clean, affordable energy for everyone

2022 Draft Annual Budget and 2022-2023 Action Plan
October 13, 2021
Presentation Outline

- Organizational goals
- High-level summary of draft 2022 budget
- Budget tools and inputs
2022 Organizational Goals

Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events.

Expand support for community-led approaches to increase access to clean energy.

Create development capabilities that will allow us to increase funding to deliver more savings and generation and expand our ability to meet changing customer and utility system needs.

Implement new work strategies to adapt and thrive in our changing environment and support staff while managing operating costs.
Draft 2022 Budget Summary

- **Investing $213.0 million** of utility customer funds
- **Saving 50.1 aMW and 6.8 MMTh**
- Delivering highly cost-effective energy
  - 3.4 cents/kWh levelized
  - 44.7 cents/therm levelized (Oregon)
  - 83.7 cents/therm levelized (Washington)
- **Generating 4.0 aMW**
- **Distributing $116.9 million in incentives; 55% of total expenditures**
- Administrative costs at 7.8% of revenue

*aMW: average megawatts (of electricity)*  
*MMTh: million annual therms (of natural gas)*
Customer Benefits from 2022 Investments

- **More access** for diverse and rural communities
- **Lower energy bills and energy burden** for participants—$836 million in future bill savings for participants
- **Opportunities for 1,900 local businesses** and investments in workforce development
- **Cleaner air** by avoiding 4.5 million tons of carbon dioxide
- **Local investments that keep dollars in our communities**
Key Themes

1. Providing continued value in a shifting landscape of clean energy laws and programs
2. Evolving to meet changing customer and utility needs
3. Making long-term investments that will pay off in future savings, generation and cost management
4. Investing in efforts to achieve diversity, equity and inclusion goals
How to Build a Bridge Budget

Laws and rules
Utility IRPs
Cost-effectiveness tests
Market intelligence
Key Takeaways from Draft Action Plans
October 13, 2021
Navigating Market Volatility

• Uneven effects of pandemic on customers
• Supply chain impacts
• Labor shortages
• Pressure on prices
• Pent up demand
Enhancing Budget Management Strategies

- More frequent forecasting
- Incentive caps
- Contractor requirements
- Complementary funding
- Administrative and program delivery cost efficiencies
Innovating Across Programs

- Increase outreach to small commercial and industrial customers
- Launch new offers targeting small businesses
- Expand Strategic Energy Management
  - New affordable multifamily cohort
  - New statewide virtual cohort
Engaging Communities

- Support community-led energy, sustainability and climate planning
- Offer small grants to nonprofits
- Contract with community-based organizations for program delivery
- Sponsor AmeriCorps interns in rural locations
- Convene communities to guide development of future offers
Supporting Disaster Recovery and Preparedness

- New incentives for fire resistant, energy-efficient home construction
- New manufactured home replacement program
- Increased interest in resiliency benefits of renewable energy
- New incentive for solar + battery storage
Thank you

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