

Board Meeting Minutes—201st Meeting

December 16, 2022

Board members present: Anne Haworth Root, Ellen Zuckerman, Eric Hayes, Henry Lorenzen, Melissa Cribbins, Peter Therkelsen, Roland Risser, Silvia Tanner, Thelma Fleming, Janine Benner (Oregon Department of Energy special advisor), Letha Tawney (Oregon Public Utility Commission ex officio)

Board members absent: Susan Brodahl

Staff attending: Alex Novie, Alina Lambert, Amanda Davidowitz, Amanda Potter, Amanda Thompson, Amanda Zuniga, Amber Cole, Betsy Kauffman, Ashley Bartels, Cameron Starr, Cheryle Easton, Chris Dunning, Dave McClelland, Dave Moldal, Debbie Menashe, Elizabeth Fox, Emily Findley, Fred Gordon, Greg Stokes, Hannah Cruz, Jay Ward, Jeni Hall, Joshua Reed, Julianne Thacher, Juliette Poff, Justin Buttles, Kenji Spielman, Kyle Petrocine, Lidia Garcia, Lizzie Rubado, Marshall Johnson, Melanie Bissonnette, Michael Colgrove, Michael Fritz, Oliver Kesting, Sarah Castor, Scott Clark, Sloan Schang, Steve Lacey, Sue Fletcher, Taylor Ford, Thad Roth, Tracy Scott, Tyrone Henry

Others attending: Angel Swanson, Anna Kim (Oregon Public Utility Commission), Becca Yates, (Northwest Energy Efficiency Alliance), Benjamin Lyon (ICF), Brian Lynch (AESC, Inc.), Brooke Landon (CLEAResult), Kesean Coleman, Laney Ralph (NW Natural Gas), Leland Davis (DThree), Lisa McGarity (Avista Corp), Randy Hastings (DThree), Renata Anderson (Skill Demand), Ryan Harvey (PacifiCorp), Steph Berkland (TRC Companies), Susan Stratton (Northwest Energy Efficiency Alliance), Tiffany Purn (Skill Demand)

Business Meeting

President Henry Lorenzen called the meeting to order at 10:02 a.m. He reminded board members that consent agenda items can be changed to regular agenda items at any time.

General Public Comments

There were no public comments.

President's Report

Henry introduced Ellen Zuckerman, Energy Trust's newest board member. Ellen was elected at a special meeting of the board on November 17, 2022. Henry described Ellen's extensive experience in energy efficiency, including her current leadership role in regulatory and legislative engagement on energy and climate issues for Google. Ellen also serves on the board of Vermont Energy Investment Corporation. Henry welcomed Ellen to the Energy Trust board. Henry also thanked departing board members, Elee Jen, Erik Andersson and Ernesto Fonseca, noting that they each brought passion and experience to the board for their combined 11 years of service to the board. Henry acknowledged each separately, noting their work as liaisons to the advisory councils and service and membership on several board committees.

Henry also noted the first anniversary of the board's roles and responsibilities, governance, and reorganization work. Henry thanked board members for their efforts and expressed his hope that their work helps to strengthen the tie between the board of directors and Energy Trust so that the talent and experience of each board member can be fully and meaningfully utilized.

Consent Agenda

The consent agenda was approved as follows:

Consent agenda includes:

- October 11, 2022 Board Orientation Minutes
- October 12, 2022 Board Meeting Minutes
- November 17, 2022 Special Board Meeting Minutes

Moved by: Roland Risser

Seconded by: Anne Root

Vote: In favor: 9

Abstained: 0

Opposed: 0

Executive Director's Report

Update on Staff Restructuring

- ***Introduction of Director of Innovation and Development***

Mike announced the new role of Director of Innovation and Development and introduced Lizzie Rubado who has been engaged for this role. Mike described Lizzie's experiences in developing the Solarize program design and how she was instrumental in securing our role in the Community Solar Program. Board members gave an enthusiastic and warm welcome to Lizzie.

Lizzie thanked the board for their warm welcome and congratulatory wishes. She explained her passion about this work and said that she is honored to work in the position and work with the board to clarify the vision for new opportunities.

Board members expressed that they look forward to more information about the vision and dimensions of the Innovation and Development group work at their next meeting.

- ***Energy Program Update***

Tracy Scott, Director of Energy Programs, described changes to the Programs group in the creation of a new Communities and New Initiatives (CNI) Sector. Tracy described how this sector will be focused on using and leveraging Energy Trust's deep trove of data to reimagine and advance the way in which the organization engages with customers. According to Tracy, the CNI sector is being developed because the energy and related policy landscape is changing and customer needs are changing. These changes warrant focus on how Energy Trust programs, across all sectors, must change to address changing customer needs. There are three focus areas for the CNI sector:

- Direct service to communities
- Developing program offers and designs that support complementary utility objectives, such as carbon reduction and distribution system planning
- Measure development for programs

Board members asked questions about the new CNI sector, expressing support. Board members also requested that Tracy return to the board in approximately six (6) months for an update on actual implementation.

Proposed 2023 Annual Budget, 2024 Projection and 2023-2024 Action Plans

Michael Colgrove made a detailed presentation to the board on the final proposed 2023 Annual Budget, 2024 Projected Budget, and the 2023-2024 Action Plans. Mike reviewed the process of budget development with the board and stakeholders. Staff also worked closely throughout the development process with the board's Finance & Audit Committee, and staff appreciates the feedback and discussions throughout the process.

Mike reported that Energy Trust does expect to fall short on savings goals due to shortages in continued supply chain disruption, shortages in skilled labor and increased project costs. For these reasons, energy efficiency project completions were delayed or deprioritized. By contrast, Mike reported that Energy Trust will exceed its renewable energy generation goals, supported by high demand for solar system installations. Board members asked questions about 2022 results, with interest in the differences between savings and generation results, and staff provided information regarding supply chain and labor availability differences.

Following board discussion regarding 2022 results, Mike continued with information regarding the 2023 budget and action plan, reminding board members of the three organizational goals for 2023: Customer savings and generation; assistance to utility funders, communities, and policy makers in achieving their clean energy objectives; and help to ensure customers and stakeholders are well positioned for a changing energy future. With these goals in mind, the final proposed budget would provide customer benefits by lowering energy bills and energy burden, providing opportunities for small businesses, keeping dollars in communities served by Energy Trust, reducing carbon emissions, and supporting community-led clean energy efforts.

Mike then presented slides on the proposed final budget and summarized changes between the draft budget previously presented to the board and the proposed final budget, noting that gas and electric savings projections were reduced mostly due to lower market transformation forecasts from NEEA. Additionally, changes in commercial codes, continuing poor market conditions in terms of supply chain and labor resulted in reductions in savings and generation expectations. On the revenue side, higher than expected carry over funding from 2022 results in some reduction of budgeted new utility revenue. Lower and electric and gas savings, mostly because of NEEA forecasts.

Board members asked a number of questions, including questions regarding the possibility of increased tariffs for future years given reduced revenues this year (not expected), impact on savings and generation of increased federal tax and financial incentives (staff is tracking). A lot of that is implementation of changed commercial codes. Board members also discussed the possibility of significant budget changes emerging out of the Inflation Reduction Act and other federal infrastructure investment that could complement and supplement Energy Trust's work. Mike answered that staff is monitoring these opportunities carefully and noted also that Energy Trust's reserves can be utilized before a mid-year revised budget would be proposed.

Mike then updated the board on the OPUC's equity metrics for Energy Trust, which were required by HB 3141 legislation passed in 2021. Commissioner Tawney complimented OPUC staff on the community engagement process used to develop the equity metrics. Approved earlier in the month, Mike noted that these metrics reinforce that there is a shift in Energy Trust's business model and objectives. These metrics signal that Energy Trust's core delivery objectives must be focused to ensure service and benefits to all communities.

Board members discussed the importance of this focus, especially as additional funds for communities who have not yet been reached are provided. The board asked for more information on plans for meeting equity objectives in light of these new OPUC metrics. Staff will present information at future board meetings.

Mike paused his presentation on the budget at this point in the meeting to allow Susan Stratton, NEEA Executive Director, to present information about NEEA's annual accomplishments.

Annual Northwest Energy Efficiency Alliance (NEEA) Report

Susan Stratton opened the presentation by notifying the board of her upcoming retirement and introducing her successor, recently selected by NEEA's board: Becca Yates. Becca is a 15 year veteran of NEEA. Susan expressed her delight and appreciation for Becca, noting that Becca knows NEEA, its stakeholders and staff, and the region.

Susan then provided a brief history of NEEA, a market transformation savings resource serving an alliance of 140 utilities including Energy Trust and Bonneville Power Administration. NEEA is also working in other states to deliver its market transformation expertise.

Susan explained that NEEA shares similar market challenges as Energy Trust. Susan noted that notwithstanding these challenges, NEEA has had success in market transformation through its high performance window, strategic energy management, high performance HVAC programs, as well as through its regional work groups and committees. Susan reported that NEEA's 2023 budget totals approximately \$39 million, with \$33 million for electric market transformation, \$4 million for natural gas market transformation, and the remainder for special projects like the End Use Load Research (EULR) project. Energy Trust's contribution to the annual NEEA budget is as follows: \$6.7 million for electric market transformation, \$1.4 million for natural gas, and up to \$400,000 for EULR and strategic energy management special project contributions. For 2022, Energy Trust's investment in NEEA resulted in between 4.7 and 5.03 aMW net market effects. For 2023, 5.0-6.1 aMW in net market effects is expected.

Board members thanked Susan for her presentation and asked questions regarding NEEA's natural gas programs and emerging state policies related to gas. Board discussion with Susan continued regarding the EULR project and other NEEA site assessment information and data.

Susan concluded her presentation by discussing emerging new technologies and pointing to NEEA's newest and upcoming 5-year funding and contracting plans. The next cycle begins in 2024.

President Henry Lorenzen thanked Susan and Becca for joining the meeting and expressed appreciation for the work NEEA and Energy Trust do together. Becca expressed her appreciation for Energy Trust and how much she looks forward to working together and with Mike, as NEEA's incoming board chair, in the coming years.

Adjourn for Lunch

The meeting adjourned for lunch at 12:20 p.m.

Reconvene meeting at 1:07 p.m.

President Henry Lorenzen reconvened the meeting following lunch and read a statement from departing board member Ernesto Fonseca.

Ernesto's statement expressed his thanks for the opportunity to join the board. He appreciates Energy trust's partnership with Hacienda CDC, the organization he leads. Ernesto believes that with people and community in mind, our organization do their best work. He expressed his pride in Energy Trust's work and his hope that Energy Trust continues to support people for who have been left behind.

Ernesto's statement concluded by wishing the board and staff a happy end of year board meeting.

Michael Colgrove then returned to the budget, referring board members to the summary of public comment in the board packet. Board members had no additional questions or observations and moved to approve the budget, projection and action plan as follows:

Resolution to Approve Proposed 2023 Annual Budget, 2024 Projection and 2023-2024 Action Plan R992

**RESOLUTION 992
ADOPT 2023 BUDGET, 2024 PROJECTION AND 2023-2024 ACTION PLAN**

BE IT RESOLVED that Energy Trust of Oregon, Inc. Board of Directors approves the Energy Trust Final Proposed 2023 Budget, 2024 Projection and 2023-2024 Action Plan as presented to the board at its meeting on December 16, 2022.

Moved by: Eric Hayes

Seconded by: Roland Risser

Vote: In favor: 9

Abstained: 0

Opposed: 0

General Public Comments

At the afternoon agenda time for public comments, there were no public comments.

Committee Reports

Finance & Audit Committee

Silvia Tanner and Thelma Fleming updated the board on the most recent Finance & Audit Committee. At that meeting, CFO Chris Dunning updated the committee on the organization's financial performance through October.

The committee also reviewed in detail a staff recommendation for a new creative services contract with Grady Britton. The committee recommended approval by the full board. Silvia and Thelma asked staff to present information to the full board on the recommended contract. Sloan Schang, Marketing and Communications Lead, presented high level information on the contract. Board members asked questions about the two year budget and about any differences expected in the services going forward. Board members also asked about outreach and services to rural areas, to Spanish-speaking customers, and on how Energy Trust measures effectiveness.

Board members thanked staff for the information provided and moved to approve the contract as follows:

**RESOLUTION 933
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH GRADY BRITTON, INC. FOR CREATIVE MARKETING AND ADVERTISING PURCHASES SERVICES**

WHEREAS:

- 1. Creative marketing services and advertising buying at Energy Trust allows programs to reach all customers in the service territory across a diverse set of media, including print, radio, TV, outdoor and online, creating awareness, and promoting services and programs.**

2. There is a clear connection between creative marketing and advertising to reach and support customer awareness and engagement, leading to savings and generation;
3. Creative marketing consulting and deliverables supports Energy Trust's customer engagement to lead to savings and generation;
4. Increased advertising reach, using a professional media buyer with constant media contact and significant media data, allows Energy Trust to expand customer participation by increasing the number of times people see our message;
5. Using a professional media buyer allows Energy Trust to take advantage of added-value that works in collaboration with PR goals and promotes Energy Trust across mediums;
6. Staff recommends entering into a contract for creative marketing and advertising purchases services with Grady Britton, Inc. and presented information supporting this recommendation to the Energy Trust Board of Directors Finance & Audit Committee on December 5, 2023; and
7. The Finance & Audit Committee recommends that the board approve staff's recommendation consistent with the resolution below.

It is therefore **RESOLVED**, that the board of directors of Energy Trust of Oregon, Inc. authorizes the executive director to:

- **Execute a two-year contract with Grady Britton for creative marketing services and advertising purchasing services with terms and conditions that include, but are not limited to, the following:**
 - **Authorizing payments of up to \$3.078 million, and consistent with Energy Trust's board-approved budgets, for the purchase and reporting of broadcast radio, TV, print and online media on behalf of Energy Trust over the term of the contract, which includes up to \$721,360 of the total authorized contract amount payable to Grady Britton for Energy Trust advertising purchasing services and payable to Grady Britton under contract terms and conditions;**
 - **Providing for a possible one-year extension of the contract, subject to achievement of express performance metrics and board approval; and**
 - **Requiring Grady Britton coordination with Energy Trust to support Energy Trust's advertising objectives for increased customer awareness; and**
 - **Any other terms and conditions to ensure Grady Britton services and media purchases are designed and executed to further Energy Trust's advertising strategy.**

Moved by: Anne Root

Seconded by: Thelma Fleming

Vote: In favor: 9

Abstained:

Opposed: 0

Compensation & Human Resources Committee

Debbie Menashe, Director of Legal Services, reported to the board on the most recent Compensation & Human Resources Committee. At that meeting, Energy Trust's financial advisors, Cable Hill Partners and The Principal, presented information on the 401K plan and the areas of staff education needed to continue to support excellent utilization of the plan's benefits. The committee also was presented with information on staff compensation adjustments based on recent market studies.

Nominating & Governance Committee

Roland Risser, Nominating & Governance Committee chair, referred board members to the committee notes and provided an update on the board vacancies and recruitment process.

Ad hoc Diversity Equity and Inclusion Committee

Melissa Cribbins, Ad hoc Diversity, Equity and Inclusion Committee chair, reported on the committee's last meeting, which was facilitated by Tyrone Henry, Energy Trust DEI Lead. Committee members expressed appreciation for Tyrone's facilitation. Based on committee discussions, the Ad hoc Diversity, Equity and Inclusion Committee recommends that the board extend its charter for an additional year, and the board agreed with the resolution as follows:

RESOLUTION 994**AMEND THE AD HOC DIVERSITY EQUITY AND INCLUSION COMMITTEE CHARTER**

BE IT RESOLVED that Energy Trust of Oregon, Inc. Board of Directors approves amending the charter of its ad hoc Diversity Equity and Inclusion Committee to extend the term of the committee with the highlighted language as indicated in ***Attachment A***.

Motion by: Silvia Tanner

Seconded by: Anne Root

**Vote: In favor: 9
Opposed: 0**

Abstained:

Conservation Advisory Council (CAC)

Peter Therkelsen reported on the most recent CAC meeting. At that meeting, council members discussed how Energy Trust can recognize historic harm for failure to serve communities. In addition the committee discuss public comments on the proposed budget.

Diversity Advisory Council (DAC)

DEI Lead Tyrone Henry reported on efforts to recruit for new DAC members to fill current vacancies. Tyrone expects to recommend new members soon. Tyrone then referred to the DAC notes in the packet.

Pre 2023 Legislative Session Update

Hannah Cruz and Jay Ward, Senior Stakeholder Relations and Policy Managers, reported in detail on election results and expectations for the upcoming legislative session.

Of particular interest is the recently completed report from the REBuild Task Force which recommends, among other things, a modification of Energy Trust's "mission" to connect to state climate objectives more broadly. Board members discussed the implications of such changes and thanked Hannah and Jay for their comprehensive report.

Oregon Department of Energy (ODOE) 2022 Biennial Energy Report

Janine Benner, Director of ODOE and Special Advisor to the Energy Trust board, discussed ODOE's Biennial Energy Report, a comprehensive resource on ODOE and Oregon's energy history, resources and policy.

Board members expressed appreciation for ODOE’s work, noting that it is helpful to their work and the work of policy makers. Board members discussed how ODOE’s work will also help as it begins looking ahead to the next strategic plan, and Michael Colgrove would like to invite ODOE again to speak at Energy Trust’s May meeting to discuss strategic topics of interest.

Ad hoc Diversity Equity and Inclusion Committee

The board returned to a discussion of the Ad hoc DEI Committee in order to begin brainstorming on topics for the committee’s work in the coming year. Board members discussed various topics, and staff and the committee will use these topics to prepare a straw proposal for the board’s consideration.

Board Meeting Process Review

President Henry Lorenzen advised board members that he would be in touch regarding committee assignments. He then wished the board happy holidays and a happy new year.

Adjourn

The meeting adjourned at 3:50 p.m.

The next regular meeting of the Energy Trust Board of Directors will be held Wednesday, February 8, 2023 at 10:00 a.m. Hybrid at Energy Trust of Oregon, Inc., 421 SW Oak Street, Suite 300, Portland, Oregon and Zoom.

DocuSigned by:
Eric Hayes
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Signed: Eric Hayes

2/10/2023 /
Date