

# MEMO

**Date:** October 2, 2024  
**To:** Board of Directors  
**From:** Michael Colgrove, Executive Director  
**Subject:** Draft 2025 Budget and Action Plan

I am pleased to present to you Energy Trust of Oregon's Draft 2025 Budget and Action Plan, which will be the focus of our October 9 budget workshop.

This one-year budget is our last annual budget before the organization creates its first multiyear plan in 2025 for 2026-2030. Multiyear planning enables a longer time horizon for managing investments and allows flexibility to achieve savings goals over multiple years. This is key to achieving additional energy efficiency to help utilities meet their decarbonization goals at a lower cost than alternative investments while providing equitable benefits to customers and communities.

This budget invests in incentives and programs that deliver cost-effective energy efficiency and renewable energy programs, including for customers with lower incomes, communities of color and rural communities. It also enables the capabilities, staffing and market support needed to deliver more savings and will maximize the impact of significant new complementary funding entering the market in 2025.

In the materials that follow, action plans are provided for general management, including diversity, equity and inclusion; energy efficiency and renewable energy programs; program support groups; and contract and grant-funded initiatives. The materials also include utility-specific action plans developed in collaboration with each of our five utility partners.


Supporting memos provide additional details on the assumptions that shaped action plans and budgets across the organization as well as budget components such as staffing, administrative costs, leveled costs, market intelligence, and new investments in trade ally and community-based organizations delivery partners to accelerate energy savings.

Unless otherwise noted, the budget reflects all revenues and expenditures for Oregon core efficiency and renewable energy funds, NW Natural Washington customers, NW Natural and Avista transport customers plus other contracted and grant-funded activities such as HOMES and HEAR. Some materials, such as calculations of OPUC performance measures, reference a subset of the budget.

The draft budget and action plan are available for public comment from October 2 through October 16, 2024. We will also provide information on the draft budget to our five affiliated utilities and the Oregon Public Utility Commission. All materials are available at [www.energytrust.org/budget](http://www.energytrust.org/budget).

Feedback received will help us prepare a Final Proposed 2025 Budget and Action Plan to be reviewed by the board at the December 13 board meeting. I look forward to our discussion next week and welcome your comments and questions.

Thank you,

A handwritten signature in black ink that reads "Michael T. Colgrove".

Michael T. Colgrove, Executive Director

# 2025 Organizational Goals



Customers will save and generate energy and reduce costs in 2025 and beyond as a result of investments in clean energy programs, including those designed to meet the needs of customers the organization has historically underserved.



Customers will gain access to a broader and more diverse network of qualified contractors who can install clean energy upgrades in their communities, and potential trades people will gain skills and opportunities in the energy efficiency and solar industries.



Community-based organizations will have opportunities to bring clean energy benefits to their communities by partnering with Energy Trust to deliver programs and accessing funding, training, mentorship and connections.



Customers, partners and stakeholders will benefit from Energy Trust's ability to achieve long-term goals by shifting to a multiyear budgeting and planning process.



# Draft 2025 Budget Summary

- **Investing \$342.1 million**
- **Saving 59.0 aMW and 6.7 MMTh**
  - 86.7 MW of reduced demand during summer peak and 93.0 MW during winter peak
  - Includes 0.3 MMth gas transport and 0.2 MMth NW Natural WA
- **Delivering highly cost-effective energy**
  - 4.4 cents/kWh levelized
  - 73.9 cents/therm levelized OR, \$1.31/therm levelized WA
- **Generating 5.6 aMW**
- **Distributing \$182.8 million in incentives; 53% of total expenditures**
- **Administrative costs at 5.8% of expenditures**

*Photo: Albany Water and Hydroelectric Plant, Albany, OR*

# Customer Benefits from 2025 Investments

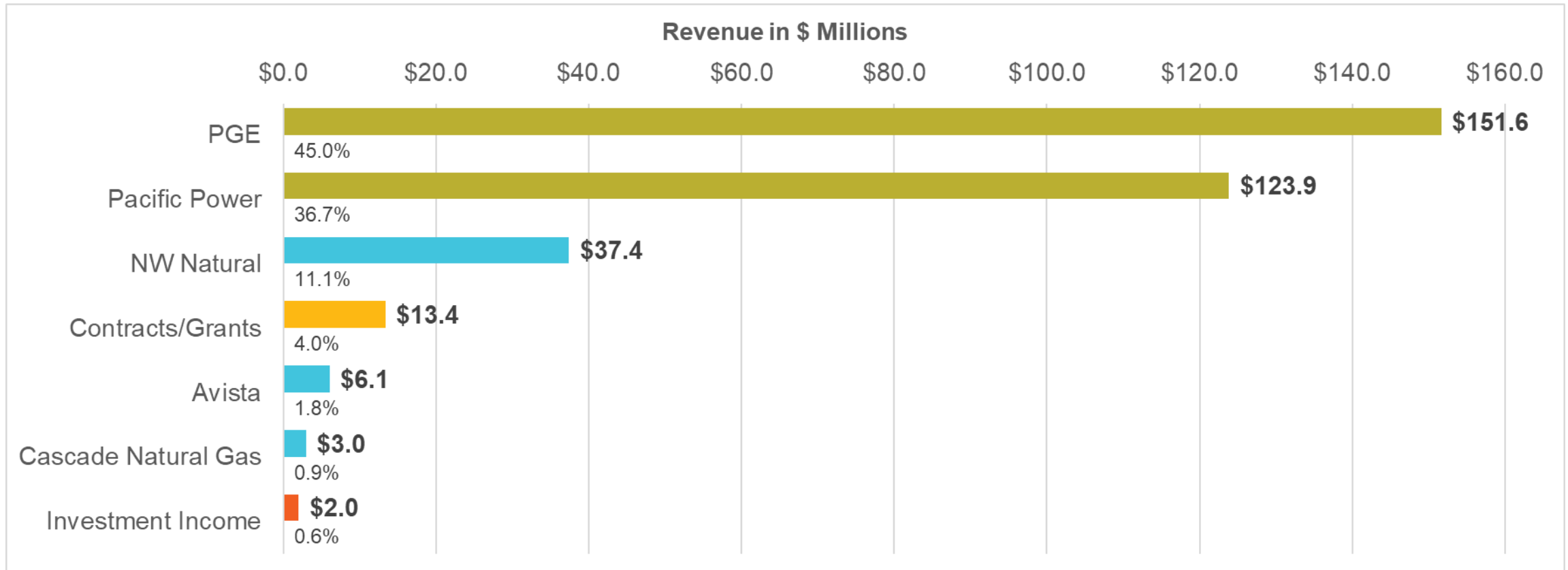
- **Lower energy bills and energy burden**—\$1.3 billion in future bill savings for participants
- **Opportunities for 1,600+ local businesses, greater support for community-based organizations** and investments in workforce development
- Local investments that **keep dollars in our communities**
- **Cleaner air** by avoiding 2.7 million metric tons of carbon dioxide over time
- Support for **community-led clean energy efforts**, such as resilience
- Access to **direct benefits for customers experiencing low incomes**, including those in rural areas and people of color

*Photo: Waterfront Blues Festival, Portland, OR*



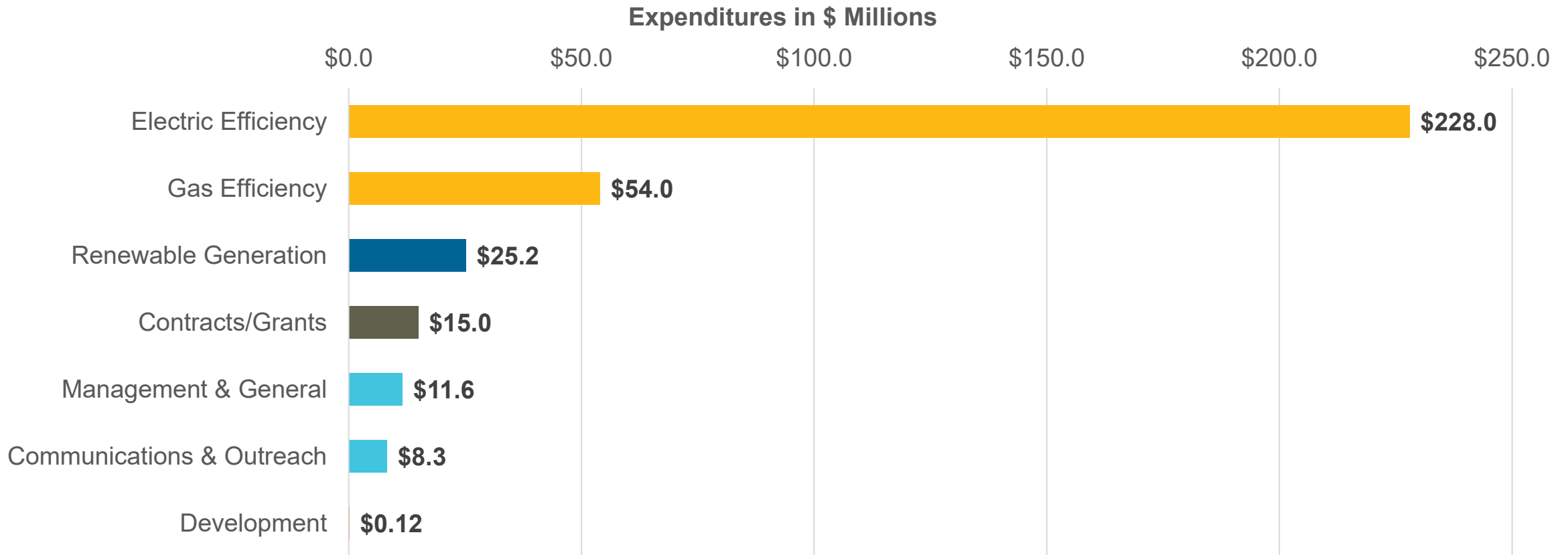
# 2025 Draft Budget Revenues

\$337.2 million, up 27% from 2024 budget

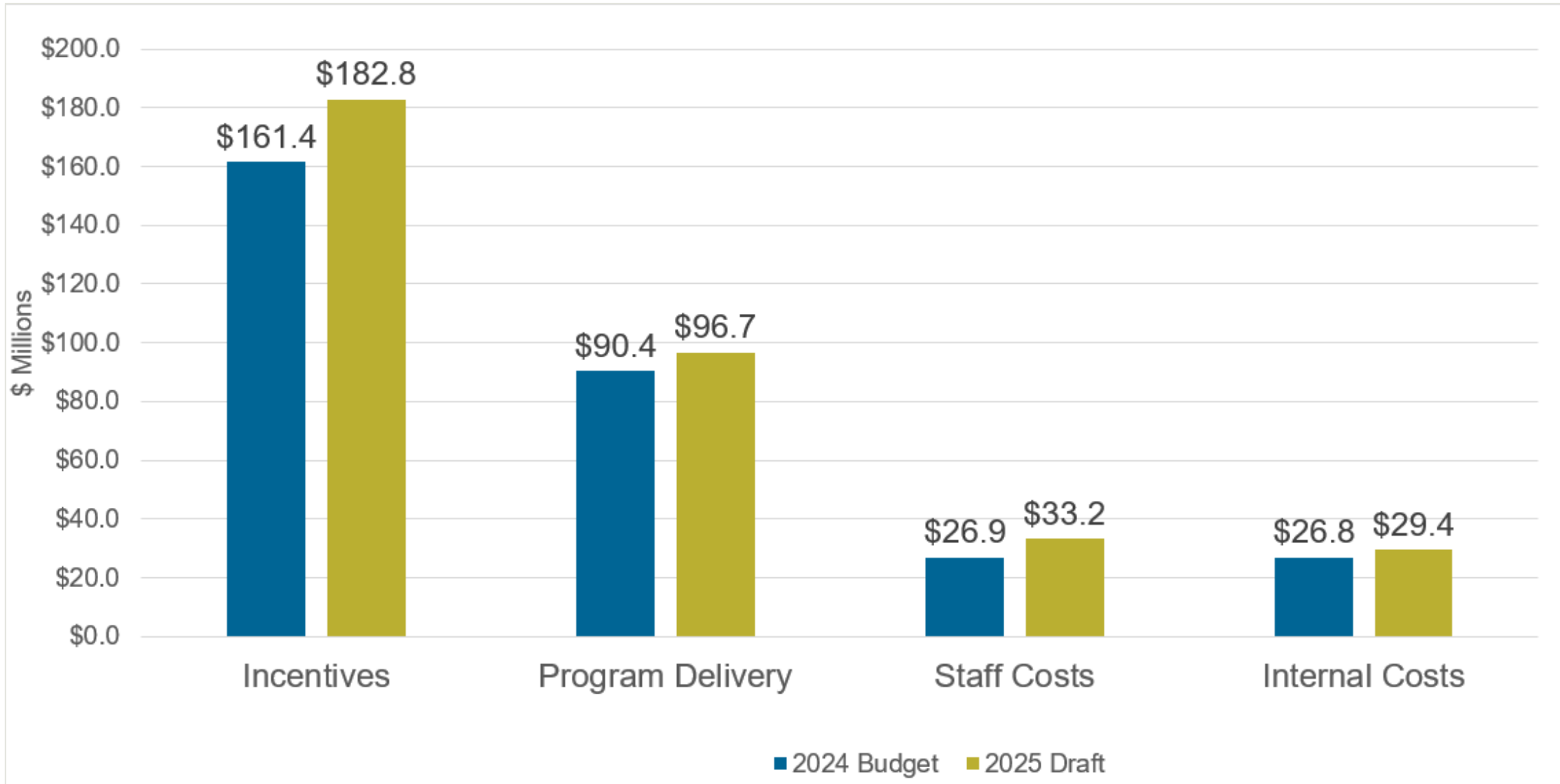


# 2025 Draft Budget Expenditures

\$342.1 million, up 12% from 2024 budget

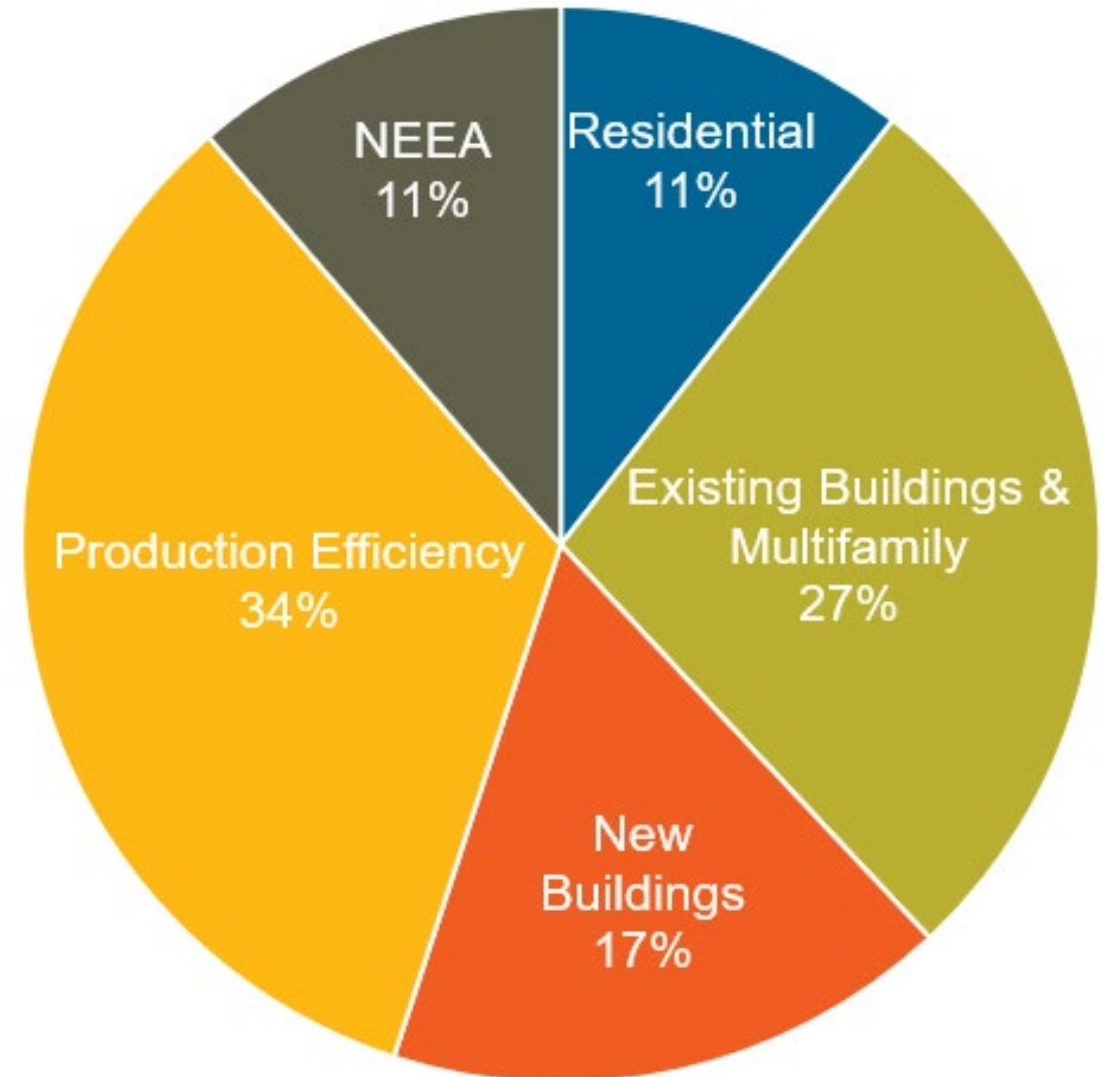


# 2025 Draft Expenses Compared to 2024 Budget



# 2025 Electric Savings by Program

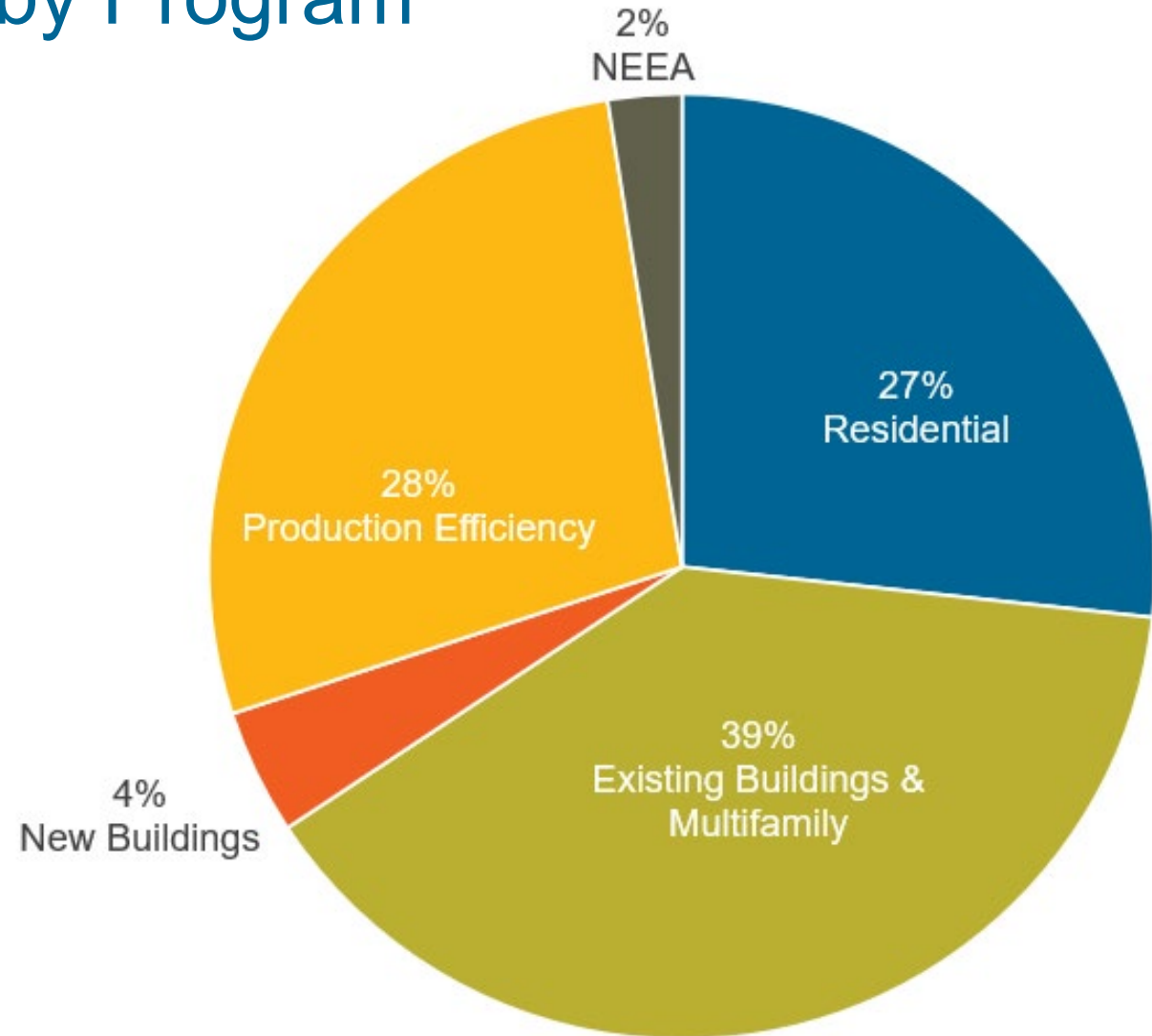
- **59.1** aMW of electric savings, up **23.3%** from 2024 budget
- Equivalent to **1.8 million** metric tons of carbon avoided over time
- **\$242.8** million in total costs, including customer incentives, services and delivery





# 2025 Natural Gas Savings by Program

- **6.7** MMTh natural gas savings, down **4%** from 2024 budget
- Equivalent to **705,000** metric tons of carbon avoided over time
- **\$61.6** million in total costs, including customer incentives, services and delivery



# 2025 Renewable Generation

- **5.6 aMW** generation
- Equivalent to **176,000** metric tons of carbon avoided over time
- **\$26.7** million in total costs, including incentives, services and delivery
- Continue standard solar incentives to maintain market stability
- Focus on customers with low and moderate incomes and distribution system-connected technologies

