

Board Orientation Minutes—203rd Meeting

October 11, 2022

Board members present: Elee Jen, Eric Hayes, Henry Lorenzen, Letha Tawney (Oregon Public Utility Commission, ex officio), Melissa Cribbins, Peter Therkelsen, Silvia Tanner, Thelma Fleming

Board members absent: Alexia Kelly, Anne Root, Erik Andersson, Ernesto Fonseca, Janine Benner (Oregon Department of Energy, ex official), Susan Brodahl, Roland Risser.

Staff attending: Alex Novie, Amanda Potter, Amber Cole, Betsy Kauffman, Cheryle Easton, Debbie Menashe, Elaine Dado, Elizabeth Fox, Fred Gordon, Gina Saraswati, Hannah Cruz, Jackie Goss, Jake Kennedy, Jay Ward, Julianne Thacher, Melanie Bissonnette, Michael Colgrove, Oliver Kesting, Randy Hastings, Sloan Schang, Spencer Moersfelder, Steve Lacey, Taylor Ford, Thad Roth, Tracy Scott

Others attending: Delaney Ralph (NW Natural Gas)

New Board of Director Orientation Session #2

Henry Lorenzen called the meeting to order at 9:08 and explained the format of the meeting and the agenda and the plans for the remainder of the day, including a DEI workshop, tour of a PGE operations center, and a board dinner.

Organizational Structure

Michael Colgrove, Executive Director, opened the presentations and explained the purpose of this Orientation Session #2, which focuses on Energy Trust's internal operations. Mike explained our organization chart to give directors of Energy Trust's high level structure.

Tracy Scott, Director of Programs, presented an overview of the programs and program staff.

Residential Programs

Thad Roth, Residential Sector Lead, presented an outline of the Residential program, who is served, how we serve customers, program structure, measures, and overall program strategy.

Commercial Programs

Oliver Kesting, Commercial Programs Sector Lead, presented information on the commercial programs: Existing Buildings, New Buildings, and Business Lighting. Oliver described the various measures and program offerings such as energy modeling, building efficiency, equipment commissioning, trade ally offerings, direct install programs, and others.

Oliver discussed the new activities in the programs, including the plans for the business lighting program redesign plans, which will also be covered by Amanda Potter in her presentation on the Industrial and Agricultural programs. Oliver also described challenges with electric savings and cost trends.

Industrial and Agricultural Programs

Amanda Potter, Industrial and Agricultural Sector Lead, presented information on the Industrial and Agricultural program, explaining the Standard Track, Custom Track, Strategic Energy Management, and Lighting Track. Amanda also described the change in the program management and delivery model, with a program management contractor for all of the program tracks. Amanda also described the new efforts for expanding outreach of the program, with a DEI council and more and more diverse subcontractors to deliver the program.

Amanda described challenges for the program ahead: uncertain market conditions, lighting savings, adding in gas transport customers, and working to outreach for more and more diverse customers.

Board members asked questions about the programs and about the impact of gas transport.

Renewable Programs

Betsy Kauffman described the program, including the new focus on distribution system connect technologies, which are batters and smart inverters and support grid system resilience and flexibility. In addition, the program is now required to spend at least of 25% of funds collected to benefit customers with low and moderate incomes. Betsy described the way in which the program funds the above-market cost of renewable projects and measures, except with respect to distribution system connected technologies for which more than above market cost can be provided.

Betsy described the portfolio of offerings in terms of technologies (Solar and Other Renewables, which include biopower and hydropower technologies) and project development assistance. Betsy provided a detailed description of the Irrigation Modernization Program, explaining how the generation possibilities that occur from the piping of the water.

Betsy then provided an overview of the Solar program, which include information on the residential and business installations as well as other programs funded by NREL grants, like the Solar Ambassador program.

The board took a break at 10:35 a.m. and reconvened at 10:50

Organizational Process-Support Teams

Business Planning and Budget Development

Melanie Bissonnette presented information on the annual process of business planning and budget development. Melanie explained the reasons for business planning, the budget development and approval process, and the budget binder information.

Board members asked questions about the board involvement in the development process.

Measure Development and Cost Effectiveness

Jake Kennedy and Alex Novie presented information to the board on how we determine cost effectiveness of measures. Jake gave a quick overview on cost effectiveness, and Alex provided information on the measure development process.

Board members asked a number of questions about how cost-effectiveness is calculated in different areas of the state and for things that have significant impact. Fred Gordon and other staff provided information to board members regarding the way in which Energy Trust works with the OPUC on exceptions and developing works.

Integrated Resource Planning

Spencer Moersfelder presented information to the board on Integrated Resource Planning (IRP). IRP is the process by which the utilities can plan for future usage, so that utilities can plan strategically on both supply side and demand side resources. Energy Trust's energy efficiency work is an important demand side resource. Energy Trust contributes to the resource assessment for IRP by calculating technical, achievable, and cost-effective achievable energy efficiency potential so that utility can use that information in calculating their resource potential for IRP. The IRP, therefore, are important to the savings goals and revenue negotiations with utilities.

In addition, IRP and resource assessment are used for strategic planning and program planning. IRP is a model, so Energy Trust must continue to monitor real time signals to inform our work.

Board members had a number of questions to help inform allocation of our resources. Utilities look at the annual savings levels, and they are less concerned about where those savings are coming from.

They are more focused now on distribution system planning, so Spencer thinks there will be ongoing thinking on how this process can be involved in that to do projects where load demands will guide the work with utilities and their needs. Targeted load reduction will continue to be key, regardless of which sector.

Mike noted that these are all building blocks in our budget development process. Steve Lacey will talk about our revenue analysis as part of the budget process, and this should bring these building blocks together.

Determination of Revenue

Steve Lacey provided information to the board on how the utility funding process comes about. Steve described the statutory and regulatory sources of Energy Trust revenues. Steve also explained how we use revenue and reserves negotiations in our budget development over several years. This informs utility rate and tariff planning.

Mike then turned it over to the more wraparound services.

Marketing and Outreach

Sue Fletcher and Sloan Schang provided information on the brand marketing and outreach functions of the organization. Outreach staff are uniquely familiar with the communities serve, both geographically and community based. Brand marketing is to provide support to outreach team, develop effective advertising, and advance public relations for Energy Trust.

Communications and Reporting

Julianne Thacher provided more detail on public relations. Julianne did a brief description of PR work with media and noted that there will be a larger communications training for board members in 2023.

Julianne then explained our reporting function, our official record of our results. We are required by our OPUC Grant Agreement to do regular reporting, and Julianne showed examples of some of the reports we do.

Policy Services and Stakeholder Relations

Hannah Cruz described Energy Trust's Policy Services team's work to track Oregon law, federal law, other external policies that can impact our work. All of this is to inform or strategic plan and direction. Hannah noted that we do all of this without lobbying, which is prohibited by our OPUC Grant Agreement. Hannah also described how we provide information to legislators on Energy Trust trade allies as well as benefits and savings delivered to their area.

Board Policies Process

Debbie Menashe presented information on board-level policies and the work of the Nominating & Governance Committee.

Adjourn

The meeting adjourned at 12:15 p.m.

The next regular meeting of the Energy Trust Board of Directors will be held Tuesday, October 12, 2022 9:00 a.m. 421 SW Oak Street Suite #300, Portland, Oregon 97204 and open to the public on Zoom

DocuSigned by:

Eric Hayes

E36A911E951940B...

Signed: Eric Hayes, Secretary

12/8/2022 /

Date