Energy Trust of Oregon

2025 Annual Budget and Action Plan

FINAL PROPOSED

Presented to the Board of Directors
December 13, 2024

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Energy Trust of Oregon

2025 Annual Budget and Action Plan

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MEMO

Date: December 6, 2024
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Final Proposed 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 December 13 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 new complementary funding entering the market in 2025 and beyond.

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, levelized 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.

After board consideration on December 13, the budget and action plan will be submitted to the Oregon Public Utility Commission by year-end and posted online at www.energytrust.org/budget.

I look forward to our discussion next week and welcome your comments and questions.

Thank you,

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.

Final Proposed 2025 Budget Summary

- **Investing $344.9 million**
- **Saving 57.3 aMW and 7.0 MMTh**
  - 82.9 MW of reduced demand during summer peak, 89.3 MW during winter
  - 7,300 therms reduced demand during peak hour, 97,000 therms during peak day
  - Includes 0.3 MMth gas transport, 0.2 MMth NW Natural WA
- Delivering highly cost-effective energy
  - 4.7 cents/kWh levelized
  - 70.6 cents/therm levelized OR, $1.31/therm levelized WA
- **Generating 5.6 aMW**
- **Distributing $184.1 million in incentives**; 53% of total expenditures
- Administrative costs are 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: Humane Society for Southwest Washington, Vancouver, WA

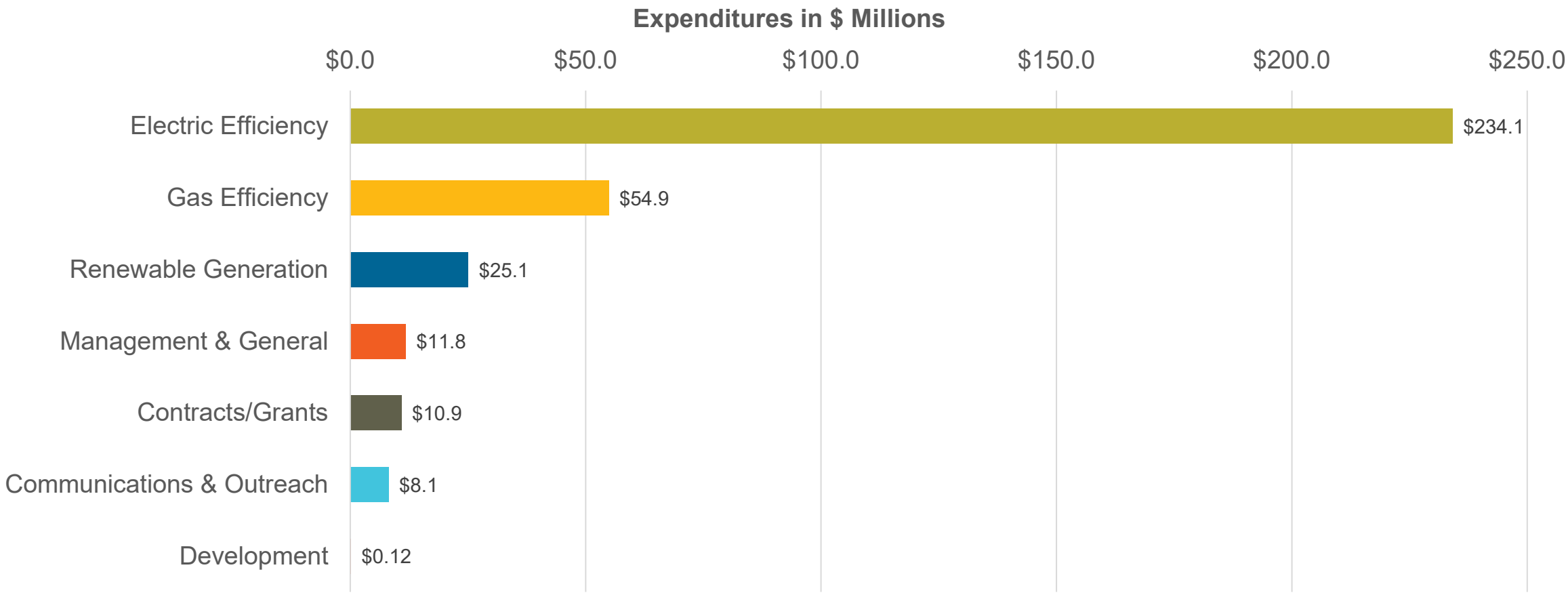
Summary of Changes to Final Proposed Budget

	Draft Budget	Final Proposed Budget	Change	% Change
Revenue ($ Million)	$337.2	$343.5	$6.3	1.9%
Expenditures ($ Million)	$342.1	$344.9	$2.8	0.8%
Incentives ($ Million)	$182.8	$184.1	$1.3	0.7%
Staffing Costs ($ Million)	$33.2	$33.6	$0.4	1.2%
Administrative Costs ($ Million)	$19.8	$19.9	$0.0	0.1%
Electric Savings (aMW)	59.1	57.3	-1.9	-3.2%
Gas Savings (MMTh)	6.7	7.0	0.3	4.3%
Electric Levelized Costs (¢/kWh)	4.4	4.7	0.2	5.1%
Gas Levelized Costs (OR) (¢/therm)	73.9	70.6	-3.3	-4.5%
Gas Levelized Costs (WA) (¢/therm)	131.1	131.2	0.1	0.1%
Generation (aMW)	5.6	5.6	0.0	0.0%

Notes: aMW: average megawatts of electricity; MMTh: million annual therms of natural gas; administrative costs are for management and general, communications and outreach

2025 Final Proposed Budget Expenditures

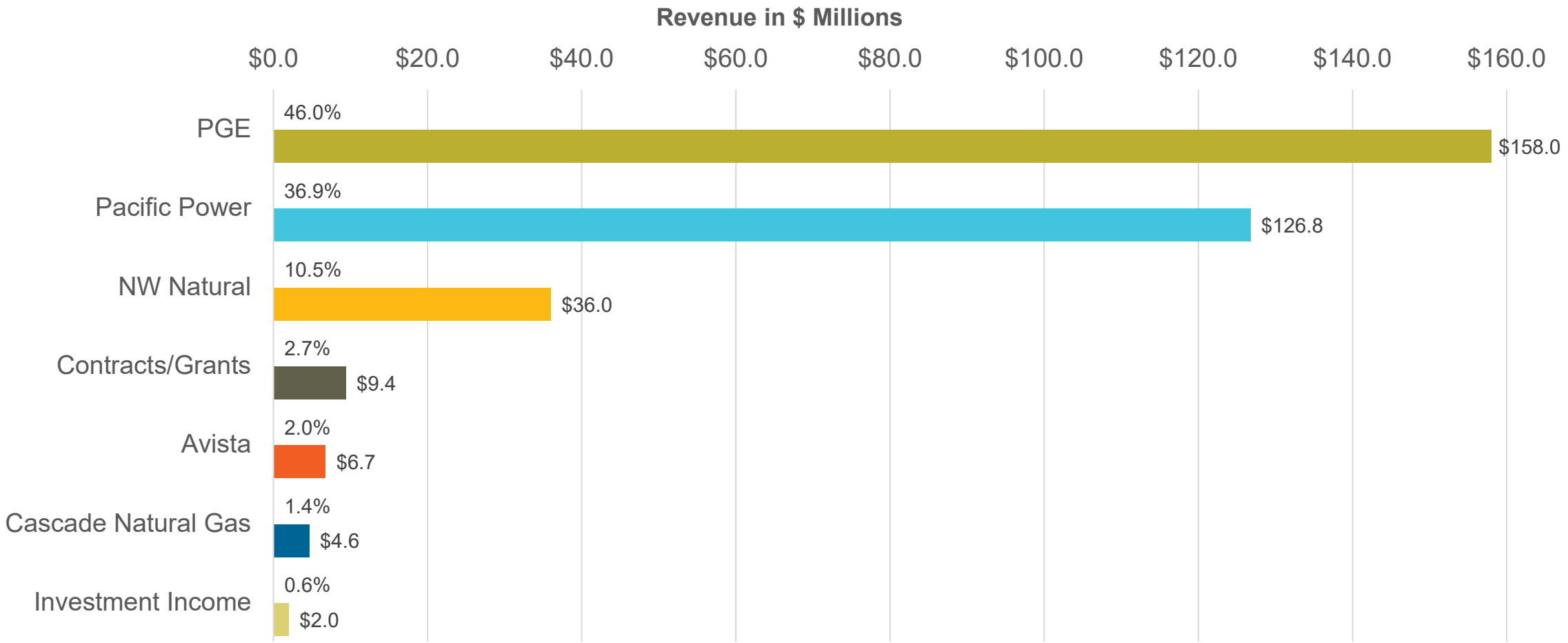
$344.9 million, up 13% from 2024 budget



The budget uses net assets/reserves to cover planned expenses in excess of anticipated revenue

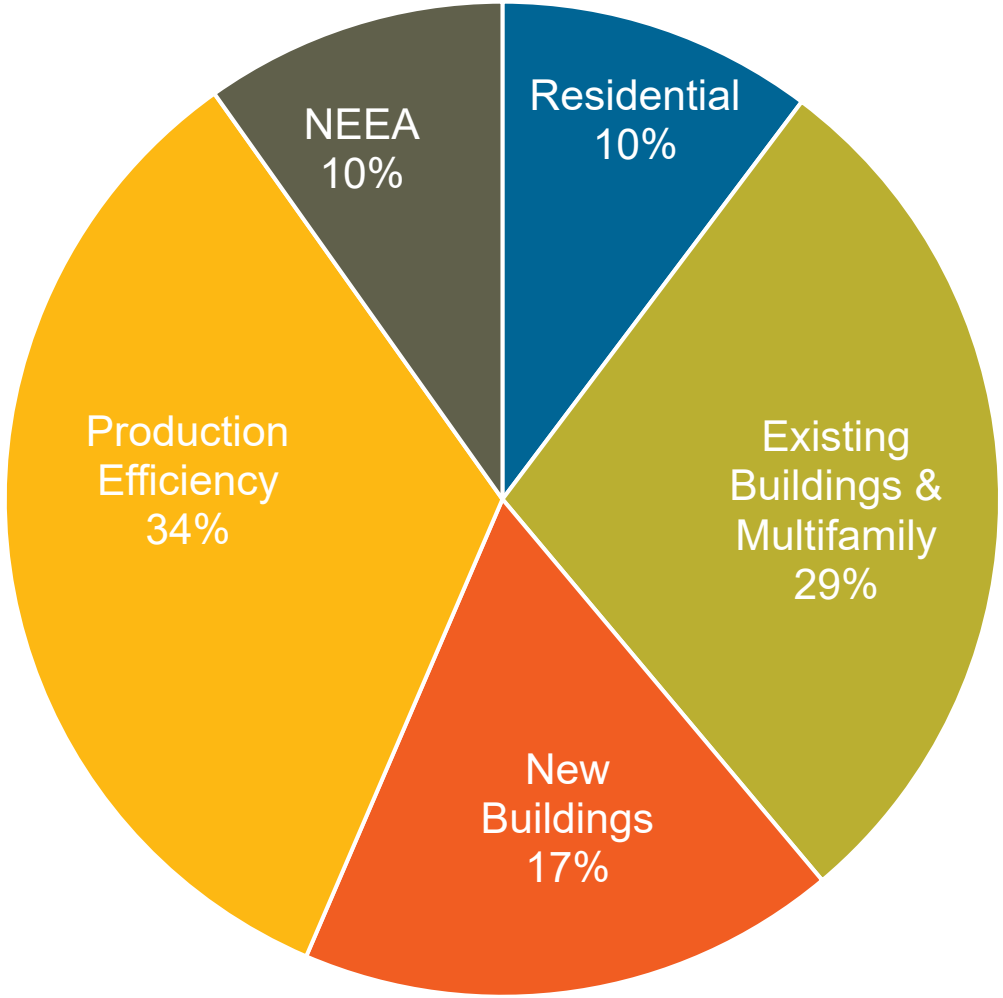
2025 Draft Budget Revenues

$343.5 million, up 30% from 2024 budget



2025 Electric Savings by Program

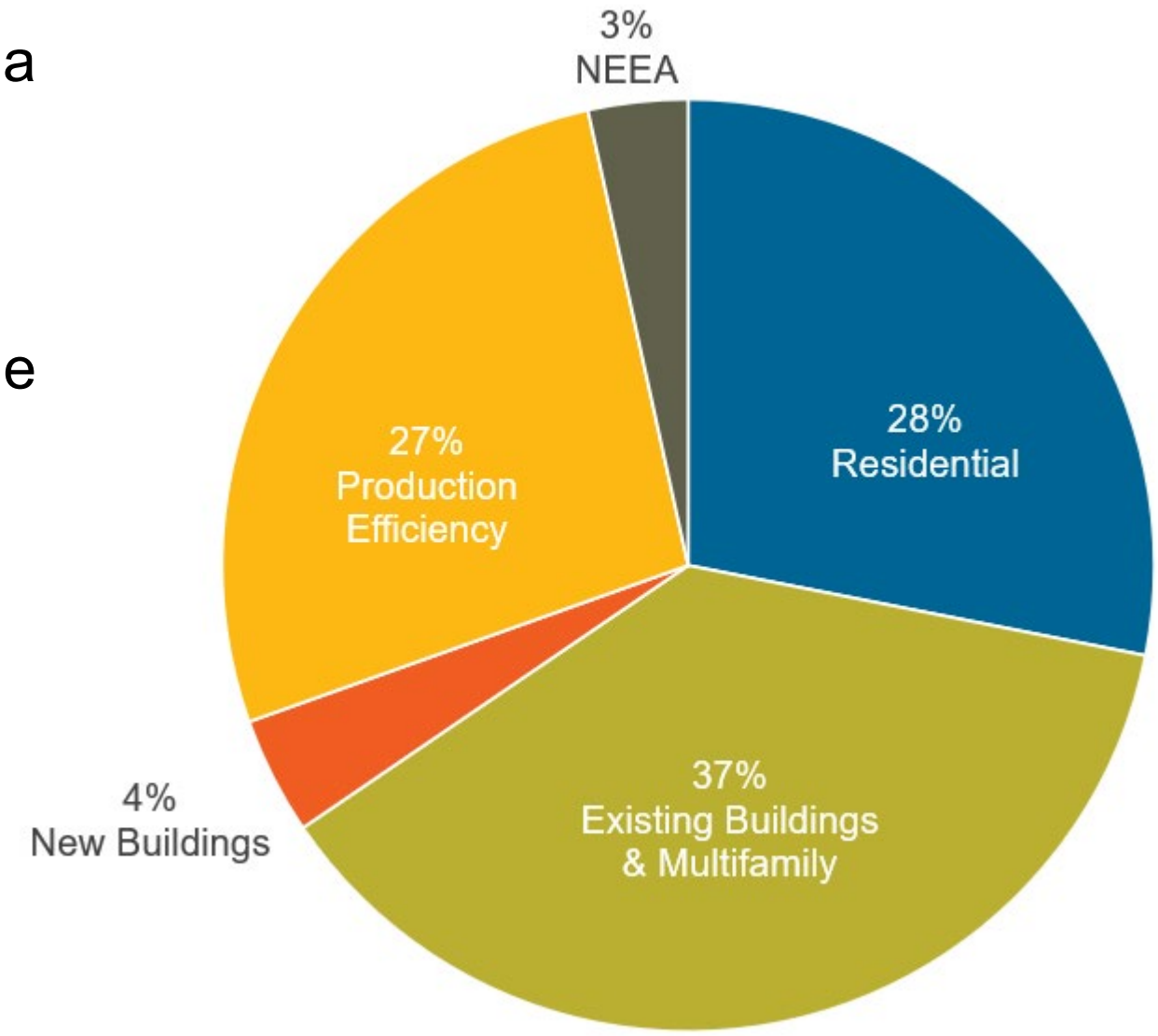
- **57.3** aMW of electric savings, up **19%** from 2024 budget
- Equivalent to **1.7 million** metric tons of carbon avoided over time
- **$248.4** million in total costs, including customer incentives, services and delivery
- Levelized costs of **4.7** cents/kWh, an **11%** decrease from 2024 budget



aMW: average megawatts

2025 Natural Gas Savings by Program

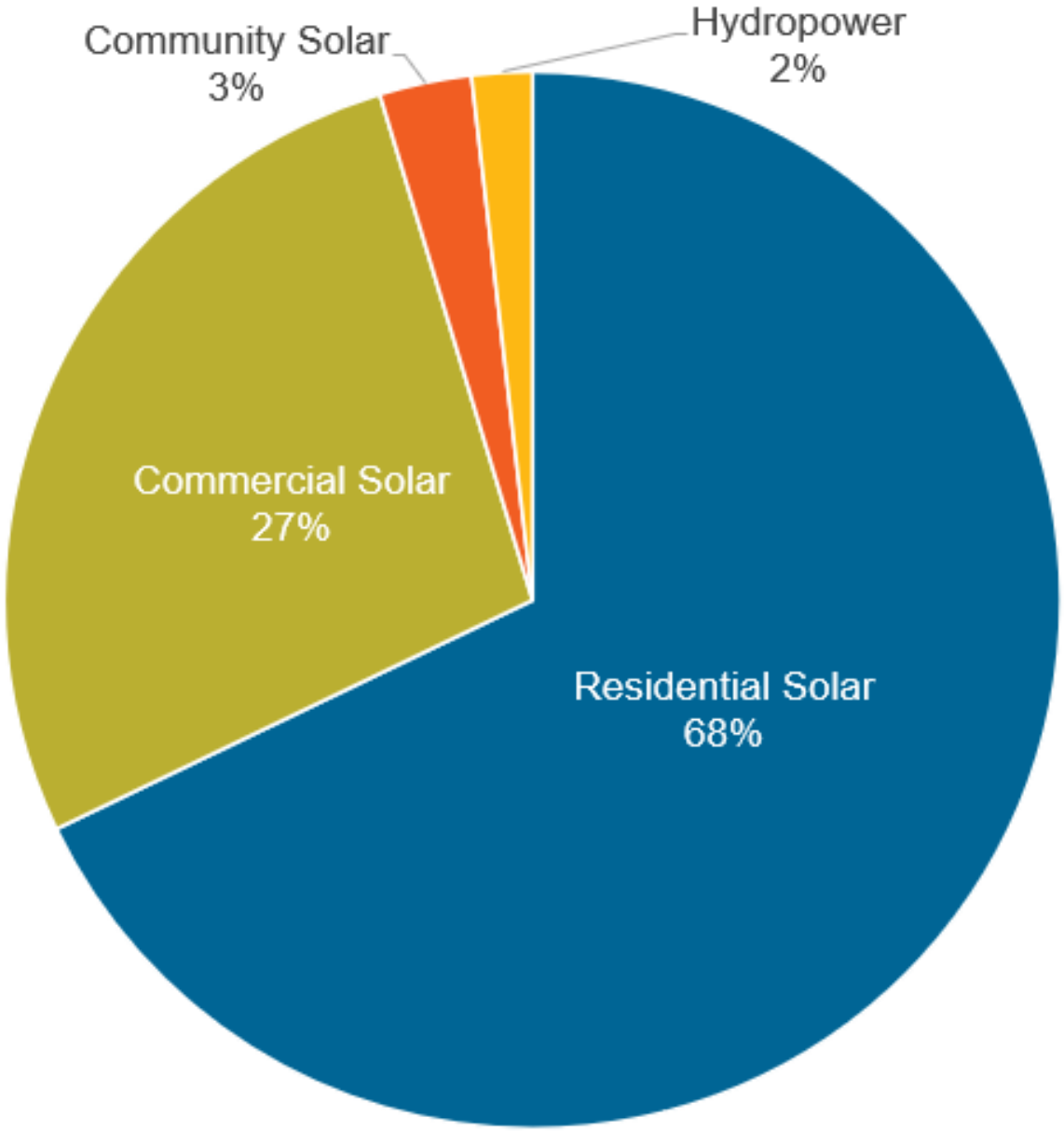
- **7.0** MMTh natural gas savings, a decrease of less than **1%** from 2024 budget
- Equivalent to **753,000** metric tons of carbon avoided over time
- **$62.2** million in total costs, including customer incentives, services and delivery
- Levelized costs of **70.6** cent/therm, a **9%** increase from 2024 budget



MMTh: million annual therms

2025 Renewable Generation

- **5.6** aMW generation
- Equivalent to **176,000** metric tons of carbon avoided over time
- **$26.6** 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



Frequently Asked Questions:
Energy Trust Annual Budget and Action Plan

How is your budget and action plan developed?
Energy Trust's budget and action plans are developed collaboratively with utility partners Portland General Electric (PGE), Pacific Power, NW Natural, Cascade Natural Gas and Avista, along with input from stakeholders, the public, and our three advisory councils—the Conservation Advisory Council, Diversity Advisory Council and Renewable Energy Advisory Council.

In October and November, we post the draft budget online and present it publicly to our board of directors, advisory councils, stakeholders, the Oregon Public Utility Commission (OPUC) and the public. Revisions are made in November and in December the final proposed budget is presented for board approval.

How can I find information about the budget and participate in the process?
Visit our website at www.energytrust.org/budget to find the budget and action plan materials and presentation dates. Following the October board meeting, presentation materials and recordings will be posted on this page. Budget presentations and supporting materials delivered at board and advisory council meetings are available at www.energytrust.org/about/public-meetings.

Public notices and materials for board and advisory council meetings are posted on our website in advance of each meeting and every meeting invite's public comment. The OPUC hearing is also open to the public.

Public comments are welcome and are open for 14 days surrounding the October board meeting. For details on submitting public comments and due dates, visit www.energytrust.org/budget.

Who reviews and approves the budget and action plan?
We ask for review and feedback from our board of directors, advisory councils, OPUC staff, utilities, community organizations, other stakeholders and the public. All feedback is considered as staff develops and then refines the draft budget. A summary of comments received through the public comment period, along with staff responses to them and copies of submitted comments, are provided in the final proposed budget and action plan materials. The board approves the final proposed budget in December, and the final budget is posted online and submitted to the OPUC by year-end.

What do you consider when setting the budget?
We work closely with our five utility partners to update their plans to meet future energy needs for their customers with the goal of acquiring all available 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 strategic plan and guide the development of our annual budget and 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 contractors, customers and community groups, 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 help communities and utility customers in Oregon and Southwest Washington save energy and benefit from energy efficiency and renewable power. We seek to expand our offers and approaches to reach communities of color, low- and moderate-income customers and rural communities who may not have benefitted in the past. Through the actions of customers, Energy Trust is able to deliver low-cost energy efficiency that utilities rely on to meet their customers' energy needs, add clean, renewable power to the electric grid; reduce customer utility bills; help keep energy costs lower than they otherwise would be for all utility customers; avoid carbon emissions; and strengthen 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. Energy Trust manages contracts and grants with governments, utilities and other entities to deliver programs and services that align with our mission, advance our strategic plan focus areas and support our core energy savings and generation work.

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 to 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 reviews of major contract decisions, monthly financial statements, program evaluations and progress to strategic plan focus areas.

How do you report on expenditures and progress to goals and performance measures?
We provide public midyear and annual 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.

2025 Budget Engagement Schedule

Budget Process Overview

As a nonprofit organization investing utility customer funds, Energy Trust of Oregon develops an annual budget and action plan collaboratively with our five utility partners. Throughout the process, we ask for feedback from our board of directors, advisory councils, Oregon Public Utility Commission (OPUC), utilities, community organizations, other stakeholders and the public.

As we developed our 2025-2030 Strategic Plan in 2024, we conducted extensive engagement with stakeholders throughout the year to seek information on market trends, customer and community needs, opportunities and strategic priorities. We leveraged these insights to inform our Draft 2025 Budget and Action Plan.

Over the summer, we began joint planning efforts with our five utility partners by previewing new opportunities, gathering input and identifying opportunities to collaborate. We leverage these insights to assemble a comprehensive draft budget action plan, which is posted for public review and comment in early October. The budget package and our annual organizational goals are presented to the board of directors and advisory councils in October public meetings. Feedback is encouraged from the public and stakeholders through these meetings and in writing. Staff also present to OPUC commissioners at a public meeting typically in November.

Key Dates

January, February, March, April

- **January - March, Strategic Planning Interviews and information gathering:** The strategic planning team interviewed community organizations, industry experts, and other stakeholders to inform the creation of our strategic plan. This information was used to inform our annual market intelligence and strategic guidance to staff.
- **January 10, Joint Advisory Council Strategic Planning Workshop:** Council members provided input on community and industry priorities and ways Energy Trust might support those from 2025-2030. This stakeholder engagement informed our Market Intelligence Memo.
- **January 24, Board of Directors – Public Meeting:** Energy Trust's board kicked off its strategic planning process at a public workshop by hearing and discussing input gathered from a broad group of stakeholders including utilities, NW Energy Coalition, Citizens' Utility Board, local and national businesses, and others.
- **February 21, Board of Directors – Public Meeting:** Energy Trust's board heard and discussed additional input from stakeholders including the Oregon Public Utility Commission and Energy Trust trade allies. This information was used to inform our annual market intelligence and strategic guidance to staff
- Staff use market intelligence and strategic guidance to determine new activities for 2024 and identify significant changes from 2023 budget.

June, July, August

- **June 5-13, Joint budget planning meetings:** Met with PGE (6/6), Pacific Power (6/4), NW Natural (6/5), Cascade Natural Gas (6/11) and Avista (6/13).
- **July 29-Aug 1, Utility meetings:** Met with Pacific Power (7/29), Avista (7/29), PGE (7/30), Cascade Natural Gas (7/31) and NW Natural (8/1) to continue joint budget planning.
- **July 30, Board of Directors – Finance & Audit Committee Meeting:** Discussed the quarter two energy and incentives pipeline and year-end forecast.
- **August 2-30**: Funding models and draft action plans provided to each utility.
- **August 23-26, Electric utility meetings:** Met with Pacific Power and PGE to discuss how complementary funding will impact our 2025 budget and new cost-effective savings opportunities that will be included in the budget.
- **August 28, Draft Budget Meeting with OPUC staff:** Previewed draft budget and utility funding proposals.

- **August 29, Board of Directors – Finance & Audit Committee Meeting:** Provided draft budget expenditures, revenues, savings, generation and discuss 2024-2025 funding levels. Sent funding models to each utility.

September, October

- **September 4-9, Utility funding meetings:** Met with PGE (9/4), Avista (9/5), NW Natural (9/5), Pacific Power (9/6) and Cascade Natural Gas (9/11) to discuss proposed funding levels for 2025 as well as utility-specific action plans.
- **September 26, Board of Directors – Finance & Audit Committee meeting:** Reviewed draft budget report and provided budget process update.
- **October 2:** Draft budget posted on www.energytrust.org/budget.
- **October 2-16:** Public comment period; stakeholders encouraged to submit written comments.
- **October 9, Board of Directors – Public meeting:** Presented and discussed draft budget and annual goals, with time for public comment.
- **October 10, Joint meeting with Conservation Advisory Council, Diversity Advisory Council and Renewable Energy Advisory Council:** Shared draft 2024 organizational goals and draft budget and action plan
- **October 13-20, Utility Specific Action Plans:** Updated with stakeholder feedback, if any.
- **October 29, Board of Directors – Finance & Audit Committee meeting:** Reviewed updated forecast of year-end results and discussed any significant changes from the draft budget.

November

- **November 1:** Sent final utility-specific action plans to utilities for review.
- **November 5: OPUC Public meeting:** Presented draft budget and action plan to commissioners in public workshop.
- **November 9-14, Utility coordination meetings with PGE, Pacific Power, NW Natural, Cascade Natural Gas and Avista:** Reviewed revised budget and final utility-specific action plans. Finalized 2025 funding levels and any related rate adjustments needed to reach savings targets. (Pacific Power on 11/6, PGE on 11/8, Cascade Natural Gas on 11/8, Avista on 11/11, and NW Natural on 11/12.)
- **November 14, Board of Directors – Finance & Audit Committee meeting:** Reviewed significant changes to draft budget, if any. Shared outcomes of utility funding meetings.

December

- **December 6:** Final proposed budget posted on www.energytrust.org.
- **December 13, Board of Directors – Public meeting:** Final proposed budget and action plan presented for board consideration and vote.
- **December 16-27:** Board-approved budget submitted to OPUC and posted on www.energytrust.org.

MEMO

Date: December 6, 2024
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Summary of Market Intelligence

This memo summarizes input and insights gleaned from customers, community leaders, stakeholders and experts in recent years, including through surveys and interviews in the first half of 2024 to inform Energy Trust's strategic planning process and in 2023 to inform Energy Trust's budgeting process. The following groups were asked about market trends, customer and community needs, opportunities and strategic priorities for Energy Trust:

- Conservation Advisory Council (CAC)
- Diversity Advisory Council (DAC)
- Renewable Energy Advisory Council (RAC)
- Utilities
- Oregon Public Utility Commission
- Oregon Department of Energy
- Businesses and industry groups
- Community-based organizations
- Trade allies

Notes from their interviews are included in this memo in italics. Information about market conditions was sourced from the Oregon Office of Economic Analysis' Oregon Economic and Revenue Forecasts from March and June 2024.[1]

What's happening in the market?

- **Increasing energy costs are putting a strain on customers.** Utility rates—nationally and here in the Northwest—are increasing for several reasons including market volatility, rising transmission costs, and costs related to wildfire mitigation, decarbonization and increased demand. Coupled with higher prices for goods and services since the pandemic, some customers are frustrated and feel powerless against rising costs. While Energy Trust investments can help customers lower their bills and help the system mitigate future rate increases, some customers conflate Energy Trust's work with utilities and blame Energy Trust for their raising rates. Energy efficiency is more valuable for customers than ever, but not everyone can see that.
    - *High costs will be a new normal. This makes energy efficiency essential. – Northwest Energy Coalition representatives*
- **New funding opportunities hitting the market require coordination to be effective.** Programs authorized by the federal Inflation Reduction Act (IRA) and other recent legislation are beginning to hit the market and creating significant new opportunities. But a lack of coordination and communication among public agencies, nonprofits and community-based organizations threatens to delay getting dollars into the hands of customers. This year in Portland, implementation of the Portland Clean Energy Community Benefits Fund's Climate Investment Plan is creating additional opportunities. Collaboration is needed to maximize these benefits and achieve timely results.
    - *Managing all the programs out there and maximizing what customers are getting is important. – Citizens' Utility Board representatives*
- **There is a lack of expertise and capacity at the community level to take advantage of new funding.** With new funds becoming available, some communities lack the skills and capacity to take

[1] https://www.oregon.gov/das/oea/Documents/OEA-Forecast-0324.pdf
https://www.oregon.gov/das/oea/Documents/OEA-Forecast-0624.pdf

advantage of time-sensitive grant opportunities. Rural and tribal communities and smaller cities and counties may not have the capacity to apply for funding or the understanding of how to administer funds. Community-based organizations lack the staff time and skills to be involved in program design and implementation. Energy Trust is receiving more and more inquiries from groups asking for help so they can be involved in these new offers.

  - *Pursuing funding requires significant time and technical knowledge. This is a huge barrier for smaller communities, especially those without a community organization supporting them. – Wallowa Resources representative*

- **Customers need more information and resources to make sense of clean energy opportunities.** People are confused and overwhelmed about all the new technology and incentive programs becoming available; this is true for residential customers, businesses and communities. Customers need education and guidance through marketing and outreach that is relevant to them. This is especially true for renters, people of color, people living in rural areas and those experiencing lower incomes who are traditionally less aware of Energy Trust's programs.
  - *Make programs easier for customers to digest. – Business Oregon representatives*
- **The industry doesn't have enough workers to keep up with new opportunities.** Labor shortages remain a major issue for the clean energy industry, especially as new funding creates more opportunities and more demand. There are not enough qualified contractors to meet this growing demand, especially in rural areas, which can lead to project delays and higher prices for customers. While this has been a challenge for years on the residential side, it is now increasingly an issue on the commercial side. In a 2023 survey of Energy Trust trade allies, nearly half reported facing internal bottlenecks with projects and workflow due to challenges in hiring, while half said they expect demand to increase in the next year. Contractors need more training to understand how to install new technology and help customers choose the right equipment for their needs.
  - *The biggest issue has been hiring and finding people who are qualified and ready to work. – Energy Trust trade ally*
- **The economy is improving, but many people don't feel it.** The U.S. economy is in an inflationary economic boom, with strong growth as measured by real GDP and consumer spending and a lower risk of national recession. Oregonians have experienced strong income growth in recent years, and the share of working-age Oregonians with a job is at a record high, according to the Oregon Office of Economic Analysis. Inflation has cooled but lingering high costs—including higher energy costs—mean many people aren't feeling the healthy economy in their daily lives.
  - *Households report being pessimistic about the economy, and consumer confidence is low. – Oregon Economic and Revenue Forecast, June 2024*
- **Equity remains a top concern in the energy transition.** Energy Trust, its partners and the state have all made strides in prioritizing equity and service to historically underserved customers, including communities of color, rural and tribal communities, small business and people with low and moderate incomes. But major barriers to participation remain, including low awareness, unaffordable upfront costs and deferred home maintenance that makes further upgrades impossible. New federal funding offers are focused on serving many of these customer groups.
  - *There are major underserved communities who will require more work…. to serve these customers. It's critical that programs figure out how to reach those folks. – Northwest Energy Coalition representatives*
- **Climate change means people are using energy differently**. In recent years, Oregon has seen catastrophic wildfires, deadly heat waves and winter storms that knock out power for days. These events are changing the way people think about and consume energy. Air conditioning is now a necessity to stay cool in the summer and breathe clean air during wildfire season. Rural customers who experience frequent and prolonged electric outages need backup energy sources like solar plus storage. Resilience is a priority for communities seeking help with climate and energy planning.
  - *Climate variability, uncertain weather patterns and increased frequency in natural hazards will drive interest in decarbonization, clean tech, the energy system and personal energy use. – Joint meeting of CAC, DAC and RAC*

- **Utilities are challenged to balance decarbonization, reliability, resilience and affordability.** Utility partners and the OPUC are looking to energy efficiency to help meet decarbonization goals. Electrification, new technologies, increasing costs and peoples' changing relationship to energy present challenges and opportunities. Both electric and natural gas utilities say Energy Trust is a valued partner in their work to meet decarbonization goals, and there is potential to coordinate more and employ new methods to reach traditionally underserved customers.
    - *Energy Trust's partnership is foundational to meeting decarbonization and equity goals. – Natural gas utility representatives*
- **Electric utilities are focused on managing increased demand and peak load.** Projected load growth from electrification, data centers and other trends means electric utilities are looking for new ways to meet growing demand and manage peak loads cost effectively.
    - *Working interconnectedly, even co-deployment, ensures optimal success for programs such as small-scale community-based renewables, demand response and others. – Electric utility representatives*
- **Many are eager for more collaboration.** In addition to the utilities, state agencies, industry groups and community-based organizations want to work with Energy Trust to develop solutions and serve more customers.
    - *It's an era of unprecedented need for collaboration. We all need to work together and not step on each other's toes. – ODOE representatives*

What should Energy Trust prioritize given these market factors?

- **Support collaboration and partnerships amid new opportunities.** Effective partnerships are essential to fully realize opportunities driven by new funding. As more community-based organizations get involved, they need education and relationships in the industry. Energy Trust should play a larger role in convening and educating them.
- **Help customers navigate new offers and technology.** Similarly, customers need resources and support to find the best incentive offers and technology solutions to meet their needs. Energy Trust should design services and work with partners to eliminate barriers, removing jargon and streamlining the customer experience.
- **Support workforce development for contractors and capacity building for delivery partners.** Workforce development and training is crucial to deliver on all the available new funding and ensure quality installations, especially in rural areas. Training is important for contractors as well as community-based organizations that deliver services.
- **Combine funding sources to help bridge gaps in funding.** Energy Trust needs to be creative and find ways to bridge the gaps for parts of a project that our funding may not cover; these gaps can be barriers to participation for priority customers. Federal, state and other funds can be combined with Energy Trust incentives to minimize customer costs.
- **Support equity- and resilience-focused outcomes.** In designing efficiency and renewable energy programs, Energy Trust should prioritize equity-based offers that serve priority customers and offers that promote resilience at the individual and community level.
- **Communicate in ways that resonate with all customers.** Some customers are motivated to save energy to combat climate change. Others want to save on their utility bills, or make their business work better, or make their home more comfortable or their communities more resilient. Energy Trust should communicate the benefits of its programs in ways that reflect this variety of needs.
- **Help customers save in the short and long term through energy efficiency.** As energy costs increase, energy efficiency becomes more valuable. Energy Trust should work to achieve as much energy efficiency as possible in the short term to lower customers' bills and in the long term to mitigate future utility rate increases.

- **Help utilities achieve their emissions reduction targets and manage demand.** This could include targeting locations facing grid constraints and population growth and exploring new offers that address peak demand.

MEMO

Date: December 6, 2024
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Benefit Cost Ratios for Final Proposed 2025 Budget

This memo provides Energy Trust's analysis of forecast benefit cost ratios for our final proposed 2025 budget and demonstrates that all programs are expected to be cost-effective. Cost-effectiveness tests are commonly used by energy-efficiency programs to determine whether and how much to invest in a project that saves electricity or natural gas.

In Oregon, Energy Trust is required by legislation to invest in cost-effective energy efficiency. The Oregon Public Utility Commission (OPUC) oversees Energy Trust's implementation of the cost-effectiveness requirement and determines what can be counted as a benefit and cost in the cost-effectiveness tests. The OPUC has directed Energy Trust to apply the Total Resource Cost Test benefit cost ratio and Utility Cost Test benefit cost ratio to ensure that Energy Trust is responsibly investing ratepayer funds.

Energy Trust is permitted to invest in some measures that are not cost-effective, if they meet the commission's cost-effectiveness exception criteria and are approved by the OPUC. However, programs must still achieve overall cost-effectiveness when measured at the program and fuel level. See Measure Exceptions Memo for more information.

The results of our benefit cost ratio analysis indicate that all program and fuel combinations are forecasted to be cost-effective in the 2025 final proposed budget. All programs are also forecasted to be cost-effective when measured at the individual utility level.

Avoided Costs
One of the main drivers of forecasted cost effectiveness in 2025 is updated avoided costs. For 2025, electric avoided costs increased by 37.6% and gas avoided costs increased by 13.0%, compared to 2024 avoided costs. These increases represent the increased value of energy savings for ratepayers and utilities.

Methodology

To forecast benefit cost ratios based on the final proposed 2025 budget, Energy Trust assumed that 2025 savings will follow the same distribution of measure types, measure lives (i.e., measure mix), and incremental measure costs that was recorded in the 2023 program year, which is the most recent full year of program data available. The 2025 avoided costs were applied to 2023 program year savings to calculate the average avoided cost, incremental cost and non-energy benefits per unit of energy (kilowatt hours and therms). These averages were then applied to final proposed 2025 budget savings and expenditures to calculate forecasted benefit-cost ratios at the program, utility and fuel levels.

Use of the 2023 program year measure mix is necessary to forecast 2025 budget benefit-cost ratios because not all program budgets are developed at a measure level. So, a representative measure mix from a recently completed program year is assumed instead of using specific measure level budget build-ups. The assumed measure mix is a key determinant of forecasted benefit-cost ratios since the avoided cost of energy savings—which is the primary benefit in benefit-cost ratio calculations—varies significantly according to the timing of when measures save energy (i.e., the savings shape) and the useful life of measures. If the actual measure mix for 2025 savings ends up being dramatically different than the 2023 measure mix, or if incremental measure costs change significantly from 2023 to 2025, the forecasted benefit cost ratios presented here may not be representative of actual 2025 benefit-cost ratios.

Energy Trust uses two primary cost-effectiveness tests: the Total Resource Cost (TRC) test and Utility Cost Test (UCT). The TRC measures cost effectiveness from the total utility system perspective and includes costs and benefits incurred by both participants and non-participants. The UCT measures costs and benefits from the perspective of the utility only and does not consider the non-energy benefits or incremental measure costs

experienced by program participants. The equations for these cost-effectiveness tests, and definitions of their individual components, are described below:

$$UCT = \frac{Avoided\ Costs}{Incentives + Program\ Costs}$$

$$TRC = \frac{Avoided\ Costs + NEBs + PV\ (Unclaimed\ Savings)\ + PV(Interactive\ Effects)}{Incremental\ Costs - \ Cofunding\ Incentives + Program\ Costs\ - Tax\ Credits}$$

Avoided Costs are the marginal value to a utility of saving one unit of energy consumption. Avoided costs vary by the timing of when measures save energy, as represented by their load shape, since measures that save more during times when the utility system is constrained are more valuable to the utility. The avoided cost of electric savings reflects costs savings for energy commodity purchases, generation capacity, transmission and distribution deferral, reduced price risk, and a 10% Northwest Power Act adder. The avoided cost of gas savings reflects cost savings for energy commodity purchases, supply and distribution capacity expansion/maintenance, state CO2 policy compliance, reduced price risk, and a 10% Northwest Power Act adder.

Non-Energy Benefits (NEBs) represent the additional benefit to program participants that install energy efficiency measures and can be either positive or negative. Non-energy benefits must be quantifiable to be included in Energy Trust's benefit-cost ratio calculations. Common examples of non-energy benefits calculated for Energy Trust programs and measures include water savings, increased productivity, and reduced operations and maintenance costs.

Incentives are payments made directly to customers, installers, distributors, manufacturers or other participants to encourage an action or purchase that would not have been made otherwise.

Program Costs are the non-incentive costs of delivering Energy Trust's programs and include administrative costs, staff salaries and program delivery contractor costs.

Unclaimed Savings are the result of a measure that saves both natural gas and electricity for a customer that has only gas or electric service with one of Energy Trust's five funding utilities. Since Energy Trust serves customers of all three gas utilities operating in the state of Oregon, in practice, unclaimed savings are electric savings that are realized at a site in a non-investor owned electric utility service territory as a result of installing a measure that primarily saves natural gas. Since the typical electric avoided cost structure does not apply to these out-of-service area electric savings, the value of these kilowatt hours is included in the numerator of the TRC test as the present value of the lifetime bill savings, akin to how non-energy benefits are treated.

Interactive Effects are a side-effect of certain efficiency measures where increased energy usage of one fuel type is realized as a result of installing a measure that saves energy of a different fuel type. A common, although somewhat dated, example is LEDs replacing incandescent lighting, where the more efficient LEDs produce less waste heat than the replaced incandescent lighting, thereby increasing the heating needs of the space and requiring the heating system to run more frequently and consume more energy. Interactive effects are valued at the avoided cost rate when in-service area or at the retail rate of energy when out-of-service area.

Complementary Funding (cofunding incentives) are funds Energy Trust receives from contracts and grants, as opposed to funding from ratepayers of Oregon's investor-owned utilities through Energy Trust's agreement with the OPUC. The OPUC has directed that Energy Trust may subtract the value of co-funding incentives from the incremental cost of measures used in cost-effectiveness testing. A common example of co-funding is HOMES and HEAR rebates from the Inflation Reduction Act.

Complementary funding from the Oregon Department of Energy Connected Communities Grant (SALMON), PGE Flexible Feeder, ODOE HOMES and HEAR, Community Heat Pump Deployment Programs, and ODOE Cooling was integrated into forecasted final proposed budget benefit-cost ratio calculations. The ratepayer contribution

associated with delivering these sources of complementary funding was added to total program expenditures, for both the TRC and UCT tests, to capture the ratepayer cost of delivering incentives through complementary funding. Forecasted complementary funding incentives were subtracted from incremental measure costs in the TRC calculations for the programs where those incentives will apply (Residential and Existing Buildings).

Tax Credits, both at the federal and state level, are deducted from the incremental cost of measures in the TRC test since they have the effect of reducing the cost of measure installation for program participants, like co-funding.

Forecasted 2025 BCR Results

Total Resource Cost Test (TRC)

Program	PGE	Pacific Power	NW Natural	Cascade	Avista	Total	Electric	Gas
Residential	1.1	1.0	2.7	2.6	2.7	1.4	1.0	2.7
Existing Buildings including multifamily	1.3	1.5	1.6	1.5	1.3	1.4	1.4	1.6
New Buildings	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Production Efficiency	2.6	2.1	4.3	3.6	1.9	2.5	2.4	4.0
Total Portfolio*	**1.6**	**1.5**	**2.3**	**2.1**	**2.1**	**1.7**	**1.5**	**2.3**

*Total portfolio TRC values shown here exclude both benefits and costs from the New Buildings Program and NEEA. TRC benefit-cost ratios are not calculated for the New Buildings Program, per direction from the OPUC, due to the difficulty in accurately assessing the incremental cost of new commercial construction measures.

Utility Cost Test (UCT)

Program	PGE	Pacific Power	NW Natural	Cascade	Avista	Total	Electric	Gas
Residential	1.2	1.1	2.6	2.1	2.7	1.6	1.1	2.6
Existing Buildings including multifamily	1.7	1.5	2.2	2.6	2.3	1.8	1.6	2.3
New Buildings	4.3	5.9	3.2	3.4	4.1	4.8	5.0	3.3
Production Efficiency	2.6	2.4	2.8	2.2	1.4	2.5	2.5	2.6
Total Portfolio	**2.1**	**2.0**	**2.6**	**2.1**	**2.4**	**2.1**	**2.0**	**2.5**

MEMO

Date: December 6, 2024
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Complementary Funding in Final Proposed 2025 Budget

This memo describes Energy Trust's approach to complementary funding in our final proposed 2025 budget. In the context of Energy Trust's budget, complementary funding is defined as funds Energy Trust receives from contracts and grants, as opposed to funding from ratepayers of Oregon's investor-owned utilities through Energy Trust's agreement with the OPUC. Complementary funding helps us increase savings and generation, improve equitable access for customers and deliver greater value to ratepayers. Over the life of the contracts, complementary funding included in the final proposed 2025 budget will deliver an estimated 10 times return on ratepayer investment.

The organization's budget includes more complementary funding in 2025 than it has in the past. Energy Trust has administered a few small complementary funding contracts for several years, but the number and magnitude of these contracts will increase in 2025. However, complementary funding remains a relatively small part of our funding at less than 1.9% of overall budget revenue. (This memo focuses on a subset of contracts and grants; it excludes contracts for delivering services to NW Natural customers in Washington and serving transport customers of NW Natural and Avista because those are existing and established programs.)

A significant portion of the 2025 complementary funding will be used to develop and design several large programs that are expected to launch in 2026: Solar for All and the Home Energy Rebate programs (HOMES and HEAR). Due to this, program delivery and resulting savings and generation will be minor in 2025 and will increase more significantly starting in 2026.

The revenue, expenditures, savings and generation for complementary funding included in the budget are our best estimates at this time. For many complementary funding sources, details and timelines are still being worked out by the entity administering or overseeing the grants. Even though information may change, including estimated information in our budget best prepares the organization to manage new contracts and grants and gives the board of directors, OPUC, utilities and stakeholders transparent information so they can offer guidance and make public comment.

Benefits of Complementary Funding

Leveraging complementary funding enables us to acquire additional energy savings and generation and provide direct bill-reduction and other benefits to low-income customers without relying solely on ratepayers to pay the costs.

The vast majority of the complementary funds included in the 2025 budget will be directed to low-income customers. These customers can only participate through fully or mostly funded upgrades. To date, we have had great success engaging customers with limited no-cost measures that we support with ratepayer dollars under measure exceptions. Complementary funding allows us to scale up those no-cost offers and continue this momentum at a much larger scale.

Benefits of complementary funding over time include:

- Increased savings and generation through:
    - Increased participation by customers who require no-cost or nearly no-cost offers to participate
    - Acquiring savings that would otherwise be inaccessible without funding that pays for other non-energy improvements such as electrical upgrades, mold removal or roof repair
    - Addressing other gaps and unmet needs that prevent participation
- More equitable access to programs and services by overcoming barriers to participation for communities of color, customers experiencing low or moderate incomes and/or rural communities

- Reduced costs for ratepayers by serving more customers or acquiring more savings, generation or other benefits for the same or lower ratepayer cost than would otherwise be required
- Reduced energy burden for customers with low incomes by directly reducing their energy consumption

Criteria for Including Complementary Funding in the 2025 Budget

Complementary funding is included in the 2025 budget if it was awarded prior to July 1, 2024, and we are under contract with the funding entity or have high confidence that we will be under contract and begin implementation in the coming year.

In the case of the U.S. EPA Climate Protection Pollution Reduction Grant, we received an award just after the July 1 cutoff date. As a result, revenue, expenditures and savings associated with this funding source are not included in the 2025 budget. However, we have included it in the contracts and grants action plan, budget presentations and charts included in this memo for awareness and transparency. For the Climate Pollution Reduction Grant, revenue of $3.3 million is expected in 2025.

Estimated Complementary Funding Included in 2025 Budget

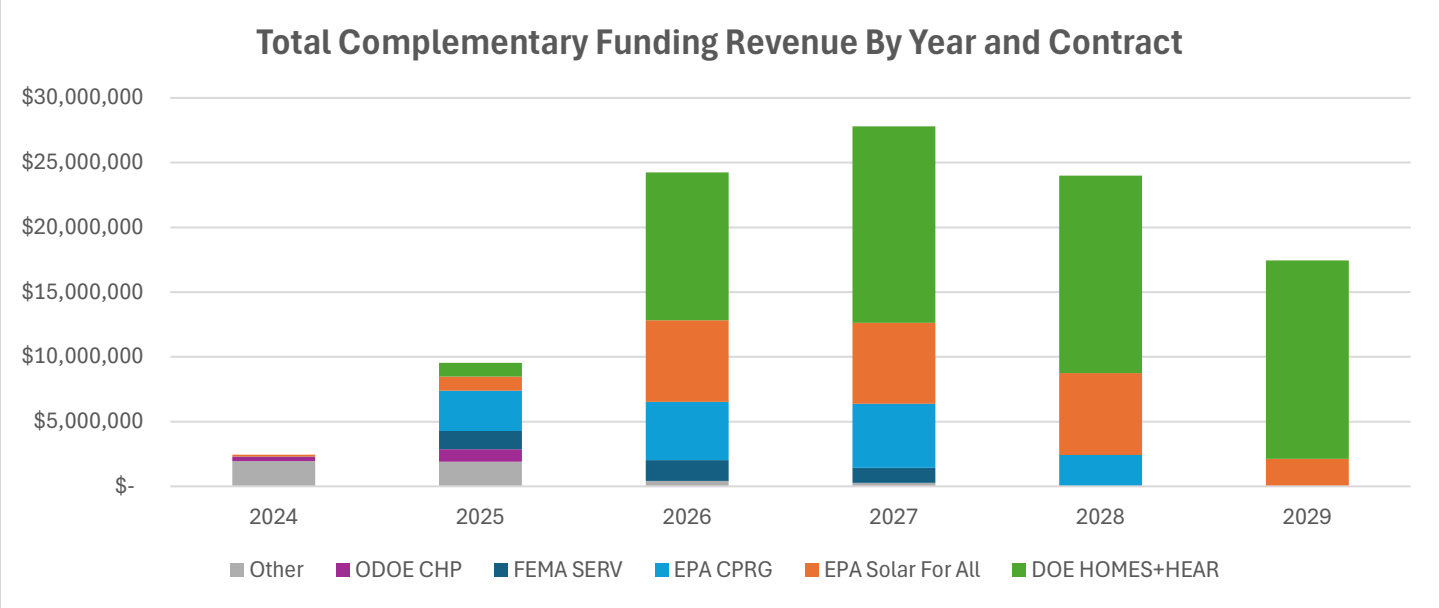
The 2025 budget includes a total of $6.4 million from the contracts and grants listed below, 1.9% of total organizational revenue. Descriptions of each contract and grant are included in the contracts and grants action plan.

Contract or Grant	Total Revenue (Life of Contract in millions)	Status	2025 Revenue (in millions)
ODOE HEAR	$ 30.6	New - Contract Pending	$ 0.525
ODOE HOMES	$ 29.9	New - Contract Pending	$ 0.537
Oregon Solar for All	$ 23.0	New - Contract Pending	$ 1.001
EPA Climate Pollution Reduction Grant	$ 15.0	New - Award Announced	Not Included
FEMA Community Energy Resilience Grant	$ 4.2	New - Contract Pending	$ 1.373
Oregon Community Solar Program	$ 3.0	Existing Contract	$ 0.602
ODOE Landlord Provided Cooling Spaces	$ 2.0	Existing Contract	$ 0.769
Smart Grid Test Bed Collaboration (SALMON)	$ 1.4	Existing Contract	$ 0.360
PGE Smart Battery Pilot	$ 1.0	Existing Contract	$ 0.077
ODOE Community Heat Pump Deployment Program (Southern Oregon)	$ 0.8	New - Active	$ 0.671
PGE Flexible Feeder	$ 0.8	Existing Contract	$ 0.126
ODOE Community Heat Pump Deployment Program (South Coast)	$ 0.4	New - Active	$ 0.352
PGE Smart Solar Study	$ 0.3	Existing Contract	$ 0.002
Total Contracts and Grants			$ 6.395

Columns may not total due to rounding.

Estimated Complementary Funding Revenue over the Lifetime of Contracts

In addition to what is included in the 2025 budget, we estimate the following revenues in future years:



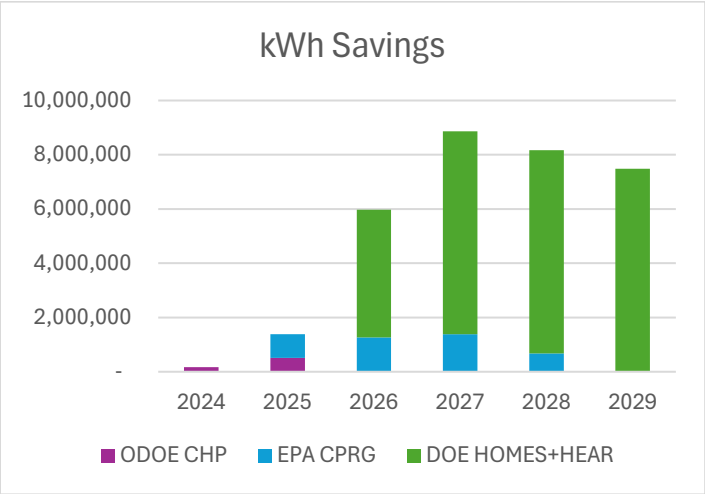
Bar chart includes funding for EPA Climate Pollution Reduction Grant in 2025, which is not included in the final proposed 2025 budget or table above.

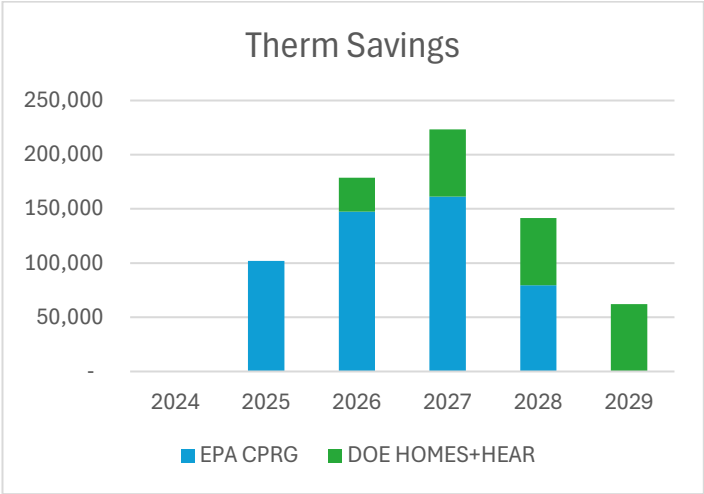
Estimated Results

Over the life of these contracts, we expect to serve more than 20,000 priority customers, the majority of whom will be low-income households. This includes an estimated 5,800 natural gas customers.

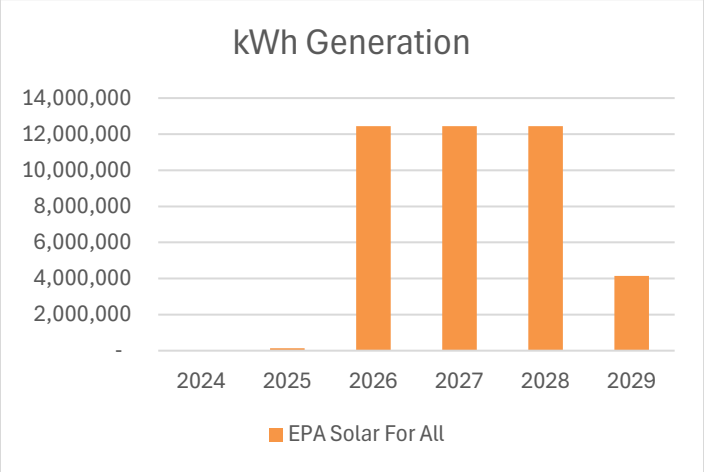
Below are estimated energy savings and generation by year and contract. These are savings and generation made possible due to complementary funding but are not fully attributable to complementary funding. We lack the information to differentiate savings supported by co-funding (where ratepayer and complementary funding are stacked to pay for a measure) from savings uniquely enabled solely by complementary funding (because it paid for enabling repairs or exclusively paid for upgrades that result in savings). What we do know is that complementary funding will enable us to achieve more savings and generation and to reach customers, largely low-income customers, who we wouldn't otherwise be able to serve.

Estimated Energy Savings by Year and Contract (All Utilities)





Estimated Energy Savings by Year and Contract (All Utilities)



Multiple Ways Complementary Funding Can Be Applied

Complementary funding can be applied in two ways:

1. To secure additional savings and generation: In some cases, complementary funding will help secure additional energy savings or generation that would not be possible without these funds. Energy Trust intends to identify and claim incremental savings and generation.
2. To displace ratepayer dollars: In some cases, complementary funding can be used to reduce the ratepayer funds needed to achieve savings or generation from certain measures, allowing these funds to be conserved or redeployed to achieve more impact. Energy Trust is learning how to appropriately account for these impacts and will provide more details when these complementary funding sources are developed.

Leveraging Ratepayer Dollars

For the largest complementary funding contracts, such as HOMES and HEAR and Solar for All, the funders require the funding to primarily be used for incentives paid directly to customers; more than 80% of the revenue from these new sources must be spent as incentives. The funders cap the funding available to support staffing, delivery and program administration; less than 20% of the revenue can be used for these costs. Due to these restrictions, and because the activities associated with the complementary funding are aligned with the scope of our ratepayer-funded programs and will result in substantial benefit to ratepayers, we plan to leverage ratepayer funding to support the delivery of these programs.

In these cases, we are leveraging a relatively small amount of ratepayer funding to gain access to a much larger amount of project incentive dollars that will benefit ratepayers. **Over the life of the contracts, complementary funding will deliver an estimated 10 times return on ratepayer investment.**

Energy Trust will track costs separately for each funding source, and ratepayer contributions will be allocated according to the amount of benefit received from each complementary funding source. Gas ratepayer dollars will not be used to support programs that exclusively benefit electric customers.

MEMO

Date: December 6, 2024
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Investments in Workforce and Community-based Organization Delivery Partners

In 2025, Energy Trust will continue efforts started in 2024 to support and expand the network of delivery partners needed to deliver on new complementary funding opportunities and achieve ambitious savings goals by 2030. From our early days of operation, Energy Trust has played a key role in market creation, and this is a natural evolution of our work.

This memo provides an update on three major work areas underway in 2024, and it summarizes how we will maintain momentum in 2025. The three focus areas are: building our Trade Ally Network of contractors; boosting workforce development opportunities to build a pipeline of new contractors who can install clean energy upgrades; and building partnerships and support for community-based organizations who can also deliver programs and services.

Investments to develop and expand the Trade Ally Network

Budget impact: $2.63 million in 2025

Energy Trust's Trade Ally Network is the backbone of the state's clean energy contractor infrastructure. We have been working for years in communities around the state to educate contractors, bring new contractors into our network and connect contractors with customers. Trade ally development activities include training and development for existing trade ally contractors to increase participation and number of projects completed, diversifying the Trade Ally Network and ensuring high quality standards for energy efficiency projects. Working with more contractors in rural areas and those that are women- and minority-owned will help us reach segments of the market we have not yet served.

To expand and accelerate savings, we believe Energy Trust must grow our network of trade allies delivering clean energy projects. So far in 2024, we have added 171 trade allies, growing our network by more than 10% and bringing our total network of active trade allies to 1,757. (Active trade allies are defined as completing one or more projects per year.)

Contractor Development Pathway

Launched in 2022 for Existing Buildings trade ally contractors, Energy Trust's Contractor Development Pathway helps contractors in the Trade Ally Network that are Black-owned, Indigenous-owned, person of color-owned, women-owned and/or Certification Office for Business Inclusion and Diversity (COBID) certified firms and those located in rural communities grow their businesses and complete more energy efficiency projects. Participants receive training workshops, individual business support services and a network of support.

Progress in 2024: We launched the third cohort for Existing Buildings trade allies—our largest yet with 16 applicants. We also hired and onboarded a new workforce development manager, who will develop and implement Energy Trust's trades workforce development strategy over the next few years. The strategy is focused on ensuring a strong pipeline of available trade professionals as well as helping existing trade ally contractors develop capacity.

Plan for 2025: We will expand our trade ally Contractor Development Pathway to provide training and support for residential and commercial contractors. In rural areas, often the trade allies serving residential customers are also serving multifamily and small commercial customers. This will be the first time we offer Contractor Development Pathway for residential trade allies and will help prepare those trade allies for

complementary funding and new programs launching in the market in the next one to two years, such as HOMES and HEAR.

Contractor Mentorship Pathway

In 2023, we launched our Contractor Mentorship Pathway for Residential and Existing Buildings trade allies, which matches new trade ally contractors with experienced ones to receive support to build capacity in their businesses.

Progress in 2024: So far in 2024, 11 contractors are receiving one-on-one mentorship from experienced trade allies. This is an increase from seven in 2023.

Plan for 2025: We will continue to offer the Contractor Mentorship Pathway in 2025.

Expansion of trainings

Progress in 2024: We are offering an increasing variety of trainings, education, pre-apprenticeships, and internships to help participants develop competency and skills in residential building science and HVAC concepts.

This includes a two-day introduction to green construction training for pre-apprenticeship programs across the state, including Heart of Oregon Corp, Oregon Tradeswomen and LatinoBuilt. Other examples include expansion of work with the Oregon Solar Education Fund, a 12-week pilot water heater academy for pre-apprenticeship program graduates, and expansion of work with Girls Build.

Energy Trust also delivered 10 in-person and virtual training workshops for trade allies in 2024, with topics including proper testing procedures, equipment specifications and HVAC design -. One of these workshops was an extended capacity heat pump training designed to expand trade ally awareness of the equipment and technical requirements. Outreach for the training focused on rural regions with lower rates of extended capacity heat pump installations. Another training was on ductless heat pump testing protocol. Each training had more than 60 participants, indicating high demand from trade ally contractors. Energy Trust will continue delivering equipment and training through multiple venues including annual in-person Trade Ally Forums and virtual engagements.

Plan for 2025: Energy Trust will continue to expand education and support for trade allies in 2025. The training content will focus on both technical information (such as equipment installation best practices) and business operations. This will support contractors in installing upgrades and in growing and strengthening their businesses.

We will also further expand trade ally awareness of extended capacity heat pump requirements through outreach and training, with a focus on regions with lower rates of participation and higher use of bulk fuels.

Investments in workforce development

Budget impact: $2.68 million in 2025

Investments in workforce development help build a pipeline of qualified contractors, home energy auditors, trades people, designers, architects and other professionals who can design and implement clean energy solutions to help meet Oregon's decarbonization goals. There is a continued labor shortage of contractors, tradespeople and auditors skilled and interested in energy efficiency and renewable energy, and growing the number of qualified contractors who can complete projects is critical to accelerating energy savings.

Workforce development training centers

Progress in 2024: Through a series of conversations, Energy Trust is exploring partnerships with EnerCity Collaborative, National Association of Minority Contractors Oregon, and other organizations to support the potential creation of a clean energy workforce training center to address gaps in the workforce training

currently available. We are also exploring opportunities for partnerships and potentially support additional training centers outside of the Portland metro area.

To support these efforts, Energy Trust also invested in EnerCity Collaborative's organizational capacity and curriculum development that centers Black, Indigenous, and People of Color (BIPOC) experiences and perspectives.

Plan for 2025: We plan to partner with EnerCity Collaborative to support a new home-based Building Performance Institute training center for residential energy contractors and professionals in the Portland metro area. The training center would educate contractors on the Building Performance Institute's rigorous standards and testing protocols, which require on-site performance testing. With support from Energy Trust, EnerCity Collaborative is now qualified as a Building Analyst Technician training and testing delivery partner, having developed their own curriculum for this course. We also plan to support funding for EnerCity Collaborative to hire a person of color as an additional Building Performance Institute trainer.

The new training center would be the first of its kind in Oregon focused on serving BIPOC professionals. Although it is an industry standard, there are very few locations in Oregon and Washington offering Building Performance Institute certifications, and no locations developed specifically for contractors of color. We anticipate this center being a hub for local contractors, plus a destination for contractors and professionals from rural areas. With planned funding from Energy Trust, Portland Clean Energy Community Benefits Fund and Oregon Health Authority, the center is expected to serve 40 contractors in its first year; with additional funding the center could serve 100 contractors in that same period.

Centralized workforce development website resource

Plan for 2025: We plan to develop a centralized website resource for contractors featuring workforce development training and resources in Oregon. Energy Trust would convene partners, create a website with information on featured partners and training resources for all dimensions of workforce development, and promote the resource through marketing. The website will also aggregate resources from other related websites, such as Earth Advantage's Residential Career Hub website mentioned below. Early conversations are happening in 2024 with EnerCity Collaborative and National Association of Minority Contractors.

Clean energy education with licensed pre-apprenticeship programs

Progress in 2024: We collaborated with Earth Advantage and Oregon Solar Energy Education Fund to increase investments in clean energy training modules that can be incorporated into existing trainings delivered by licensed pre-apprenticeship programs. From September 30, 2023, through September 30, 2024, Energy Trust funding enabled Earth Advantage to train more than 300 participants from LatinoBuilt, Heart of Oregon Corps, Wallowa Resources, Oregon Tradeswomen, and a summer youth camp offered by the Blueprint Foundation and Constructing Hope. Later in 2024, the pre-apprenticeship clean energy curriculum will be translated into Spanish and delivered by bi-lingual instructors from LatinoBuilt.

Plan for 2025: We will continue to expand and increase reach of clean energy training modules, with the goal of making the training accessible to pre-apprentice programs across the state. EnerCity Collaborative will become trained to deliver the Building Performance Institute Healthy Homes certification. They will also host a Community Block Party to connect community-based organizations and new professionals in the clean energy space. We plan to research regional workforce partners and clean energy training activities and convene a partner roundtable event to plan for effective programming and information sharing.

To further support mentorship and scholarship funding provided to new industry professionals, we plan to pilot payments to contractors who volunteer to host full- or half-day job shadows.

Other activities in 2025 will focus on exploring other training center opportunities, collaborating with others, prioritizing engagement with BIPOC and women, and ensuring access to these resources in rural communities.

Earth Advantage partnership

Progress in 2024: In addition to partnering with Earth Advantage to develop the pre-apprenticeship clean energy training modules, we invested in the development and launch of Earth Advantage's new Residential Career Hub website, an online training and career resource for potential contractors.

Plan for 2025: We will support improvements to the Residential Career Hub website and sponsor the purchase of new hands-on engagement tools to support Earth Advantage's community event tabling and training opportunities.

Investments in partnerships with community-based organizations

Budget impact: $11.98 million in 2025

To increase participation of customers we have underserved, we need to reach and serve them through partners they know and trust. Energy Trust invests in partnerships with community-based organizations who can provide insight into their communities, act as clean energy ambassadors and deliver targeted offers and incentives.

Community Partner Funding

Through Community Partner Funding launched in 2020, community-based organizations deliver incentives to the communities they serve for installing energy-efficient upgrades, including customers experiencing low incomes, customers of color and customers in rural areas. These community-based organizations understand their community's needs and act as a trusted connector between Energy Trust and the customer. Building trust and relationships are long-term efforts that take multiple years to pay off in customer engagement and savings.

Since many of these partner community-based organizations weren't previously involved in clean energy, Energy Trust offers technical advice, contractor connections and support and training to community-based organizations to build their capacity to be active in this space.

Progress in 2024: Through quarter three, Energy Trust has 23 partners enrolled to deliver incentives to residential and multifamily customers, up from 19 enrolled through quarter two 2023. Those partners delivered no- and low-cost offers to 2,800 customers in that time period. We expect the volume of projects and incentives delivered to grow over time.

One of those new partners is LatinoBuilt. To support their capacity as partners, we supported training and development for its member contractors and are providing funding for 4-6 members to take a sustainable homes development course.

In addition, Energy Trust increased contracts with two community-based organization partners, Wallowa Resources and Lake County Resources Initiative, to support their capacity development, administration and project support for clean energy projects, including new no-cost offers for customers experiencing energy burdens. These organizations are providing in-home energy assessments and delivering offers to residents of Wallowa, Klamath and Lake counties.

Plan for 2025: We will expand the Community Partner Funding offer and increase support for new and existing partnerships with community-based organizations to help them build capacity. This includes increasing investments in partner organizations by establishing direct funding agreements; providing more technical training; improving and streamlining recruiting, onboarding, and support resources; facilitating networking across organizations; and supporting referrals across organizations. We will also provide tailored technical training opportunities for community-based organizations focused on whole-home approaches with follow-up support, continued education, and certification opportunities. For LatinoBuilt, we plan to support them in hiring an additional staff person so they can scale their Community Partner Funding work to reach more contractors and customers.

Community Partner Network

Progress in 2024: Energy Trust is developing a new Community Partner Network to expand the services and support available for community-based organizations who work with us through Community Partner Funding and other offers. Like our Trade Ally Network, the Community Partner Network will ensure a consistent and positive experience for partners and their customers.

Plan for 2025: We will launch some components of a new Community Partner Network. Through the network, all community-based organizations working with Energy Trust will gain access to information, and training and gain value from mutual information exchange. In 2025, we plan to build out infrastructure to support these partners, including a website.

Working Together Grants

Working Together Grants are a competitive funding opportunity to help nonprofit organizations reach and serve their customers and communities with clean energy solutions. With these grants, Energy Trust seeks to extend the benefits of energy efficiency and clean, renewable energy to more customers and create awareness for our programs and services.

Progress in 2024: We supported the third round of 12 grantees around the state who were awarded up to $5,000 or up to $10,000 each at the end of 2023. In the Portland Metro area, grantees included the Ethiopian and Eritrean Cultural Resource Center, Community Service Network, Catalyst Partnerships NW, Metropolitan Family Services and the Rebuilding Center. Grantees around the state were The Environmental Center in Bend, NeighborWorks Umpqua and Illinois Valley Community Development Organization in Southern Oregon, Seeds for the Sol in Corvallis and Common Connections in Grants Pass. Additional grantees were the Northwest Native Chamber and Small Business Utility Advocates that operate statewide. Grantees conducted various efforts, from training staff, conducting customer outreach in multiple languages and performing home energy assessments. In final reporting, grant awardees reported that they reached 2,600 customers in aggregate; hosted workshops, resource fairs and community listening sessions; and became more informed about Energy Trust, energy programs, and clean energy funding opportunities. Half of the awardees worked with rural customers, 67% with Black, Indigenous and people of color, and 83% with customers with low or moderate incomes.

Plan for 2025: In 2025, we plan to release a fourth round of grants with continued flexibility for funding at two levels. Grant funding will support organizational capacity building and community-based organization activities that help diverse customers and communities save energy or use clean, renewable energy. In addition to activities supported in previous rounds, costs related to energy specific training for community-based organization staff is expected to be a priority area for funding.

MEMO

Date: December 6, 2024
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Staffing for Final Proposed 2025 Budget and Action Plan

This memo describes a staffing plan and budget to support the Final Proposed 2025 Budget and Action Plan. Energy Trust's proposed staffing budget balances the cost of the staffing resources needed to accomplish 2025 goals and compliance with Oregon Public Utility Commission (OPUC) performance measures.

This memo provides background and information about staffing planning and considerations in 2025, staffing cost drivers, and compliance with the OPUC performance measure for applicable staffing costs.

Background

The 2025 staffing budget is our final annual budget before transitioning to multiyear planning in 2026, which will contain a multiyear staffing plan to accomplish strategic plan goals. This 2025 budget reflects the staffing needed to develop a multiyear planning approach that maximizes clean energy acquisition, reduces the cost of ambitious utility decarbonization, accelerates energy savings, creates greater impact for priority customers, motivates next level customer participation, and supports community resilience by 2030. As articulated in our 2024 Budget and 2024-2025 Action Plan, the staffing levels reflected in the 2025 budget balance our current needs with the demands of an evolving strategy, with particular focus on expanding the market infrastructure for serving customers, adapting program design and delivery, and pursuing aggressive energy savings targets while staying within the projected budget. The 2025 budget reflects our ongoing efforts to align staffing levels with the increasing complexity of program design and infrastructure needed to meet savings and generation goals, addressing the persistent understaffing since inception that has contributed to staff burnout and unsustainable workloads.

Efficiency is a key solution to support utilities in meeting decarbonization goals, and the staffing levels in 2025 reflect the necessary resources to accelerate savings. Expanding our market reach to achieve increased savings goals and meet renewable energy investment requirements is a priority reflected in the budget. This includes a continued focus on underserved communities and supporting the adoption of clean energy by customers with low and moderate incomes, communities of color and rural communities through strategic investments in new delivery channels, expanding community outreach, workforce development, and growing our Trade Ally Network. Achieving these goals will require a cultural shift toward nimble, proactive action and aligning our staffing and resources accordingly. These factors contribute to the anticipated staffing costs as we evolve to meet both immediate and long-term objectives.

Total Staffing Costs and Staffing Cost Drivers for the 2025 Budget

Staffing cost drivers include investments in personnel to manage Oregon ratepayer funded programs, as well as additional staffing required to support complementary funding opportunities anticipated in 2025, such as Solar for All and HOMES and HEAR. The table below illustrates the breakdown of staffing costs by funding source:

Program	2021 Actual	2022 Actual	2023 Actual	2024 Budget	2025 Budget
OPUC Programs	$ 15,265,717	$ 16,926,312	$ 19,484,725	$ 25,495,474	$ 29,632,416
NWN Washington	$ 392,518	$ 427,319	$ 527,838	$ 540,814	$ 625,853
Contracts/Grants	$ 280,276	$ 464,284	$ 744,834	$ 791,517	$ 3,235,065
Development	$ 13,577	$ 20,574	$ 214,441	$ 38,515	$ 105,480
Gas Transport	$ -	$ -	$ -	$ 69,563	$ 24,796
Total	**$ 15,952,088**	**$ 17,838,489**	**$ 20,971,839**	**$ 26,935,883**	**$ 33,623,610**

Benefits and Healthcare Costs

Benefit rate increases for 2025 will be less than 3% overall. Specifically, we will see a 2.5% increase in medical rates, a 7.5% increase in dental rates, and no rate increases to all other benefits.

Staff Compensation

Energy Trust reserves a pool of funds in our annual budget for performance-based compensation adjustments, promotions, and other adjustments to maintain pay equity compliance and market competitiveness. The final proposed 2025 staffing budget includes a pool of funds equivalent to 5% of employee salaries for these types of adjustments.

New Staff

Energy Trust is proposing 36 new FTE staff in 2025, bringing the total staff to 230.3. Of the new staff, 23 support Oregon ratepayer-funded programs and 13 are funded by other, complementary funding sources. All proposed positions will help the organization successfully acquire additional energy savings and generation, accomplish strategic objectives, and continue to address persistent understaffing from inception. In the table below, new positions are listed by whether they are primarily supporting Oregon ratepayer-funded programs or complementary-funded programs (contracts and grants). Position impacts and energy impacts are captured in the descriptions.

Functional Area	Staffing Allocation (FTE)		Description
	Oregon ratepayer-funded	Complementary-funded	
Planning, program design, management, marketing and evaluation	12	8	These positions help Energy Trust create, market and deliver innovative programs that meet customer and community needs. The programs focus on existing, new and underserved customers across all sectors, aiming to accelerate energy efficiency and renewable energy to support policy goals. These roles also provide engineering support for developing new measures, designing pilots and addressing utility system priorities. Additionally, they enable us to tap into new funding from federal, state and local climate initiatives, helping utilities achieve their decarbonization and resource planning goals. Program operations roles support data management, targeting and reporting for all programs.
Community Outreach and Engagement	3	4	These positions contribute to long-term savings by expanding outreach to more regions in our service area, increasing awareness and access to program information for customers and community organizations, especially those we have yet to engage. They help create connections that lead to program delivery opportunities, link tribal entities to Energy Trust programs, and coordinate with workforce groups to strengthen the trade worker pipeline. Additionally, they support efforts to recruit and diversify trade allies, improve performance on OPUC Equity Metrics, and ensure stakeholder

			involvement in the organization's planning and budgeting processes.
Organizational and Systems Enhancements	8	1	These positions develop the human, systems and process infrastructure needed to achieve key priorities in Energy Trust's evolving and expanding organization. They enhance our capacity to focus on strategic initiatives, support contract development and RFP processes, invest in staff cultural competency, and provide project management for key initiatives. All these resources contribute to supporting and accelerating program acquisition over time.
TOTAL	23	13	

Investments in Learning and Development

To achieve our long-term strategic objectives, in 2025 Energy Trust will increase our investment in learning and development for staff and prioritize training initiatives that will equip our staff to thrive in a culture of innovation, learning and development. Our management training will focus on leadership through the lens of innovation, while also ensuring managers are skilled in emotional intelligence-based coaching and feedback. These sessions will emphasize the importance of fostering an inclusive workplace, empowering our leaders to contribute to a culture that values diversity and equity.

Additionally, we will offer diversity, equity and inclusion and cultural competency training designed to help staff engage more effectively with the communities we serve. This training will provide practical tools for understanding different perspectives and will enable employees to better serve our communities.

To further develop a culture of nimbleness, agility and innovation needed to achieve goals in a more dynamic landscape, Energy Trust is introducing training that encourages staff to shift from a mindset of perfect planning to one more focused on rapid and iterative implementation. Supporting our staff to focus on the concept of minimum viable products where they will suffice will help employees prioritize learning over perfection, enabling Energy Trust to move forward faster and more iteratively. This approach accelerates decision-making and ensures that we can adapt to changing needs and conditions in real-time, ultimately providing more responsive and efficient services to ratepayers. Through this expanded investment in learning and development, Energy Trust will cultivate an environment where growth and adaptation are at the core of our work.

Compliance with the OPUC Performance Metric

The current OPUC performance metric limits Energy Trust's OPUC staffing costs to 9.5% of OPUC expenditures. In 2025, OPUC staffing costs are budgeted to be 8.9% of expenditures.

OPUC Staffing Costs in 2025 Budget	$29,632,416
Total OPUC Expenditures in 2025 Budget	$333,246,416
OPUC Staffing Costs as a Percent of Total OPUC Expenditures	8.9%

	2025 Final Proposed OPUC Programs OPUC	2025 Final Proposed Total Company All Funding Sources
Salaries	22,784,947	25,814,431
Payroll Taxes	1,714,150	1,943,973
Benefits	3,601,016	4,141,319
401k Expense	1,367,097	1,548,866
Vacation Expense	54,047	60,021
Benefit Administrative Fees	91,827	95,000
Employee Recognition/Acknowledgment	19,332	20,000
Employee Salaries & Fringe Benefits	29,632,416	33,623,610

MEMO

Date: December 6, 2024
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Program Delivery Efficiency and Administrative Costs for Final Proposed 2025 Budget and Action Plan

This memo provides information about the nature and purpose of Energy Trust's administrative and program support costs. As part of the Oregon Public Utility Commission's oversight of Energy Trust, each year it sets an annual performance measure for program delivery efficiency related to administrative costs.

In Order No. 24-079, the Oregon Public Utility Commission (OPUC) adopted revised administrative cost performance measures for Energy Trust of Oregon (Energy Trust) for 2024. The performance measures are:

- Administrative costs must be at or below 6.5% of expenditures
- Report the year-over-year increase in administrative costs in comparison with the increase in expenditures

These revised performance measures implemented two primary changes compared to the prior performance measures. First, they utilize the standard definition of administrative costs, according to generally accepted accounting principles for nonprofit entities, as opposed to a custom measure that included aspects of program costs. Second, they measure administrative costs as a percentage of total expenditures, as opposed to total revenues. As a result of these changes, Energy Trust's organizational performance can be directly calculated from our audited financial statements and compared transparently to peer nonprofit entities.

What is considered a reasonable level of administrative cost as a percentage of total expenditure varies by industry, organization size, complexity and development stage. While there is no one right answer, there are benchmarks published by nonprofit watchdog organizations. An example is Charity Navigator's 15% threshold for nonprofits categorized as "general." One component of Charity Navigator's financial health rating methodology is administrative cost as a percent of total cost, and "general" nonprofits are awarded a 10/10 score for this component if the ratio is below 15%.

Energy Trust's final proposed budget level of 5.8% is within the performance measure and represents an increase of $2.7 million or 15.6% over its 2024 budget. The composition of Energy Trust's budgeted administrative costs, and the drivers of change from previous years, are discussed further below.

Final Proposed 2025 Budget Statement of Functional Expenses

	Total Programs	Fund Development	Total Administrative	Total Company
Incentives	$ 184,060,951	$ -		$ 184,060,951
Program Delivery Contractors	$ 98,364,467	$ -		$ 98,364,467
Employee Salaries & Fringe Benefits	$ 20,467,551	$ 105,480	$ 13,050,579	$ 33,623,610
Agency Contractor Services	$ 550,529	$ 988	$ 1,200,613	$ 1,752,131
Planning and Evaluation Services	$ 4,486,697	$ -	$ 46,200	$ 4,532,897
Advertising and Marketing Services	$ 3,498,487	$ -	$ 2,188,000	$ 5,686,487
Other Professional Services	$ 9,923,635	$ 1,778	$ 1,549,516	$ 11,474,928
Travel, Meetings, Trainings & Conferences	$ 559,450	$ 1,751	$ 499,520	$ 1,060,721
Dues, Licenses and Fees	$ 629,091	$ 16	$ 109,042	$ 738,149
Software and Hardware	$ 1,115,239	$ 3,470	$ 434,427	$ 1,553,137
Depreciation & Amortization	$ 279,554	$ 1,149	$ 142,031	$ 422,734
Office Rent and Equipment	$ 879,198	$ 4,544	$ 562,205	$ 1,445,947
Materials Postage and Telephone	$ 91,001	$ 443	$ 64,358	$ 155,802
Miscellaneous Expenses	$ 2,131	$ 11	$ 5,408	$ 7,550
Expenditures	$ 324,907,980	$ 119,631	$ 19,851,899	$ 344,879,510

Historical View of Administrative Costs

	2021 Actual	2022 Actual	2023 Actual	2024 Budget	2025 Budget
Total Expenditure	$ 183,711,516	$ 182,250,602	225,377,458.86	$ 305,647,844	344,879,510
Administrative Costs	$ 9,180,767	$ 10,961,686	12,727,038.34	$ 17,180,235	19,851,899
As % of Total Expenditure	5.0%	6.0%	5.6%	5.6%	5.8%
Increase from Prior Year $	$ 517,852	$ 1,780,919	$ 1,765,353	$ 4,453,197	$ 2,671,664
Increase from Prior Year %	6.0%	19.4%	16.1%	35.0%	15.6%

To understand 2025 administrative expenditure levels, it is important to first understand the trajectory from prior years. The growth in administrative cost as a percent of total expenditure from 2021 to 2022 was driven by significant reductions in certain cost categories in 2021 below what had been budgeted. The decreases were related to factors described in the 2021 Amended Budget Briefing Paper; namely, bonus incentives offered in 2020 in response to unprecedented pandemic conditions drove unexpectedly high levels of participation in early 2021, which required mid-year corrective actions. These actions included reductions in administrative costs to minimize planned spending. Those actions were not repeated in 2022, which reverted to a more typical trendline for administrative cost as a percent of total expenditure.

The decrease in administrative cost as a percent of total expenditure from 2022 to 2023 and 2024 is driven by a lag in the rate in which staffing and other components of administrative costs increase relative to incentives and program delivery costs, which are significant components of Energy Trust's acceleration investments in 2024 and 2025. New staff members take time to onboard in a high-quality way whereas costs such as incentives can be ramped up more quickly. This lag effect is something that Energy Trust leadership is actively seeking to manage, since if left unchecked it can lead to staff burnout and attrition issues that we have experienced in the past. We rigorously prioritize our administrative investments, including staffing, to ensure we are bringing the most urgently needed hires on board first.

Administrative cost as a percentage of total expenditure moves back towards our more typical trend line at 5.8% for 2025. This reflects some "catch up" after the earlier lag effect with regards to staffing and other administrative investments. As we prepare Energy Trust's first multiyear plan next year, additional administrative investments, including staffing, may be identified as necessary to achieve our future savings and generation targets. In developing our first multiyear plan, Energy Trust leadership will seek to achieve administrative economies of scale while ensuring that Energy Trust programs are sufficiently and sustainably supported by administrative staff, systems, facilities and processes.

MEMO

Date: December 6, 2024
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Energy Efficiency Levelized Cost Trends and Managing Future Costs

Levelized cost of savings is defined by Energy Trust as a measure of the average net present value of the cost of the savings from an energy efficiency resource over the lifetime of the respective resource. Energy Trust's portfolio-wide levelized costs vary over time due to changes in the mix of efficiency measures and relative expenditures and due to revisions to estimates of energy savings and measure lives.

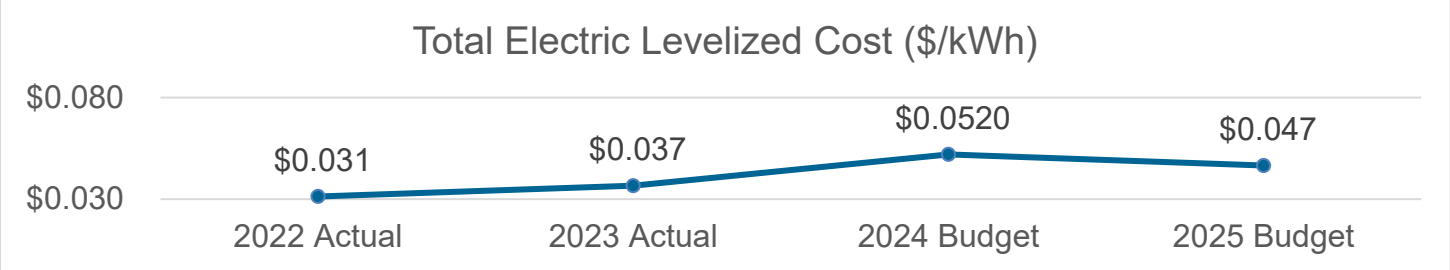
Levelized costs reflect the cost of acquiring energy efficiency normalized to a single unit of energy (kWh or therms) and account for the time value of money. Levelized cost is a useful indicator of cost trends which is of increasing interest to stakeholders as Energy Trust's savings portfolio evolves and new strategies and approaches are developed.

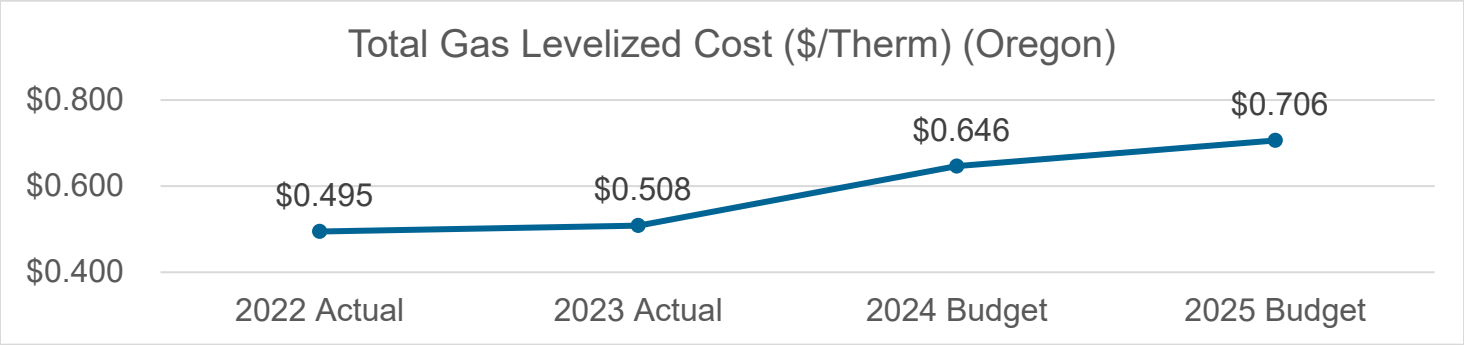
This memo provides detail on historical and projected levelized costs and identifies actions to manage levelized costs over time.

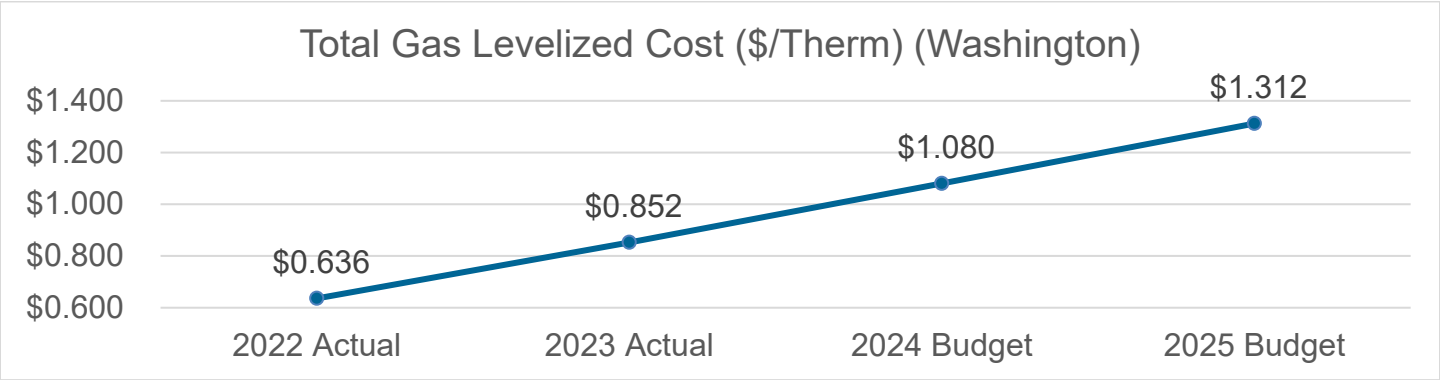
Levelized Costs in 2025 Budget and 2025 Action Plan

The 2025 budget delivers electric savings at a cost of 4.7 cents per kilowatt hour (kWh) and gas savings at a cost of 70.6 cents per therm (Oregon only) levelized. This is an 11% decrease (0.5 cents/kWh) compared to 2024 budgeted electric levelized costs and a 9% increase (6.0 cents/therm) over 2024 budgeted gas levelized costs (Oregon only). Both electric and gas portfolios remain cost-effective.

Levelized cost for NW Natural Washington programs in 2025 is $1.31 per therm, a 21% increase (23 cents/therm) over 2024 gas levelized costs. Nevertheless, the savings Energy Trust acquires for Southwest Washington natural gas customers in 2024 are expected to remain cost-effective.







Electric Levelized Cost Drivers

The decrease in budgeted electric levelized costs is primarily driven by an increase in highly cost-effective savings expected in 2025 from commercial and industrial programs, including business lighting projects and some large commercial projects. These are some of the lowest-cost savings across our portfolio of offers.

Our 2025 budget includes a modest increase in electric weighted average measure life across programs from 13.8 years to 14.3 years, which reflects more lifetime savings from measures and effectively decreases the levelized cost of programs, all else equal. In addition, Energy Trust's discount rate, which reflects the time value of money, changed from 4.6% in 2024 to 4.1% for 2025. A decrease in the discount rate lowers the levelized cost of programs, since savings realized in the future from measures installed in 2025 will retain a higher value to the utility system. Energy Trust uses a single organization-wide blended discount rate. This is calculated using individual discount rates provided directly by each of the five funding utilities, blended according to each utility's projected 2025 expenditures from the Final 2024 Budget and 2024/2025 Action Plan.

Gas Levelized Cost Drivers

The biggest driver of the increase in Oregon gas-levelized costs is a reduction in the amount of residential new construction market transformation savings that Energy Trust expects to claim for residential code compliance. This reduction is the result of fewer expected residential construction starts; a significant reduction in savings from these homes due to new Oregon residential building code that mandates more energy-efficient construction; and lower realization rates from the most recently completed New Homes evaluation. These evaluation findings were integrated into updated New Homes program assumptions for implementation on a forward-looking basis. Energy Trust also expects to claim less gas savings from commercial new construction projects due to general market trends of customers moving away from natural gas in favor of electricity to comply with carbon regulations.

In addition to a reduction in gas savings, the market requires more compelling offers and higher incentives to drive customer participation in Energy Trust programs. Anecdotal information from Program Management Contractors and trade allies indicates growing customer interest in electrification in pursuit of their own corporate carbon-reduction targets.

For programs serving NW Natural customers in Southwest Washington, the 2025 levelized costs increases significantly. Primary influences include a shrinking residential portfolio with the conclusion of the New Homes EPS offering following introduction of new Washington energy code; reduced demand for gas furnaces as customers choose to install heat pumps; and a decrease in commercial savings including a cyclical decrease in Strategic Energy Management. Commercial and residential incentive and delivery costs are also increasing, which exerts upward pressure on levelized costs. Energy Trust's portfolio in Washington only serves residential and commercial customers, so levelized costs are not moderated by the relatively lower-cost savings from industrial customers as they are in Oregon. Lastly, per direction for NW Natural, Energy Trust updated the discount rate used for 2025

planning in Washington, from 3.4% to 3.85%. A higher discount rate has the effect of increasing levelized costs, all else equal.

Strategies to Manage Levelized Costs

Managing levelized costs over time requires us to continuously find new sources of savings, adjust program design and delivery methods, and ensure efficient and effective operations.

1. **Finding new sources of savings**—by conducting and evaluating pilots, participating in the Northwest Power and Conservation Council's Regional Technical Forum, and investing in emerging technology through NEEA—helps us manage levelized costs in the long-term. While these investments may add cost per unit of savings in the short term, the resulting future measures are expected to contribute to a portfolio of reasonably priced, cost-effective savings over time.

2. **Adjusting program design and delivery methods** enables Energy Trust to find more efficient methods of reaching and serving customers and unlocks new pathways to acquiring savings from customers, either from customers we have not yet served or those who can invest again for the next increment of savings. Energy Trust periodically solicits proposals for major program delivery contracts to identify new approaches to serve customers and ensure delivery efficiencies for ratepayers. Additionally, Energy Trust is currently investing in and expanding partnerships with community-based organizations and other community entities, such as cities and counties, because they can help engage new customers we have historically underserved. While these partnerships require an investment of time and resources, we believe they will unlock savings that, over time, will contribute to a portfolio of reasonably priced savings. Further, Energy Trust is investing in expanding its Trade Ally Network of qualified contractors who can install upgrades, which—like partnerships with community-based organizations—will result in additional long-term savings.

3. **Ensuring efficient and effective operations** enables us to continue processing a high volume of transactions, maintain strong customer service, adapt quickly to changing market conditions, and maintain transparency and accountability through public reporting. Every year we identify and complete system and process enhancements for these purposes.

   We will continue to invest in ongoing improvements to organizational processes for planning, prioritization, budgeting, decision-making, and innovation. These changes help us address challenges, explore new ideas, develop new program approaches, and implement them more efficiently.

4. **Leveraging other sources of funds.** Energy Trust is investing in relationships and partnerships that leverage complementary sources of funds, particularly to address the efficiency needs of customers with low incomes, communities of color, and rural customers. See the Complementary Funding memo for more information.

MEMO

Date: December 6, 2024
To: Board of Directors
From: Michael Colgrove, Executive Director
Subject: Measure Cost-Effectiveness Exceptions Status as of November 25, 2024

In response to the Oregon Public Utility Commission's request to provide the status of Energy Trust requests for cost-effectiveness exceptions, this memo summarizes energy efficiency measures that have received exception approval from the OPUC.

Background

Commission Order No. 94-590 in Docket UM 551 specifies that the Total Resource Cost (TRC) test and Utility Cost Test (UCT) must be used to determine if energy efficiency measures and programs are cost-effective. The same order allows for measures that are not cost-effective to be included in utility programs if it is demonstrated that at least one of the following conditions is met:

A. The measure produces significant non-quantifiable, non-energy benefits. In this case, the incentive payment should be set at no greater than the cost-effective limit (defined as present value of avoided costs plus 10%) less the perceived value of bill savings, e.g., two years of bill savings.
B. Inclusion of the measure will increase market acceptance and is expected to lead to reduced cost of the measure.
C. The measure is included for consistency with other demand-side management programs in the region.
D. Inclusion of the measure helps to increase participation in a cost-effective program.
E. The package of measures cannot be changed frequently, and the measure will be cost-effective during the period the program is offered.
F. The measure or package of measures is included in a pilot or research project intended to be offered to a limited number of customers.
G. The measure is required by law or is consistent with commission policy and/or direction.

Summary of Measures with Exceptions That Will Be Offered in 2025

The OPUC has granted exceptions for 16 measures that will be offered in 2025 in Existing Buildings (including multifamily) and Residential programs. Six more exception requests are pending.

Exceptions that will be active in 2025 are summarized in Table 1.

Table 1 List of Measure Exceptions That Will Be Active in 2025

Program	Measures	Order Number	Date Granted	Expiration Date
All	Pilots	15-029	01/29/2015	N/A
Residential	Clothes Washers (Gas Only Territory)	N/A	09/2/2015	N/A
Residential	Manufactured Home Early Replacement	21-312	09/21/2021	03/15/25
Residential	No Cost Ductless Heat Pump Pilot	22-024	01/25/2022	03/31/25
Residential	Ductless Heat Pump With Supplement Fuels in Residential	22-024	01/25/2022	03/31/25
Existing Buildings	Ductless Heat Pump Zonal Heat HZ1 in Multifamily	22-024	01/25/2022	03/31/25
Residential	Ductless Heat Pumps Zonal Heat HZ1 in Residential	22-024	01/25/2022	03/31/25
Existing Buildings	Windows in Multifamily Buildings Retrofitting from Double Pane	N/A	10/7/2022	1/31/2026
Residential	Windows In Residential Homes	22-482	12/13/2022	3/31/2026
Residential	Windows In Small Multifamily Buildings	22-482	12/13/2022	3/31/2026
Residential	All Residential Insulation	22-482	12/13/2022	3/31/2028
Existing Buildings	All Multifamily Insulation	22-482	12/13/2022	3/31/2028
Residential	Low Income Insulation	22-482	12/13/2022	3/31/2028
Existing Buildings	Low Income Multifamily Insulation	22-482	12/13/2022	3/31/2028
Residential	Fixed Price Promotion Of Heat Pump In Manufactured Homes	N/A	08/1/2023	12/31/2026
Residential	New Gas Heated Neem+ Manufactured Homes	N/A	09/19/202	12/31/2026
Existing Buildings	Ductless Heat Pumps In Small And Medium Businesses	pending	pending	pending
Residential	Manufactured Homes Early Replacement	pending	pending	pending
Residential	Ductless Heat Pumps In Residential All Configurations	pending	pending	pending
Existing Buildings	Ductless Heat Pumps In Multifamily All Configurations	pending	pending	pending
Existing Buildings	Ducted Heat Pumps In Large Multifamily	pending	pending	pending
Residential	No Cost Ducted Heat Pump	pending	pending	pending
Residential	No Cost Heat Pump Water Heater	pending	pending	pending
Existing Buildings	No Cost Ducted Heat Pump in Small Multifamily	pending	pending	pending
Existing Buildings	No Cost Heat Pump Water Heater in Multifamily	pending	pending	pending

Portion of Energy Trust Savings from Measures with Exceptions in 2023 and 2024

The following table represents the portion of total Energy Trust savings from measures with exceptions for 2023 and 2024 (year-to-date through November 25, 2024).

Table 2 Savings and Incentives from Measures with Exceptions in 2023 and 2024 Through November 25, 2024

Program Year	Electric savings (kWh)	% of total electric savings	Gas savings (therms)	% of total gas savings	Incentives ($)	% of total incentives
2023	13,982,054	2.93%	98,216	1.36%	$5,817,770	6.15%
2024 year to date	5,846,573	1.82%	26,726	0.55%	$7,282,178	8.06%

Exception History

There are 142 granted measure exceptions on record granted by the OPUC since 2012 when counted per measure group and per program. Past memos reported this value differently.

Of the 142 measure exceptions, 59 are considered minor. A minor exception is one where the total dollars and savings associated with the measure are less than 5% of total annual program activity and TRC is greater than 0.8. Minor exceptions do not require commission approval and are approved by OPUC staff.

Measure exceptions were approved by the OPUC according to the criteria outlined in the Background section above. Table 3 identifies how many exceptions were granted based on each criterion. Some measures meet multiple criteria.

Table 3 Number of All-Time Exceptions Granted Based on Measure Exception Criteria

Exception Criteria	Number of Instances
A	48
B	28
C	64
D	55
E	9
F	8
G	16

2025 Draft Budget Public Comments and Staff Responses

Overview of Public Comment Process and Purpose

Each year Energy Trust invites formal public feedback on its draft budget and action plan to prepare a final proposed budget. Written comments and informal feedback are shared with Executive Team members and budget managers across the organization. Public feedback can result in revisions to budget and action plan details or can influence how staff implement budgeted activities the following year. Comments also provide an opportunity for staff to better understand the priorities of organizations and individuals and how the budget and action plan supports those priorities.

All written comments with responses are then included with the final proposed budget and action plan materials to be referenced by the board of directors during its consideration and vote to adopt the budget.

How Comments Were Collected

The formal public comment period was October 2 to October 16, 2024, with opportunities for informal feedback made available prior to these two weeks. Staff promoted the public comment period through Energy Trust's website, social media channels, blog, email and public meetings. Communications directed people to www.energytrust.org/budget and encouraged written comments.

In addition, throughout the year staff asked stakeholders for information and input to inform development of our 2025 Budget and Action Plan and 25-2030 Strategic Plan. More on this can be found in the *Summary of Market Intelligence* memo in the final proposed budget and action plan materials.

Staff received three written comments from the Oregon Public Utility Commission and two partner utilities. Copies of written comments follow.

Written Comments and Staff Responses

Staff appreciates all written comments and informal feedback We recognize the time commitment involved with attending budget meetings and reviewing our budget materials, and we thank interested parties for submitting their written comments.

Excerpted Comments by Oregon Public Utility Commission (OPUC)	Staff Responses
Recommendation 1: Improving and expanding services for energy-burdened customers Staff encourages Energy Trust to continue to target cost-effective savings and leverage the cost-effectiveness exception process where appropriate to build delivery infrastructure and capacity aimed at serving energy-burdened customers. A non-exclusive list of concrete steps includes: • Improving the information available on Energy Trust's website on how customers can access no-cost services through various avenues. • Working with utilities or other partners to establish financing options to expand affordability and decrease upfront costs of efficiency upgrades. • Increasing no-cost offers available to gas customers. • Acquiring utility data and using it to target high energy burden/high energy efficient potential customers with no-cost interventions. • Initiating coordination with OHCS to achieve better collaboration between low-income weatherization programs delivered through Community Action Agencies and those financed by Energy Trust. Energy Trust should focus on gaps in current delivery approaches including serving customers through culturally specific organizations, serving customers for whom documentation requirements pose a barrier, as well as serving customers in rural areas where there is currently limited delivery capacity.	Thank you for the recommendation. We will continue to build delivery infrastructure and capacity to serve energy-burdened customers, leveraging cost-effectiveness exceptions and continuing to identify and incorporate complementary funding. Many of the recommended steps are part of the vision for establishing a more formal Community Partner Network that helps us build capacity via culturally specific organizations in rural areas. We are also using other program approaches to fill the gaps, including In-Home Energy Services. This is based on continued investment in outreach and understanding community needs across the state, pursuing opportunities to partner with and invest in local community-based organizations, and evaluating the need for us to provide "program boots on the ground" resources. Comparing those needs and resource capabilities with Oregon Housing and Community Services will be key.
Recommendation 2: Begin development of systems to enable collection and reporting of data needed to define a set of targeted measures that consider both electricity and gas impacts when customers choose to electrify or pursue dual fuel solutions. As Energy Trust begins to deliver programs using complementary funding sources with a preference for electrification, Energy Trust should collect and report relevant data and develop measures which include impacts to both fuels. Such data collection and reporting efforts will support multiple planning processes, by making transparent the number of pieces of equipment which is changing fuel type and tracking reductions in gas use when customers partially or fully electrify. In current practice, impacts to both fuels are not considered for Energy Trust customers who electively fuel switch. In addition to the planning value, there could be compliance value to impacted utilities.	Thank you for the recommendation. Energy Trust recognizes the OPUC's interest in tracking this information in relation to state carbon policy. Energy Trust will coordinate with the OPUC on how to track the energy impact of measures where a customer has chosen to electrify or pursue dual fuel solutions.

Recommendation 3: Increase cumulative savings while maintaining positive portfolio level cost-effectiveness. In response to high program and portfolio level benefit cost ratios, Energy Trust should research and report to Staff on methods to increase cumulative savings while maintaining overall investments where benefits exceed costs. Staff is open to multiple pathways to increase savings acquisition particularly for activities that have an outsized impact on helping utilities meet decarbonization targets and reducing energy burdens for priority populations. Energy Trust noted that expansion of the following strategic priorities and opportunities would apply downward pressure on cost-effectiveness: • Residential low- and moderate-income work, specifically no-cost measures; • Small commercial direct install measures; • Multifamily insulation and domestic hot water measures; and • Infrastructure development that indirectly leads to savings.	Thank you for the recommendation. Energy Trust will continue to explore savings pathways to increase energy savings while managing costs in support of utility decarbonization goals and reducing energy burden in priority populations. We will report on the progress in our findings to OPUC Staff.
Recommendation 4: Offer a more streamlined experience to residential and small business customers. While Energy Trust has an impressive number of cost-effective offers, Staff believes that reaching those customers who have not yet acted will require making it more seamless to participate in energy efficiency upgrades. Possible improvements include: • Continuously improving the ease of scheduling energy audits and selection of contractors. • Developing financing options (with utilities or partners) and integrating them into delivery. • Helping customers navigate various funding sources. • Using targeted marketing to reach customers with high energy efficiency potential.	Thank you for this recommendation. We will consider these improvements as we work to reach customers we have not yet served, including priority residential and small business customers. Energy Trust's 2025-2030 strategic plan emphasizes strategies for accelerating savings acquisition that will require process improvements, targeted marketing, new solutions for removing barriers (such as financing) and serving as a resource for customers who are navigating various funding sources.
Conclusion Staff is satisfied that Energy Trust created a budget and action plan for 2025 that meets funding directives under ORS 757.054, ORS 757.612, and applicable natural gas utility tariffs, including specifically, pursuing all available energy efficiency resources which are cost-effective, reliable, and feasible. Energy Trust has met Staff's expectations for engaging stakeholders. Staff encourages Energy Trust to use the received stakeholder comments to improve its programs and resolve any remaining questions directly with stakeholders. Lastly, Energy Trust should follow Staff's recommendations to improve its services in 2025.	We appreciate the time and effort of OPUC staff in reviewing the draft budget materials and participating in meetings and discussion. Thank you for the opportunity to work with you and to better understand your comments and priorities, and for your ongoing partnership.

Excerpted Comments by NW Natural	Staff Responses
1. NW Natural is concerned about the blending of ratepayer funding to support outside programs. 1a. The federally funded programs include administrative caps that other agencies have historically had to work with. The assumption is that more funds will be delivered to customers by subsidizing the federal programs with ratepayer dollars. NW Natural questions if that will be the case on the gas side as only the HOMES program will benefit gas ratepayers.	Thank you for your feedback. Where outside programs, such as federal grants, require ratepayer contributions, those ratepayer contributions are allocated to the utility whose customers benefit from the programs. Utility customers that do not benefit from a given outside program will not bear a ratepayer contribution for it.
1b. The Energy Trust internal costs (including salaries) for the natural gas portfolio will increase by approximately 24% from 2024 to 2025, while the incentives delivered will only increase by 14%. For NW Natural's funding specifically, the Energy Trust internal costs increase by approximately 21% with the incentives only increasing by 6%.	This data is drawn from comparing our 2024 year-end forecast to our draft 2025 budget. Comparing our 2024 approved budget to our draft 2025 budget would yield a much closer rate of increase between incentive and internal costs. Our 2024 year-end forecast for internal costs is below budget, primarily because of prioritization decisions regarding certain projects and new staff taking longer to bring on board than anticipated.
1c. NW Natural notes that the Energy Trust internal cost increases may not be entirely attributable to federal programs and would welcome additional detail on the breakdowns.	This is true and supported by our memos on infrastructure investment and staffing. Where outside programs, such as federal grants, require ratepayer contributions, those ratepayer contributions are allocated to the utility whose customers benefit from the programs. Utility customers that do not benefit from a given outside program will not bear a ratepayer contribution for it.
2. Natural gas savings goals for 2025 are down approximately 6% from 2024 goals. Looking at NW Natural's specific savings goals, the dip is 8% for commercial and residential programs.	This is accurate. The decrease in goals is a result of current application rates for past projects for both commercial and residential programs and is also informed by market intelligence from program outreach staff, trade allies (residential and commercial) and commercial customers.
2a. During the budget presentation it was noted that there has been a decrease in interest in gas energy efficiency specifically in the commercial sector. 2b. Given headwinds for gas savings and program participation, NW Natural questions if enough funding is being allocated to PMC delivery and marketing and outreach activities. There appear to be small decreases in marketing efforts like PMC marketing, ETO media advertising, and ETO printed collateral	We appreciate you noting a change in funding allocation for gas energy efficiency PMC delivery and marketing and outreach activities. There is not necessarily a direct correlation between gas measures and traditional and direct-to-consumer marketing. In 2025, we will continue to run existing creative while we focus on building new awareness campaigns that will launch in 2026. Given that, we have slightly reduced 2025 media buys. Additionally, commercial projects are typically driven by relationships through PMC Outreach staff. In 2023, there were additional staff resources added to support an acceleration of gas projects; we can explore this as an option if needed.

3a. There are a few items within the 2023-2025 detailed income statement that could use additional explanation or correction. Other Professional Services: The 2025 draft column does not appear to be adding correctly and there may be a typo in some of the items. i. Legal Services: Went from a $63,000 budget in 2024 to $10,333,459 ii. Other Professional Services: Went from a $9,624,829 budget in 2024 to $504,000. iii. Call Center: Went from a $430,000 budget in 2024 to $11,404,928	Thank you for your careful review and for bringing this to our attention. We have identified the error and have published errata with corrected information.
3b. There are a few items within the 2023-2025 detailed income statement that could use additional explanation or correction. (7575) Creative Services budget doubles in 2025. What is included or planned for this expense?	The Creative Services budget reflects expenditures in program marketing and brand (non-program) for new campaign development. In 2025, new campaign creative will be created for residential, commercial and general Energy Trust brand awareness. The campaigns will be utilized for multiple years as is the practice for Energy Trust. Additional support for Industrial and Renewables sectors needs are included in the Program Creative Services budget, as marketing management will be delivered in house rather than by the PMC. Energy Trust brought all marketing services for Industrial in house in 2025, as opposed to running it through a PMC. This Creative Services expense should drop in 2026 once campaign development is complete and launched in market.
4. With the increased focus on low-income programming, we would like to see a line item representing the yearly spending, and the funding utility contribution.	To date, Energy Trust tracks electric energy efficiency incentives for low-income programs and program delivery. We appreciate you making this request and will explore ways to track low-income program spending for gas incentives in the future.
NW Natural continues to see energy efficiency as a critical tool in helping our company and customers decarbonize. Our comments reflect our desire to ensure our customer's dollars are delivering energy efficiency programs in the most cost-effective manner	We appreciate the time and effort of NW Natural staff in reviewing the draft budget materials and participating in meetings and discussion. Thank you for the opportunity to work with you and to better understand your comments and priorities.
Excerpted Comments by Avista	**Staff Responses**
Energy Trust has produced a thoughtful Plan that Avista is largely supportive of as a least cost resource. With the advent of the Home Energy Efficiency Rebates (HOMES), it is the Company's expectation that new programs will not cause an administrative burden that in any way diminishes the offering of core natural gas energy efficiency programs.	We appreciate the time and effort of Avista staff in reviewing the draft budget materials and participating in meetings and discussion. Thank you for your comments and continued partnership. Where outside programs, such as federal grants, require ratepayer contributions, those ratepayer contributions are allocated to the utility whose customers benefit from the programs. Utility customers that do not benefit from

It is also encouraging to see the intention to build-up the trade ally network, as it can be difficult for rural contractors to easily access training. Avista appreciates Energy Trust's work to adaptively manage its offerings as opportunities arise so that more customers can participate in cost-effective programs.	a given outside program will not bear a ratepayer contribution for it.

Transcribed Comments from October Board Meeting

Speaker	Comment	Staff Response
Divya Singh	"Hello, board members. I am a 16-year-resident of the city and a technology strategist by profession. I'm here today wearing my technologist hat, a strategist hat and a community member hat. I think earlier in the day there were some comments about recognizing in our own Portland area how many data centers we are seeing, especially those of us who live in Hillsboro. This is my first time looking at Energy Trust and our Oregon legislative road map that they have put together for the carbonization plan. So, I'm kind of fairly new to [this]. Please pardon me if I don't have a good view of the overall detailed plans, but [I am] somebody who has looked at [this] from a technology angle, where data centers are heading and what can be the future of net zero data centers and how can they be a part of our decarbonization effort. So, I bring that lens. And overall when I look at the plan, the amazing work that Energy Trust is doing, I get the sense that your focus has been on residential small, medium businesses, but the data center industry isn't really part of the overall conversation. Perhaps that's happening now organically, but I see this is an opportunity for Energy Trust to really become a stronger stakeholder, if you will, in this planning. Both from how you build onto the grid resiliency. You know, all our data centers that have come up in the last 10 years, they have tons of battery storage already built into them. And how do we leverage that for the storage that they already have and mak[e] the grid more resilient to bringing the transparency, the carbon accounting piece that was just talked about [and] show what data centers are doing. How does that translate into Oregon's decarbonization plan? And finally, the third piece, which is related to training of workforce, which was also talked about in the budget and you're doing amazing work getting tradesmen in trade involved in the green jobs of the future. But, we have such a big data center industry in the state. How do we get more people trained up and ready for these kinds of jobs? I see this as an opportunity for Energy Trust to really have the data center industry as a stronger stakeholder than perhaps it's been so far."	We appreciate your review and input on our budget. Energy Trust serves and will continue to serve all customer types, including data centers.

Oregon
Tina Kotek, Governor

Public Utility Commission
201 High St SE Suite 100
Salem, OR 97301-3398
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Salem, OR 97308-1088
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November 7, 2024

Michael Colgrove, Executive Director
Energy Trust of Oregon
421 SW Oak, Suite 300
Portland, OR 97204

Dear Michael:

We appreciate the opportunity to comment on the Energy Trust of Oregon's 2025 Budget and Action Plan and 2025-2030 Draft Strategic Plan. We adopt the recommendations of the OPUC Staff, summarized in more detail in the memo and discussed at the Commission's November 5 Special Public Meeting.

We encourage and support Energy Trust and Staff to continue to communicate openly and regularly regarding operations, community outreach, and challenges and opportunities associated with achieving targets.

We applaud the Energy Trust for its results thus far in 2024. We look forward to those results continuing and improving in 2025, and to working with Energy Trust and stakeholders to achieve targets in this upcoming year's budget and to facing future challenges and opportunities together.

OREGON PUBLIC UTILITY COMMISSION

Megan W. Decker Chair	**Letha Tawney** Commissioner	**Les Perkins** Commissioner

ITEM NO. RA1

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
SPECIAL PUBLIC MEETING DATE: November 5, 2024

REGULAR X CONSENT ____ EFFECTIVE DATE N/A

DATE: October 28, 2024

TO: Public Utility Commission

FROM: Benedikt Springer, Peter Kernan

THROUGH: Caroline Moore, JP Batmale, and Sarah Hall **SIGNED**

SUBJECT: ENERGY TRUST OF OREGON:
Presentation of 2025 Draft Budget and Action Plan.

STAFF RECOMMENDATION:

Adopt Staff's comments and recommendations on Energy Trust of Oregon's (Energy Trust) Draft 2025 Budget and Action Plan.

DISCUSSION:

Issue

Whether the Commission should adopt Staff's comments and recommendations on Energy Trust's Draft 2025 Budget and Action Plan.

Applicable Rule or Law

The PUC, pursuant to ORS 756.040, has general authority to supervise and regulate each public utility, which includes authority to establish just and reasonable rates, and to represent the customers of a public utility and the public in all controversies respecting rates, valuation, service and all other matters under the PUC's jurisdiction. In addition, under ORS 757.695(1), the PUC may address the mitigation of energy burdens on customers as described in ORS 757.230(1) through various measures, including demand response and weatherization programs.

The Oregon legislature has granted the PUC discretion to require that a portion of the funds collected in an electric company's rates under ORS 757.054(4) be paid to a nongovernmental entity for the purpose of making expenditures consistent with the

provisions of ORS 757.054(3)(a) (planning for and pursuit of cost-effective energy efficiency resources). And the legislature has authorized the PUC under ORS 757.612(3)(d) to require funds collected by electric companies through public purpose charges be directed to a nongovernmental entity for investment in public purposes described in ORS 757.612(1) (including, among other items, the above-market costs of new renewable energy resources and new low income weatherization). Under ORS 757.746, the PUC may, through natural gas tariffs, require local distribution companies to direct funds collected to a nongovernmental entity for similar purposes.

When the Commission directs funding to a nongovernmental entity for these purposes, the nongovernmental entity is subject to the requirements of ORS 757.746, including these provisions of ORS 757.746(1), requiring the entity to:

> (e) With public utilities, jointly develop public utility-specific budgets, action plans and agreements that detail the entity's public utility-specific planned activities, resources and technologies pursuant to ORS 757.054 and 757.612 (3)(b)(B), including coordinated activities that require joint investment and deployment. Each action plan must reflect stakeholder feedback gathered through a public process managed by the entity and the relevant public utility as overseen by the commission.
>
> (f) File with the commission the entity's budget, action plan and quarterly and annual reports for public review. The entity's budget and action plan must include the budget and action plans jointly developed with public utilities under paragraph (e) of this subsection.

Energy Trust was established as the nongovernmental entity to invest in the public purposes, and shortly after incorporation, entered into a Grant Agreement with the PUC in March 2002 to accept funds and deliver programs. That Grant Agreement was amended and restated, with the most recent amendments effective from November 2005 through August 2024. In August 2024, Energy Trust and the Commission executed an "Agreement to Direct Funding to Nongovernmental Entity" that replaced the prior Grant Agreement. Paragraph 6.b.ii governs budget development:

> i. **2025 Budget and Multiyear Planning.** Energy Trust will develop financial budgets and business plans as part of multiyear plans to implement and execute the Strategic Plan.
>
> (A) **2025 Budget.** For calendar year 2025, Energy Trust shall develop a budget for 2025 within a one calendar year planning period for activity related to this Agreement, and provide the PUC with an

initial draft thereof on or before November 15, 2024, prior to the adoption of a new budget and a final budget, approved by Energy Trust's board of directors, on or before December 31, 2024.

(B) **Multiyear Plans.** Energy Trust shall develop a plan for a planning period of up to five years, first going into effect in 2026. Such a plan shall identify strategies, activities, and anticipated expenditures and revenues for implementation and execution of the Strategic Plan (the "Multiyear Plan"). Energy Trust will provide a copy of a final proposed Multiyear Plan to the PUC prior to presenting the final proposed Multiyear Plan for approval to Energy Trust board of directors.

Analysis

Background

Energy Trust proposes a total organizational budget of $342.1 million in expenditures for 2025. The majority of funds ($326.1 million, 95.3 percent) is for activities overseen by the Public Utility Commission (PUC) agreement and past orders to support energy efficiency and small-scale renewables. The remaining 4.7 percent of Energy Trust's planned 2025 expenditures supports a separate range of contracts and activities. To date, Energy Trust has been awarded or serves as a sub-awardee for several federal grants with total lifetime contract revenue of over $100 million, much of which is expected beginning in the first quarter of 2026 and extending through 2029. Later in this memo Staff discusses how these funds are complementary to ratepayer funds and increase savings and renewable generation acquisition. Energy Trust also receives various other small grants, for example, to administer parts of the Oregon Community Solar Program, energy efficiency for Northwest Natural (NWN) in Washington, Portland General Electric's (PGE) Smart Grid Testbed, and Oregon Department of Energy's Landlord Provided Cooling Spaces Grant. Services for NWN and Avista transport customers are also accounted for outside of the agreement with the PUC.

The information presented in this memo refers to the portion of Energy Trust's budget funded through retail electric and gas utility rates and the Public Purpose Charge and is taken from Energy Trust's 2025 draft budget unless otherwise noted.[1] The memo is structured as follows: First, Staff discusses the status of action items from its 2024 budget memo. Next, the memo gives an overview of Energy Trust's 2025 budget and utility action plans. In turn, Staff describes proposed energy efficiency savings and costs, levelized costs, avoided costs and cost-effectiveness, as well as renewables generation goals. Staff then discusses proposed equity-centered activities and

[1] Energy Trust of Oregon, 2025 Draft Budget and Action Plan, October 2, 2024.

investments. The memo describes staffing and administrative costs before concluding with written stakeholder feedback and Staff recommendations.

Energy Trust made its Draft Budget and Action Plan available to stakeholders and the public in a series of meetings and through the Energy Trust website. Energy Trust posted the documents online at http://www.energytrust.org on October 2, 2024. A two-week public comment period followed. On October 10, Energy Trust presented the highlights of the joint action plans to the Renewable, Conservation, and Diversity Advisory Councils. By the end of October, Energy Trust will make adjustment to the budget based on, among other things, public comments and an updated forecast of year-end results. This memo does not reflect these proposed changes unless otherwise noted.

As noted, under ORS 757.746(1)(e), Energy Trust must prepare utility-specific budgets and action plans jointly with the funding public utilities. The action plans must reflect stakeholder feedback gathered through a public process managed by the nongovernmental entity and the relevant public utility, as overseen by the Commission. Implementing the process framework developed with utilities in 2022, Energy Trust discussed utility-specific action plans and budgets with each utility in September.

At the Special Public Meeting on November 5, 2024, Energy Trust will present its 2025 Budget and Action Plan. Staff will also present its recommendations outlined in this memo. At that time, the Commission will have the opportunity to hear from Energy Trust and stakeholders and to consider adoption of Staff's comments and recommendations. Energy Trust will hold a final round of meetings with utilities in November to finalize revenue requirements. The Energy Trust Board of Directors will receive a Final Proposed 2025 Budget and Action Plan for approval at the December 13, 2024, Board Meeting.

Status of Prior Action Items from 2024 Budget
As part of the review of each Energy Trust annual budget, Staff makes suggested recommendations for Energy Trust to adopt over the course of the next year. The 2024 Budget contained specific action items to be conducted during 2024. Staff discusses below the progress and status of each action item:

Table 1: PUC Recommendations for 2024

PUC Recommendation	Status
1. Document and report regularly on development activities related to large sources of non-ratepayer funding and characterize how existing programs and ratepayer funds interact.	**Completed**

PUC Recommendation	Status
2. In response to utility feedback, develop guiding principles for considering rate pressure when coordinating management of external funding and report those prior to 2025 budget planning.	**Completed**
3. With external funds driving new efficiency, consider dual fuel and electrification measures that can unlock additional efficiency, and which can be considered in the next round of utility integrated resource planning.	**Partially Complete**
4. Work with utilities and Staff to modernize avoided cost calculation methods to consider Oregon's decarbonization policy goals.	**Completed**
5. Work with utilities and Staff to develop HB 2475 programs prior to 2025 budget planning. This should include developing targeted efforts to reduce energy burden based on utility data.	**Partially Complete**

1. **Document and report regularly on development activities related to large sources of non-ratepayer funding and characterize how existing programs and ratepayer funds interact.**

Energy Trust successfully met recommendation one. Energy Trust regularly reports to PUC Staff on development activities. Complementary funding was also discussed at the September meetings between Energy Trust and utilities. Because the majority of other funding sources needs to be paid as incentives, Energy Trust leverages ratepayer funds to support staffing and program administration. Ratepayer contributions are allocated to utility funders according to the amount of benefit received from each complementary funding source. Gas ratepayer dollars are not used to support programs that exclusively benefit electric customers. In 2025, Energy Trust plans to use about $2.6 million from ratepayers to support other funding sources.

2. **In response to utility feedback, develop guiding principles for considering rate pressure when coordinating management of external funding and report those prior to 2025 budget planning.**

Energy Trust successfully met recommendation two. Energy Trust developed guiding principles for leveraging ratepayer funds to acquire complementary funding and circulated them in March 2024. Complementary funding will lead to increased savings through (1) increased participation of customers who require no- or low-cost offers to participate (e.g. low-income customers); (2) acquiring savings that would be inaccessible without funding for non-energy improvements (e.g. electrical upgrades); and (3) reducing the ratepayer contribution to certain measures and thereby stretching

ratepayer funds across more savings. As a result of the funds, Energy Trust expects to serve more than 20,000 priority customers (including 5,800 natural gas customers), the majority of whom will be low-income households, over the next few years. The 2025 draft budget includes detailed reports on current complementary funding as can be seen in Table 2.

Table 2: Complementary Funding in 2025 Draft Budget

Contract or Grant	Total Revenue (Life of Contract in millions)	Status	2025 Revenue (in millions)
ODOE HEAR	$ 30.6	New - Contract Pending	$ 3.2
ODOE HOMES	$ 29.9	New - Contract Pending	$ 0.9
Oregon Solar for All	$ 23.0	New - Contract Pending	$ 1.0
EPA Climate Pollution Reduction Grant	$ 15.0	New - Award Announced	Not Included
FEMA Community Energy Resilience Grant	$ 4.2	New - Contract Pending	$ 1.4
Oregon Community Solar Program	$ 3.0	Existing Contract	$ 0.6
ODOE Landlord Provided Cooling Spaces	$ 2.0	Existing Contract	$ 0.8
Smart Grid Test Bed Collaboration (SALMON)	$ 1.4	Existing Contract	$ 0.4
PGE Smart Battery Pilot	$ 1.0	Existing Contract	$ 0.1
ODOE Community Heat Pump Deployment Program (Southern Oregon)	$ 0.8	New - Active	$ 0.6
PGE Flexible Feeder	$ 0.8	Existing Contract	$ 0.1
ODOE Community Heat Pump Deployment Program (South Coast)	$ 0.4	New - Active	$ 0.3
PGE Smart Solar Study	$ 0.3	Existing Contract	$ 0.0
Total Contracts and Grants	$ $112.4		$ 9.3

3. **With external funds driving new efficiency, consider dual fuel and electrification measures that can unlock additional efficiency, and which can be considered in the next round of utility integrated resource planning.**

Energy Trust partially met recommendation three. Staff's 2024 budget recommendation was intended to provide guidance for Energy Trust to explore planning changes given both market-driven and program-driven electrification. As one example, Staff appreciates Energy Trust's engagement with PGE's planning teams to calibrate the energy efficiency potential for IRP portfolio analysis with outputs of PGE's distribution system planning model, AdopDER. This bi-directional data sharing improves the modeling capabilities of both organizations. PGE's AdopDER model informs how much electrification can be expected, which Energy Trust used to adjust efficiency potentials for PGE's 2023 IRP Update. Ultimately, Staff encourages this analysis to cover all five utilities and include the first order impacts from equipment electrification and the second order impacts, such as weatherization potential shifting from gas potential to electric potential. Staff also encourages planning and analysis to include measure development that considers impacts to both fuels.

4. **Work with utilities and Staff to modernize avoided cost calculation methods to consider Oregon's decarbonization policy goals.**

Energy Trust successfully met recommendation four. Staff investigates energy efficiency avoided costs in Docket No. UM 1893 and conducted two phases in 2024. In Phase 1, Energy Trust provided independent analysis of updated utility avoided cost data and prepared reports that informed the Commission's adoption of updated avoided costs with Order No. 24-119.[2] For 2025, electric avoided costs increased by 37.6 percent and gas avoided costs increased by 13.0 percent, compared to 2024 avoided costs. In Phase 2, Energy Trust participated in workshops, presented research on arrearages as an avoided cost, and provided input on how proposed changes would impact Energy Trust's analysis. Staff appreciates Energy Trust's engagement with modernizing energy efficiency avoided costs and discusses recent UM 1893 activities in the section Avoided Costs and Cost-effectiveness.

5. **Work with utilities and Staff to develop HB 2475 programs prior to 2025 budget planning. This should include developing targeted efforts to reduce energy burden based on utility data.**

Energy Trust only partially met recommendation five. In 2024, Energy Trust has made much progress in developing efforts aimed at reducing energy burden. This included the addition of many new community partners, launching the in-home energy services program to fill gaps in community delivery capacity, and serving 728 low-income households with no-cost heat pumps in 2024 (forecast). As discussed above, Energy Trust has also acquired many external grants with the potential to dramatically increase the number of low-income customers served in the future. Unfortunately, efforts to use data to proactively target high energy burden customers with interventions are still in their infancy. Staff is dismayed with the progress here because this recommendation dates to the 2023 draft budget. However, Staff acknowledges that some utilities have yet to share the most minimal levels of customer data involving rate schedule data, which Staff has asserted that the utilities are legally required to provide as a under OAR 860-086-0030 (2) (i) and 860-086-0040 (1) (a) (H). Under DEI activities and recommendations, Staff details its expectations for this in 2025.

Overview of 2025 Budget and Action Plans

Energy Trust proposes $326.1 million in expenditures in 2025 for activities funded through retail electric utility rates and the Public Purpose Charge out of the $342.1 million organizational budget. This is an increase of 9.1 percent from the 2024 budget and 10.7 percent from 2024 projected expenditures. This is a slow-down in growth compared to the 35.5 percent increase in budget from 2023 to 2024. Over half of these expenditures (54.0 percent) are expected to be paid as incentives. Energy Trust proposes to collect $321,871,923 in revenues, an increase of 25.6 percent from 2024.

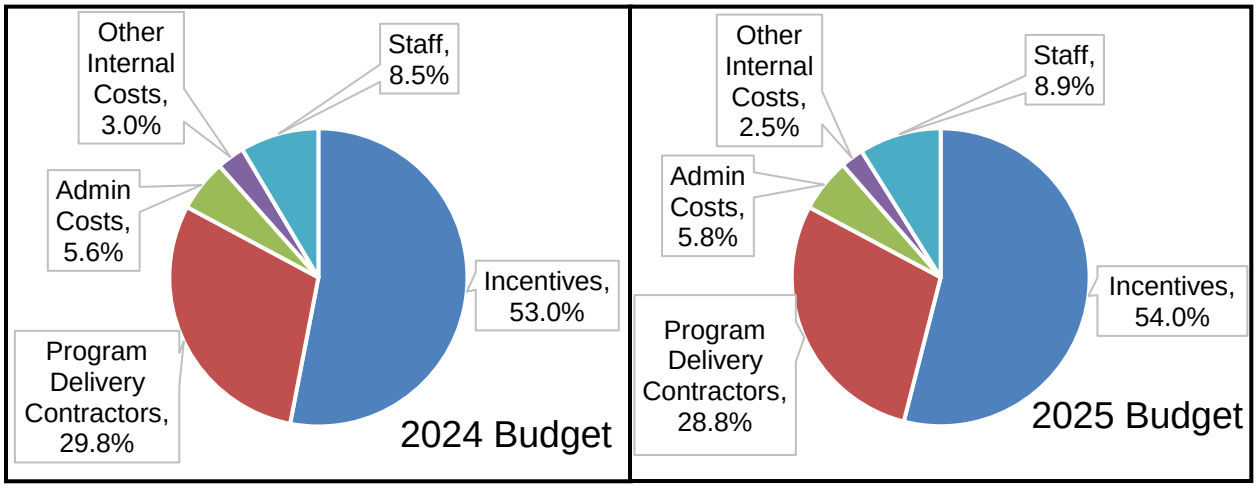
[2] See Order No. 24-119, Docket No. UM 1893, Appendices A and B, pages 41-63, https://apps.puc.state.or.us/orders/2024ords/24-119.pdf.

Table 3 details Energy Trust's approved budgets. Figure 1 shows functional categories of the 2025 and 2024 budgets.

Table 3: Budgeted Revenues and Expenses[3]

	2023 Actual	2024 Budget	2024 Forecast (Q2)	2025 Draft Budget
Revenues	$214,589,674	$256,225,431	$243,800,002	$321,871,923
Expenditures	$220,635,670	$298,906,772	$294,540,998	$326,117,628
Incentives Portion of Expenditures	$121,569,866	$158,539,274	$160,163,497	$176,063,021

Figure 1: Functional Categories of 2024, 2025 Budgets



In 2025, Energy Trust is continuing to build infrastructure and capacity to accelerate energy efficiency acquisition. Integrated resource plans of Oregon's investor-owned utilities make clear that energy efficiency and distributed renewables are an important part of meeting State decarbonization goals. Energy Trust's 2025 budget also continues to invest in meeting the needs of customers the organization has historically underserved. Notably, Energy Trust successfully acquired federal grants that will save ratepayer costs while increasing savings in the future.

Table 4 shows the revenue Energy Trust expects by utility for activities overseen by the PUC. In 2025, Energy Trust plans to spend $4.2 million dollars more than its revenue, continuing to draw down reserves. While expenditures rise by 9.1 percent compared to

[3] Note: This chart does not show carryover reserves, which are used to mitigate risks, smooth out operations from year to year, and reduce rate impacts.

2024, revenue has to increase 25.6 percent in 2025. This is largely by design. In 2024, Energy Trust spent down reserves that were accumulated during the COVID-19 pandemic. For instance, PGE started out the year 2024 with $26 million in carry-over reserves which were used to reduce revenue required from ratepayers in 2024. In 2025, these expenditures need to be paid for by new revenue. Increased revenue does not necessarily mean an increase in rates. If loads increase, which is expected, per kWh/therm tariffs will automatically collect more funds. Because of this, expected tariff adjustments reflect modeling of expected loads and the increase/decrease in program reserves. As a result, they cannot be easily read off the budget income statements.

Table 4: Revenue by Utility

	2023 Actual	2024 Budget	2024 Forecast (Q2)	Draft 2025 Budget
PGE	$100,232,538	$117,775,482	$116,037,278	$151,619,738
Pacific Power	$67,432,197	$94,038,980	$84,164,117	$123,855,837
NW Natural	$40,694,777	$37,353,342	$36,516,559	$37,377,502
Cascade	$3,726,872	$3,392,891	$3,417,311	$2,967,823
Avista	$2,503,290	$3,664,736	$3,664,736	$6,051,023

Tariff adjustments are only relevant for the energy efficiency part of the budget, since renewables revenue is collected through a legislatively-mandated public purpose charge. Table 5 below shows projected tariff adjustments for PGE, PAC, and Avista. Cascade and NWN customers will see little change. Avista will have to increase its revenue by around 75.1 percent over currently forecasted revenue for 2025. Here, the main driver is that 2024 actual savings/spending and 2025 budgeted savings/spending are much higher than expected during the 2024 budget process. PGE needs to adjust its revenue by 25.8 percent because the Company drew down its large reserves in 2024 and must now bring 2025 revenue in line with expenditures. PAC needs to adjust its revenue by 19.7 percent. For PAC, 2024 revenue fell short of forecasts, while savings will exceed expectations. As result, PAC is expected to use up its whole program reserves as well as about $3.6 million of Energy Trust's contingency reserves, both of which need to be replenished in 2025.[4] This dynamic highlights that Energy Trust carries both revenue and expenditure risk—balancing the budget is challenging because revenue varies with loads while expenditures vary with program performance and market uptake.

[4] This projection is based on Energy Trust's Q3 forecast, not the published draft budget which contained a forecast based on Q2 results.

Table 5: Potential EE Tariff Adjustments by Utility

	PGE	Pacific Power	Avista
Necessary Change in Rates 2024	+ 21.4%	+ 43.0%	+ 50.6%
Necessary Change in Rates 2025	+ 25.8%	+ 19.7%	+ 75.1%

It is important to emphasize that Table 5 contains estimates. The exact numbers will become available in utility filings near the end of the year, when spending and load forecasts have been updated. Table 6 shows Staff's estimated impacts on monthly bills of average residential customers. It is important to note that these numbers are only rough estimates not taking into account the exact cost-allocation between classes. Because Energy Trust tariffs are a small proportion of utility bills, the 2025 budget translate into monthly increases of average residential bills of less than $1.65 across utilities. While Staff is aware that tariff adjustments may coincide with rate increases from general rate cases, Energy Trust needs stable revenue in line with expenditures. It is also important to keep in mind that energy efficiency remains the least-cost resource due to the cost-effectiveness requirements. Due to the depleted reserves, utilities cannot delay tariff adjustments to April 1 to spread rate impacts, as was the strategy in 2024. Staff notes that utilities should plan for adjustments to occur January 1, 2025.

Table 6: Estimated Bill Impacts - 2025

	PGE	Pacific Power	NW Natural	Cascade	Avista
Current Monthly Bill for Average Residential Customer	$157.00	$141.08	$80.53	$79.46	$77.02
Current Monthly Cost for Average Residential Customer	$6.26	$8.30	$2.60	$2.43	$1.94
Impact on Average Monthly Residential Bill 2025	+ $1.62	+ $1.63	$ 0	- $0.28	+ $1.46

Joint Utility Action Plans
Energy Trust met at least three times with each utility between June and September to develop utility-specific action plans. The five utility-specific action plans were published together with the 2025 draft budget and were agreed upon by utilities and Energy Trust. The plans will be farther revised based on public feedback received in October.

Staff attended the September meetings where Energy Trust and utilities discussed detailed budgets. While utilities asked many questions, Staff generally saw agreement with the proposed trajectories of savings and expenditures. PAC wondered whether increasing revenues could be delayed, but did not request changes to the proposed budget. Energy Trust presented details on how it plans to leverage ratepayer funds in the administration of federal grants. There was general agreement that this is a beneficial strategy with the potential to accelerate savings in 2026 and beyond.

On October 10, Energy Trust presented the highlights of the joint action plans to the Renewable, Conservation, and Diversity Advisory Councils. Members asked questions about the ability for commercial solar to provide local resiliency; impacts of severe weather on supply chains; a request to see geographic distribution of savings and investments; a request for additional detail on workforce development investments; and a question on the merits of single-year versus multiyear budgeting. Advisory council members generally seemed supportive of the budget and action plan and no concrete feedback on possible changes was received.

Written public comments received by Energy Trust are discussed later in the section, Formal Stakeholder Feedback.

Energy Efficiency Savings and Costs
In 2025, Energy Trust predicts acquiring 59.1 aMW of electric savings and 6.1 million therms of gas savings. The electric savings are 23.4 percent higher than the 2024 budget and 0.5 percent lower than the second quarter 2024 forecast. 2025 Gas savings are predicted to come in 6.2 percent below the 2024 budget and 10.3 percent below the second quarter 2024 forecast. These numbers are shown in Table 7. The long-term trend is that the easiest savings have been achieved and hence future savings, albeit cost-effective, are more expensive.

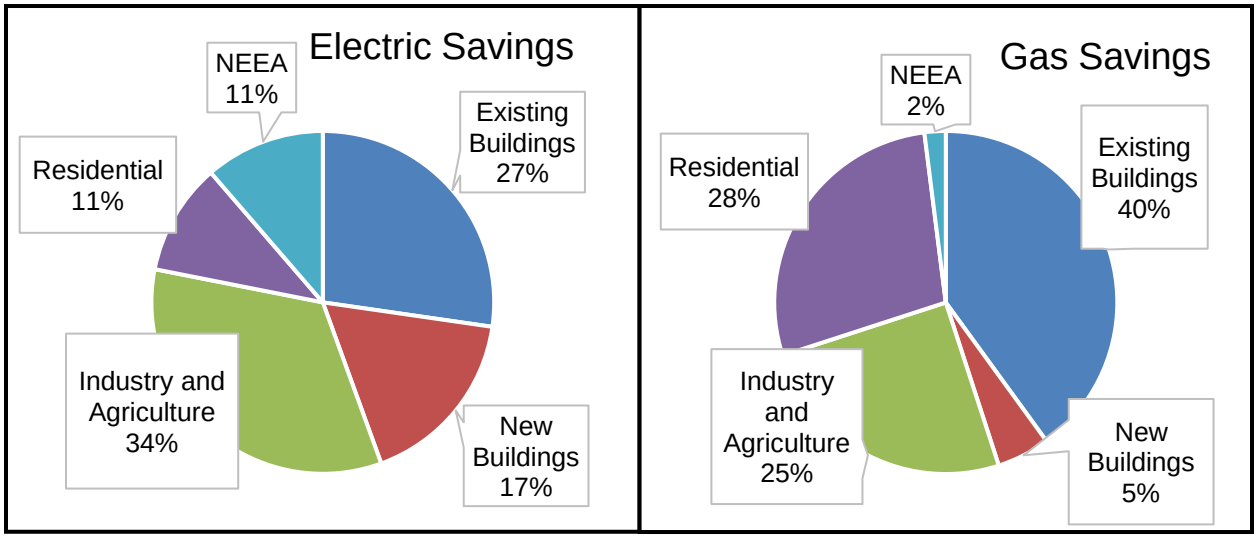
Table 7: Energy Savings

	2023 Actual	2024 Budget	2024 Forecast (Q2)	2025 Draft Budget
Electric savings (aMW)	53.1	47.9	59.4	59.1
Gas savings (MMth)	6.5	6.5	6.8	6.1

Staff notes that as of the writing of Staff's memo for the 2024 budget, Energy Trust was forecasting 45.8 aMW of 2023 electric savings yet delivered 53.1 aMW as seen in Table 7 above.[5] Strong efficiency acquisition in the second half of 2023 resulted in the 16 percent increase. A similar 24 percent increase in 2024 electric savings (see 2024 budget vs. 2024 forecast) is primarily driven by commercial and industrial lighting savings. In 2025, Oregon's House Bill 2531 will take effect banning the sale of less efficient linear fluorescent lighting products. The practical impact in 2025 and beyond is that the market will continue to transition to more-efficient LED options, yet the transition will be less driven by programmatic Energy Trust offers. Staff expects multiyear planning targets and budgets to reflect substantially fewer lighting savings.

Figure 2 shows how different sectors contribute to anticipated savings.

Figure 2: 2025 Savings by Sector



[5] See *Presentation of 2024 Draft Budget and 2024-2025 Action Plan*, (October 25, 2023), p. 10, https://oregonpuc.granicus.com/MetaViewer.php?view_id=2&clip_id=1239&meta_id=37540.

Expenditures are expected to rise 12.0 percent for gas and 8.8 percent for electric savings, see Table 8. The gas expenditure increase compared to savings decrease reflects the increasing cost to acquire each unit of efficiency as will be discussed further with levelized costs. The electric expenditure increase includes some very cost-effective lighting savings, that is partially offset by pursuit of higher-cost efficiency.

Table 8: Expenditures by Fuel

	2023 Actual	2024 Budget	2024 Forecast (Q2)	2025 Draft Budget
Electric costs	$162,414,103	$222,458,936	$222,464,949	$242,061,023
Gas costs	$40,773,894	$51,189,206	$50,208,948	$57,345,994

Levelized Costs

Performance of expenditures and savings can be evaluated by considering the average cost to acquire each therm and kWh of efficiency. Levelized costs are the average dollars per unit saved amortized over the lifetime of the measures. In 2025, the estimated levelized cost for electric savings is expected to be 4.4 cents/kWh. This is a 15.4 percent decrease compared to 2024 budget, but a 2.3 percent increase compared to second quarter 2024 forecast. The estimated levelized cost for gas savings is expected to be 73.9 cents per therm. This is a 14.4 percent increase compared to the 2024 budget and an 18.1 percent increase compared to second quarter 2024 forecast. The trends can be seen in Figures 3 and 4.

Figure 3: Electric Levelized Costs

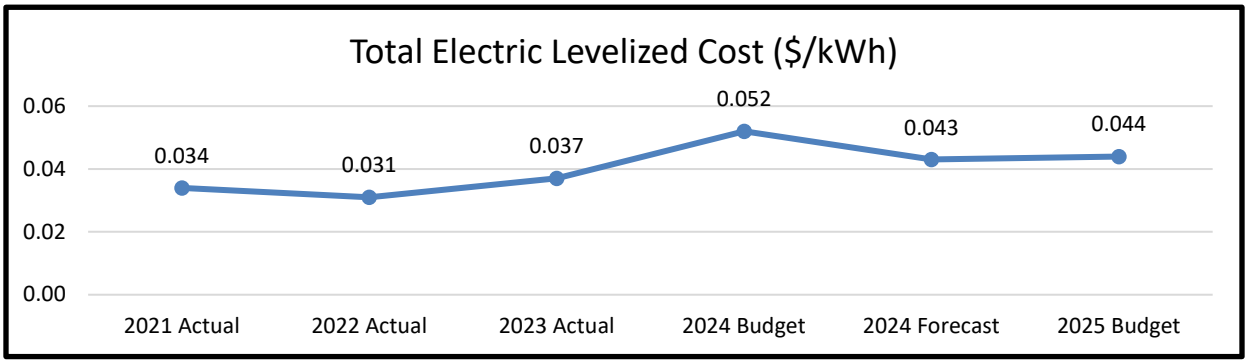
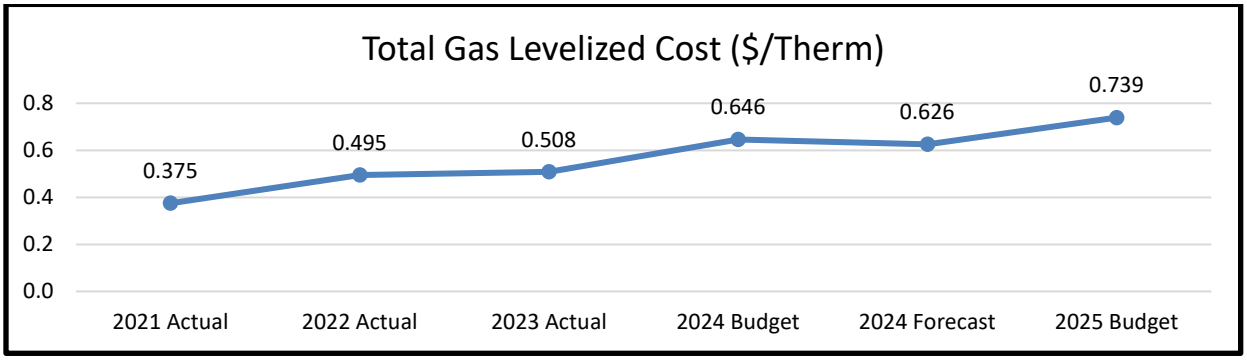


Figure 4: Gas Levelized Costs



Electric levelized costs have recovered from the predicted high costs in 2024 due to highly cost-effective savings from commercial and industrial programs. An increase of weighted average measure life from 13.8 years to 14.1 years and slight decrease in the organization-wide discount rate also contribute to lower costs. A highly cost-effective business lighting measure experienced an unpredicted high uptake in 2024, which led to much lower predicted levelized costs in the mid-year forecast as compared to the budget. Because Oregon legislators passed HB 2531 in 2023 which prohibits sales of fluorescent lighting products containing mercury, some lighting measures will be phased out by no later than July 2025.

The main driver behind increasing gas levelized costs is a reduction in the amount of residential new construction market transformation savings that Energy Trust expects to claim for residential code compliance. There is less new residential construction and the savings per project are lower. Energy Trust also sees new construction in the commercial sector moving away from natural gas, resulting in fewer savings opportunities. Overall, Energy Trust must use higher incentives to make gas savings more compelling; high avoided costs for gas utilities support higher incentives.

Energy Trust plans to keep levelized costs from rising through multiple strategies. Staff believes that outside funding sources should help put downward pressure on costs starting in 2026. Staff also sees potential for decreases in costs through improving operational efficiency and exploring new delivery approaches. Lastly, investments in market transformation through NEEA today are expected to generate low-cost savings in the future.

While levelized costs remain an important indicator of performance, Staff emphasizes that levelized costs do not reflect the value of efficiency for reducing coincident peak demand, greenhouse gas emissions, customer energy burdens, or avoiding localized system needs. The process of setting avoided costs for energy efficiency in Docket

No. UM 1893 attempts to account for factors including some of the benefit streams and avoided impacts cited above. Staff is working with utilities and stakeholders to better capture the true value of energy efficiency. As a result, Staff anticipates rising avoided costs and more energy efficiency acquisition in the future. This means Energy Trust will include more high-cost measures in its portfolio that are nonetheless cost-effective and the least cost means in meeting load.

Avoided Costs and Cost-effectiveness
Electric utilities are required by legislation to invest in cost-effective energy efficiency, which means that Energy Trust must determine the cost-effectiveness of those energy efficiency offerings for which it receives funding. Under Appendix A of the Agreement with the PUC, Energy Trust may evaluate benefit-to-cost ratios using the Total Resource Cost Test (TRC) and Utility Cost Test (UCT) or another method approved by the Commission. One of the main drivers of forecasted cost effectiveness in 2025 is updated avoided costs. As noted, for 2025, electric avoided costs increased by 37.6 percent and gas avoided costs increased by 13.0 percent, compared to 2024 avoided costs.[6] These increases represent the increased value of energy savings for ratepayers and utilities.

In PGE's 2023 IRP, the portfolio optimization model selected roughly 25 percent more energy efficiency than Energy Trust's cost-effective projection. The additional 53 aMW of higher-cost energy efficiency in the least cost portfolio by 2030, indicates that current avoided costs do not capture some of the resource economics in current IRP modeling. In 2024, Energy Trust supported Staff in conducting a two-phase process to modernize electric avoided costs. Phase 1 led to the increases noted above, and Phase 2 will end in January 2025. Staff, stakeholders, and utilities identified three priority areas to improve avoided costs in Phase 2.

1. **Energy**: Ensure that avoided energy costs reflect avoided build resources when necessary.
2. **Capacity**: Ensure avoided capacity resources reflect the planning horizon and IRP resource selections.
3. **Transmission**: Include a transmission expansion credit derived from IRP modeling.

Inclusion of these three cost centers will likely further increase avoided costs. IRP modeling constraints, such as limited access to transmission, increases the value of resources that do not rely on additional transmission, such as energy efficiency.

[6] See Order No. 24-119, Docket No. UM 1893, (April 30, 2024), https://apps.puc.state.or.us/orders/2024ords/24-119.pdf.

Staff views Energy Trust's cost-effectiveness projections with the awareness that recent IRPs anticipate higher cost futures. In response, Staff encourages Energy Trust to consider how to increase the volume of energy efficiency that still delivers an overall cost-effective portfolio.

Table 9: Program and Portfolio View of Draft 2025 Cost-Effectiveness*

	Electric TRC	Gas TRC	Total TRC	Electric UCT	Gas UCT	Total UCT
Residential	1.1	2.6	1.4	1.2	2.4	1.6
Existing Buildings	1.4	1.5	1.4	1.7	2.2	1.8
New Buildings				5.4	3.3	5.2
Production Efficiency	2.4	4.0	2.5	2.5	2.8	2.6
Total Portfolio	1.6	2.2	1.7	2.1	2.4	2.2

*Total portfolio TRC values exclude New Buildings Program and NEEA.

Staff highlights that Energy Trust proposed both cost-effective programs and an overall portfolio when evaluated by fuel, sector, or both. Staff views a portfolio approach to be valuable because it enables a higher volume of savings to be achieved while making sure Energy Trust's cumulative investments continue to have downward pressure on rates. The counterfactual circumstance, where less efficiency is pursued so that each individual measure or program is cost-effective, exposes each utility to higher risks including emissions compliance risk, fuel and market price volatility, and risks associated with reliability and loss of load.

Energy Trust is permitted to invest in some activities that are not cost-effective if Energy Trust measures meet the established cost-effectiveness test exception criteria and are approved by the Commission. However, Staff continues to review cost-effectiveness under other standards and when measured at the program and fuel level. Currently active exceptions cover various heat pump products, insulation, and windows, as well as multiple small pilots to investigate new technologies and delivery approaches. Many of the funds under exception are spent on low- and moderate-income households. Staff supports continued expansion of these efforts, with PUC oversight happening via the measure exception process and ensuring that overall portfolio benefits exceed costs.

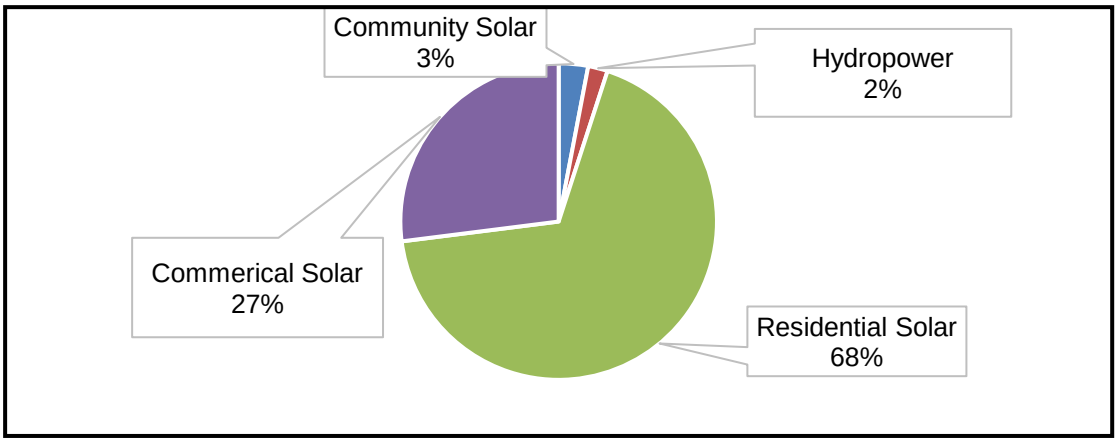
Renewables Generation Acquisition
In 2024, Energy Trust planned to shift away from market rate customers—due to ever decreasing distributed solar installation costs—and toward investments to support low- and moderate-income customers' installations, which have lagged market rate customers. However, in the beginning of 2024, Energy Trust saw a drop-off of residential solar applications due to rising costs combined with the ODOE solar plus

storage program running out of money and the legislature deciding to not provide additional funds. In response, Energy Trust continued and will continue in 2025 market rate solar incentives, resulting in higher generation at lower costs. A new focus in 2025 is to develop and deploy a financing program for residential solar. Table 10 shows the generation supported by Energy Trust. Figure 5 shows the generation contributed by different program activities.

Table 10: Generation Supported by Energy Trust

	2023 Actual	2024 Budget	2024 Forecast (Q2)	2025 Draft Budget
Solar (aMW)	6.7	4.5	4.7	5.5
Other Renewables (aMW)	0.00	0.07	0.05	0.10

Figure 5: Generation by Program



ORS 757.612(3)(f) requires that 25 percent of public purpose funds allocated under ORS 757.612(3)(b)(B) is spent on activities, resources, and technologies that serve low and moderate-income customers, including technology that does not have above-market costs. Energy Trust's budget includes plans to meet this requirement and further expand access to these customers. In 2025, Energy Trust expects 46.1 percent of PUC renewables investments to serve low- and moderate-income customers by working with community-based organizations and developing low- and no-cost offers. PUC equity metrics, which Staff discusses further in the section *Equity-Centered Activities and Investments,* provide guidance for Energy Trust investments in solar plus storage activities in 2025. Energy Trust's strategy is also consistent with HB 3141 by continuing development of incentives for distribution system-connected technologies, including batteries and smart inverters. Energy Trust also does important work in helping

communities plan for and invest in projects that support reliability and increase local resilience.

In the Renewables sector, Energy Trust is pursuing meaningful collaboration and coordination to bring additional resources to customers with low incomes. As part of the Oregon Community Solar Program administrator team, Energy Trust brings bill savings of solar generation to customers without rooftop solar. Energy Trust is also a sub-awardee of the federal Solar for All grant and will receive $26 million which will be spent on increased project incentives and development assistance for community solar projects.

Equity-Centered Activities and Investments
Energy Trust is making a deliberate effort to incorporate DEI principles across the organization and its activities. In 2025, Energy Trust will establish an Equity Plan as described in its agreement with the PUC. This plan will provide a comprehensive, strategic framework for Energy Trust's diversity, equity and inclusion initiatives to better serve historically underserved customers.

In 2025, Energy Trust has proposed substantive investments in low-income communities to meet the equity metrics required under ORS 757.747, which were translated by the Commission into performance measures in Order No. 22-478 and revised in Order No. 24-079.[7] As discussed below, Energy Trust has proposed additional investments which will be added to the final draft budget.

1. **Access to Support for Communities**: Increased support to nonprofit organizations with a purpose to serve environmental justice communities or to support nonprofit-led initiatives serving environmental justice communities. Increased support can be incentives, training, and funding for energy efficiency upgrades, solar, or solar-with-storage projects.

   In 2025, Energy Trust wants to grow its Community Partner Funding offer and In-Home Energy Services program, both of which include no-cost services for energy-burdened customers. Staff expects Energy Trust to maintain or increase the number of participating community-based organizations (currently 30), the number of projects completed, the amount of savings achieved, and the amount of incentives delivered. In its 2025 budget, Energy Trust estimates that it will spend around $36,082,762, or 15.4 percent, of its electric efficiency expenditures on low- and medium-income customers. This includes Community Partner Funding, In Home Energy Services (IES), Savings Within Reach, regional offers, manufactured homes

[7] Docket No. UM 1158, Order No. 22-478,December 14, 2022. Docket No. UM 1158, Order No. 24-079, March 21, 2024.

no-cost services, manufactured homes replacements, as well as spending on rental properties. No-cost offers are the only viable service for many low-income customers. In 2023, Energy Trust installed no-cost ductless heat pumps in 408 low-income housing units, spending $2.3 million.[8] In 2024, this number is expected to increase to 728 housing units and $3.83 million.

Energy-burden assessments conducted by utilities show that the need for low-income weatherization exceeds current services.[9] Staff sees Energy Trust's activities in this area as complementary to those funded through Oregon Housing and Community Services (OHCS). Because the majority of funding for low-income weatherization goes through that channel, Staff believes Energy Trust should focus on working with OHCS and its delivery network to identify and address gaps. This may include:

- Serving customers through culturally specific organizations.
- Serving customers for whom documentation requirements like income verification or social security numbers pose a barrier.
- Serving customers in rural areas where there is currently limited delivery capacity.

2. **Access to Information:** Increased funding to support targeted outreach to environmental justice communities, including funding for community ambassadors, education, and workshops.

Energy Trust's 2025 budget demonstrates that the organization is constantly trying to improve its collaboration with various community organizations. Utility-specific action plans mention that Energy Trust plans to co-develop marketing strategies with utilities and co-deploy offers to low-income customers. Staff believes that access to information is a clear opportunity for improvement. Energy Trust should begin to:

- Target low-income energy-burdened customers with no-cost interventions based on data. Utilities have information on likely income and energy-efficiency potential of customers and Staff believes this must be shared with Energy Trust. Staff wants to see this information effectively used by the end of 2025.
- Improve the information available on Energy Trust's website on how customers can access no-cost services.

[8] Docket No. UM 1696, Order No. 24-142, May 20, 2024.
[9] Energy burden assessments have been posted in Docket No. UM 2211.

- Initiate coordination with OHCS to achieve better collaboration between low-income weatherization programs delivered through Community Action Agencies and those financed by Energy Trust.

3. **Energy Burden Reduction:** New and expanded low-cost and no-cost offers to reduce energy burden created and launched.

Energy Trust plans to use federal HOMES and HEAR rebates as well as the EPA Climate Pollution Reduction Grant to dramatically increase no-cost offers available to low-income customers. Unfortunately, it is unlikely that these programs will be ready to implement in 2025. Staff has and continues to support cost-effectiveness exceptions to allow Energy Trust to build and maintain the delivery infrastructure for no-cost services. This was a main plank in the 2024 budget, under the assumption that other funds would become available in 2025. Because this did not materialize, Energy Trust now proposes the additions in Table 11 (not included in the draft budget). This will increase Energy Trust's spending on no-cost offers from 2024 to 2025 for the delivery of heat pumps and heat pump water heaters in single and multi-family buildings. Staff is supportive of this addition.

Table 11: Energy Trust's Proposed Budget for Extending No-cost Offers in 2025

	2024 Forecast	2025 Draft Budget	2025 Added	2025 Draft Budget
Residential	$3,308,418	$1,511,418	$2,133,239	$3,644,357
Multifamily and Existing Building	$1,590,000	$40,000	$1,900,000	$1,940,000
Total	$4,898,418	$1,551,418	$4,033,239	$5,584,657

In the addition to the points discussed above, Staff emphasizes the following areas for improvement:

- Increase offers for gas customers and specifically expand non-equipment offers such as no-cost wall, attic, and floor insulation measures.
- Improve geographic coverage.
- Work with utilities or other partners to establish financing options to expand affordability and decrease upfront costs of efficiency upgrades.

4. **Community Resilience:** Solar and solar plus storage system projects supported for low and moderate-income residents in areas with limited infrastructure or high energy burden.

Energy Trust is planning work in 2025 on community resilience including projects funded by the Solar for All Grant, the Oregon Community Solar Program, and the public purpose charge. One example of such work is PAC's resilience hubs pilot, in which the Company with help from Energy Trust enables communities to develop renewable generation plus storage projects at strategic locations. Work through the Solar for All Grant will support the development of community solar projects with increased benefits for low-income communities. It will also enhance incentives for low- and medium-income customers. Energy Trust is also planning to deploy a financing product in 2025 with enhanced consumer protections for solar customers. Another area of focus is helping municipalities and communities in developing resilience projects.

Two additional areas of focus are contractor and workforce development. In 2024, Energy Trust asked for $2.6 million to develop and expand the Trade Ally Network**.** So far, Energy Trust added 171 new trade allies in 2024, and intensified contractor training, mentoring, and development activities. The 2025 budget proposes to continue these activities with investments of a similar magnitude.

In 2024, Energy Trust asked for $2.3 million for workforce development. In 2024, activities mostly focused on exploring potential partnerships and projects, as well as supporting other organizations. In 2025, Energy Trust is working with EnerCity Collaborative to start a Building Performance Institute training center. Other projects include a website with workforce development resources and supporting training opportunities through other organizations. The investments are expected to cost around $2.2 million in 2025.

Staffing Costs

Energy Trust's 2024 and 2025 budgets reflects ongoing efforts to align staffing levels with the increasing complexity of program design and infrastructure needed to meet savings and generation goals. In 2024, Energy Trust was able to reduce turnover from 15 to 4.9 percent through increasing compensation among other things. In 2025, Energy Trust is planning to add 25 FTE to support PUC programs, resulting in an increase of 14.1 percent in staffing costs. In 2024, the Commission adopted a new performance measure for staffing.[10] Instead of year-over-year increase limits, Energy Trust is now required to keep staffing costs below 9.5 percent of total expenditures. In the 2025 budget, this metric increases slightly to 8.9 percent, as can be seen in Table 12.

[10] Docket No. UM 1158, Order No. 24-079, March 21, 2024.

Table 12: Staffing Costs

	2023 Actual	2024 Budget	2025 Draft Budget
Staffing Budget	$19,484,725	$25,495,474	$29,098,859
Percent of Expenditures	8.8%	8.5%	8.9%
Annual Change	15.1%	30.8%	14.1%

Administrative Costs

Administrative costs are comprised of activities such as travel and conferences, licenses and fees, computer equipment, office rent, as well as all other costs that are not directly attributable to specific programs. In 2024, the Commission adopted Staff's recommendations to change how administrative costs are evaluated.[11] First, the Commission adopted the standard definition of administrative costs according to generally accepted accounting principles for nonprofit entities, as opposed to a custom measure. Second, administrative costs are now measured as a percentage of total expenditures, as opposed to total revenues. These changes mean that Energy Trust's administrative costs are now more directly comparable to other non-profit entities. As can be seen in Table 13, Energy Trusts plans to spend 5.8 percent of expenditures on administration, which is below the performance measure of 6.5 percent. Overall, administrative expenses are set to increase slightly faster than overall expenditures. According to Energy Trust, this reflects some "catch up" because incentives and program delivery costs ramped up more quickly than the necessary administrative structures. Staff is concerned by the continuous growth of administrative costs. Staff will work to understand whether linear growth is inherent in Energy Trust's business model or whether economies of scale are possible.

Table 13: Administrative Costs

	2023 Actual	2024 Budget	2025 Draft Budget
Administrative Costs	$12,479,867	$16,803,801	$18,905,312
Percent of Expenditures	5.7%	5.6%	5.8%
Annual Change	16.6%	34.7%	12.5%

[11] Docket No. UM 1158, Order No. 24-079, March 21, 2024.

Formal Stakeholder Feedback
In addition to feedback discussed in the section *Joint Utility Action Plans*, Energy Trust held a public comment period from October 2 to October 16, 2024. Below, Staff discusses the written feedback that was received.[12]

Avista Comments
Avista stated that they were supportive of the proposed budget. The Company shared as two additional observations the importance of supporting rural contractors and that the work on HOMES rebates would not detract from core natural gas energy efficiency offerings.

NW Natural Comments
NW Natural did not state whether they were supportive of the proposed budget, but made four comments. (1) The Company stated they were skeptical of using ratepayer funds to administer HOMES funds for gas customers and asked whether rising internal costs were attributable to the acquisition of federal funds. (2) The Company suggested more funding should be allocated to program delivery, marketing, and outreach, to counteract decreasing gas savings goals. (3) The Company questioned several discrepancies in the professional services budget numbers. (4) The Company asked for a line item for the amount of funds estimated to be spend on low-income households.

[12] All public comments will be included in the 2025 final proposed budget, posted on Energy Trust's website. https://www.energytrust.org/about/our-impact/budget-action-plan/.

Staff Recommendations

Recommendation 1: Improving and expanding services for energy-burdened customers

Staff encourages Energy Trust to continue to target cost-effective savings and leverage the cost-effectiveness exception process where appropriate to build delivery infrastructure and capacity aimed at serving energy-burdened customers. A non-exclusive list of concrete steps includes:

- Improving the information available on Energy Trust's website on how customers can access no-cost services through various avenues.
- Working with utilities or other partners to establish financing options to expand affordability and decrease upfront costs of efficiency upgrades.
- Increasing no-cost offers available to gas customers.
- Acquiring utility data and using it to target high energy burden/high energy efficient potential customers with no-cost interventions.
- Initiating coordination with OHCS to achieve better collaboration between low-income weatherization programs delivered through Community Action Agencies and those financed by Energy Trust. Energy Trust should focus on gaps in current delivery approaches including serving customers through culturally-specific organizations, serving customers for whom documentation requirements pose a barrier, as well as serving customers in rural areas where there is currently limited delivery capacity.

Recommendation 2: Begin development of systems to enable collection and reporting of data needed to define a set of targeted measures that consider both electricity and gas impacts when customers choose to electrify or pursue dual fuel solutions.

As Energy Trust begins to deliver programs using complementary funding sources with a preference for electrification, Energy Trust should collect and report relevant data and develop measures which include impacts to both fuels. Such data collection and reporting efforts will support multiple planning processes, by making transparent the number of pieces of equipment which is changing fuel type and tracking reductions in gas use when customers partially or fully electrify. In current practice, impacts to both fuels are not considered for Energy Trust customers who electively fuel switch. In addition to the planning value, there could be compliance value to impacted utilities.

Recommendation 3: Increase cumulative savings while maintaining positive portfolio level cost-effectiveness.

In response to high program and portfolio level benefit cost ratios, Energy Trust should research and report to Staff on methods to increase cumulative savings while maintaining overall investments where benefits exceed costs. Staff is open to multiple pathways to increase savings acquisition particularly for activities that have an outsized impact on helping utilities meet decarbonization targets and reducing energy burdens for priority populations. Energy Trust noted that expansion of the following strategic priorities and opportunities would apply downward pressure on cost-effectiveness:

- Residential low- and moderate-income work, specifically no-cost measures;
- Small commercial direct install measures;
- Multifamily insulation and domestic hot water measures; and
- Infrastructure development that indirectly leads to savings.

Recommendation 4: Offer a more streamlined experience to residential and small business customers.

While Energy Trust has an impressive number of cost-effective offers, Staff believes that reaching those customers who have not yet acted will require making it more seamless to participate in energy efficiency upgrades. Possible improvements include:

- Continuously improving the ease of scheduling energy audits and selection of contractors.
- Developing financing options (with utilities or partners) and integrating them into delivery.
- Helping customers navigate various funding sources.
- Using targeted marketing to reach customers with high energy efficiency potential.

Conclusion

Staff is satisfied that Energy Trust created a budget and action plan for 2025 that meets funding directives under ORS 757.054, ORS 757.612, and applicable natural gas utility tariffs, including specifically, pursuing all available energy efficiency resources which are cost-effective, reliable, and feasible.[13] Energy Trust has met Staff's expectations for engaging stakeholders. Staff encourages Energy Trust to use the received stakeholder comments to improve its programs and resolve any remaining questions directly with

[13] ORS 757.054(3)(a).

stakeholders. Lastly, Energy Trust should follow Staff's recommendations to improve its services in 2025.

PROPOSED COMMISSION MOTION:

Adopt Staff's comments and recommendations on Energy Trust of Oregon's Draft 2025 Budget and Action Plan.

Avista Corp.
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Spokane. Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

October 15, 2024

Michael Colgrove
Executive Director
Energy Trust of Oregon
4321 SW Oak St, Ste. 300
Portland, OR 97204

RE: Avista Utilities Comments – Energy Trust of Oregon 2025 Budget and Action Plan

Dear Michael:

Avista Corporation, dba Avista Utilities (Avista or the Company), offers the following comments in the development of the 2025 Budget and Action Plan (Plan) for its energy efficiency programs administered through the Energy Trust of Oregon.

Energy Trust has produced a thoughtful Plan that Avista is largely supportive of as a least cost resource. With the advent of the Home Energy Efficiency Rebates (HOMES), it is the Company's expectation that new programs will not cause an administrative burden that in any way diminishes the offering of core natural gas energy efficiency programs. It is also encouraging to see the intention to build-up the trade ally network, as it can be difficult for rural contractors to easily access training. Avista appreciates Energy Trust's work to adaptively manage its offerings as opportunities arise so that more customers can participate in cost-effective programs.

The Company supports the 2025 Plan and appreciates the opportunity to provide feedback on this forward-looking process. If you have any questions regarding these comments, please contact me at (541) 858-4719, or by email at lisa.mcgarity@avistacorp.com.

Sincerely,

Lisa McGarity
Sr Energy Efficiency Program Manager

NW Natural®

250 SW Taylor Street
Portland, OR 97204

503-226-4211
nwnatural.com

October 16, 2024

NW Natural would like to thank Energy Trust for the opportunity to submit comments for consideration in the 2025 budget development process. The following represent NW Natural's insights and questions on the proposed 2025 budget.

1) NW Natural is concerned about the blending of ratepayer funding to support outside programs.
    a. The federally funded programs include administrative caps that other agencies have historically had to work with. The assumption is that more funds will be delivered to customers by subsidizing the federal programs with ratepayer dollars. NW Natural questions if that will be the case on the gas side as only the HOMES program will benefit gas ratepayers.
    b. The Energy Trust internal costs (including salaries) for the natural gas portfolio will increase by approximately 24% from 2024 to 2025, while the incentives delivered will only increase by 14%. For NW Natural's funding specifically, the Energy Trust internal costs increase by approximately 21% with the incentives only increasing by 6%.
    c. NW Natural notes that the Energy Trust internal cost increases may not be entirely attributable to federal programs and would welcome additional detail on the breakdowns.
2) Natural gas savings goals for 2025 are down approximately 6% from 2024 goals. Looking at NW Natural's specific savings goals, the dip is 8% for commercial and residential programs.
    a. During the budget presentation it was noted that there has been a decrease in interest in gas energy efficiency specifically in the commercial sector.
    b. Given headwinds for gas savings and program participation, NW Natural questions if enough funding is being allocated to PMC delivery and marketing and outreach activities. There appear to be small decreases in marketing efforts like PMC marketing, ETO media advertising, and ETO printed collateral.
3) There are a few items within the 2023-2025 detailed income statement that could use additional explanation or correction.
    a. Other Professional Services: The 2025 draft column does not appear to be adding correctly and there may be a typo in some of the items.
        i. Legal Services: Went from a $63,000 budget in 2024 to $10,333,459
        ii. Other Professional Services: Went from a $9,624,829 budget in 2024 to $504,000.
        iii. Call Center: Went from a $430,000 budget in 2024 to $11,404,928
    b. (7575) Creative Services budget doubles in 2025. What is included or planned for this expense?
4) With the increased focus on low-income programming, we would like to see a line item representing the yearly spending, and the funding utility contribution.

NW Natural continues to see energy efficiency as a critical tool in helping our company and customers decarbonize. Our comments reflect our desire to ensure our customer's dollars are delivering energy efficiency programs in the most cost-effective manner.

2022-2025 OPUC Efficiency Sector Summary of Costs and Savings

			Actual 2022	Actual 2023	Budget Approved Budget 2024	Year-end Forecast 2024	Budget 2025-25 Final Propose 2025
Fully Loaded Costs	Electric	Commercial Sector	54,988,659	75,472,350	107,971,759	101,920,555	121,178,469
		Industry and Agriculture Sector	31,400,734	41,812,884	53,959,372	58,413,756	64,666,385
		Residential Sector	36,913,253	45,128,869	60,527,806	58,266,057	62,581,046
		OPUC Efficiency	$ 123,302,646	$ 162,414,103	$ 222,458,936	$ 218,600,369	$ 248,425,900
	Natural Gas	Commercial Sector	12,629,934	15,644,184	19,480,018	19,318,339	23,651,923
		Industry and Agriculture Sector	2,486,743	4,360,650	6,908,979	6,083,969	8,334,506
		Residential Sector	20,404,628	20,769,059	24,800,208	24,320,503	26,253,357
		OPUC Efficiency	$ 35,521,305	$ 40,773,894	$ 51,189,206	$ 49,722,811	$ 58,239,786
Reportable Energy	Electric	Commercial Sector	142,467,350	217,526,128	186,878,038	216,983,648	248,567,119
		Industry and Agriculture Sector	178,361,407	168,001,410	150,057,420	227,124,401	174,962,273
		Residential Sector	88,709,945	79,711,152	83,308,669	86,258,681	78,143,938
		OPUC Efficiency Division	409,538,702	465,238,690	420,244,126	530,366,730	501,673,331
	Natural Gas	Commercial Sector	2,247,520	2,641,773	2,932,956	2,690,937	3,000,892
		Industry and Agriculture Sector	1,286,777	1,667,106	1,619,458	1,790,846	1,557,742
		Residential Sector	2,408,548	2,231,888	1,973,736	2,092,959	1,857,032
		OPUC Efficiency Division	5,942,844	6,540,767	6,526,151	6,574,742	6,415,666
Levelized Cost	Electric ($/kWh)	Commercial Sector	0.040	0.035	0.057	0.048	0.046
		Industry and Agriculture Sector	0.018	0.029	0.039	0.029	0.039
		Residential Sector	0.043	0.055	0.065	0.063	0.061
		OPUC Efficiency Division	$ 0.031	$ 0.037	$ 0.053	$ 0.043	$ 0.047
	Natural Gas ($/Therm)	Commercial Sector	0.56	0.62	0.68	0.75	0.74
		Industry and Agriculture Sector	0.24	0.29	0.44	0.39	0.51
		Residential Sector	0.56	0.58	0.79	0.74	0.83
		OPUC Efficiency Division	$ 0.495	$ 0.508	$ 0.646	$ 0.638	$ 0.706
Reportable WAML	Electric	Commercial Sector	13.05	13.27	13.94	13.27	14.10
		Industry and Agriculture Sector	12.92	11.33	12.26	11.87	12.35
		Residential Sector	13.05	14.30	16.20	15.05	19.06
		OPUC Efficiency Division	13.00	12.74	13.79	12.96	14.26
	Natural Gas	Commercial Sector	13.67	12.65	13.29	12.91	14.25
		Industry and Agriculture Sector	10.41	12.06	13.20	11.50	13.94
		Residential Sector	26.21	29.45	29.47	28.57	29.67
		OPUC Efficiency Division	18.05	18.23	18.16	17.51	18.64

			2022	2023	2024	2024	2025
Discount Rate	PGE	Efficiency General	4.60%	4.50%	4.60%	4.60%	4.10%
	PacificPower	Efficiency General	4.60%	4.50%	4.60%	4.60%	4.10%
	NW Natural	Efficiency General	4.60%	4.50%	4.60%	4.60%	4.10%
	Cascade Natural Gas	Efficiency General	4.60%	4.50%	4.60%	4.60%	4.10%
	Avista Gas	Efficiency General	4.60%	4.50%	4.60%	4.60%	4.10%

2022-2025 Washington Efficiency Sector Summary of Costs and Savings

			Actual 2022	Actual 2023	Budget Approved Budget 2024	Year-end Forecast 2024	Budget 2025-25 Final Propose 2025
Fully Loaded Costs	Washington	NEEA Commercial Washington					
		Commercial Washington	1,530,537	1,428,257	1,346,925	1,344,759	1,575,906
		NEEA Residential Washington					
		Residential Washington	1,784,927	1,544,012	2,117,068	1,713,348	2,068,076
		Washington	**$ 3,315,463**	**$ 2,972,269**	**$ 3,463,993**	**$ 3,058,106**	**$ 3,643,981**
Reportable Energy	Washington	NEEA Commercial Washington					
		Commercial Washington	244,841	183,197	133,179	125,932	122,123
		NEEA Residential Washington					
		Residential Washington	150,873	89,740	111,060	96,559	96,931
		Washington Programs	**395,714**	**272,936**	**244,239**	**222,491**	**219,054**
Reportable WAML		NEEA Commercial Washington					
		Commercial Washington	16.03	14.21	12.41	11.38	12.38
		NEEA Residential Washington					
		Residential Washington	22.83	25.18	23.97	23.75	24.46
		Washington Programs	**18.62**	**17.82**	**17.67**	**16.75**	**17.73**
Levelized Cost	Natural Gas ($/Therm)	NEEA Commercial Washington	-	-	-	-	-
		Commercial Washington	0.528	0.720	1.012	1.147	1.329
		NEEA Residential Washington	-	-	-	-	-
		Residential Washington	0.784	1.073	1.174	1.100	1.361
		Washington Programs	$ 0.636	$ 0.852	$ 1.080	$ 1.089	$ 1.311
			2022	2023	2024	2024	2025
Discount Rate	NWN Washington	Washington General	3.80%	3.80%	3.39%	3.39%	3.84%

Income Statement Grid
Q3 Year-End Forecast for the period ending 2024

	Oregon OPUC Efficiency Funders								Oregon OPUC Renewables Funders			Other Funding Sources							
	PGE	PAC	NWN IND	NWN	CNG	AVI	AVI Int	Total Oregon OPUC Efficiency	PGE	PAC	Total Renewables	NWN T	CNG T	AVI T	Washington	Grants & Contracts SubTotal	Fund Development	Investments / Contingency	TOTAL
Net Assets Beginning of Year	26,314,101	7,952,189	3,303,684	10,610,922	3,452,582	1,254,246	278,144	53,165,868	12,550,933	8,420,425	20,971,358	-	-	174,550	587,590	384,429	573,673	10,787,654	86,645,121
Revenue	99,649,251	76,251,339	9,331,587	26,900,001	3,265,241	4,054,187	360,550	219,812,155	12,789,318	8,582,846	21,372,164	700,000		121,996	3,433,935	1,497,447	10,128	4,217,968	251,165,794
Incentives	71,116,792	51,211,389	5,525,836	15,888,923	2,429,084	2,852,693	451,084	149,475,802	9,431,599	5,759,290	15,190,889	-		196,783	1,338,398	686,353			166,888,225
Program Delivery Contractors	39,210,566	26,989,331	2,863,410	9,294,633	1,675,048	1,878,536	101,485	82,013,010	1,091,434	711,691	1,803,125	75,000		50,046	926,446	165,604			85,222,979
Employee Salaries & Fringe Benefits	9,802,557	6,863,849	695,264	2,269,603	356,549	425,782	48,496	20,462,100	2,660,272	1,555,564	4,215,835	(0)		0	505,659	901,732	45,820		26,131,146
Internal Costs	7,796,791	5,609,094	565,869	1,759,050	279,682	324,457	37,326	16,372,269	1,933,168	1,184,283	3,117,450	0		(0)	287,604	256,899	22,264		20,056,487
Expenditures	127,926,706	90,673,663	9,650,380	29,212,209	4,740,363	5,481,468	638,391	268,323,180	15,116,472	9,210,827	24,327,300	75,000		246,829	3,058,106	2,010,589	68,084		298,298,837
Operating Net Income	(28,277,455)	(14,422,324)	(318,793)	(2,312,208)	(1,475,122)	(1,427,281)	(277,841)	(48,511,025)	(2,327,154)	(627,981)	(2,955,135)	625,000		(124,833)	375,829	(513,142)	(57,956)	4,217,968	(47,133,043)
Interest Income Distribution	844,616	242,126	151,684	422,839	118,919	24,117	10,881	1,815,182	471,567	328,109	799,675	(2,333)		4,818	29,876	16,442	19,503	(2,683,163)	(0)
Transfer Between FS	(440,380)	(35,077)		(10,178)				(485,635)	(62,927)	(45,568)	(108,495)					594,129			(1)
Net Assets	(1,559,118)	(6,263,086)	3,136,575	8,711,375	2,096,378	(148,918)	11,183	5,984,390	10,632,419	8,074,984	18,707,403	622,667	-	54,535	993,294	481,858	535,220	12,322,458	39,512,078
less:Renewables Dedicated									(862,519)	(1,371,693)	(2,234,212)								
Renewables funds yet to be dedicated for future periods									9,769,900	6,703,291	16,473,191								

	PGE	PAC	NWN IND	NWN	CNG	AVI	AVI Int	PGE	PAC	Total Renewables	NWN T	CNG T	AVI T	Washington
Reportable Energy	333,245,036	197,121,694	2,383,480	3,091,150	546,035	453,084	100,993	31,911,571	20,065,343	51,976,914	-		236,481	222,491

Income Statement Grid
2025 Final Proposed Budget for the period ending 2025

	Oregon OPUC Efficiency Funders								Oregon OPUC Renewables Funders			Other Funding Sources							
	PGE	PAC	NWN IND	NWN	CNG	AVI	AVI Int	Total Oregon OPUC Efficiency	PGE	PAC	Total Renewables	NWN T	CNG T	AVI T	Washington	Grants & Contracts SubTotal	Fund Development	Investments / Contingency	TOTAL
Net Assets Beginning of Year	(1,559,118)	(6,263,086)	3,136,575	8,711,375	2,096,378	(148,918)	11,183	5,984,390	10,632,419	8,074,984	18,707,403	622,667	-	54,535	993,294	481,858	535,220	12,322,458	39,512,078
Revenue	145,971,891	117,851,102	11,247,910	24,725,675	4,648,985	6,174,186	570,657	311,190,406	12,000,000	8,910,221	20,910,221				2,995,196	6,395,462		2,000,000	343,491,285
Incentives	76,183,450	58,120,074	7,921,819	16,130,482	3,262,348	2,838,901	293,995	164,751,069	9,237,190	6,364,050	15,601,240	125,000		116,721	1,672,343	1,794,578			184,060,951
Program Delivery Contractors	43,313,365	32,461,389	3,918,857	11,033,374	2,000,730	1,777,283	111,764	94,616,762	1,104,565	761,705	1,866,270	4,243		3,962	915,997	957,232			98,364,467
Employee Salaries & Fringe Benefits	11,325,003	8,639,262	1,059,306	2,630,680	509,299	458,508	37,416	24,659,474	3,016,964	1,955,978	4,972,942	12,823		11,973	625,853	3,235,065	105,480		33,623,610
Internal Costs	10,400,120	7,983,237	916,912	2,427,334	460,757	417,865	32,155	22,638,380	2,465,735	1,674,543	4,140,278	10,638		9,933	429,788	1,587,313	14,151		28,830,482
Expenditures	141,221,938	107,203,962	13,816,895	32,221,871	6,233,133	5,492,557	475,330	306,665,686	15,824,455	10,756,275	26,580,730	152,704		142,590	3,643,981	7,574,188	119,631		344,879,510
Operating Net Income	4,749,953	10,647,140	(2,568,985)	(7,496,196)	(1,584,148)	681,629	95,327	4,524,720	(3,824,455)	(1,846,054)	(5,670,509)	(152,704)		(142,590)	(648,785)	(1,178,726)	(119,631)	2,000,000	(1,388,225)
Interest Income Distribution	208,560	74,647	140,355	226,507	62,855	8,282	2,540	723,747	376,352	308,669	685,020	23,578		(723)	28,869	(4,640)	20,518	(1,452,418)	23,951
Transfer Between FS	(633,105)	(429,021)		-				(1,062,126)	(226,784)	(164,223)	(391,007)					1,453,133			-
Net Assets	2,766,290	4,029,681	707,946	1,441,686	575,085	540,993	109,050	10,170,731	6,957,532	6,373,375	13,330,907	493,541	-	(88,778)	373,378	751,625	436,108	12,870,040	38,147,804
less:Renewables Dedicated									(101,910)	(223,600)	(325,510)								
Renewables funds yet to be dedicated for future periods									6,855,622	6,149,775	13,005,397								

	PGE	PAC	NWN IND	NWN	CNG	AVI	AVI Int	PGE	PAC	Total Renewables	NWN T	CNG T	AVI T	Washington
Reportable Energy	281,677,816	219,995,514	2,252,291	3,093,423	588,280	424,659	57,012	27,447,300	21,816,000	49,263,300	260,000		59,280	219,054

2023 - 2025 Detailed Income Statement

	2023		2024		2025	
	Approved Budget	Actual	Approved Budget	Year-end Forecast	Approved Budget	2025-25 Final Proposed
(41000) Revenue from Utilities	213,324,418	217,999,859	261,373,443	253,962,952	310,083,948	335,095,823
(42000) Contract Revenue	2,563,044	1,473,654	2,403,804	1,506,011	1,774,946	6,395,462
(43000) Grant Revenue	6,366	9,336	6,000	882		
(45000) Contributed Income		6,023		683		
(48000) Investment Income	249,996	3,223,521	1,500,000	4,217,968	1,500,000	2,000,000
(40000) Revenue	216,143,824	222,712,393	265,283,247	259,688,495	313,358,894	343,491,285
(71000) Incentives	112,336,058	123,122,595	161,445,804	166,888,225	170,527,948	184,060,951
(7010) Program Management	4,463,939	5,435,403	8,455,018	8,043,218	8,861,860	10,352,514
(7034) PMC Performance Compensation	571,000	36,127	941,000	825,000	838,000	970,000
(7040) Program Delivery	61,435,523	57,168,004	75,090,145	70,625,041	82,899,501	81,400,757
(7044) PMC Marketing	4,600,447	4,795,202	5,941,734	5,729,720	6,413,156	5,641,196
(72000) Program Delivery Contractors	71,070,909	67,434,736	90,427,897	85,222,979	99,012,517	98,364,467
(72100) Salaries	16,157,107	15,964,603	20,153,486	19,880,136	23,800,812	25,814,431
(7220) Payroll Taxes	1,244,097	1,210,942	1,555,735	1,597,031	1,837,288	1,943,973
(7230) Benefits	2,988,857	2,703,362	3,387,380	3,031,356	4,569,747	4,141,319
(7231) 401k Expense	969,426	887,507	1,216,591	1,163,870	1,435,715	1,548,866
(7234) Benefit Administrative Fees	86,546	91,790	95,000	94,999	95,000	95,000
(7235) Vacation Expense	104,589	82,492	487,690	323,754	192,341	60,021
(7270) Employee Recognition/Acknowledgment	37,000	31,143	40,000	40,000	40,000	20,000
(7271) Transportation- Taxable Fringe		0				
(73000) Employee Salaries & Fringe Benefits	21,587,623	20,971,839	26,935,883	26,131,146	31,970,904	33,623,610
(78010) Agency Contractor Services	2,097,171	1,054,114	2,127,692	1,475,099	1,460,508	1,752,131
(7450) Evaluation Services	3,378,573	1,580,045	3,539,288	2,712,541	3,935,010	3,910,000
(7455) Planning Services	571,302	490,783	622,000	541,750	682,926	622,897
(78020) Planning and Evaluation Services	3,949,875	2,070,827	4,161,288	3,254,291	4,617,936	4,532,897
(7560) Website Design & Maintenance	401,000	328,715	625,000	590,997	455,000	640,000
(7570) Public Relations	632,000	630,202	997,000	988,997	1,101,000	1,046,000
(7575) Creative Services	715,000	761,889	753,000	505,200	778,000	1,652,087
(7580) Media Advertising	1,549,000	1,214,083	1,400,000	1,212,998	1,707,000	1,130,000
(7582) Printed Collateral	151,000	184,589	240,000	138,000	243,000	209,000
(7585) Coop Marketing	165,000	137,871	165,000	145,000	165,000	165,000
(7590) Events Co-Sponsorship	393,000	337,829	561,000	432,999	588,400	634,400
(7600) Market Development/Research	150,000		155,000		160,000	210,000
(78030) Advertising and Marketing Services	4,156,000	3,595,178	4,896,000	4,014,191	5,197,400	5,686,487
(7039) Community Grants	150,000	153,550	20,000		200,000	200,000
(7250) Hiring Expenses	161,155	113,153	322,100	97,099	322,100	215,000
(7510) Accounting Services	70,000	98,495	75,000	129,999	102,000	104,469
(7530) Legal Services	34,000	23,368	63,000	15,000	48,000	48,000
(7550) Other Professional Services	6,405,404	3,283,181	9,624,829	6,359,023	10,124,096	10,403,459
(8425) Call Center	328,400	273,116	430,000	430,400	497,000	504,000
(78040) Other Professional Services	7,148,959	3,944,864	10,534,929	7,031,522	11,293,196	11,474,928
(8310) Travel	288,398	189,845	446,990	277,269	461,000	426,993
(8315) Travel Per Diem		19,413	21,916	18,155	23,991	21,434
(8510) Business Meetings	158,720	86,136	150,340	158,961	156,658	191,322
(8520) Conferences & Training	274,260	112,110	414,510	244,986	448,895	420,972
(78050) Travel, Meetings, Trainings & Conferences	721,378	407,504	1,033,756	699,371	1,090,544	1,060,721
(8910) Subscriptions & Memberships	275,439	176,253	317,335	273,023	339,915	308,000
(8920) Licenses and Fees	60,575	57,755	168,825	118,750	168,880	430,149
(78060) Dues, Licenses and Fees	336,014	234,008	486,160	391,773	508,795	738,149
(8110) Computer Equipment	87,820	153,594	136,220	102,214	129,502	192,562
(8115) Software	705,753	608,565	963,937	783,577	1,278,226	1,066,083
(8116) Software maintenance	98,230	245,179	475,208	475,206	429,589	294,492
(78070) Software and Hardware	891,803	1,007,338	1,575,365	1,360,996	1,837,317	1,553,137
(8150) Depreciation Expense	279,944	343,489	459,373	305,392	485,147	422,734
(78080) Depreciation & Amortization	279,944	343,489	459,373	305,392	485,147	422,734
(8010) Rent	1,106,000	899,092	1,136,707	1,136,635	1,169,160	1,169,160
(8020) Bldg Repair & Maintenance	20,000	21,783	30,000	29,998	30,000	70,000
(8030) Utilities	5,250	5,849	5,250	5,248	5,250	5,250
(8120) Equipment Maintenance	42,300	24,805	49,750	49,749	53,537	53,537
(8130) Office Equipment	11,000		11,000	10,997	11,000	15,000
(8710) Business Insurance	133,000	143,685	133,000	132,989	133,000	133,000
(78090) Office Rent and Equipment	1,317,550	1,095,214	1,365,707	1,365,616	1,401,947	1,445,947
(7710) Supplies	25,900	14,647	96,750	69,349	26,350	48,275
(7810) Telephone	27,400	21,279	31,400	30,999	31,780	32,627
(7830) Internet Services	29,000	20,104	30,400	30,398	31,164	34,200
(7910) Postage	27,500	9,478	14,870	10,870	26,900	23,900
(8210) Printing	14,050	8,349	12,800	12,100	12,900	16,800
(78100) Materials Postage and Telephone	123,850	73,857	186,220	153,716	129,094	155,802
(8620) Bank Fees	10,500	11,170	7,750	4,000	8,000	4,050
(8830) Miscellaneous Project Expense	4,000	10,726	4,020	520	4,030	3,500
(78110) Miscellaneous Expenses	14,500	21,896	11,770	4,520	12,030	7,550
(78000) Internal Costs	21,037,044	13,848,288	26,838,260	20,056,487	28,033,914	28,830,482
(70000) Expenditures	226,031,634	225,377,459	305,647,844	298,298,837	329,545,283	344,879,510
(40) Net Income	(9,887,810)	(2,665,066)	(40,364,597)	(38,610,343)	(16,186,389)	(1,364,274)

Energy Trust of Oregon
Administrative Cost Organization Wide vs. Subject to OPUC Performance Measure - 2025
Year 2025

		2025 2025-25 Final Proposed		2024 Year-end Forecast		2024 Approved Budget	
		OPUC Programs	Total Company	OPUC Programs	Total Company	OPUC Programs	Total Company
1	Incentives	180,352,309	184,060,951	164,666,691	166,888,225	158,539,274	161,445,804
2	Program Delivery Contractors	96,483,032	98,364,467	83,816,135	85,222,979	89,036,903	90,427,897
3	Employee Salaries & Fringe Benefits	14,275,373	17,267,736	11,924,133	12,968,353	12,581,927	13,580,312
4	Services	16,803,458	18,152,869	11,572,348	11,815,523	15,937,523	16,559,789
5	Total Program Direct Costs	307,914,172	317,846,023	271,979,306	276,895,081	276,095,628	282,013,802
6	Program Support (under GAAP, program / under OPUC, support)	6,143,310	7,181,588	5,429,790	5,898,852	6,007,342	6,453,807
7	Communications and General Outreach	7,823,379	8,093,672	5,846,541	5,947,626	6,656,786	6,805,909
8	Management & General	11,365,554	11,758,227	9,394,843	9,557,278	10,147,015	10,374,326
9	Total Administrative	19,188,933	19,851,899	15,241,384	15,504,904	16,803,801	17,180,235
10	Total Administrative and Program Support	25,332,243	27,033,487	20,671,174	21,403,756	22,811,144	23,634,042
11	Total Expenditures	333,246,416	344,879,510	292,650,480	298,298,837	298,906,772	305,647,844
12	Total Revenue	332,100,627	343,491,285	249,707,021	259,688,495	256,225,431	265,283,247
	Programs (rows 5 + 6)	314,057,482	325,027,611	278,337,347	283,621,137	282,102,970	288,467,609
	Administration (row 9)	19,188,933	19,851,899	16,203,651	16,487,246	16,803,801	17,180,235
	Administrative percent of total Expenditure	5.8%	5.8%	5.5%	5.5%	5.6%	5.6%

Expenditures by Major Program and Utility

2024 Q3 Year-End Forecast

		Electric	Natural Gas	PGE	PGE LMI	PacificPower	PAC LMI	NWN - Industrial	NW Natural	Cascade Natural Gas	Avista Gas	AVI Interruptible	OPUC	NWN Transport	AVI Transport	Washington	All Funding Sources
Expenditures	Existing Buildings with MF		17,379,771	47,149,072	0	34,192,828	0	5,290,099	8,379,160	1,960,979	1,586,752	162,780	98,721,671	(0)	30,137		$ 98,751,807
	New Buildings	16,712,595	1,190,987	11,546,595		5,166,001		78,011	896,893	125,062	91,022		17,903,583		(0)		$ 17,903,583
	NEEA Commercial	3,866,060	747,581	2,242,314		1,623,745			589,941	76,435	81,206		4,613,641				$ 4,613,641
	Industry and Agriculture	58,336,359	6,083,969	34,300,955		24,035,403		4,282,269	661,662	500,627	163,798	475,612	64,420,328	75,000	216,692		$ 64,712,020
	NEEA - Industrial	77,398		44,891		32,507							77,398				$ 77,398
	Residential	54,659,176	23,662,895	30,550,888	0	24,108,288	0		18,165,613	2,010,025	3,487,256		78,322,071				$ 78,322,071
	NEEA Residential	3,606,881	657,608	2,091,991		1,514,891			518,940	67,235	71,433		4,264,490				$ 4,264,490
	OPUC Efficiency	**218,600,369**	**49,722,811**	**127,926,706**	**0**	**90,673,663**	**0**	**9,650,380**	**29,212,209**	**4,740,363**	**5,481,468**	**638,391**	**268,323,180**	**75,000**	**246,829**		**$ 268,645,009**
	OPUC Renewables	**24,327,300**		**8,851,636**	**6,264,837**	**4,812,775**	**4,398,052**						**24,327,300**				**$ 24,517,048**
	Commercial Washington															1,344,759	$ 1,344,759
	Residential Washington															1,713,348	$ 1,713,348
	Washington															**3,058,106**	**$ 3,058,106**
	LMI																$ 0
	Community Solar																$ 418,413
	PGE Smart Battery																$ 581,569
	NREL Program																$ -
	SALMON Program																$ 333,447
	FEMA Program																$ 73,263
	PGE Inverter																$ 10,405
	ODOE Cooling																$ 410,443
	FlexFeeder																$ 83,818
	Solar for All																$ 99,229
	Programs	**242,927,669**	**49,722,811**	**136,778,342**	**6,264,837**	**95,486,438**	**4,398,052**	**9,650,380**	**29,212,209**	**4,740,363**	**5,481,468**	**638,391**	**292,650,480**	**75,000**	**246,829**	**3,058,106**	**$ 298,230,753**
	Functional Activities																$ 68,084
	Total Company	**$ 242,927,669**	**$ 49,722,811**	**$ 136,778,342**	**$ 6,264,837**	**$ 95,486,438**	**$ 4,398,052**	**$ 9,650,380**	**$ 29,212,209**	**$ 4,740,363**	**$ 5,481,468**	**$ 638,391**	**$ 292,650,480**	**$ 75,000**	**$ 246,829**	**$ 3,058,106**	**$ 298,298,837**
Incentives	Existing Buildings with MF	43,555,703	8,589,192	24,759,711		18,795,992		2,752,776	4,247,091	839,452	686,217	63,655	52,144,895		30,137		$ 52,175,032
	New Buildings	6,291,052	458,596	4,348,477		1,942,575		35,524	339,014	47,235	36,824		6,749,649				$ 6,749,649
	Industry and Agriculture	39,135,920	4,001,815	22,705,546		16,430,374		2,737,537	457,717	296,981	122,151	387,429	43,137,735	-	166,646		$ 43,304,381
	Residential	33,345,505	14,098,018	19,303,058		14,042,447			10,845,101	1,245,415	2,007,501		47,443,523				$ 47,443,523
	OPUC Efficiency	**122,328,181**	**27,147,621**	**71,116,792**		**51,211,389**		**5,525,836**	**15,888,923**	**2,429,084**	**2,852,693**	**451,084**	**149,475,802**	**-**	**196,783**		**$ 149,672,585**
	OPUC Renewables	**15,190,889**		**5,450,311**	**3,981,288**	**2,955,402**	**2,803,888**						**15,190,889**				**$ 15,190,889**
	Commercial Washington															440,941	$ 440,941
	Residential Washington															897,457	$ 897,457
	Washington															**1,338,398**	**$ 1,338,398**
	PGE Smart Battery																$ 509,770
	PGE Inverter																$ 1,750
	ODOE Cooling																$ 170,000
	FlexFeeder																$ 4,833
	Programs	**137,519,070**	**27,147,621**	**76,567,103**	**3,981,288**	**54,166,791**	**2,803,888**	**5,525,836**	**15,888,923**	**2,429,084**	**2,852,693**	**451,084**	**164,666,691**	**-**	**196,783**	**1,338,398**	**$ 166,888,225**
	Total Company	**$ 137,519,070**	**$ 27,147,621**	**$ 76,567,103**	**$ 3,981,288**	**$ 54,166,791**	**$ 2,803,888**	**$ 5,525,836**	**$ 15,888,923**	**$ 2,429,084**	**$ 2,852,693**	**$ 451,084**	**$ 164,666,691**	**$ -**	**$ 196,783**	**$ 1,338,398**	**$ 166,888,225**
Program Delivery Contractors	Existing Buildings with MF	27,694,948	6,641,921	16,540,064	0	11,154,885	0	1,883,310	3,096,154	879,092	704,365	79,000	34,336,870	-	(0)		$ 34,336,870
	New Buildings	7,343,435	494,263	5,071,478		2,271,957		26,890	378,553	52,822	35,999		7,837,698		-		$ 7,837,698
	NEEA Commercial	3,604,028	696,912	2,090,336		1,513,692			549,956	71,254	75,702		4,300,940				$ 4,300,940
	Industry and Agriculture	11,097,138	1,241,758	6,830,783		4,266,355		953,210	112,548	134,493	19,022	22,485	12,338,896	75,000	50,046		$ 12,463,942
	NEEA - Industrial	73,374		42,557		30,817							73,374				$ 73,374
	Residential	13,029,220	6,126,070	6,687,851	0	6,341,368	0		4,674,325	474,797	976,949		19,155,290				$ 19,155,290
	NEEA Residential	3,357,754	612,187	1,947,497		1,410,257			483,097	62,591	66,499		3,969,941				$ 3,969,941
	OPUC Efficiency	**66,199,897**	**15,813,112**	**39,210,566**	**0**	**26,989,331**	**0**	**2,863,410**	**9,294,633**	**1,675,048**	**1,878,536**	**101,485**	**82,013,010**	**75,000**	**50,046**		**$ 82,138,056**
	OPUC Renewables	**1,803,125**		**773,761**	**317,673**	**497,614**	**214,077**						**1,803,125**				**$ 1,992,874**
	Commercial Washington															573,729	$ 573,729
	Residential Washington															352,716	$ 352,716
	Washington															**926,446**	**$ 926,446**
	PGE Smart Battery																$ 21,512
	ODOE Cooling																$ 109,675
	FlexFeeder																$ 34,417
	Programs	**68,003,022**	**15,813,112**	**39,984,327**	**317,673**	**27,486,945**	**214,077**	**2,863,410**	**9,294,633**	**1,675,048**	**1,878,536**	**101,485**	**83,816,135**	**75,000**	**50,046**	**926,446**	**$ 85,222,979**
	Total Company	**$ 68,003,022**	**$ 15,813,112**	**$ 39,984,327**	**$ 317,673**	**$ 27,486,945**	**$ 214,077**	**$ 2,863,410**	**$ 9,294,633**	**$ 1,675,048**	**$ 1,878,536**	**$ 101,485**	**$ 83,816,135**	**$ 75,000**	**$ 50,046**	**$ 926,446**	**$ 85,222,979**

Internal Costs	Existing Buildings with MF	4,766,055	1,010,599	2,762,599	0	2,003,456	0	307,609	487,232	114,027	92,267	9,465	5,776,654	(0)	(0)		$ 5,776,654
	New Buildings	1,301,180	113,142	898,975		402,205		7,411	85,203	11,881	8,647		1,414,322		0		$ 1,414,322
	NEEA Commercial	78,010	15,085	45,246		32,764			11,904	1,542	1,639		93,095				$ 93,095
	Industry and Agriculture	3,464,727	356,390	2,037,210		1,427,516		250,849	38,759	29,326	9,595	27,861	3,821,117	0	(0)		$ 3,821,117
	NEEA - Industrial	1,322		767		555							1,322				$ 1,322
	Residential	3,720,897	1,457,731	2,009,251	0	1,711,646	0		1,125,349	121,532	210,850		5,178,628				$ 5,178,628
	NEEA Residential	73,696	13,436	42,744		30,952			10,603	1,374	1,460		87,132				$ 87,132
	OPUC Efficiency	**13,405,886**	**2,966,384**	**7,796,791**	**0**	**5,609,094**	**0**	**565,869**	**1,759,050**	**279,682**	**324,457**	**37,326**	**16,372,269**	**0**	**(0)**		**$ 16,372,269**
	OPUC Renewables	**3,117,450**		**1,109,742**	**823,426**	**606,220**	**578,063**						**3,117,450**				**$ 3,117,450**
	Commercial Washington															109,661	$ 109,661
	Residential Washington															177,943	$ 177,943
	Washington															**287,604**	**$ 287,604**
	LMI																$ 0
	Community Solar																$ 113,635
	PGE Smart Battery																$ 13,783
	SALMON Program																$ 64,877
	FEMA Program																$ 9,557
	PGE Inverter																$ 1,137
	ODOE Cooling																$ 35,860
	FlexFeeder																$ 5,996
	Solar for All																$ 12,054
	Programs	**16,523,336**	**2,966,384**	**8,906,533**	**823,426**	**6,215,314**	**578,063**	**565,869**	**1,759,050**	**279,682**	**324,457**	**37,326**	**19,489,720**	**0**	**(0)**	**287,604**	**$ 20,034,223**
	Functional Activities																$ 22,264
	Total Company	**$ 16,523,336**	**$ 2,966,384**	**$ 8,906,533**	**$ 823,426**	**$ 6,215,314**	**$ 578,063**	**$ 565,869**	**$ 1,759,050**	**$ 279,682**	**$ 324,457**	**$ 37,326**	**$ 19,489,720**	**$ 0**	**$ (0)**	**$ 287,604**	**$ 20,056,487**
Employee Salaries & Fringe Benefits																	
	Existing Buildings with MF	5,325,193	1,138,058	3,086,699	0	2,238,495	0	346,405	548,682	128,408	103,903	10,659	6,463,252	(0)	(0)		$ 6,463,252
	New Buildings	1,776,928	124,986	1,227,665		549,263		8,187	94,123	13,124	9,552		1,901,914		(0)		$ 1,901,914
	NEEA Commercial	184,022	35,584	106,733		77,289			28,081	3,638	3,865		219,606				$ 219,606
	Industry and Agriculture	4,638,574	484,005	2,727,416		1,911,158		340,673	52,638	39,827	13,031	37,837	5,122,579	(0)	(0)		$ 5,122,579
	NEEA - Industrial	2,702		1,567		1,135							2,702				$ 2,702
	Residential	4,563,554	1,981,076	2,550,727	0	2,012,827	0		1,520,839	168,281	291,956		6,544,630				$ 6,544,630
	NEEA Residential	175,432	31,985	101,750		73,681			25,240	3,270	3,474		207,417				$ 207,417
	OPUC Efficiency	**16,666,405**	**3,795,694**	**9,802,557**	**0**	**6,863,849**	**0**	**695,264**	**2,269,603**	**356,549**	**425,782**	**48,496**	**20,462,100**	**(0)**	**(0)**		**$ 20,462,100**
	OPUC Renewables	**4,215,835**		**1,517,822**	**1,142,450**	**753,539**	**802,025**						**4,215,835**				**$ 4,215,835**
	Commercial Washington															220,427	$ 220,427
	Residential Washington															285,231	$ 285,231
	Washington															**505,659**	**$ 505,659**
	LMI																$ 0
	Community Solar																$ 304,778
	PGE Smart Battery																$ 36,504
	NREL Program																$ -
	SALMON Program																$ 268,571
	FEMA Program																$ 63,706
	PGE Inverter																$ 7,519
	ODOE Cooling																$ 94,909
	FlexFeeder																$ 38,571
	Solar for All																$ 87,175
	Programs	**20,882,241**	**3,795,694**	**11,320,379**	**1,142,450**	**7,617,388**	**802,025**	**695,264**	**2,269,603**	**356,549**	**425,782**	**48,496**	**24,677,935**	**(0)**	**(0)**	**505,659**	**$ 26,085,326**
	Functional Activities																$ 45,820
	Total Company	**$ 20,882,241**	**$ 3,795,694**	**$ 11,320,379**	**$ 1,142,450**	**$ 7,617,388**	**$ 802,025**	**$ 695,264**	**$ 2,269,603**	**$ 356,549**	**$ 425,782**	**$ 48,496**	**$ 24,677,935**	**$ (0)**	**$ (0)**	**$ 505,659**	**$ 26,131,146**

Expenditures by Major Program and Utility

2025 Final Proposed Budget

		Electric	Natural Gas	PGE	PGE LMI	PacificPower	PAC LMI	NWN - Industrial	NW Natural	Cascade Natural Gas	Avista Gas	AVI Interruptible	OPUC	NWN Transport	AVI Transport	Washington	All Funding Sources
Expenditures	Existing Buildings with MF	95,529,071	19,778,508	51,430,179	3,380,038	38,325,614	2,393,239	7,708,188	9,098,066	1,824,279	949,891	198,085	115,307,579				$ 115,307,579
	New Buildings	21,215,057	2,091,757	9,512,003	2,342,646	8,026,712	1,333,696	71,777	1,567,623	295,469	150,467	6,421	23,306,814				$ 23,306,814
	NEEA Commercial	4,434,342	1,781,658	2,564,515		1,869,827			1,408,520	175,284	197,854		6,216,000				$ 6,216,000
	Industry and Agriculture	64,479,526	8,334,506	38,937,924	21,285	25,491,185	29,132	6,036,930	852,323	941,981	232,448	270,824	72,814,032	152,704	142,590		$ 73,109,326
	NEEA - Industrial	186,859		108,066		78,793							186,859				$ 186,859
	Residential	58,441,097	25,740,789	19,872,617	10,658,405	9,856,214	18,053,860		18,890,121	2,945,693	3,904,976		84,181,886				$ 84,181,886
	NEEA Residential	4,139,949	512,567	2,394,259		1,745,690			405,219	50,427	56,921		4,652,516				$ 4,652,516
	OPUC Efficiency	**248,425,900**	**58,239,786**	**124,819,565**	**16,402,374**	**85,394,034**	**21,809,928**	**13,816,895**	**32,221,871**	**6,233,133**	**5,492,557**	**475,330**	**306,665,686**	**152,704**	**142,590**		**$ 306,960,979**
	OPUC Renewables	**26,580,730**		**8,256,104**	**7,568,351**	**6,042,028**	**4,714,248**						**26,580,730**				**$ 26,580,730**
	Commercial Washington															1,575,906	$ 1,575,906
	Residential Washington															2,068,076	$ 2,068,076
	Washington															**3,643,981**	**$ 3,643,981**
	Community Solar																$ 402,009
	PGE Smart Battery																$ 74,500
	SALMON Program																$ 399,343
	FEMA Program																$ 1,489,265
	PGE Inverter																$ 1,695
	ODOE Cooling																$ 738,323
	FlexFeeder																$ 116,437
	Solar for All																$ 1,267,061
	DOE Homes																$ 1,044,419
	DOE HEAR																$ 1,017,940
	ODOE CHP – IVCanDO																$ 670,711
	ODOE CHP – NWU																$ 352,486
	Programs	**275,006,630**	**58,239,786**	**133,075,668**	**23,970,724**	**91,436,062**	**26,524,175**	**13,816,895**	**32,221,871**	**6,233,133**	**5,492,557**	**475,330**	**333,246,416**	**152,704**	**142,590**	**3,643,981**	**$ 344,759,879**
	Functional Activities																$ 119,631
	Total Company	**$ 275,006,630**	**$ 58,239,786**	**$ 133,075,668**	**$ 23,970,724**	**$ 91,436,062**	**$ 26,524,175**	**$ 13,816,895**	**$ 32,221,871**	**$ 6,233,133**	**$ 5,492,557**	**$ 475,330**	**$ 333,246,416**	**$ 152,704**	**$ 142,590**	**$ 3,643,981**	**$ 344,879,510**
Incentives	Existing Buildings with MF	52,284,137	9,868,159	27,693,596	1,766,403	21,535,194	1,288,944	3,740,925	4,611,965	924,758	481,516	108,995	62,152,296				$ 62,152,296
	New Buildings	8,107,956	799,672	3,632,526	902,317	3,059,413	513,700	29,004	596,098	112,354	57,216	5,000	8,907,628				$ 8,907,628
	Industry and Agriculture	41,476,753	5,687,514	25,073,510		16,403,243		4,151,890	589,061	601,182	165,381	180,000	47,164,267	125,000	116,721		$ 47,405,988
	Residential	32,434,678	14,092,200	11,344,052	5,771,045	5,544,231	9,775,350		10,333,358	1,624,054	2,134,788		46,526,878				$ 46,526,878
	OPUC Efficiency	**134,303,524**	**30,447,545**	**67,743,684**	**8,439,765**	**46,542,081**	**11,577,994**	**7,921,819**	**16,130,482**	**3,262,348**	**2,838,901**	**293,995**	**164,751,069**	**125,000**	**116,721**		**$ 164,992,790**
	OPUC Renewables	**15,601,240**		**4,657,190**	**4,580,000**	**3,564,050**	**2,800,000**						**15,601,240**				**$ 15,601,240**
	Commercial Washington															541,054	$ 541,054
	Residential Washington															1,131,289	$ 1,131,289
	Washington															**1,672,343**	**$ 1,672,343**
	PGE Smart Battery																$ 50,220
	FEMA Program																$ 260,780
	ODOE Cooling																$ 363,300
	FlexFeeder																$ 109,042
	Solar for All																$ 46,957
	ODOE CHP – IVCanDO																$ 632,090
	ODOE CHP – NWU																$ 332,189
	Programs	**149,904,764**	**30,447,545**	**72,400,874**	**13,019,765**	**50,106,131**	**14,377,994**	**7,921,819**	**16,130,482**	**3,262,348**	**2,838,901**	**293,995**	**180,352,309**	**125,000**	**116,721**	**1,672,343**	**$ 184,060,951**
	Total Company	**$ 149,904,764**	**$ 30,447,545**	**$ 72,400,874**	**$ 13,019,765**	**$ 50,106,131**	**$ 14,377,994**	**$ 7,921,819**	**$ 16,130,482**	**$ 3,262,348**	**$ 2,838,901**	**$ 293,995**	**$ 180,352,309**	**$ 125,000**	**$ 116,721**	**$ 1,672,343**	**$ 184,060,951**
Program Delivery Contractors	Existing Buildings with MF	30,208,880	7,260,140	16,718,337	1,152,389	11,560,444	777,710	2,934,409	3,267,011	655,078	341,095	62,548	37,469,020				$ 37,469,020
	New Buildings	8,626,084	829,216	3,870,364	945,518	3,271,907	538,295	26,890	624,638	117,733	59,955		9,455,300				$ 9,455,300
	NEEA Commercial	4,109,860	1,651,286	2,376,857		1,733,002			1,305,452	162,457	183,376		5,761,146				$ 5,761,146
	Industry and Agriculture	13,037,364	1,366,523	7,846,499	17,995	5,148,241	24,629	957,558	132,315	196,079	31,355	49,216	14,403,888	4,243	3,962		$ 14,412,093
	NEEA - Industrial	176,100		101,844		74,256							176,100				$ 176,100
	Residential	15,801,151	7,262,468	5,041,975	3,035,074	2,583,107	5,140,995		5,330,515	822,910	1,109,044		23,063,620				$ 23,063,620
	NEEA Residential	3,815,316	472,374	2,206,514		1,608,802			373,444	46,473	52,458		4,287,690				$ 4,287,690
	OPUC Efficiency	**75,774,754**	**18,842,008**	**38,162,389**	**5,150,977**	**25,979,759**	**6,481,629**	**3,918,857**	**11,033,374**	**2,000,730**	**1,777,283**	**111,764**	**94,616,762**	**4,243**	**3,962**		**$ 94,624,968**
	OPUC Renewables	**1,866,270**		**802,738**	**301,828**	**520,865**	**240,840**						**1,866,270**				**$ 1,866,270**
	Commercial Washington															585,165	$ 585,165
	Residential Washington															330,832	$ 330,832
	Washington															**915,997**	**$ 915,997**
	PGE Smart Battery																$ 7,200
	ODOE Cooling																$ 120,000
	DOE Homes																$ 415,016
	DOE HEAR																$ 415,016
	Programs	**77,641,024**	**18,842,008**	**38,965,126**	**5,452,804**	**26,500,624**	**6,722,469**	**3,918,857**	**11,033,374**	**2,000,730**	**1,777,283**	**111,764**	**96,483,032**	**4,243**	**3,962**	**915,997**	**$ 98,364,467**
	Total Company	**$ 77,641,024**	**$ 18,842,008**	**$ 38,965,126**	**$ 5,452,804**	**$ 26,500,624**	**$ 6,722,469**	**$ 3,918,857**	**$ 11,033,374**	**$ 2,000,730**	**$ 1,777,283**	**$ 111,764**	**$ 96,483,032**	**$ 4,243**	**$ 3,962**	**$ 915,997**	**$ 98,364,467**

Internal Costs	Existing Buildings with MF	6,292,398	1,252,140	3,387,651	222,640	2,524,467	157,640	487,991	575,982	115,492	60,136	12,540	7,544,538				$ 7,544,538
	New Buildings	2,240,164	243,734	1,004,402	247,367	847,565	140,829	8,364	182,661	34,428	17,533	748	2,483,898				$ 2,483,898
	NEEA Commercial	105,218	42,275	60,851		44,367			33,421	4,159	4,695		147,493				$ 147,493
	Industry and Agriculture	4,554,252	580,616	2,750,224	1,503	1,800,467	2,058	420,558	59,376	65,622	16,193	18,867	5,134,868	10,638	9,933		$ 5,155,440
	NEEA - Industrial	3,686		2,132		1,554							3,686				$ 3,686
	Residential	5,083,840	2,123,407	1,745,073	918,247	865,136	1,555,383		1,565,734	239,792	317,881		7,207,247				$ 7,207,247
	NEEA Residential	103,798	12,851	60,030		43,768			10,160	1,264	1,427		116,649				$ 116,649
	OPUC Efficiency	**18,383,357**	**4,255,024**	**9,010,363**	**1,389,757**	**6,127,327**	**1,855,910**	**916,912**	**2,427,334**	**460,757**	**417,865**	**32,155**	**22,638,380**	**10,638**	**9,933**		**$ 22,658,952**
	OPUC Renewables	**4,140,278**		**1,286,612**	**1,179,124**	**940,078**	**734,464**						**4,140,278**				**$ 4,140,278**
	Commercial Washington															167,534	$ 167,534
	Residential Washington															262,254	$ 262,254
	Washington															**429,788**	**$ 429,788**
	Community Solar																$ 114,752
	PGE Smart Battery																$ 2,858
	SALMON Program																$ 105,448
	FEMA Program																$ 828,581
	PGE Inverter																$ 230
	ODOE Cooling																$ 122,177
	FlexFeeder																$ 2,458
	Solar for All																$ 236,081
	DOE Homes																$ 78,757
	DOE HEAR																$ 75,785
	ODOE CHP – IVCanDO																$ 13,232
	ODOE CHP – NWU																$ 6,954
	Programs	**22,523,635**	**4,255,024**	**10,296,974**	**2,568,881**	**7,067,405**	**2,590,374**	**916,912**	**2,427,334**	**460,757**	**417,865**	**32,155**	**26,778,658**	**10,638**	**9,933**	**429,788**	**$ 28,816,331**
	Functional Activities																$ 14,151
	Total Company	**$ 22,523,635**	**$ 4,255,024**	**$ 10,296,974**	**$ 2,568,881**	**$ 7,067,405**	**$ 2,590,374**	**$ 916,912**	**$ 2,427,334**	**$ 460,757**	**$ 417,865**	**$ 32,155**	**$ 26,778,658**	**$ 10,638**	**$ 9,933**	**$ 429,788**	**$ 28,830,482**
Employee Salaries & Fringe Benefits	Existing Buildings with MF	6,743,656	1,398,068	3,630,596	238,606	2,705,509	168,945	544,863	643,108	128,951	67,144	14,002	8,141,724				$ 8,141,724
	New Buildings	2,240,854	219,134	1,004,711	247,443	847,826	140,873	7,519	164,226	30,954	15,763	673	2,459,988				$ 2,459,988
	NEEA Commercial	219,264	88,097	126,807		92,457			69,647	8,667	9,783		307,361				$ 307,361
	Industry and Agriculture	5,411,156	699,853	3,267,691	1,786	2,139,234	2,445	506,924	71,570	79,099	19,519	22,741	6,111,009	12,823	11,973		$ 6,135,805
	NEEA - Industrial	7,073		4,091		2,983							7,073				$ 7,073
	Residential	5,121,427	2,262,714	1,741,517	934,039	863,740	1,582,132		1,660,514	258,938	343,262		7,384,141				$ 7,384,141
	NEEA Residential	220,835	27,342	127,716		93,120			21,615	2,690	3,036		248,177				$ 248,177
	OPUC Efficiency	**19,964,265**	**4,695,208**	**9,903,129**	**1,421,874**	**6,744,868**	**1,894,395**	**1,059,306**	**2,630,680**	**509,299**	**458,508**	**37,416**	**24,659,474**	**12,823**	**11,973**		**$ 24,684,270**
	OPUC Renewables	**4,972,942**		**1,509,565**	**1,507,399**	**1,017,034**	**938,943**						**4,972,942**				**$ 4,972,942**
	Commercial Washington															282,153	$ 282,153
	Residential Washington															343,700	$ 343,700
	Washington															**625,853**	**$ 625,853**
	Community Solar																$ 287,257
	PGE Smart Battery																$ 14,221
	SALMON Program																$ 293,894
	FEMA Program																$ 399,904
	PGE Inverter																$ 1,465
	ODOE Cooling																$ 132,846
	FlexFeeder																$ 4,937
	Solar for All																$ 984,023
	DOE Homes																$ 550,646
	DOE HEAR																$ 527,139
	ODOE CHP – IVCanDO																$ 25,389
	ODOE CHP – NWU																$ 13,343
	Programs	**24,937,207**	**4,695,208**	**11,412,694**	**2,929,274**	**7,761,902**	**2,833,338**	**1,059,306**	**2,630,680**	**509,299**	**458,508**	**37,416**	**29,632,416**	**12,823**	**11,973**	**625,853**	**$ 33,518,130**
	Functional Activities																$ 105,480
	Total Company	**$ 24,937,207**	**$ 4,695,208**	**$ 11,412,694**	**$ 2,929,274**	**$ 7,761,902**	**$ 2,833,338**	**$ 1,059,306**	**$ 2,630,680**	**$ 509,299**	**$ 458,508**	**$ 37,416**	**$ 29,632,416**	**$ 12,823**	**$ 11,973**	**$ 625,853**	**$ 33,623,610**

Capital Expenditure Budget

Description	Useful Lives / Depreciation Policy	2025
Information Systems		
Servers and Storage	3 Years	$ 103,200.00
Computer Equipment	3 Years	$ 271,000.00
Leasehold Improvements	Remaining term of the underlying lease	$ 262,000.00
TOTAL CAPITAL PURCHASES		$ 636,200.00

Executive Summary

Energy Trust's 2025 Action Plan highlights strategies and activities for all programs, program support groups and general management to accomplish the following goals and associated energy savings and generation.

1. Customers will save and generate energy and reduce costs in 2025 and beyond due to investments in clean energy programs, including those designed to meet the needs of customers the organization has historically underserved.
2. 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.
3. Community-based organizations will have opportunities to bring clean energy benefits to their communities by partnering with Energy Trust to deliver programs and accessing small grants, training, mentorship and connections.
4. 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.

Context

Energy Trust's 2025 Budget and Action Plan is the last annual budget before the organization shifts to five-year planning, with the first multiyear plan created in 2025 for 2026-2030. This budget prepares the organization to achieve aggressive energy savings goals during that five-year period.

Our utility partners are required to meet ambitious decarbonization targets set by the state while continuing to provide safe, reliable energy to customers. Energy efficiency is a low cost, reliable energy resource, and Energy Trust will seek to achieve as much energy savings as possible in the coming years to help utilities meet their 2030 targets. Distributed energy resources like solar, hydropower and biopower are also critical to a decarbonizing energy system, especially when paired with battery systems. We will coordinate closely with utilities in areas that intersect with our work, such as load flexibility, decarbonization, demand side management, distribution system planning and equity.

To deliver additional energy efficiency by 2030, Energy Trust must expand and evolve programs, build out necessary market infrastructure and invest in relationships with partners in 2025. These continued investments, building on efforts in 2024, will result in much greater energy savings in future years.

Several new market dynamics emerged in 2024 that will shape budget and activity for 2025. That includes several new savings opportunities for business lighting, manufactured home replacements, and commercial and industrial megaprojects. Customer demand for some offers, such as commercial and industrial lighting upgrades, exceeded expectations in 2024 and is expected to contribute significant savings in 2025.

Significant utility rate increases that went into effect in 2024 and are expected to continue in future years, making energy more expensive for customers. Coupled with continued high inflation and rising cost of living, some customers are struggling to pay their utility bills and utility disconnections rose to their highest levels since tracking began in 2021. High utility costs are a strong motivator for many customers to make energy efficiency upgrades, which drove up participation in 2024 and is expected to drive participation in 2025.

Programs authorized by the federal Inflation Reduction Act and other recent legislation are beginning to hit the market and create new opportunities. A significant portion of the 2025 complementary funding will be used to develop and design several large programs that are expected to launch in 2026: Solar for All and the Home Energy Rebate programs (HOMES and HEAR). Due to this, program delivery and resulting savings and generation will be minor in 2025 and will increase starting in 2026. Most of the complementary funds included in the 2025 budget will be directed to customers with low incomes.

Action Plan Table of Contents

General Management

Key Contact: Michael Colgrove, Executive Director

Programs

Key Contact: Tracy Scott, Director of Energy Programs

Program Support Groups

General Management

The general management group represents the executive, legal, finance, human resources, innovation and development, project management, facility operations, board services and organizational development functions at Energy Trust. It provides leadership to support Energy Trust's strategic goals and operations.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- More funding associated with recent federal and state legislation is expected to become available in 2025.
- 2025 is the first year operating under the new Energy Trust 2025-2030 Strategic Plan.

2025 Significant Activities

- Pursue new federal funding, in coordination with Oregon Department of Energy and others, to maximize savings, generation and benefits for low- and moderate-income customers and rural communities.
- Collaborate with other agencies and organizations that are administering complementary funding programs to pair federal, state and local funding with ratepayer programs. Integrate new funding sources and requirements into our existing program and incentive administration infrastructure to efficiently deliver complementary funds to customers in conjunction with ratepayer incentives.
- Develop the first Energy Trust Multiyear Plan to outline activities the organization will undertake and the resources needed to achieve 2025-2030 Strategic Plan outcomes.
- Establish new energy targets to support utilities in delivering as much cost-effective clean energy to customers as possible by 2030. These long-range targets will be derived from foundational work begun in 2024 and included in the Multiyear Plan.
- Adopt a rolling forecast methodology as part of multiyear planning that compares actual and expected performance, for a six-quarter forward period, against outcomes expected in our Multiyear Plan. This methodology replaces our current annual budgeting process.
- Move Energy Trust into a new office space that is aligned with our organizational needs.
- Select and implement project and portfolio management software that will help standardize projects and allow stronger portfolio management and real-time status reporting across the portfolio of projects.
- Implement the new agreement between the Oregon Public Utility Commission (OPUC) and Energy Trust, including collaboration with OPUC staff where needed.
- Recruit and onboard additional employees into the organization to enable Energy Trust to reach ambitious savings and generation goals and administer new complementary funding sources.
- Implement a comprehensive manager training program to support alignment with updated values, establish consistent management skills that foster an inclusive environment, and equip managers to effectively coach and develop their staff.
- Develop and implement initiatives to respond to employee engagement survey and support our updated values, reinforcing an inclusive and equitable employee experience across the organization.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$9.9	$10.9

**Excludes Diversity, Equity, and Inclusion (DEI) spending. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Diversity, Equity and Inclusion

Energy Trust's Diversity, Equity and Inclusion (DEI) Services team supports organization-wide efforts to better serve customer groups we have historically underserved through our efficiency and renewable energy programs by promoting diversity, equity and inclusion. These efforts extend beyond program changes to include staff development and training, creating more cultural awareness and using community engagement more extensively to better understand and partner with priority customers, who are communities of color, rural customers, customers experiencing low- to moderate-incomes, women-owned businesses and businesses owned by people of color. To develop trusting relationships with customers, Energy Trust must build its capability to approach and pursue relationships in ways that demonstrate its commitment and support engagement in clean energy solutions.

The information and budget figures provided below are not a comprehensive accounting of all diversity, equity and inclusion activities or investments. Program and support group activities implemented throughout the organization are integrated into program and support group action plans and are not called out separately in this budget.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- New sources of federal and state funding that support customers experiencing low- to moderate-incomes will increasingly become available.
- Demands for greater energy efficiency and renewable energy resources through 2030 will require new partners to reach and serve customers. Many of these partners will be culturally specific community-based organizations.
- Additionally, this greater demand will require the engagement of new customers and customer segments in the clean energy market as well as the deepening of current customer participation.

2025 Significant Activities

- Establish and manage an Energy Trust Equity Plan as described in Energy Trust's agreement with the OPUC. This plan provides a comprehensive, strategic framework for Energy Trust's diversity, equity and inclusion initiative to better serve our historically underserved customers.
- Collaborate with People Services to develop and implement a training and development program for staff to support their growth in cultural awareness as we engage new customers. Focus areas include unconscious bias, cultural competence and inclusive leadership.
- Support People Services in design and implementation of inclusive leadership development programs aimed at helping leaders at all levels understand and champion DEI initiatives.
- Consult and advise People Services on developing and implementing policies that ensure diverse hiring panels and practices, ensuring that the performance review process is free from bias, and conducting regular audits to ensure equitable pay across gender, race, and other diversity categories.
- Support outreach activities with priority and environmental justice communities to support equity initiatives and promote energy efficient strategies.
- Collaborate with external organizations to bring in expertise and support for DEI efforts.
- Establish new and reinforce existing systems of accountability and measuring the progress of DEI efforts, including creating dashboards to track and report on key DEI metrics such as workforce diversity, community engagement and employee retention rates.
- Celebrate diversity by organizing events and activities that celebrate various cultural, racial, and identity-based milestones (e.g., Black History, AAPI. Hispanic Heritage, Women's, Indigenous, Veteran, Disability and Pride Months).

- Provide platforms such as focus groups and surveys for employees to voice concerns, share experiences and suggest improvements related to DEI.
- Continue to expand the DEI Services team to support the increased needs of the organization by adding one additional full-time staff member.
- Continue building new capacity within the market by working with our internal workforce development working group to develop a strategy that strengthens DEI objectives in our workforce development efforts.
- Create additional support and structure for the Diversity Advisory Council to better develop the council's ability to advise the organization on working with customers we have historically underserved.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans. DEI Services provides support for all of Energy Trust. These services tend to be broad and encompass a range of activities designed to promote DEI throughout the entire organization. There are utility-specific DEI activities planned with other groups within Energy Trust that are not necessarily coordinated through DEI Services, but DEI Services remains prepared to develop and coordinate activities with any utility that sees an opportunity in the activities described above.

Budgeted Expenditures

	2024 Budget	2025 Budget
Total Expenditures (millions)* DEI action plan activities only	$0.5	$0.8

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

General Marketing, Communications and Customer Service

The marketing and communications team creates and strengthens customer and stakeholder awareness of Energy Trust.

The communications team informs stakeholders and the public of the value of clean energy and Energy Trust's activities through content development and public relations, demonstrates transparency and accountability through public reporting and responding to requests for information, supports staff engagement through internal communications, and communicates progress toward diversity, equity and inclusion objectives.

The marketing and creative services team increases customer access to information and incentives through management of our website, social media, forms and translation services and expands the organization's reach to new customers through brand campaigns and the production of materials supporting targeted outreach.

The customer service and trade ally team supports a consistent, positive customer experience and ensures contractor access to offers, training and customer leads with a focus on greater engagement with contractors of color and women contractors. Staff manage Energy Trust's contracted customer call center, including complaint resolution and quality control standards. Trade Ally Network support includes enrollment, business development fund processing, trade ally benefits and resources and online tools.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- In 2024, development of Energy Trust's Multiyear Plan will require communications support and create opportunities for stakeholder engagement and public relations.
- The Innovation and Development Team's pursuit of new funding will create new and more complex reporting obligations and require customer experience and brand marketing support to ensure a consistent and effective customer experience across new offers.
- As the organization's programs accelerate reach to underserved customer groups, marketing, communications and customer service teams help the organization articulate these changes to stakeholders and customers. To support acceleration of savings, Energy Trust will need to invest in building a pipeline of new trade ally contractors and build capacity within existing trade allies, especially in rural areas.

2025 Significant Activities

- Create new reports and centralize reporting processes for new contract- and grant-funded programs and activities.
- Develop and manage a more comprehensive internal communications program to inform and engage staff in a remote environment as the organization onboards new staff and expands operations and programs.
- Continue developing a unified brand experience for customers and contractors across all Energy Trust activities through training; staff culture enhancements; alignment and increase of public relations, social media and targeted advertising activities; and an enhanced and coordinated in-person event experience.
- Implement a new creative services contracting strategy through partnership with program marketing to coordinate awareness campaign strategy and delivery across all customer segments. Integration of marketing activities supports the organization's acceleration and expansion of services, allowing staff to approach the customer's journey from a more holistic standpoint and present the brand as a unified and simplified Energy Trust that can help them navigate any energy challenge.
- Finalize Energy Trust's trades workforce strategy that will help identify and guide investments in this space over the next 3-5 years. Continue implementing and evolving contractor development offers to help trade allies build their capacity and complete more projects.
- Enhance the website user experience for community-based organizations by launching an updated "Communities" website segment. Make the homepage more effective by optimizing for organic and brand campaign traffic and enable customized program information pathways through new tools and user experience updates.
- Lead development of a new customer sentiment monitoring approach. Customer sentiment monitoring will inform the organization's progress towards creating a consistent and positive customer experience, which is especially

important as programs accelerate savings and launch new offers and partnerships. Implement a system to address online reputation management and support communication of positive customer experiences.

- Increase our ability to provide bi-lingual customer service across all programs by adding one new Spanish speaking representative to the main call center.

Budgeted Expenditures

Total Expenditures (millions)*	2024 Budget	2025 Budget
General Marketing and Communications	$3.6	$4.2
Customer Service/Trade Ally	$1.5	$1.7

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Outreach and Policy Services

Outreach and Policy Services staff serve and engage customers, communities, tribal communities, stakeholders and policymakers across the state and enable effective coordination with the Oregon Public Utility Commission (OPUC) and utility partners.

Community-based staff support the organization in reaching all utility customers, especially those in communities of color, customers with low incomes and people living in rural areas. Staff develop partnerships and community-based organization relationships, identify barriers to services and provide general clean energy information, opportunities to receive technical support and incentives, support for accessing clean energy rebuilding and community resiliency solutions, and connections to local organizations and contractors that can serve them.

Within our non-advocacy role, staff serve as a resource for policymakers, implementers and stakeholders working at local, state and national levels. This includes monitoring regulatory proceedings at the state level and policy discussions at the federal, state and local levels, and providing information about how energy efficiency and renewable energy can contribute to efforts to reduce greenhouse gas emissions, lower customer bills and energy burdens, improve health outcomes and improve community resiliency.

The community services budget provides resources to work with community-based organizations and communities to expand customer participation in programs and inform program design. Additionally, staff coordinate with communities to support their creation and implementation of community-specific energy, sustainability and resiliency plans while helping identify energy efficiency and renewable energy opportunities within those plans.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Community-based organizations, municipalities and tribal governments remain critical in expanding awareness and participation in their communities. Many partners and communities remain concerned with increasing energy and other costs.
- The OPUC, partner utilities, stakeholders and policy makers will continue to explore the ways Energy Trust, energy efficiency, small-scale renewable energy and battery storage investments can contribute to their energy, resiliency and climate goals.
- State agencies, utilities and Energy Trust will continue their heightened focus on convening and gathering input from diverse community members and stakeholders on implementing, navigating and coordinating across multiple existing and new federal, state and local funding opportunities for energy efficiency, solar and resiliency programs.

2025 Significant Activities

- Adjust team priorities and activities in alignment with the 2025-2030 Strategic Plan and the organizational equity plan required by the OPUC.
- Expand relationships, regional coordination and community partnerships across Energy Trust service area with regionally based outreach staff in Eastern Oregon, Central Oregon, Southern Oregon, Willamette Valley/Coast and Portland Metro. These staff serve as managers for hundreds of existing relationships and develop new relationships from outreach engagements. Strengthen outreach and coordination across all regional and community-based outreach representatives.
- Expand relationship development with tribal governments and tribal communities in alignment with the tribal outreach plan, coordinate services for tribal members and facilitate a tribal working group. Develop an internal staff training plan in coordination with the DEI Services Team to enhance tribal cultural and historical understanding and inform engagement practices. Increase presence by attending tribal events and through memberships and sponsorships.
- Maintain support for nonprofit organizations through implementation of grants and additional support and resources so that more organizations can expand their capability to reach and serve diverse customers with clean energy solutions; determine approaches to sustain and further expand offers.

- Identify community-based organizations interested in serving as program delivery partners or as a central resource within their communities for energy-related programs, services and information and support them through cohorts, mentorship, connections with other organizations, or training and information.
- Lead approaches to convene communities, customers and community-based organizations to learn about their energy needs and bring insights to Energy Trust staff and Communities and New Initiatives sector to inform strategic plan implementation, multiyear planning and program design.
- Engage stakeholders with information on Energy Trust, seek feedback, and inform staff of areas of interest. Build relationships with municipal governments, particularly those communities with active energy or climate planning efforts.
- Monitor and respond to requests from policymakers and stakeholders during the 2025 Oregon legislative session and monitor parallel policy trends at the Washington legislature. Support communities and partners engaging with the federal government with project information as requested.
- Centralize engagement with OPUC staff and liaisons with partner utilities, with a focus on implementation of utility-specific action plans, adherence to minimum OPUC performance measures, and ensuring efficient and effective coordination across the program portfolio.
- Monitor and participate as requested in OPUC dockets regarding Energy Trust performance measures; resource planning; programs and parameters; utility energy, emissions and distribution system planning; and energy burden reduction and low-income customer assistance.
- Participate in state agency rulemakings, workshops, planning and program development, including for the Oregon Energy Strategy, one-stop-shop energy efficiency resource for consumers, energy incentive and rebate programs, commercial building performance standards and Climate Protection Program (pending).
- Continue to develop the government relations team’s expertise and systems to effectively operate and share information in an expanded and dynamic policy landscape. Provide staff and stakeholders with information and background on past, current and future policy discussions.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures

Total Expenditures (millions)*	2024 Budget	2025 Budget
Outreach and Policy Services	$2.3	$2.8
Community Services	$0.4	$0.5

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Existing Buildings

The Existing Buildings program serves existing commercial and multifamily properties with incentives, tools, training and technical assistance for customers who complete energy efficiency projects and implement behavioral and operational improvements. Existing Buildings serves customers through three primary delivery tracks:

1. Standard incentives for equipment installed by a contractor or sold through a vendor.
2. Custom incentives for system upgrades based on technical studies to estimate energy savings.
3. Energy performance management services and incentives for whole-building energy savings gained through improvements to building operations and maintenance practices.

Priority customers (e.g. renters, small businesses, rural communities, tribal communities, Black, Indigenous, and People of Color, etc.) benefit from the program through various channels, including specialized offerings like Community Partner Funding, Savings by Design, and the Small Business offering.

The program also supports workforce development through the Contractor Development Pathway, building operator certification, and by offering opportunities for internships and education.

The program is committed to expanding its outreach and accessibility to customers by employing culturally responsive marketing, revised customer forms, and targeted field outreach activities.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Economic conditions such as labor turnover and shortages, equipment price increases and long delivery times continue to present challenges and result in increased costs for customers.
- The following offers and initiatives to serve priority customers continue to mature and grow: Community Partner Funding, support for workforce development, small business outreach, the commercial heat pump pilot, and Oregon Department of Energy's Home Efficiency Rebate Program and Home Electrification and Appliance Rebate Program.

2025 Significant Activities

- Seek additional co-funding sources to support customer energy upgrades and integrate them into program offerings to improve program participation. These are tailored to specific market segments, including but not limited to multifamily and small businesses.
- Conduct focused research to understand and address the needs of expiring measures, support small businesses, adapt to code changes, develop new ways of identifying savings opportunities with customers through use of advanced metering infrastructure (AMI) utility data, and more flexible retrocommissioning offerings.
- Lay the groundwork to scale electric savings to support acceleration efforts through strategies such as:
    - Expanding workforce development by funding internships, apprenticeships, educational opportunities, and contractor development related to energy efficiency.
    - Providing new tools and resources to improve customer project management support of energy efficiency projects.
- Streamline the customer experience by developing new processes and innovative offerings and leveraging new methods and resources (e.g. using utility data, learning resource platforms, language access).
- Develop and deliver program enhancements to drive deeper savings and expand educational opportunities within Energy Performance Management, including expanding the Strategic Energy Management (SEM) participant engagement hub with additional technical recordings.
- Promote non-English offerings for multifamily SEM residents and SEM workforce development trainings.
- Leverage AMI and data analytics to increase savings at SEM organizations.
- Continue to use and develop the Energy Performance Platform for SEM offerings.

- Further integrate the PMC's engineering and EPM teams to develop additional no- and low-cost opportunities for customers.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures and Savings

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$102.3	$115.3
Gas Savings (therms)	2,474,853	2,477,623
Electric Savings (aMW)	13.8	16.4

** Expenditures above and in the budget details tab include lighting costs. See the Commercial and Industrial Lighting Offers action plan for a breakout of lighting costs only. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed in the financial statements.*

New Buildings Program

The New Buildings program supports the design, construction and major renovation of high-performance commercial buildings of all sizes and types. Commercial buildings served by this program include office, retail, multifamily, data centers, hospitals, lodging, schools and government buildings. Multifamily and data center buildings have provided the most savings in recent years.

New Buildings is a market transformation program, with outreach staff playing a critical role in building relationships and offering technical information. Staff engage early in the design process with building owners, developers and design professionals to influence decisions that maximize efficiency through custom, whole-building incentives, market solutions for multifamily, and standard incentives.

When project teams participate, early design assistance opens the door for them to establish energy goals and determine the team's path to leveraging program resources. From there, teams can take either a whole-building approach or a prescriptive approach to savings. Whole-building savings are growing as prescriptive offers decline due to code and cost-effectiveness challenges. Whole building projects use energy modeling to consider integrated design and systems to achieve efficiencies significantly beyond code. These projects take advantage of technical assistance to help pay for energy modeling in addition to incentives for modeled savings.

Upstream from project participation, the program invests in training, education and grants to help build the network of design professionals who can deliver net-zero and high-performance buildings. New Buildings also supports net-zero research to address design, cost and construction barriers.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- The program will deepen focus on whole building projects, using the permanent exception to the Total Resource Cost for these projects, granted by the Oregon Public Utility Commission (OPUC) in 2023.
- Data center participation continues to fluctuate year-over-year, significantly impacting savings estimates.
- Supply chain delays and labor constraints among skilled trades continue to impact new construction significantly, as a delay for one contractor can have a domino effect on subsequent contractors engaged in the project.
- Code updates will continue at a fast pace, with the recent American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) 90.1-2022 informing the new code in early 2025.
- Interest rates have limited commercial development, entities are beginning to default on commercial building loans, and a potential downturn based on low vacancy rates could further reduce development.

2025 Activities

- The program will enter a new contract for program management services in 2025, which will result in a focus on whole-building strategies for all customers (in particular those we have not served well in the past), grid-interactive efficient buildings, and workforce development.
- The program will use the Express EDA tool and NEO toll from Willdan to provide greater access to whole-building energy modeling.
- Program staff will expand outreach efforts to enroll more multifamily projects and engage more customers in Eastern Oregon.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures and Savings

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$20.4	$23.3
Gas Savings (therms)	300,304	283,270
Electric Savings (aMW)	5.4	10.1

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Commercial and Industrial Lighting Offers

Energy Trust delivers lighting offers to commercial and industrial businesses through a Program Delivery Contractor (PDC), as well as through the Existing Buildings Program Management Contractor (PMC) and the Production Efficiency PMC. In 2025, Energy Trust will have three commercial and industrial sector lighting offers:

- Midstream: Incentives for energy-efficient lighting products that are provided at point of purchase through a participating lighting distributor.
- Direct installation of no-cost lighting: Lighting upgrades for small and medium businesses and multifamily properties provided at no cost to the customer.
- Trade ally pathway: This offering will be managed by the Existing Buildings and Production Efficiency PMCs and supported by the Business Lighting PDC.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Lighting offers continue to evolve due to new state and federal policies. In 2023, the Oregon Legislature passed HB 2531, a bill phasing out certain compact fluorescents starting January 2024 and linear fluorescent lights by January 2025. HB 2531 changes the market baseline of lighting technology and triggers the sunset of some lighting incentives on June 30, 2025. With LEDs being the new market standard, fewer products will go above and beyond the market baseline for savings, meaning there will be fewer opportunities for Energy Trust to offer standard equipment incentives. Staff are currently seeking an exception from the OPUC to allow the program additional time to support Small Business Direct Install incentives through 2026.
- Customer response to HB2531 has significantly exceeded program expectations and allocated budget in 2024. We expect budget constraints to continue in 2025.
- Due to high market demand, the program paused acceptance of incentive applications for the downstream lighting track in August 2024. Incentive changes and program adjustments were also made to the midstream offer, and pipeline management strategies were implemented for the direct install offer. The program anticipates high demand once downstream re-opens in 2025 due to pent up demand from the pause in 2024 and the remaining months of the HB2531 compliance period.

2025 Activities

- Maintain outreach and delivery to customers to meet lighting savings goals in 2025. Efforts include maintaining outreach staff, particularly in rural areas, streamlining project processes and outreach focused on priority communities. Priority communities include small businesses, schools, rural communities, communities of color and other underserved customer segments.
- Reduce downstream and midstream lighting incentives and downstream caps to control incentive budgets amid high demand for lighting resulting from HB2531. HB 2531 bans the sale or distribution of fluorescent bulbs and linear fluorescent lighting starting January 1, 2025. With approval of the Oregon Public Utility Commission, Energy Trust is supporting customers and trade allies during the market transition with incentives available until July 1, 2025.
- Adjust incentives and program design where needed to maximize savings and manage budgets in response to increased demand resulting from HB 2531 and savings acceleration strategies.
- Maintain 2024 midstream lighting activities in rural communities by enhancing program design, expanding the distributor network and providing targeted distributor support.
- Enhance diversity, equity and inclusion efforts through the small business no-cost lighting offer by increasing engagement with community-based organizations, community-led projects, rural main street projects, and expanding the number of installers in rural areas.
- Complete lighting measure development updates to reflect the impacts of HB2531 on lighting incentives.
- Evolve the program beyond the HB2531 compliance period. We anticipate this will include a focus on LED-to-LED replacements, process lighting for cannabis, exterior lighting, high bay lighting, and advanced controls.

- Support the Business Lighting Trade Ally Network with technical services and training delivered through the PDC.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures and Savings

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$29.2	$27.2
Electric Savings (aMW)	7.7	9.9

**Expenditure included in Existing Buildings and Industry and Agriculture programs. This detail includes lighting incentives and delivery for 2025. Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Southwest Washington Commercial Program

Energy Trust provides incentives and technical support to business customers in Southwest Washington on qualifying NW Natural commercial firm or interruptible rate schedules. Offers include incentives for energy-efficient equipment purchased through trade allies or vendors, incentives for operations and maintenance improvements, and no-cost technical studies to estimate energy savings and incentives for retrocommissioning. The program also provides incentives for the Building Operator Certification course. Projects include upgrades and retrofits at existing commercial buildings, energy-efficient equipment for new construction, energy-efficient equipment and retrofits at existing and new multifamily properties with two or more units, and upgrades for natural gas-heated production greenhouses.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- The program is preparing for impacts to commercial customers with the Washington State's Building Performance Standards that will go into effect in 2026.
- Washington commercial building code has banned gas in new buildings permitted after July 2023. The industry is pushing back on this code change. The program experienced a stop of custom new construction projects in 2024, which is anticipated to continue in 2025.

2025 Significant Activities

- Increase outreach to local chambers, Vancouver Business Journal, Hispanic/Latino-owned businesses, the Downtown Business Association, and others to increase program awareness.
- Host quarterly targeted outreach campaigns to active and new Trade Allies in Southwest Washington to review program updates and educate allies on the submission.
- Promote Building Operator Certification program participation to non-strategic energy management (SEM) participants through specific customer contact.
- Deliver targeted marketing campaigns to small business customers in rural areas that promote insulation and HVAC measures.
- Continue increasing the Strategic Energy Management (SEM) program participation through the existing partnership with Clark Public Utilities and Energy Trust Southwest Washington customer sites and increased effort to offer the Building Operator Certificate training.
- Expand lead generation and communications to support NW Natural's Major Account Managers.
- Meet with Clark Public Utilities' Commercial Account Manager(s) quarterly to discuss customer trends, needs and leads for potential project acquisition and partnership.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

How Stakeholder Feedback Was Incorporated

- The Existing Buildings program hosted a series of facilitated focus groups to support refinement of program forms to increase accessibility and develop a pathway for in-language offerings with input from members of various cultural communities.

Budgeted Expenditures and Savings

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$1.3	$1.6
Gas Savings (therms)	133,179	122,123

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Production Efficiency

The Production Efficiency program provides energy-efficient solutions for all sizes and types of eligible industrial, agricultural, municipal water and wastewater customers. The program consists of two tracks:

- Standard incentives for lighting and non-lighting equipment delivered through trade allies and vendors.
- Custom incentives for projects that require technical studies to estimate energy savings, including Strategic Energy Management (SEM) and other offers that help customers build their internal capacity to save energy.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Industrial businesses consider many factors when deciding to implement energy efficiency upgrades. Project return on investment (ROI) is not always the most influential factor. Production of goods and avoiding system downtime may outweigh the benefits and cost savings associated with an energy efficiency project. Conversely, some industrial businesses are prioritizing decarbonization or “carbon efficiency” in their operations and are opting to implement energy efficiency projects to take advantage of our increased incentives and meet carbon reduction goals.

2025 Significant Activities

- Support higher levels of project activity resulting from the increased incentives and project caps for Custom, SEM and Standard calculated projects put in place in 2024 to motivate customers and incentivize larger projects.
- Explore and develop new program strategies to accelerate savings. Strategies will be informed by and prioritized based on interviews with large customers as well as ongoing engagement with vendors, trade allies and other market actors. Initial concepts include, but are not limited to:
    - Enhance customers’ ability to complete projects with additional project support from program staff.
    - Engage with prospective customers in earlier phases of project development.
    - Reward trade allies for increasing their participation in the program.
- Identify and implement changes to program processes that will make it easier for customers to participate in the program (e.g., streamlining incentive application forms and processes).
- Continually adapt program approaches to reach small industrial and agricultural businesses in rural areas and businesses that are owned by Black, Indigenous and/or persons of color and women, based on community input and lessons learned from prior activities.
- Continue to collaborate with community-based organizations and government agencies to leverage funding and support customer projects, especially in rural areas.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

How Stakeholder Feedback Was Incorporated

- Results from 2022 focus groups with small BIPOC-owned, women-owned and rural businesses informed the program’s community engagement approach and strategies to reach these customers and resulted in development of culturally responsive engagement and communication strategies to better serve Spanish-speaking customers. In 2023 and 2024, the program met with priority customers through one-on-one outreach and in virtual workshop events. Through the various outreach approaches, we continue to learn from customers about their preferences and needs.

Budgeted Expenditures and Savings

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$61.4	$73.1
Gas Savings (therms)	1,619,458	1,557,742
Electric Savings (aMW)	16.4	19.3

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Residential Program

The Residential program provides electric and gas energy-efficiency solutions for owners and renters living in single-family, manufactured and newly constructed homes. In 2025, the program will be delivered by a Program Management Contractor (PMC), two Program Delivery Contractors (PDC) supporting midstream promotions and EPS™ new construction offers, and community-based organizations (CBOs). Incentives are available for smart thermostats, energy-efficient HVAC and water heating equipment, lighting, air purifiers, appliances, weatherization upgrades and whole-home improvements in new construction.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- There is growing consumer demand for more efficient heating and cooling systems, driven by local, state, and federal policies and incentives, as well as evolving consumer environmental goals. Manufacturers and distributors have indicated that equipment prices will increase by roughly 10%, influenced by new refrigerant requirements by the Environmental Protection Agency that reduce environmental impacts from greenhouse gases.
- HVAC contractors are responding to market demand by restructuring their business operations through consolidation of services (e.g., combining heating/cooling, electrical and plumbing services), increasing prices due to labor constraints, and adjusting stocking and staffing in response to growth in heat pump demand.
- CBOs are becoming increasingly important partners in delivering energy-efficiency benefits and reducing carbon emissions to customers in their communities.
- The supply chain has mostly normalized, but labor shortages remain a challenge, especially in the electrical, HVAC and plumbing trades.
- Inflation Reduction Act rebate programs may begin implementation during 2025. Timing and availability of these funds will determine the impact of these funding streams on program activity and savings in 2025.
- The residential new construction market faces high costs and mortgage interest rates and a continued high demand for new housing.

2025 Significant Activities

- Drive higher volume of market-rate HVAC, water heating, and insulation improvements
    - Explore new midstream programs that utilize distributor partner's ability to track project data, issue incentive payments directly to contractors, streamline participation and reduce contractor cost.
    - Enhance online Do-It-Yourself (DIY) content and connect DIY customers with related marketplace products.
    - Continue promotion of HVAC, water heating, and insulation measures that are supported by the enhanced federal tax credits.
- Trade Ally Network Development
    - Increase capacity for minority, women/veteran-owned, emerging, and small business owners in the trade ally network by providing targeted business development, technical training and mentorship programs and financial resources.
    - Expand trade ally awareness of extended capacity heat pump requirements through outreach and trainings; focus on regions with lower rates of participation and higher use of bulk fuels.
- Train and prepare EPS™ new construction trade allies for implementation of the 2023 Residential energy code requirements to maintain a strong market presence and support the state's efforts to advance the residential energy code.
- Expand access for underserved customers:
    - Continue access to no-cost offers for customers experiencing high energy burden through community partners and In-Home Energy Services.

  - Launch Climate Pollution Reduction Grant, providing critical repair incentives through In-Home Energy Services and Community Partner Funding; and providing incentives through EPS™ new construction for builders and developers constructing affordable homes and/or in rural or Tribal areas.
  - Increase service to manufactured home customers by accelerating discounted heat pump promotions and expanding customer support through the manufactured home replacement program. Identify a new lending partner for manufactured homes and coordinate with state agencies on additional co-funding opportunities for these projects.
  - Develop new products and services and maximize incentive levels to better meet the needs of low- and moderate-income customers, rental properties and other underserved segments.
  - Increase production and improve experience for customers of In-Home Energy Services, the no-cost, whole-home retrofit offer that grows the volume of measures delivered to priority customers (low-and-moderate income customers, rural customers, and communities of color) not currently served through CBOs. Leverage complementary funding sources to help support growth.
  - Expand the reach of special regional offers currently available in Eastern Oregon, Klamath and Lake Counties, and other parts of Southern Oregon.
- Grow CBO capacity to deliver Community Partner Funding (CPF) and Inflation Reduction Act offers to reduce energy burdens and advance DEI goals.
  - Continue facilitating direct funding agreements with partner organizations and expand access to qualified service providers to support CBO capacity.
  - Provide tailored technical training opportunities focused on whole-home approaches with follow-up support, continued education and certification opportunities.
  - Streamline recruiting, onboarding, and operation support with standardized toolkits, feedback loops, and mentorship and opportunities to leverage complementary funding sources.
  - Actively support referrals and host regular coordination events, including virtual options and thematic roundtables.
- Explore and test new ways to serve customers through research and innovation initiatives.
  - Execute program delivery pilots that evaluate the benefits of heat pump systems installed with gas furnaces in existing gas heated homes and evaluate the feasibility of offering duct sealing services to priority homes through a select group of contractors.
  - Explore service offerings to enhance the customer journey and decision process related to upgrading heating and cooling systems in homes.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

How Stakeholder Feedback Was Incorporated

- Program staff utilized feedback from 19 CBO partners who participate in Community Partner Funding through a combination of surveys and in person interviews who requested support to enhance CPF offers by streamlining processes, securing additional funding sources, staffing capacity and training resources.

Budgeted Expenditures and Savings

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$80.7	$84.2
Gas Savings (therms)	1,973,736	1,857,032
Electric Savings (aMW)	6.3	5.9

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Southwest Washington Residential Program

Energy Trust helps single-family homeowners and small multifamily property owners served by NW Natural in Southwest Washington save energy through cash incentives for efficient space heating and controls, smart thermostats, water heating, insulation, windows and education. Energy Trust also offers trade ally support, financing with repayment through utility bills and market interventions. This work ensures NW Natural has all the needed information requested by the Washington Utilities and Transportation Commissions.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- 2025 is the second year of a two-year savings goal.
- The single-family rental and small multifamily markets in Southwest Washington remain strong with steady year-over-year participation, particularly where incentives are higher for property ownership groups.
- Due to a new Washington Residential Energy Buildings code, the 2025 program year will be the first in which Energy Trust will no longer deliver a whole-home offering for residential new construction in Southwest Washington.

2025 Significant Activities

- Increase engagement with single-family and rural customers in Southwest Washington through expanded trade ally recruitment, targeted marketing initiatives and community events.
- Promote increased incentives for market rate gas furnaces first introduced in Q3 of 2024, while also encouraging wider trade ally participation in new Savings Within Reach gas furnace incentives for income qualified households. Provide marketing and outreach assistance to the trade ally network to maximize the potential of reinvigorated gas furnace incentives.
- Expand marketing investments and develop marketing campaigns to both reengage past participants and acquire new customers, as well as to support the continued success of key market segments including windows, gas furnaces in rentals and the launch of new Savings Within Reach WA incentives.
- Expand engagement and recruitment of insulation installers into the trade ally network to increase insulation project and savings volumes. Promote durable measures such as ceiling, wall and floor insulation.
- Continue collaboration with Clark County's Planet Clark and Clark Public Utilities on trade ally education, recruitment and community events.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures and Savings

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$2.1	$2.1
Gas Savings (therms)	111,060	96,931

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Northwest Energy Efficiency Alliance

Energy Trust has worked with the Northwest Energy Efficiency Alliance (NEEA) since 2002 to increase the availability and adoption of electric energy-efficient products and practices. In 2015, NEEA added natural gas equipment to its portfolio. By pooling regional resources, NEEA works upstream with manufacturers, distributors and retailers to accelerate the development, testing and distribution of emerging energy-saving technologies and identifies and removes barriers to their adoption. This market transformation approach enables energy savings to occur faster and to a greater degree than would have otherwise been possible. Once products are available, Energy Trust creates and implements programs to support broad market adoption in Oregon.

The NEEA pipeline of emerging energy efficiency technologies contains more than 30 opportunities that NEEA is testing and vetting as potential energy saving opportunties for the region. NEEA also manages a portfolio of electric, natural gas and dual-fuel programs in the residential, commercial and industrial sectors. These programs are focused on the building envelope, consumer products, HVAC, motor-driven products and water heating markets. In addition to its market transformation programs, NEEA conducts assessments of the residential and commercial building stock in Oregon to identify opportunities for energy efficiency and works to influence the adoption of progressively more efficient building codes and equipment standards.

NEEA is funded in five-year business cycles and NEEA's Board of Directors approved their 2025-2029 Business Plan (Cycle 7) in March of 2024. Therefore 2025 is the first year of this business plan with updated strategy and budget goals.

2025 – 2029 Goals and Strategies

- Starting in 2025, NEEA will begin work on the goals and strategies outlined in its 2025-2029 (Cycle 7) Business Plan. NEEA will pursue the following four Strategic Goals and strategies outlined in the Cycle 7 Business plan:
    1. **Goal 1: Transform markets for energy efficiency.**
        - Key Strategy 1.1: Pursue energy efficiency Market Transformation through a portfolio of initiatives, emerging technology, and codes and standards development that enable energy efficiency to occur sooner, at lower costs and in larger amounts than otherwise expected.
        - Key Strategy 1.2: Leverage end-use energy efficiency as a tool to deliver broader regional benefits such as load flexibility, emissions reductions, resource adequacy, resilience and equity.
        - Key Strategy 1.3: Increase Northwest market leverage through collaboration and coordination with energy efficiency and Market Transformation organizations both inside and outside the Northwest.
    2. **Goal 2: Accelerate the adoption of grid-enabled, end-use technologies through market transformation.**
        - Key Strategy 2.1: Support regional load flexibility by enabling electric-grid communications and connectivity of energy efficient products in NEEA's portfolio.
        - Key Strategy 2.2: Support regional need for electric load flexibility by undertaking projects that deliver load flexibility benefits in addition, or connected to, energy efficiency benefits (where load flexibility is the primary benefit, this work will be supported outside of NEEA's core funding).
        - Key Strategy 2.3: Advance industry-wide product standards and protocols that enable grid connectivity (e.g., open standards for in-home consumer products).
    3. **Goal 3: Advance strategies to reduce greenhouse gas emissions through market transformation.**
        - Key Strategy 3.1: Advance energy efficiency as a strategy for reducing greenhouse gas emissions by providing data and analysis on the greenhouse gas emissions reduction benefits of efficient products, services, and practices.
        - Key Strategy 3.2: Provide support to anticipate and address the implications of regional decarbonization-related policies, where they exist, in program planning and technology road maps.
        - Key Strategy 3.3: Support funders in meeting their decarbonization goals, where applicable, by undertaking projects that deliver decarbonization benefits in addition, or connected to, energy

efficiency benefits. Where decarbonization is the primary benefit, this work will be funded outside of NEEA's core funding.

- Key Strategy 3.4: Track and analyze how emerging electrified loads affect the energy system to inform and guide NEEA portfolio decision-making.

4. **Goal 4: Advance the equitable delivery of energy efficiency benefits to Northwest consumers through market transformation.**
    - Key Strategy 4.1: Undertake research to understand how diffusion takes place within different consumer segments around the region and opportunities for Market Transformation to accelerate equitable delivery of energy efficiency benefits to Northwest consumers.
    - Key Strategy 4.2: Identify and implement interventions that address shared regional priorities identified through research efforts.
    - Key Strategy 4.3: Support funders in meeting their goals by undertaking efforts to better understand or address barriers to efficiency for targeted consumer segments (where priorities are not shared across the region, this work will be funded outside of NEEA's core funding).

2025 Electric and Gas Portfolios

- The table below (taken from NEEA's 2025-2029 Strategic and Business Pan) outlines NEEA's starting electric portfolio for Cycle 7 organized by their product groups and which lifecycle phase the initiative will be in staring in 2025

	Initiative Lifecycle Phase			
Product Group	**Concept Development**	**Program Development**	**Market Development**	**Long-term Monitoring & Tracking**
Building Envelope		• High-Performance Windows (dual fuel)		
Consumer Products			• Retail Products Portfolio	
HVAC	• Next Generation Residential Heat Pumps • Rooftop Units with Heat Pumps		• High-Performance HVAC • Advanced Heat Pumps	• Ductless Heat Pumps • Manufactured Homes
Lighting			• Luminaire Level Lighting Controls	
Motor-Driven Systems	• Expansion to New Pump and Fan Applications • Efficient Motor-Drive Systems	• Efficient Fans	• Extended Motor Products (pumps)	
Water Heating	• Commercial/ Multifamily Central Heat Pump Water Heater • Residential Heat Pump Water Heaters for All Applications		• Heat Pump Water Heaters	

- The table below (taken from NEEA's 2025-2029 Strategic and Business Pan) outlines NEEA's starting gas portfolio for Cycle 7 organized by their product groups and which lifecycle phase the initiative will be in starting in 2025

	Initiative Lifecycle Phase			
Product Group	**Concept Development**	**Program Development**	**Market Development**	**Long-term Monitoring & Tracking**
Building Envelope		• High-Performance Windows (dual fuel)		
Consumer Products	• Efficient Commercial Gas Dryers • Hearths			
HVAC	• Residential Gas Heat Pumps • Rooftop Units with Heat Pumps (dual-fuel)	• Commercial Gas Heat Pumps* • Dual-fuel HVAC*	• Efficient Rooftop Units	
Water Heating	• Residential Gas Heat Pump Water Heaters	• Commercial Gas Heat Pumps*		

- NEEA will produce its 2025 forecast of savings after Energy Trust publishes its draft budget, so the savings estimates below are based on projections that were developed by NEEA in the last quarter of 2023.

	2024 Budget	2025 Budget
Total Expenditures (millions)	$9.7	$11.1
Reportable Gas Savings (therms)	157,800	240,000
Reportable Electric Savings (aMW)	6.0	5.6

Budgeted Expenditures and Savings

Renewable Energy Sector

The Renewable Energy Sector supports a portfolio of renewable energy projects that generate and store electricity using solar, biopower, hydropower, battery storage and other related technologies. The sector provides prescriptive and custom incentives to lower the cost of developing and installing renewable energy systems that reduce energy burdens for customers, support community energy resilience and create a flexible grid resource. The sector also addresses institutional and market barriers to renewable energy, partners with community-based organizations (CBOs) to reach customers that Energy Trust has underserved, provides consumer education, and manages and grows a network of vetted solar trade ally contractors. Under House Bill 3141, the sector is mandated to spend at least 25% of funds collected to benefit customers with low- and moderate-incomes.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Energy Trust continues to focus on priorities identified in House Bill 3141, including:
    - Investing at least 25% of renewable energy funds to benefit customers experiencing low or moderate incomes.
    - Supporting “customer investments in distribution system-connected technologies that support reliability, resilience, and the integration of renewable energy resources.” The technology must be connected to the distribution grid at the customer’s site and installed for use by the customer. The technology is preliminarily defined by the Oregon Public Utility Commission (OPUC) as:
        - A smart inverter that is part of a solar generation system and is capable of providing grid support, or
        - A battery energy storage system with a smart inverter and/or integrated controls capable of providing grid support.
- The program will continue to offer standard solar incentives, based reduced state funding to support standard solar and on the need identified in 2024 to support solar market stability and higher incentives.
- Energy Trust is a partner in Oregon’s Solar for All grant team, led by Oregon Department of Energy. In 2025, the grant partners will focus on planning the programs that will benefit people with low incomes, with incentives scheduled for launch in 2026.
- Energy Trust will continue its role on the Program Administration team for the Oregon Community Solar Program, a state-enabled initiative overseen by the Oregon Public Utility Commission through the end of the contract period in March 2025. Energy Trust intends to submit a proposal to continue its role on the Program Administration team.
- Continued high construction material costs and interest rates have made renewable energy projects less affordable for both residential and business customers. This has been partially offset by federal funding sources, but Energy Trust incentives are still needed in the market.

2025 Significant Activities

- Develop plans for working with Oregon Department of Energy and Bonneville Environmental Foundation to implement the federal Solar for All grant to benefit residential and community solar customers with low incomes. Plans will cover incentive offerings, along with details on how we will leverage public purpose charge activities including Solar Within Reach incentives, verification, and administrative support.
- Deliver community solar development assistance and installation incentives to bolster development of public and nonprofit-led projects and projects with additional capacity for low-income households.
- Continue incentives for residential solar projects to maintain market stability, while expanding upstream support including increased marketing, customer education, customer leads and trade ally business development.
- Develop and begin to deploy a financing program for residential solar. Leverage new financing product to enhance consumer protection for solar customers.
- Expand participation in existing portfolio of residential and commercial battery storage offers through development assistance, design, and installation incentives. Build industry capacity to support Energy Trust’s resilience strategy

and expand installed battery stock capable of providing resilience and grid flexibility benefits, such as peak management.

- Deploy project development assistance and installation incentives to support biopower and hydropower projects and help municipalities plan future renewable and resilience projects.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

How Stakeholder Feedback Was Incorporated

- Trade allies provided feedback in 2024 about the importance of Energy Trust's continuing to provide stability for the solar market amidst inflationary pressures and changes in state incentives. This feedback is reflected in continued incentive support for solar projects in the 2025 budget, along with advances in working with lenders to build transparent financing offers.

Budgeted Expenditures and Savings

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$25.3	$26.6
Generation (aMW)	4.6	5.6

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Communities and New Initiatives Sector

The Communities and New Initiatives Sector leads community-centered and/or geographically targeted, cross-sector strategies and initiatives designed to maximize the benefits of current and emerging distributed energy resources for customers throughout Energy Trust service area. The sector also focuses on assessing community benefits and impacts of energy programs to help measure progress towards the Oregon Public Utility Commission (OPUC) equity metrics and Energy Trust's Diversity, Equity and Inclusion Plan metrics.

The community and new initiatives sector's actions contribute to energy savings, generation and storage goals in the residential, commercial, industrial and renewable energy sectors by providing overall strategic direction, supporting program planning and building capacity for clean energy planning and services in communities throughout the service area. The sector will not have discrete savings or generation goals in 2025. Energy savings and generation goals from geographically focused efforts like Targeted Load Management and Smart Grid Test Bed will be embedded with each specific program.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- More communities, community-based organizations and customers want education and services to support clean energy projects, clean energy planning and workforce development. More work with community-based organizations requires Energy Trust to ensure we have consistent and equitable experiences collaborating and contracting with CBOs and serving their communities.
- Utility partners are actively engaging communities to identify grid needs and potential opportunities for Energy Trust's programs and services (i.e., energy efficiency and small-scale distributed generation and energy storage) to deliver utility grid and community benefits and resilience to areas with specific grid needs.

2025 Significant Activities

- Convene cross-program and cross-functional work groups to collaboratively develop strategies for cross-functional areas, including communities, workforce development, energy resilience, municipal energy planning, and Portland Clean Energy Community Benefits Fund (PCEF) collaborative program designs. Ensure teams are effectively resourced and organized to execute these strategies, including existing ratepayer funds and new external funding opportunities.
- Work with community partners, programs and Energy Trust's Communications and Customer Service (CCS) outreach team to develop additional partnership models and explore additional ways of collaborating to build relationships and capacities across the service area (e.g., cohort models, partner network model). This model will help provide a framework and foundation for additional, non-ratepayer funded efforts that will be further support community partners in program design, outreach and delivery.
- Lead measure development across programs in collaboration with Planning and Evaluation. Provide guidance and best practices to explore new measures and offers and delivery partnerships that cross programs and technologies, including delivery partnerships with community partners and midstream offers.
- Develop a holistic, customer- and community-centered product development approach for Energy Trust's programs and services that can be incorporated into our existing program design and measure development processes.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$5.9	$7.9

**Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Contracted and Grant-Funded Initiatives

Energy Trust contracts with governments, utilities, and other entities to deliver programs and services that align with our mission, advance our strategic plan focus areas and support our core energy savings and generation work. This action plan summarizes planned activities funded through contracts and grants that are beyond Energy Trust's core electric and gas efficiency and renewable energy programs under our grant agreement with the Oregon Public Utility Commission (OPUC).

Contracted Initiatives

Landlord-provided Cooling Spaces Initiative

- This initiative provides funding to landlords to install cooling equipment in multifamily property common areas or common buildings in manufactured home parks anywhere in Oregon. Funding comes from the State of Oregon, and Energy Trust administers the initiative under a contract with Oregon Department of Energy (ODOE).
- Administering this program supports state policy and addresses an urgent customer need for cooling. The program focuses on environmental justice communities and heat-vulnerable citizens, in particular seniors, people living with disabilities and people experiencing income barriers.
- Implementation began in 2022 and has been extended to December of 2025. This extension allows additional time to refine the program design and distribute the allotted budget. The Revised Program Plan, which launched in Q2 of 2024, incorporated several program improvements, which Energy Trust anticipates will significantly increase uptake of the offer in 2025.

Portland General Electric Smart Battery Pilot

- The Portland General Electric (PGE) Smart Battery pilot program incentivizes customers with qualifying residential battery storage systems in PGE's service area to allow the utility to dispatch their system in support of Peak Time Events. Energy Trust has a contract with PGE to provide support for customer outreach, contractor training, quality management and incentive processing.
- This pilot helps PGE learn about the grid benefits and value of smart battery storage and it also complements core Energy Trust offers for solar + storage and supports participating customers interested in energy resilience, allowing them to receive some additional bill savings. Working together and leveraging Energy Trust's existing infrastructure and expertise makes the project less costly for ratepayers.
- Implementation began in 2020, and the current version of the pilot is expected to incorporate lessons learned and transition in 2025 to a new structure with the goal of creating a format that is more sustainable in the long term. Energy Trust's current contract with PGE for the Smart Battery Pilot concludes in July 2025, and the role that Energy Trust will play in the new version of the Smart Battery Pilot will need to be determined as part of the transition planning.

Oregon Community Solar Program

- The Oregon Community Solar Program seeks to expand the state's renewable energy portfolio and extend the benefits of solar energy to customers who previously did not have access, including customers with low incomes. Funding for this program comes from the ratepayers of PGE, Pacific Power and Idaho Power. The OPUC is responsible for the program and Energy Trust provides administration services under a subcontract with the primary program administrator, Energy Solutions.
- The program aligns with Energy Trust's goals around increasing access to renewable energy opportunities for customers it has historically underserved. The current program administration contract began in 2019 and concludes in March 2025. Energy Trust intends to submit a proposal to continue its role on the program administration team.

Smart Grid Test Bed Collaboration

- The Smart Grid Test Bed Collaboration (formerly called Smart Grid Advanced Load Management and Optimized Neighborhoods, or SALMON) will retrofit approximately 580 buildings in North Portland with distributed energy

resources (DERs) such as smart thermostats, smart water heaters, solar with smart inverters, smart battery storage, and managed electric vehicle charging. The project will demonstrate how DERs can support utility planning and operations.

- Collaboration partners include PGE, National Renewable Energy Laboratory, Community Energy Project and the Northwest Energy Efficiency Alliance. The initiative is a study funded by the U.S. Department of Energy through the Connected Communities funding program. Energy Trust has a subcontract with PGE to support planning and implementation of the initiative.
- The project has the goal of achieving at least 10% savings for the portfolio of participating sites, reducing customer bills and increasing comfort. The project will prioritize customers with high energy burdens, and Energy Trust will pass through additional incentive funding for flexible load measures will improve cost-effectiveness and make improvements more affordable for customers. The project will help PGE manage loads during periods of high demand, as an alternative to building new distribution and generation infrastructure.
- In early 2024, Energy Trust managed and launched a successful Solarize campaign, supported by Solar Oregon, in this area. There were 41 projects resulting in 187.7 kW of new solar and 60 smart battery storage systems. These solar + storage projects are expected to be completely installed and operational by the end of Q1 2025.
- Contractors have been selected to offer increased incentives on prioritized measures that support flexibility on the grid. To further improve adoption of heat pump water heaters and grid flexibility programming, additional contractor training has been developed by Earth Advantage. A pilot workforce development program will support two water heater installation trainees in a new 12-week, on-the-job training program in 2024 and 2025.
- PGE's demand response program participation will be critical to successfully meeting the grant's ambitious energy goals, so additional resource planning for the program will prioritize solar + storage, contractor training and homeowner engagement to support the transition to new technologies.
- The program will promote residential, multifamily and commercial offers in the market from November 2023 through August 2026. In the final program year, September 2026 through August 2027, the team will continue to evaluate success and share learnings with regional and national partners.

PGE Smart Solar Study

- The Smart Solar Study, previously called the Smart Inverter Demonstration Project, is part of PGE's Smart Grid Test Bed and will engage up to 300 solar customers located on three feeders to help PGE study how solar smart inverters can provide additional grid benefits that support utility distribution planning and operations. Energy Trust has a contract with PGE to support implementation, trade ally engagement and customer enrollment.
- This project complements core Energy Trust offers for solar and helps PGE learn how inverter-based renewables can deliver distribution operations value and address hosting capacity issues. Leveraging Energy Trust's existing infrastructure and expertise makes the project replicable and less costly for ratepayers.
- Project implementation began in 2023, and the Smart Solar Study will wrap up in 2025.

ODOE Community Heat Pump Deployment Program

- Energy Trust is supporting several community-based organizations to deliver the ODOE Community Heat Pump Deployment Program (CHPDP) in the Southern and South Coast regions. The CHPDP was initiated by the Oregon legislature in 2022 under SB1536 which allocated funding and established the parameters of the program. Energy Trust has subcontracts with Neighborworks Umpqua (NWU) and the Illinois Valley Community Development Corporation (IVCanDO), both of which are participating in the delivery of Energy Trust's Community Partner Funding.
- Energy Trust's role is to manage $1.4M of incentive funding on behalf of NWU and IVCanDO and to support each organizations' reporting requirements to ODOE. This complementary funding will enable a greater volume of projects to be supported through the Community Partner Funding track and will result in the installation of higher efficiency heat pumps than would otherwise be installed.
- Implementation begins in September 2024 and will conclude by the end of 2025.

FEMA Community Energy Resilience Grant

- This project is intended to accelerate the construction of solar + storage microgrids in vulnerable Oregon communities. Priority will be given to communities impacted by wildfires or subject to public safety power shutoffs.

The project can be split into three phases of work: 1) Community outreach and engagement; 2) Disaster vulnerability mapping and prioritization; and 3) Microgrid feasibility studies and grant writing. We anticipate working with at least 12 communities to conduct microgrid feasibility studies for up to 65 critical facilities or community resilience hubs. Funding for this project comes from the Federal Emergency Management Agency (FEMA) via Oregon's Department of Emergency Management (OEM). Energy Trust will implement this program as a subrecipient under an agreement with OEM.

- With this additional funding, Energy Trust will be able to expand and accelerate existing ratepayer-funded work to support local community energy resilience planning and build a pipeline of resilient clean energy projects. This initiative will help acquire more renewable energy resources and smart battery storage systems for ratepayers while helping communities achieve resilience goals.
- Implementation is expected to begin in late 2024 and conclude in 2027.

Solar for All (included in 2025 budget but contract pending)

- Solar for All is a five-year federally funded program to increase the availability of rooftop and community solar for Oregonians with lower incomes. It is funded by Inflation Reduction Act dollars from the Environmental Protection Agency. Energy Trust, along with Bonneville Environmental Foundation, is a sub-awardee to the Oregon Department of Energy who will manage the program that has a total allocation for the state of $86 million.
- Energy Trust's $26 million share of the grant will support project incentives and project development assistance for community solar projects, subawards to community organizations, and subcontracts with professional service providers such as solar verification and interconnection experts.

Home Energy Rebates (included in 2025 budget but contract pending)

- Home Energy Rebates consist of the HOMES and HEAR programs, created under the Inflation Reduction Act. $114 million is allocated on a formula basis to Oregon Department of Energy (ODOE) for the two programs. ODOE has allocated $60.5M to Energy Trust to deliver HOMES and HEAR within investor-owned utility service territory.
- The HEAR program features prescriptive rebates for electric conservation and electrification measures. The HOMES program presents a "whole-home" fuel agnostic offer for projects achieving a minimum of 20% reduction of energy use from a customer-selected combination of measures.
- Energy Trust is supporting ODOE's application process with USDOE, the timeline for executing a grant agreement between Energy Trust and ODOE is expected to be Q1 2025. The programs are generally expected to launch in early 2026, and Energy Trust is working with ODOE to clarify timelines.

Climate Pollution Reduction Grant (not included in 2025 budget but selected for award and contract pending)

- Oregon Department of Environmental Quality (DEQ) was awarded $200 million from the US EPA's Climate Pollution Reduction Grant (CPRG) program in July 2024. Energy Trust was included in the proposal as a sub-recipient. EPA's intent is to award funding to existing program channels to accelerate GHG reduction.
- Energy Trust's role will be to deliver $15 million of funding through our Residential New Construction and Existing Homes weatherization programs. CPRG funding will be layered onto our existing offers and participation pathways to enable greater levels of incentives to affordable housing developers, projects in rural communities and low- to moderate- income households participating in the Existing Homes program.
- Energy Trust expects to be under contract to DEQ by early 2025 and to begin delivering incentives to customers by mid-2025. The period of performance runs through December 2028.

Budgeted Revenue (all contracts)

	2024 Budget	2025 Budget
Total Revenue ($ Millions)	$2.4	$6.4

Planning and Evaluation

The Planning and Evaluation group includes the planning team and the evaluation and engineering team.

The planning team develops long-range energy savings and cost forecasts and manages savings and cost-effectiveness analysis tools and reporting. It works with utilities on resource planning for the utility systems as a whole and for local projects.

The evaluation and engineering team assesses the effectiveness of efficiency and renewable energy program delivery and updates estimates of savings and generation by studying energy use. It performs evaluations and market research, serves as the owner of third-party spatial and utility customer information, helps other teams effectively use data and participates in regional and national research projects. Additionally, the team reviews and supports development of new and updated efficiency measures and helps Energy Trust incorporate new efficiency technologies into programs.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Carbon is now a key driver of state policy and utility regulation and of Energy Trust program actions.
- We cannot yet predict the degree to which funding from complimentary sources will interact with Energy Trust programs, reducing ratepayer costs and accelerating market penetration, or operate in parallel to Energy Trust.
- The value of energy savings as reflected in avoided costs is changing as the electric and gas utility systems evolve to meet the objectives of state carbon policies.
- Programs are rapidly changing to accelerate energy savings and address groups of customers that Energy Trust has underserved. In this context, more frequent evaluation is needed.

2025 Significant Activities

- Support the Multiyear Planning process including providing input to set savings reduction targets.
- Support development of Oregon Public Utility Commission (OPUC) led approaches to better serve customers with low to medium incomes per OPUC docket UM 2211 rulemaking for HB 2475.
- Provide ongoing support for energy efficiency forecasts for utility Integrated Resource Plans.
- Finalize 2026 avoided cost updates in early 2025, incorporating modifications prescribed by the OPUC.
- Support the Oregon Department of Energy (ODOE) in development of the Oregon Energy Strategy
- Provide support for new activities being led by the Innovation and Development team with a focus on how new founding sources impact analysis, operational processes and tracking and reporting.
- Collaborate with utilities on programmatic approaches to help them address capacity needs during decarbonization efforts (e.g. Targeted Load Management).
- Improve the usefulness of evaluation results by moving to more timely impact evaluation of commercial and industrial programs.
- Support the business lighting team in assessing and responding to the impacts of and adjustments to the new state lighting efficiency standard (HB 2531).
- Conduct 2025 Customer Awareness and Participation Study, to assess changes to participation and benefits by demographic groups of interest since the last study in 2022. Continue evaluation of residential no-cost offers (ductless and ducted heat pumps, heat pump water heaters) to help refine program approaches.
- Continue evaluation of a hybrid HVAC (gas furnace and electric heat pump) pilot.

  Collaborate with the OPUC and utilities to revise avoided costs, refine estimates of capacity value, and refine the value of carbon in avoided costs in light of new utility data. Incorporate updated estimates into measure development and results reporting.

- Support 2025-2030 Strategic Plan implementation through quantitative analyses, development of new metrics and scales around revised goals, and strategy development.
- Refine and expedite local energy efficiency forecasting to identify opportunities for enhanced program implementation to defer utility distribution system investments in an expanded number of sites.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures

	2025 Budget	2025 Budget
Total Expenditures (millions)*	$6.9	$7.7

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Program Marketing

The Program Marketing develops and delivers marketing that drives program participation, helps achieve savings and generation goals, and supports Energy Trust's organizational goals. The team leads the development and execution of marketing plans for Production Efficiency, Renewables and new initiatives and provides strategic guideance for and manages Program Management Contractor (PMC) and Program Delivery Contractor (PDC) marketing. Program Marketing also sets strategic direction for and manages the work of public relations, creative agencies and other vendors to increase program awareness, leads utility cooperative marketing efforts, scopes and manages customer insights research and advises on program design.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Increased savings goals will require new, innovative, fully integrated and customized marketing campaigns to reach and serve new customers and retain and deepend engagement with existing customers.
- Evolving ethnographic, social, behavioral, environmental, economic and marketing trends necessitate further investment in inclusive and multicultural marketing to better meet the needs of underserved customer segments.
- Customers across sectors increasingly require information, education and resources to help them navigate new programs and services from Energy Trust, utility partners, and other funding sources and make informed investments that meet their needs and priorities.

2025 Significant Activities

- Transition all strategic marketing planning and management for the industrial and agricultural sectors in-house, removing marketing from the scope of the Production Efficiency PMC. Program Marketing will outsource copywriting and design to outside creative agencies and vendors and internal staff will lead, resource and manage all annual and campaign-specific plans.
- Continue to evaluate existing Program Management Contractor marketing scopes and other program marketing contract structures to identify potential opportunities to reduce program marketing costs, while maximizing the value and effectiveness of marketing efforts.
- Continue to provide and expand upon utility-specific marketing collaborations.
- Develop and implement strategies to promote a "whole-home" approach to energy-efficient upgrades to help customers understand their options, make informed decisions, and invest in upgrades that best meet their specific needs for a an efficient, healthy home.
- Expand marketing for the Renewables sector to continue to grow market-wide adoption of solar, while also expanding delivery of solar and solar-related offers to customers experiencing low incomes.
- Expand and evolve current program marketing, public relations and community engagement campaigns for Latino/Hispanic, Black/African American, tribal and rural communities.
- Expand Do-It-Yourself (DIY), educational and informational content and campaigns for consumers and businesses, increasing customer access to no or low-cost resources.
- Expand marketing and communications strategies to support trade ally engagement, workforce development, and continuing education programs and services.
- Conduct data-driven campaigns to better target past participants, encourage further participation among high-adopters and early majority segments, and support more aggressive savings goals.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$4.1	$4.7

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Operations Support

The operations support group provides leadership and support for business systems, operations, analysis and reporting. The group manages projects and processes across all groups and programs to promote standardization, replicability, alignment of priorities, and best practices. Staff ensures that resources, data and systems architecture, data quality and analysis capabilities are aligned to plan. The team leads project processing activities across all efficiency programs in collaboration with Finance and provides mentorship and oversight to external implementers, including Program Management Contractors (PMCs).

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- Energy Trust will transition from the annual budget process to a multiyear planning process and shift from current year forecasting to an 18-month rolling forecast.
- The team will expand and adapt to support changes to programs and structures driven by new complementary funding opportunities.
- Large initiatives and shifts in the underlying business structure may uncover systems, data and process enhancements not visible to us at the time of budgeting.

2025 Significant Activities

- Lead enhancements to core systems necessary to process program activity associated with complementary funding and new streams of funding from existing utility.
- Lead changes to organizational reporting capabilities that are driven by policy changes, additional funders and new complementary funding sources that will require updates to current tools for budgeting, forecasting and organizational reporting.
- Lead procurement and development of new third-party software solutions required by new funding agreements. Adapt processes and workflows to be efficient and effective across multiple new tools, ensuring that new program and reporting requirements are met.
- Lead data systems enhancements for programs and support group staff to track targets and metrics related to new program activity and achievements.
- Standardize and streamline the program request for proposals and PMC contracting processes with a focus on developing best practices and flexible resources, in coordination with Legal.
- Evolve and expand the development and use of self-service reporting tools that enable staff and stakeholders to analyze and use information in program design, day-to-day decision making and project and payment processing.
- Lead the enhancement of systems, processes and reporting tools to support changes to program structure, implementation contractors, program design and delivery channels.
- Support ongoing system enhancements to project and customer tracking systems to accommodate cross-sector and community-based program activities and emerging diversity, equity and inclusion strategies.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$1.8	$2.1

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Information Technology

The information technology (IT) group offers technical support and system enhancements required by Energy Trust staff. The IT group builds technical proficiency and focuses on continuous improvement of systems in partnership with users. Resources include hardware, infrastructure, information systems, reporting capabilities and technical support.

2025 Context

In addition to overall market context in the Executive Summary, we are responding to the following conditions and drivers:

- The IT group will continue to support our growing workforce.
- New complementary funding sources will require updated systems.
- Program offers and delivery approaches are becoming more complex and changing significantly in response to acceleration and the integration of new funding sources. Energy Trust is working with a broader set of stakeholders. Operating programs efficiently in this environment requires information systems enhancements to build the needed infrastructure to support programs and enhance flexibility.
- Oregon's Consumer and Privacy act requires more security and privacy measures from our utility partners.
- Artificial intelligence (AI) tools and technologies are driving software improvements and innovations, but also privacy concerns. We will continue to evaluate potential uses and risks and adopt what makes sense for our organization.

2025 Significant Activities

- Enhance and develop systems to support new funding sources and related requirements. Solar for All and FEMA Community Energy Resilience Grant both require new system changes, ranging from simple enhancements to complex projects. So will the Climate Pollution Reduction Grant (CPRG), which will be added to Energy Trust's final proposed budget.
- Support an office move, using this opportunity to make the most efficient use of space for IT needs and to investigate colocation of servers for better redundancy of power and internet connectivity.
- Support the new Oregon Consumer Privacy Act policies, procedures, and controls in collaboration with Legal Services.
- Use new technology like the Low Code/No Code application to accelerate internal efficiency efforts.
- Implement comprehensive AI policies and continued exploration and utilization of AI tools.
- Develop our first IT multiyear plan as part of the organization wide Multiyear Plan project.

2025 Utility-Specific Activities

Our Action Plans provide a high-level overview of key activities aimed at helping us achieve our strategic priorities. For details on activities planned for individual utilities and their customers, see the Utility Specific Action Plans.

Budgeted Expenditures

	2024 Budget	2025 Budget
Total Expenditures (millions)*	$5.4	$6.3

** Costs shown in the tables may be represented on more than one action plan and, if added together, will not match the total expenditures listed on the financial statements.*

Introduction

Energy Trust's 2025 Utility-Specific Action Plans provide an at-a-glance summary of strategies and activities developed that are unique to customers of each of our five utility partners. These action plans include content developed by Energy Trust, content developed by each utility partner and content that has been jointly developed.

The template for these action plans was developed and approved by all participants in the HB 3141 agreement work sessions held in the Spring of 2022. The template includes:

Engagement approach for community, customer and stakeholder outreach: This section has been discussed in utility coordination meetings and includes activities that are utility-led, Energy Trust led and those that will be jointly led.

Community and stakeholder representative input: Community and stakeholder representative insights and feedback were solicited during interactions that were utility-led, Energy Trust-led and jointly led. Energy Trust sought input on 2025 activities through extensive stakeholder engagements regarding development of its 2025-2030 Strategic Plan, beginning in January 2024.

Utility-specific key activities for the budget year: These activities have been jointly agreed upon by Energy Trust and our utility partners and include outreach, community engagement, marketing program-level activities and targeted initiatives.

Utility-specific budget tables for the upcoming budget year and the following year: Budget tables include utility-specific financials and energy savings and/or generation including goals, Integrated Resource Planning targets, levelized cost and carbon dioxide emissions avoided. For utilities investing a portion of the efficiency tariff to support customer participation in Energy Trust programs, the utility has provided the annual budget for those activities.

Context

In accordance with House Bill (HB) 3141 (2021) Section 9, Energy Trust is directed "With public utilities, [to] jointly develop public utility-specific budgets, action plans and agreements that detail the entity's public utility-specific planned activities, resources, and technologies pursuant to ORS 757.054 and 757.612 (3)(b)(B), including coordinated activities that require joint investment and deployment. Each action plan must reflect stakeholder feedback gathered through a public process managed by the entity and the relevant public utility as overseen by the commission." [1]

This process is formalized in the four steps below and is now referred to as the HB 3141 Budget Coordination Memo.

The HB 3141 Budget and Action Plan Process follows four main steps:

- **Step 1:** Market Assessment
- **Step 2:** Action Planning
- **Step 3:** Budget + Utility-Specific Action Planning
- **Step 4:** Final Plans + Tariff Filing

Within this construct is the expressed intent to put forth both an Energy Trust comprehensive action plan and utility-specific action plan, inclusive of identified joint investment opportunities and coordinated activities (not solely a function of IRP goals) which will "largely benefit only the customers of that funder utility." [2]

The five utility-specific action plans are appended to the Energy Trust Action Plan and published as part of the draft and final proposed annual budget and action plan packages in October and December.

The following utility specific action plans were jointly drafted and agreed-upon by the utilities and Energy Trust, and include outreach, community engagement, marketing, program level activities, and targeted initiatives involving joint investment or deployment. Activities highlighted and summarized in the utility-specific action plan will largely benefit only the customers of that funder utility. Activities that benefit customers from multiple utilities will continue to be documented in the Energy Trust program action plans.

[1] Retrieved from: https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB3141/Enrolled
[2] Retrieved from: Budget Process Coordination and Action Plan Memorandum (the "HB 3141 Budget Coordination Memo") (8/3/2022)

Action plan: 2025
Portland General Electric
December 6, 2024

The following information details key activities planned for Portland General Electric (PGE) customers, including joint activities with Energy Trust and PGE. The information is not comprehensive of all activities serving PGE customers. Activities directed to customers of all electric funding utilities can be found in Energy Trust action plans found in the Action Plan section of the budget packet. Budget tables are inclusive of all revenues, expenditures, and energy goals for PGE customers.

Contents

Informing the 2025 Portland General Electric Action Plan

Engagement approach

In alignment with HB 3141, Energy Trust and its utility partners collaborated to co-produce the 2024-2025 Utility-Specific Action Plans in 2023. Development of those action plans included six utility coordination meetings with utilities plus market intelligence gathering sessions with all five partner utilities and Energy Trust's three public advisory councils. Energy Trust's 2025 action plans build on and largely align with those 2024-2025 action plans and leverage those insights gathered in 2023.

In 2024, Energy Trust continued to engage utilities and stakeholders for input on the organization's priorities and strategies for development of our 2025-2030 Strategic Plan, to be approved by our board of directors in December 2024. Energy Trust sought input from customers, communities, community-based organizations and Energy Trust's three advisory councils. That input was collected and reviewed by staff to develop the 2025 Budget and Action Plan. Supplementary community insights were gleaned from Energy Trust program and outreach staff and market research. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo. Community feedback was also invited during the budget public comment period from October 2 to 16, 2024.

Energy Trust and PGE will continue to engage in partnership on new areas of work that are supported by the Oregon Public Utility Commission. Work areas include exploring opportunities to further increase savings to meet the state's clean energy goals, continued collaboration and coordination on distributed energy resources (DERs), including demand response, flexible load, and small-scale distributed generation and energy storage. Energy Trust and PGE will also collaborate on co-developing marketing strategies to better reach and serve energy burdened and income-qualified customers.

Portland General Electric-specific 2025 Key Activities

The activities provided below are funded via the annual budget provided by PGE ratepayers and additional subcontracted work. Both are included to provide visibility into the depth of the partnership, and PGE and Energy Trust will work to establish workgroups with shared accountability that meet routinely to

advance these activities and their associated outcomes. For all subcontracted work, inclusive of the Smart Grid Test Bed (SGTB) Collaboration, Flexible Feeder and Smart Solar Study, PGE and Energy Trust set clear resource and reporting pathways including single points of contact which foster exceedance of the minimum reporting, performance and coordination requirements set in contracts as needed to achieve shared objectives.

Outreach and community engagement

- Partner with PGE staff in outreach and community relations to share information about activities and coordinate plans.
- Encourage the sharing of our respective diversity, equity and inclusion (DEI) efforts to learn from one another and increase the potential for success, including emerging tribal engagement activities.
- Work with Energy Trust's Communications and Customer Service outreach team to coordinate with utilities on emerging community engagement activities, including the utility's Community Benefits and Impact Advisory Group (CBIAG), Distribution System Workshops, and other ongoing community events where education and awareness of Energy Trust's programs and services can support PGE and community goals.
- As PGE hosts forums to engage community members or design community efforts, such as the CBIAG or Tribal Work Groups, bring forward content and information that would be of value for participants.
- Track on community-led energy, sustainability or climate plan development to share information on activities and energy projects that may emerge from planning efforts.
- Continue to collaborate with PGE 838 outreach team on the small business no-cost lighting offer.

Marketing

- Collaborate with PGE marketing and brand colleagues to:
    - Better align team members and understand respective organizational structures.
    - Streamline communications.
    - Establish a common understanding of processes, business objectives and plans across marketing teams assigned to different efforts (e.g., Business programs, Smart Grid Test Bed Collaboration, Residential programs, PGE Marketplace, etc.).
    - Ensure marketing teams on both sides have a complete and common understanding of PGE and Energy Trust program designs and processes.
    - Share campaign performance metrics, consumer and business insights from research projects, or other market intelligence that may inform marketing efforts.
- Coordinate and collaborate with PGEs smart commercial thermostat outreach efforts and Energy Partner on Demand program.

Program activities

- Perform demographic and tracking analyses to support geographically targeted efficiency and renewable activities in alignment and within the context of UM 2211 and UM 2141 co-deployment.
- Provide support for energy efficiency potential forecast for Integrated Resource Plan.
- Collaborate to combine Inflation Reduction Act (IRA) funds maximizing program incentives when and how those funds are available to customers to optimize complementary programs, respectively, across PGE and Energy Trust to better meet needs of low-income customers.
- Jointly identify opportunities for PGE to complement and further the goals of the Oregon Department of Energy (ODOE) led Solar for All (SFA) grant planning and activities (2024 – 2029) with Energy Trust and the Bonneville Environmental Foundation (BEF).
- Collaborate with PGE on renewable energy projects and energy resilience studies at municipal infrastructure, including water and water resource recovery facilities.
- Collaborate in supporting data sharing and PowerClerk development of shared outcomes and objectives for collaboration on data and analysis, in support and alignment with UM 2111, in these areas for 2025.

- Collaborate with utilities on implementation of FEMA community energy resilience grant activities, including early engagement with communities.

Targeted initiatives involving joint investment and co-deployment (e.g., DERs and energy efficiency)

- PGE and Energy Trust will focus on a holistic, coordinated delivery (or co-deployment) effort for customers experiencing low incomes. This will include PGE's utility bill discounts, no-cost (or enhanced incentives for) energy efficiency measures, and information from PGE's Energy Burden Needs Assessment published in June 2024. This approach is consistent with the OPUC's process for further the implementation of HB 2475 to create programs to reduce energy burden, in OPUC docket UM 2211[1].
    - Implement outcomes-based co-deployment framework PGE and Energy Trust developed in 2024 and included in UM 2141.
    - Set goals, develop research objectives, and identify implementation activities and timeline for 2025 co-deployment in a project plan to be developed in Q4 2024 and completed Q1 2025.
    - Project plan is to be assigned project managers, sponsors and subject matter experts at both organizations to ensure timely implementation.
    - Develop a consistent approach and process to co-create and co-brand marketing campaigns in support of PGE-Energy Trust co-deployed program offers, including a consistent approach to identifying the appropriate delivery channels and associated milestones for the neighborhood.
    - Continue to collaborate on how Energy Trust and PGE can best use insights from Energy Burden Needs Assessment to jointly identify and prioritize high energy burden and high savings potential customer segments.
    - Implement one to three priority neighborhood campaigns identified in the Energy Burden Needs Assessment to be delivered between Q2 and Q3 2025

- Continue to collaborate and coordinate with PGE on distributed energy resources (DERs), including demand response, flexible load, and small-scale distributed generation and energy storage.
- Smart Grid Test Bed (SGTB) Collaboration (2022 – 2027)
    - Support implementation of flexible load management and Smart Grid Test Bed Collaboration (formerly called Smart Grid Advanced Load Management & Optimized Neighborhoods, or SALMON) projects in coordination with PGE.
    - Collaborate on continuous improvement of SGTB offers.
- Flexible Feeder Initiative (2022 – 2027)
    - Explore how we might deliver new measures developed via the Flex Feeder initiative in 2023-2024 in 2025 and beyond as part of the overall co-deployment framework between PGE and Energy Trust.
    - Jointly identify and build upon lessons learned from 2024 projects per the established U.S. Department of Energy requirements to meet all specified deliverables on time and on budget.
- PGE Smart Solar Study (previously Smart Inverter Demonstration Project) (2023 – 2025)
    - Energy Trust has a contract with PGE to support implementation, customer engagement and customer incentive payments. In 2025, as the project winds down, Energy Trust will participate in the evaluation and support gathering and sharing lessons learned from the demonstration project.

[1] UM 2211 is the OPUC Docket that will be used to implement a portion of Oregon HB 2475, which creates programs to reduce energy burden for households. UM 2211 key design elements treat holistically the level of relief, tracking and accounting, bundling, outreach, engagement, and marketing of energy efficiency and income-qualified bill discount (IQBD). This docket is the appropriate venue for defining a holistic approach to alleviating energy burden in PGE's service territory.

- PGE Smart Battery Pilot (2020 - 2025)
    - Per the Master Purchase Agreement and associated Statement of Work meet all specified deliverables on time and on budget.
    - Energy Trust has a contract with PGE to provide support for customer outreach, contractor training, quality management and incentive processing.
    - In 2025, the PGE Smart Battery Pilot will incorporate lessons learned and transition to a new structure with the goal of creating a format that is more sustainable long term. Energy Trust's current contract with PGE for the Smart Battery Pilot concludes in July 2025, and the role that Energy Trust will play in the new version of the Smart Battery Pilot will need to be determined within the goals of our co-deployment framework and Energy Trust's Multiyear Plan collaborations with PGE.

Other

- Collaborate with PGE to incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach that Energy Trust is exploring to successfully plan, manage and achieve ambitious 2030 clean energy goals.

Portland General Electric-specific 2025 Budget

2025 Portfolio Level

Financial Overview	OPUC Efficiency	OPUC Renewables	Total for Portland General Electric
Beginning Net Assets	$ (1,559,118)	$ 10,632,419	$ 9,073,301
Revenue	$ 145,971,891	$ 12,000,000	$ 157,971,891
Expenditures	$ 141,221,938	$ 15,824,455	$ 157,046,393
Net Income	$ 4,749,953	$ (3,824,455)	$ 925,498
Interest Income Distribution	$ 208,560	$ 376,352	$ 584,911
Transfers between FS	$ (633,105)	$ (226,784)	$ (859,889)
Ending Net Assets	**$ 2,766,290**	**$ 6,957,532**	**$ 9,723,822**
Renewables Funds Dedicated		*$ 101,910*	
Renewables Funds Yet To Be Dedicated		*$ 6,855,622*	

Electric Savings and Generation Overview	OPUC Efficiency	OPUC Renewables	Total for Portland General Electric
Electric Savings (kWh) Annual Goal	281,677,816	-	281,677,816
Levelized Cost per kWh saved	$ 0.048	-	$ 0.048
Renewables Generation (kWh) Annual Goal	-	27,447,300	27,447,300
Levelized Cost per kWh generated	-	$ 0.029	$ 0.029
Electric Savings (aMW) - IRP Target	27.15	-	27.15

2024 Combined Efficiency and Renewable Carbon Targets	Combined Savings and Generation Goal (kWh)	First Year Carbon (Metric Tons CO2e)	Lifetime Carbon (Metric Tons CO2e)
Portland General Electric	309,125,116	147,862	1,092,662

2025 Portland General Electric-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust

Utility-invested Tariff Funds	OPUC Efficiency
Portland General Electric	-TBD

Portland General Electric-specific 2025 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Incentives	$ 76,183,450	$ 4,534,843	$ 29,459,999	$ -	$ 25,073,510	$ -	$ 17,115,097	$ -	$ 9,237,190	$ 8,643,650	$ 593,540
Program Delivery Contractors	$ 43,313,365	$ 4,815,882	$ 17,870,726	$ 2,376,857	$ 7,864,494	$ 101,844	$ 8,077,049	$ 2,206,514	$ 1,104,565	$ 1,004,565	$ 100,000
Employee Salaries & Fringe Benefits	$ 11,325,003	$ 1,252,155	$ 3,869,202	$ 126,807	$ 3,269,478	$ 4,091	$ 2,675,556	$ 127,716	$ 3,016,964	$ 2,985,329	$ 31,635
Agency Contractor Services	$ 624,656	$ 51,954	$ 256,377	$ 9,181	$ 165,698	$ 376	$ 132,419	$ 8,650	$ 183,066	$ 180,156	$ 2,910
Planning and Evaluation Services	$ 2,007,168	$ 372,205	$ 666,898	$ 6,697	$ 505,569	$ 14	$ 447,538	$ 8,246	$ 142,202	$ 142,090	$ 112
Advertising and Marketing Services	$ 2,193,638	$ 186,621	$ 675,840	$ 16,276	$ 616,635	$ 686	$ 682,386	$ 15,195	$ 389,040	$ 383,736	$ 5,304
Other Professional Services	$ 3,729,378	$ 473,780	$ 1,309,355	$ 11,722	$ 917,111	$ 486	$ 1,005,918	$ 11,006	$ 1,199,348	$ 1,101,538	$ 97,809
Travel, Meetings, Trainings & Conferences	$ 388,181	$ 39,724	$ 148,575	$ 4,056	$ 96,276	$ 157	$ 95,499	$ 3,893	$ 93,409	$ 92,199	$ 1,211
Dues, Licenses and Fees	$ 282,234	$ 13,381	$ 182,455	$ 1,245	$ 30,325	$ 34	$ 53,495	$ 1,298	$ 31,958	$ 31,694	$ 264
Software and Hardware	$ 479,138	$ 41,662	$ 128,753	$ 4,220	$ 211,091	$ 136	$ 89,026	$ 4,250	$ 248,142	$ 247,089	$ 1,053
Depreciation & Amortization	$ 155,023	$ 12,914	$ 57,146	$ 1,354	$ 52,639	$ 45	$ 29,570	$ 1,357	$ 30,686	$ 30,342	$ 344
Office Rent and Equipment	$ 487,132	$ 53,842	$ 166,460	$ 5,459	$ 140,624	$ 176	$ 115,073	$ 5,497	$ 129,670	$ 128,307	$ 1,363
Materials Postage and Telephone	$ 50,733	$ 5,416	$ 17,386	$ 597	$ 14,961	$ 20	$ 11,759	$ 595	$ 17,714	$ 17,558	$ 156
Miscellaneous Expenses	$ 2,838	$ 270	$ 1,047	$ 43	$ 798	$ 2	$ 637	$ 41	$ 500	$ 487	$ 13
Expenditures	**$ 141,221,938**	**$ 11,854,648**	**$ 54,810,217**	**$ 2,564,515**	**$ 38,959,209**	**$ 108,066**	**$ 30,531,022**	**$ 2,394,259**	**$ 15,824,455**	**$ 14,988,740**	**$ 835,715**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Program Costs	$ 133,090,123	$ 11,172,036	$ 51,654,146	$ 2,416,846	$ 36,715,867	$ 101,844	$ 28,772,991	$ 2,256,393	$ 14,913,254	$ 14,125,661	$ 787,593
Administrative Costs	$ 8,131,815	$ 682,612	$ 3,156,072	$ 147,669	$ 2,243,342	$ 6,223	$ 1,758,032	$ 137,866	$ 911,201	$ 863,079	$ 48,122
Management + General	$ 4,816,453	$ 404,309	$ 1,869,333	$ 87,464	$ 1,328,725	$ 3,686	$ 1,041,277	$ 81,658	$ 539,702	$ 511,199	$ 28,503
Communications + Outreach	$ 3,315,363	$ 278,303	$ 1,286,739	$ 60,205	$ 914,616	$ 2,537	$ 716,754	$ 56,208	$ 371,499	$ 351,880	$ 19,619
Expenditures	**$ 141,221,938**	**$ 11,854,648**	**$ 54,810,217**	**$ 2,564,515**	**$ 38,959,209**	**$ 108,066**	**$ 30,531,022**	**$ 2,394,259**	**$ 15,824,455**	**$ 14,988,740**	**$ 835,715**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Electric Savings (kWh) Annual Goal	281,677,816	38,086,651	83,854,669	9,767,212	105,570,518	3,359,047	25,648,963	15,390,758	-	-	-
Levelized Cost per kWh saved	$ 0.048	$ 0.019	$ 0.053	$ 0.014	$ 0.031	$ 0.002	$ 0.075	$ 0.006	-	-	-
Renewables Generation (kWh) Annual Goal	-	-	-	-	-	-	-	-	27,447,300	27,167,300	280,000
Levelized Cost per kWh generated	-	-	-	-	-	-	-	-	$ 0.029	$ 0.028	$ 0.149
Electric Savings (kWh) - IRP Target	290,748,973	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	-	-	-

Action plan: 2025
Pacific Power
December 6, 2024

The following information details key activities planned for Pacific Power customers, including joint activities with Energy Trust and Pacific Power. The information is not comprehensive of all activities serving Pacific Power customers. Activities directed to customers of all electric funding utilities can be found in Energy Trust action plans found in the Action Plan section of the budget packet. Budget tables are inclusive of all revenues, expenditures and energy goals for Pacific Power customers.

Contents

Informing the 2025 Pacific Power Action Plan

Engagement approach

In alignment with HB 3141, Energy Trust and its utility partners collaborated to co-produce the 2024-2025 Utility-Specific Action Plans in 2023. Development of those action plans included six utility coordination meetings with utilities plus market intelligence gathering sessions with all five partner utilities and Energy Trust's three public advisory councils. Energy Trust's 2025 action plans build on and largely align with those 2024-2025 action plans and leverage those insights gathered in 2023.

In 2024, Energy Trust continued to engage utilities and stakeholders for input on the organization's priorities and strategies for development of our 2025-2030 Strategic Plan, to be approved by our board of directors in December 2024. Energy Trust sought input from customers, communities, community-based organizations and Energy Trust's three advisory councils. That input was collected and reviewed by staff to develop the 2025 Budget and Action Plan. Supplementary community insights were gleaned from Energy Trust program and outreach staff and market research. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo. Community feedback was also invited during the budget public comment period from October 2 to 16, 2024.

Energy Trust and Pacific Power will continue to engage in partnership on new areas of work that are supported by the Oregon Public Utility Commission. Work areas include exploring opportunities to further increase savings to meet the state's clean energy goals, continued collaboration and coordination on distributed energy resources (DERs), including demand response, flexible load, and small-scale distributed generation and energy storage. Energy Trust and Pacific Power will also collaborate on co-developing marketing strategies to better reach and serve energy burdened and income-qualified customers.

Pacific Power-specific 2025 Key Activities

Outreach and community engagement

- Partner with Pacific Power staff in outreach and community relations to share information about activities and coordinate plans.
- Partner and collaborate with OHCS on how to better serve energy burdened and low-income qualified customers.
- Encourage the sharing of our respective diversity, equity and inclusion (DEI) efforts to learn from one another and increase the potential for success, including emerging tribal engagement activities.
- Explore opportunities to further collaborate with Pacific Power's Marketing and Outreach teams.
- Coordinate across programs on emerging community engagement activities, including Pacific Power's Community Benefits and Impact Advisory Group, local and state workshops related to Distribution System Planning and Clean Energy Plan, and other ongoing community events where education and awareness of Energy Trust's programs and services can support utility and community goals.
- As Pacific Power hosts forums to engage community members or design community efforts, such as the Community Benefits and Impacts Advisory Groups or Tribal Work Groups, Energy Trust staff will bring forward content and information that would be of value for participants.
- At the frequency desired by Pacific Power, convene Energy Trust and utility staff for regular coordination regarding joint customer awareness building, program coordination, utility planning, community relationships, initiatives and grants, and insights on customer awareness and participation to align on opportunities to deliver greater community benefit together.
- The new Energy Trust tribal government relations manager will work in concert with Pacific Power Tribal Relations staff, Tribal Liaison Representative and regional business managers to ensure coordination and not exhaust capacity constrained communities.
- Serve as point of contact for communities and for regional utility outreach managers sharing information about community needs and insights and jointly attend community events.
- Track on community-led energy, sustainability or climate plan development to share information on activities and energy projects that may emerge from planning efforts. As requested, support counties developing energy resilience plans funded through the Oregon Department of Energy county energy resilience grant program.

Marketing

- Expand and build on ongoing collaboration efforts to align and leverage energy efficiency and demand respond program marketing for connected technologies.
- Continue to coordinate on Oregon energy efficiency awareness advertising, customer newsletters, direct mail and email campaigns to reach a broader audience with information on low-cost products and special offers, as appropriate.
- Co-develop marketing strategies to better reach and serve energy burdened and income-qualified customers.
- Collaborate on new or expand current cooperative marketing strategies to maximize savings, support targeted load management projects or other special initiatives, and better reach underserved audiences.
- Expand and further align cooperative marketing activities for online services and products, such as the Pacific Power Home and Business Energy Reports.

Energy efficiency activities

- Perform demographic and potential analyses to support geographically targeted efficiency and renewable activities.
- Continue to collaborate and coordinate with Pacific Power on distributed energy resources (DERs), including demand response, flexible load, and small-scale distributed generation and energy storage.

- Provide support for energy efficiency potential forecast for Integrated resource plan.

Renewables, resilience activities

- Collaborate with utilities on implementation of FEMA Community Energy Resilience grant activities, including early engagement with communities.
- Jointly identify opportunities for Pacific Power to complement and further the goals of the Oregon Department of Energy (ODOE) led Solar for All (SFA) grant planning and activities (2024 – 2029) with Energy Trust and the Bonneville Environmental Foundation (BEF).

Targeted initiatives involving joint investment and deployment (e.g., TLM, DR/EE)

- Develop Targeted Load Management offerings in Pacific Power identified areas, with locations in Prineville and Upper Rogue Valley already identified for potential implementation in 2026.
- Coordinate and collaborate with Pacific Power's distribution system planning team to analyze and review other areas that experience system constraints. Develop a multiyear collaborative approach to manage load and the “load bubbles” Pacific Power has defined as regional capacity constraints that are broader in scope than TLM. By targeting energy efficiency, renewable energy and storage geographically in these areas, we can achieve significant benefits that complement system-wide efficiency initiatives, helping to alleviate system pressure, lower utility costs, and improve overall reliability.
- Continue working with Pacific Power on projects related to electric vehicle charging.
- Coordinate and design marketing and educational materials related to Transportation Electrification activities; specifically continued education of customers who are on Time of Use rates, potential amplification of marketing campaigns, dealership engagement and coordinated key messages.
- Leverage workforce development initiatives between both entities; specifically investigate how to expand workforce development activities related to electric vehicle infrastructure and vehicle cohorts.
- Support Energy Trust existing EV Code Ready programs in both commercial and residential programs; expand support of early design assistance.
- Coordinate applications and concepts for grant funding to support targeted load management activities related to constrained areas within the service aera and storage plus solar opportunities.
- Collaborate on new or expand on current cooperative marketing campaigns and activities for Targeted Load Management (TLM) projects (i.e., electric non-traditional solutions) that span energy efficiency, demand response, small-scale renewables, and battery storage.
- Leverage utility data on customers in potential TLM areas, including income-qualified bill discounts Low Income Discount (LID).

Other

Collaborate with Pacific Power to incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach that Energy Trust is exploring to successfully plan, manage and achieve ambitious 2030 clean energy goals.

Pacific Power-specific 2025 Budget

2025 Portfolio Level

Financial Overview	OPUC Efficiency	OPUC Renewables	Total for PacifiCorp
Beginning Net Assets	$ (6,263,086)	$ 8,074,984	$ 1,811,898
Revenue	$ 117,851,102	$ 8,910,221	$ 126,761,323
Expenditures	$ 107,203,962	$ 10,756,275	$ 117,960,237
Net Income	$ 10,647,140	$ (1,846,054)	$ 8,801,086
Interest Income Distribution	$ 74,647	$ 308,669	$ 383,316
Transfer Between FS	$ (429,021)	$ (164,223)	$ (593,244)
Ending Net Assets	**$ 4,029,681**	**$ 6,373,375**	**$ 10,403,056**
Renewables Funds Dedicated		*$ 223,600*	
Renewables Funds Yet To Be Dedicated		*$ 6,149,775*	

Electric Savings and Generation Overview	OPUC Efficiency	OPUC Renewables	Total for PacifiCorp
Electric Savings (kWh) Annual Goal	219,995,514	-	219,995,514
Levelized Cost per kWh saved	$ 0.046	-	$ 0.046
Renewables Generation (kWh) Annual Goal	-	21,816,000	21,816,000
Levelized Cost per kWh generated	-	$ 0.025	$ 0.025
Electric Savings (aMW) - IRP Target	21.54	-	21.54

2024 Combined Efficiency and Renewable Carbon Targets	Combined Savings and Generation Goal (kWh)	First Year Carbon (Metric Tons CO2e)	Lifetime Carbon (Metric Tons CO2e)
Pacific Power	241,811,514	115,604	816,192

2025 Pacific Power-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust

Utility-invested Efficiency Funds	OPUC Efficiency
Pacific Power	-TBD

Pacific Power-specific 2025 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Incentives	$ 58,120,074	$ 3,573,113	$ 22,824,138	$ -	$ 16,403,243	$ -	$ 15,319,581	$ -	$ 6,364,050	$ 5,511,250	$ 852,800
Program Delivery Contractors	$ 32,461,389	$ 3,810,202	$ 12,338,154	$ 1,733,002	$ 5,172,870	$ 74,256	$ 7,724,102	$ 1,608,802	$ 761,705	$ 661,705	$ 100,000
Employee Salaries & Fringe Benefits	$ 8,639,262	$ 988,699	$ 2,874,454	$ 92,457	$ 2,141,679	$ 2,983	$ 2,445,872	$ 93,120	$ 1,955,978	$ 1,912,246	$ 43,732
Agency Contractor Services	$ 474,355	$ 41,023	$ 190,464	$ 6,694	$ 108,541	$ 274	$ 121,052	$ 6,307	$ 119,422	$ 115,398	$ 4,023
Planning and Evaluation Services	$ 1,540,534	$ 293,893	$ 495,443	$ 4,883	$ 331,174	$ 11	$ 409,119	$ 6,012	$ 98,360	$ 98,205	$ 155
Advertising and Marketing Services	$ 1,686,454	$ 147,356	$ 502,086	$ 11,867	$ 403,928	$ 500	$ 609,639	$ 11,079	$ 253,133	$ 245,801	$ 7,332
Other Professional Services	$ 2,884,069	$ 374,096	$ 972,728	$ 8,547	$ 600,756	$ 354	$ 919,565	$ 8,024	$ 846,728	$ 705,588	$ 141,139
Travel, Meetings, Trainings & Conferences	$ 298,021	$ 31,366	$ 110,378	$ 2,957	$ 63,066	$ 114	$ 87,301	$ 2,839	$ 60,731	$ 59,058	$ 1,674
Dues, Licenses and Fees	$ 216,759	$ 10,566	$ 135,547	$ 908	$ 19,865	$ 25	$ 48,903	$ 947	$ 20,667	$ 20,302	$ 365
Software and Hardware	$ 354,481	$ 32,896	$ 95,651	$ 3,077	$ 138,276	$ 99	$ 81,383	$ 3,099	$ 159,728	$ 158,272	$ 1,456
Depreciation & Amortization	$ 116,172	$ 10,197	$ 42,454	$ 987	$ 34,481	$ 32	$ 27,032	$ 989	$ 19,911	$ 19,435	$ 476
Office Rent and Equipment	$ 371,606	$ 42,514	$ 123,664	$ 3,980	$ 92,116	$ 128	$ 105,194	$ 4,008	$ 84,071	$ 82,187	$ 1,884
Materials Postage and Telephone	$ 38,626	$ 4,276	$ 12,916	$ 435	$ 9,800	$ 15	$ 10,749	$ 434	$ 11,463	$ 11,247	$ 216
Miscellaneous Expenses	$ 2,159	$ 213	$ 778	$ 32	$ 523	$ 1	$ 582	$ 30	$ 330	$ 312	$ 18
Expenditures	**$ 107,203,962**	**$ 9,360,408**	**$ 40,718,853**	**$ 1,869,827**	**$ 25,520,317**	**$ 78,793**	**$ 27,910,074**	**$ 1,745,690**	**$ 10,756,275**	**$ 9,601,006**	**$ 1,155,270**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Program Costs	$ 101,030,963	$ 8,821,419	$ 38,374,188	$ 1,762,159	$ 24,050,810	$ 74,256	$ 26,302,962	$ 1,645,170	$ 10,136,910	$ 9,048,163	$ 1,088,747
Administrative Costs	$ 6,172,999	$ 538,989	$ 2,344,665	$ 107,668	$ 1,469,506	$ 4,537	$ 1,607,113	$ 100,520	$ 619,366	$ 552,843	$ 66,523
Management + General	$ 3,656,251	$ 319,242	$ 1,388,739	$ 63,771	$ 870,385	$ 2,687	$ 951,889	$ 59,538	$ 366,849	$ 327,448	$ 39,401
Communications + Outreach	$ 2,516,748	$ 219,747	$ 955,926	$ 43,897	$ 599,122	$ 1,850	$ 655,224	$ 40,982	$ 252,517	$ 225,396	$ 27,121
Expenditures	**$ 107,203,962**	**$ 9,360,408**	**$ 40,718,853**	**$ 1,869,827**	**$ 25,520,317**	**$ 78,793**	**$ 27,910,074**	**$ 1,745,690**	**$ 10,756,275**	**$ 9,601,006**	**$ 1,155,270**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	NEEA - Industrial	Residential	NEEA Residential	OPUC Renewables	Solar	Other Renewables
Electric Savings (kWh) Annual Goal	219,995,514	50,027,069	59,710,099	7,121,420	63,583,577	2,449,131	25,882,586	11,221,632	-	-	-
Levelized Cost per kWh saved	$ 0.046	$ 0.012	$ 0.055	$ 0.014	$ 0.033	$ 0.002	$ 0.077	$ 0.006	-	-	-
Renewables Generation (kWh) Annual Goal	-	-	-	-	-	-	-	-	21,816,000	21,186,000	630,000
Levelized Cost per kWh generated	-	-	-	-	-	-	-	-	$ 0.025	$ 0.023	$ 0.092
Electric Savings (kWh) - IRP Target	227,288,621	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	-	-	-

Action plan: 2025
NW Natural
December, 6, 2024

The following information details key activities planned for NW Natural customers, including joint activities with Energy Trust and NW Natural. The information is not comprehensive of all activities serving NW Natural customers. Activities directed to customers of all gas funding utilities can be found in Energy Trust action plans found in the Action Plan section of the budget packet. Budget tables are inclusive of all revenues, expenditures and energy goals for NW Natural customers.

Contents

Informing the 2025 NW Natural Action Plan

Engagement approach

In alignment with HB 3141, Energy Trust and its utility partners collaborated to co-produce the 2024-2025 Utility-Specific Action Plans in 2023. Development of those action plans included six utility coordination meetings with utilities plus market intelligence gathering sessions with all five partner utilities and Energy Trust's three public advisory councils. Energy Trust's 2025 action plans build on and largely align with those 2024-2025 action plans and leverage those insights gathered in 2023.

In 2024, Energy Trust continued to engage utilities and stakeholders for input on the organization's priorities and strategies for development of our 2025-2030 Strategic Plan, to be approved by our board of directors in December 2024. Energy Trust sought input from customers, communities, community-based organizations and Energy Trust's three advisory councils. That input was collected and reviewed by staff to develop the 2025 Budget and Action Plan. Supplementary community insights were gleaned from Energy Trust program and outreach staff and market research. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo. Community feedback was also invited during the budget public comment period from October 2 to 16, 2024.

Energy Trust and NW Natural will continue to engage in partnership on new areas of work that are supported by the Oregon Public Utility Commission. Work areas include exploring opportunities to further increase savings to meet the state's clean energy goals, continued collaboration and coordination on distributed energy resources (DERs), including demand response, flexible load, and small-scale distributed generation and energy storage. Energy Trust and NW Natural will also collaborate on co-developing marketing strategies to better reach and serve energy burdened and income-qualified customers.

NW Natural-specific 2025 Key Activities

Outreach and community engagement

- Partner and coordinate with NW Natural staff in outreach and community relations to share information about activities, and cross promote programs by sharing marketing materials and providing lists of planned outreach events.
- Encourage the sharing of our respective diversity, equity and inclusion (DEI) efforts to learn from one another and increase the potential for success, including emerging tribal engagement activities.
- Work with Energy Trust's Communications and Customer Service outreach team to coordinate with utilities on emerging community engagement activities and other ongoing community events where education and awareness of Energy Trust's programs and services can support utility and community goals.
- At the frequency desired by NW Natural, convene Energy Trust and utility staff for regular coordination regarding joint customer awareness building, program coordination, utility planning, community relationships, initiatives and grants, and to align on opportunities to deliver greater community benefit together.
- Meet with Clark Public Utilities' Commercial Account Manager(s) quarterly to discuss customer trends, needs and leads for potential project acquisition and partnership.
- Serve as point of contact for communities and for regional utility outreach managers sharing information about community needs and insights and jointly attend community events.
- Track on community-led energy sustainability or climate plan development to share information on activities and energy projects that may emerge from planning efforts.

Marketing

- Expand lead generation and communications to support NW Natural's Major Account Managers.
- Continue offering and promoting gas furnace incentives for rental properties.
- Co-develop marketing strategies to better reach and serve income-qualified customers.
- Meet regularly to provide greater visibility into and report progress on marketing campaigns and strategies to better reach customers in Oregon and SW Washington.
- Share customer success stories and information and educational content for incorporation in utility communication channels.

Energy efficiency activities

- Create systems enhancements to incorporate data and processing of program offers for transport gas customers of NW Natural.
- Increase Strategic Energy Management (SEM) program participation in Washington through the existing partnership with Clark Public Utilities and Energy Trust SW Washington customer sites. This effort includes an increased effort to offer the Building Operator Certificate training.
- Perform demographic and tracking analyses to support geographically targeted efficiency activities.
- Provide support for energy efficiency potential forecast for Integrated Resource Plan.
- Continue coordination with NW Natural on Hybrid Heating Pilot with regards to recruitment, customer communications, and evaluation.
- Coordinate with NW Natural to support delivery of Home Energy Reports to customers achieving behavioral energy efficiency savings through energy insights, behavioral tips, and informing them of opportunities to participate in program offers.

Targeted initiatives involving joint investment and deployment (e.g., TLM, DR/EE)

- Continue collaboration with NW Natural on opportunities for Targeted Load Management (TLM) projects, which NW Natural identifies as Geographically Targeted Energy Efficiency (GeoTEE), to support utility's system needs as identified by their distribution systems planning analyses.
- Leverage utility data on customers in potential TLM areas, including income-qualified bill discounts (IQBD).

Other

- Collaborate with NW Natural to incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach that Energy Trust is exploring to successfully plan, manage and achieve ambitious 2030 clean energy goals.

NW Natural-specific 2025 Budget

2025 Portfolio Level

Financial Overview	OPUC Efficiency excluding Industrial DSM	Industrial DSM	Washington	Total for NW Natural
Beginning Net Assets	$ 8,711,375	$ 3,136,575	$ 993,294	$ 12,841,245
Revenue	$ 24,725,675	$ 11,247,910	$ 2,995,196	$ 38,968,781
Expenditures	$ 32,221,871	$ 13,816,895	$ 3,643,981	$ 49,682,747
Net Income	$ (7,496,196)	$ (2,568,985)	$ (648,785)	$ (10,713,966)
Interest Income Distribution	$ 226,507	$ 140,355	$ 28,869	$ 395,732
Transfer Between FS	$ -	$ -	$ -	$ -
Ending Net Assets	**$ 1,441,686**	**$ 707,946**	**$ 373,378**	**$ 2,523,010**

Gas Savings Overview	OPUC Efficiency excluding Industrial DSM	Industrial DSM	Total for NW Natural Oregon	Washington
Gas Savings (therms) Annual Goal	3,093,423	2,252,291	5,345,714	219,054
Levelized Cost per therm saved	$ 0.728	$ -	$ -	$ -
Gas Savings (therms) - IRP Target	5,171,153	-		-

2024 Carbon Targets	First Year Carbon (Metric Tons CO2)	Lifetime Carbon (Metric Tons CO2)
NW Natural (OR, DSM, Transport, WA)	33,493	591,309

2025 NW Natural-invested Efficiency Funds

Reflects planned investments of a portion of tariff funds collected by the utility that are in addition to funds received by Energy Trust.

Utility-invested Tariff Funds	OPUC Efficiency
NW Natural Transport	TBD

NW Natural-specific 2025 Program Level Details

Expenditures Detail	OPUC Efficiency excluding Industrial DSM	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	NWN - Industrial	NWN Washington
Incentives	$ 16,130,482	$ 596,098	$ 4,611,965	$ -	$ 589,061	$ 10,333,358	$ -	$ 7,921,819	$ 1,672,343
Program Delivery Contractors	$ 11,033,374	$ 624,638	$ 3,267,011	$ 1,305,452	$ 132,315	$ 5,330,515	$ 373,444	$ 3,918,857	$ 915,997
Employee Salaries & Fringe Benefits	$ 2,630,680	$ 164,226	$ 643,108	$ 69,647	$ 71,570	$ 1,660,514	$ 21,615	$ 1,059,306	$ 625,853
Agency Contractor Services	$ 141,590	$ 6,852	$ 42,588	$ 5,043	$ 3,626	$ 82,018	$ 1,464	$ 62,076	$ 18,360
Planning and Evaluation Services	$ 351,785	$ 67,442	$ 86,515	$ 3,678	$ 10,863	$ 181,891	$ 1,396	$ 153,327	$ 31,288
Advertising and Marketing Services	$ 593,155	$ 24,490	$ 112,340	$ 8,939	$ 13,499	$ 431,315	$ 2,572	$ 191,912	$ 26,348
Other Professional Services	$ 932,803	$ 61,942	$ 217,847	$ 6,438	$ 19,420	$ 625,294	$ 1,863	$ 324,953	$ 217,952
Travel, Meetings, Trainings & Conferences	$ 94,163	$ 5,215	$ 24,695	$ 2,228	$ 2,107	$ 59,259	$ 659	$ 36,087	$ 16,882
Dues, Licenses and Fees	$ 66,930	$ 1,753	$ 30,364	$ 684	$ 664	$ 33,246	$ 220	$ 30,508	$ 62,125
Software and Hardware	$ 89,775	$ 5,464	$ 21,400	$ 2,318	$ 4,622	$ 55,251	$ 719	$ 51,118	$ 20,821
Depreciation & Amortization	$ 31,674	$ 1,694	$ 9,502	$ 743	$ 1,152	$ 18,353	$ 230	$ 16,291	$ 6,378
Office Rent and Equipment	$ 113,153	$ 7,062	$ 27,668	$ 2,998	$ 3,078	$ 71,417	$ 930	$ 45,568	$ 26,901
Materials Postage and Telephone	$ 11,652	$ 711	$ 2,889	$ 328	$ 327	$ 7,296	$ 101	$ 4,800	$ 2,625
Miscellaneous Expenses	$ 652	$ 36	$ 174	$ 24	$ 17	$ 395	$ 7	$ 273	$ 108
Expenditures	**$ 32,221,871**	**$ 1,567,623**	**$ 9,098,066**	**$ 1,408,520**	**$ 852,323**	**$ 18,890,121**	**$ 405,219**	**$ 13,816,895**	**$ 3,643,981**

Expenditures Detail by Function	OPUC Efficiency excluding Industrial DSM	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	NWN - Industrial	NWN Washington
Program Costs	$ 30,366,477	$ 1,477,356	$ 8,574,182	$ 1,327,415	$ 803,245	$ 17,802,393	$ 381,886	$ 13,021,293	$ 3,434,154
Administrative Costs	$ 1,855,394	$ 90,267	$ 523,883	$ 81,105	$ 49,078	$ 1,087,727	$ 23,333	$ 795,602	$ 209,827
Management + General	$ 1,098,945	$ 53,465	$ 310,295	$ 48,038	$ 29,069	$ 644,258	$ 13,820	$ 471,233	$ 124,280
Communications + Outreach	$ 756,449	$ 36,802	$ 213,589	$ 33,067	$ 20,009	$ 443,469	$ 9,513	$ 324,369	$ 85,547
Expenditures	**$ 32,221,871**	**$ 1,567,623**	**$ 9,098,066**	**$ 1,408,520**	**$ 852,323**	**$ 18,890,121**	**$ 405,219**	**$ 13,816,895**	**$ 3,643,981**

Energy Savings Detail	OPUC Efficiency excluding Industrial DSM	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	NWN - Industrial	NWN Washington
Gas Savings (therms) Annual Goal	3,093,423	215,841	1,017,285	189,736	226,413	1,444,148		2,252,291	219,054
Levelized Cost per therm saved	$ 0.728	$ 0.398	$ 0.612	$ 0.371	$ 0.271	$ 0.447		$ -	$ -
Gas Savings (therms) - IRP Target	5,171,153	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency		Included in OPUC Efficiency	Included in OPUC Efficiency

Action plan: 2025
Cascade Natural Gas

December 6, 2024

The following information details key activities planned for Cascade Natural Gas customers, including joint activities with Energy Trust and Cascade Natural Gas. The information is not comprehensive of all activities serving Cascade Natural Gas customers. Activities directed to customers of all gas funding utilities can be found in Energy Trust action plans found in the Action Plan section of the budget packet. Budget tables are inclusive of all revenues, expenditures and energy goals for Cascade Natural Gas customers.

Contents

Informing the 2025 Cascade Natural Gas Action Plan

Engagement approach

In alignment with HB 3141, Energy Trust and its utility partners collaborated to co-produce the 2024-2025 Utility-Specific Action Plans in 2023. Development of those action plans included six utility coordination meetings with utilities plus market intelligence gathering sessions with all five partner utilities and Energy Trust's three public advisory councils. Energy Trust's 2025 action plans build on and largely align with those 2024-2025 action plans and leverage those insights gathered in 2023.

In 2024, Energy Trust continued to engage utilities and stakeholders for input on the organization's priorities and strategies for development of our 2025-2030 Strategic Plan, to be approved by our board of directors in December 2024. Energy Trust sought input from customers, communities, community-based organizations and Energy Trust's three advisory councils. That input was collected and reviewed by staff to develop the 2025 Budget and Action Plan. Supplementary community insights were gleaned from Energy Trust program and outreach staff and market research. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo. Community feedback was also invited during the budget public comment period from October 2 to 16, 2024.

Energy Trust and Cascade Natural Gas will continue to engage in partnership on new areas of work that are supported by the Oregon Public Utility Commission. Work areas include exploring opportunities to further increase savings to meet the state's clean energy goals, continued collaboration and coordination on distributed energy resources (DERs), including demand response, flexible load, and small-scale distributed generation and energy storage. Energy Trust and Cascade Natural Gas will also collaborate on co-developing marketing strategies to better reach and serve energy burdened and income-qualified customers.

Cascade Natural Gas-specific 2025 Key Activities

Outreach and community engagement

- Partner with Cascade Natural Gas staff in outreach and community relations to share information about activities and coordinate plans.
- Encourage the sharing of our respective diversity, equity and inclusion (DEI) efforts to learn from one another and increase the potential for success, including emerging tribal engagement activities.
- Work with Energy Trust's Communications and Customer Service outreach team to coordinate with utilities on emerging community engagement activities and ongoing community events where education and awareness of Energy Trust's programs and services can support utility and community goals.
- At the frequency desired by Cascade Natural Gas, convene Energy Trust and utility staff for regular coordination regarding joint customer awareness building, program coordination, utility planning, community relationships, initiatives and grants, and to align on opportunities to deliver greater community benefit together.
- Serve as point of contact for communities and for regional utility outreach managers sharing information about community needs and insights and jointly attend community events.
- Track on community-led energy sustainability or climate plan development to share information on activities and energy projects that may emerge from planning efforts.

Marketing

- Collaborate on potential marketing campaigns and activities for Targeted Load Management (TLM) projects (i.e., gas non-pipe solutions), as needed.
- Collaborate on new or expand current cooperative marketing strategies to maximize savings, support other special initiatives, and better reach underserved audiences.
- Continue to coordinate regularly on direct marketing campaigns to reach broader audiences.
- Hold ongoing check-ins to provide greater visibility into and updates on marketing strategies and campaigns to support gas and dual-fuel products and services across CNG territory.

Energy efficiency activities

- Perform demographic and tracking analyses to support geographically targeted efficiency.
- Provide support for energy efficiency potential forecast for Integrated Resource Plan.

Targeted initiatives involving joint investment and deployment (e.g., TLM, DR/EE)

- Continue collaboration with Cascade Natural Gas on opportunities for Targeted Load Management (TLM) projects – non-pipe solutions – to support utility system needs as identified by their distribution systems planning analyses.
- Leverage utility data on customers in potential TLM areas, including income-qualified bill discounts (IQBD).

Other

- Collaborate with Cascade Natural Gas to incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach that Energy Trust is exploring to successfully plan, manage and achieve ambitious 2030 clean energy goals.

Cascade Natural Gas-specific 2025 Budget

2025 Portfolio Level

Financial Overview	OPUC Efficiency	Total for Cascade Natural Gas
Beginning Net Assets	$ 2,096,378	$ 2,096,378
Revenue	$ 4,648,985	$ 4,648,985
Expenditures	$ 6,233,133	$ 6,233,133
Net Income	$ (1,584,148)	$ (1,584,148)
Interest Income Distribution	$ 62,855	$ 62,855
Transfer Between FS	$ -	$ -
Ending Net Assets	**$ 575,085**	**$ 575,085**

Gas Savings Overview	OPUC Efficiency	Total for Cascade Natural Gas
Gas Savings (therms) Annual Goal	588,280	588,280
Levelized Cost per therm saved	$ 0.831	$ -
Gas Savings (therms) - IRP Target	512,541	-

2024 Carbon Targets	First Year Carbon (Metric Tons CO2)	Lifetime Carbon (Metric Tons CO2)
Cascade Natural Gas	3,515	64,696

2025 Cascade Natural Gas-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust

Cascade Natural Gas does not have any planned efficiency efforts with public purpose funds outside of the Energy Trust and low-income programs in 2025.

Utility-invested Tariff Funds	OPUC Tariff
Cascade Natural Gas	NA

Cascade Natural Gas-specific 2025 Program Level Details

Expenditures Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential
Incentives	$ 3,262,348	$ 112,354	$ 924,758	$ -	$ 601,182	$ 1,624,054	$ -
Program Delivery Contractors	$ 2,000,730	$ 117,733	$ 655,078	$ 162,457	$ 196,079	$ 822,910	$ 46,473
Employee Salaries & Fringe Benefits	$ 509,299	$ 30,954	$ 128,951	$ 8,667	$ 79,099	$ 258,938	$ 2,690
Agency Contractor Services	$ 27,438	$ 1,292	$ 8,539	$ 628	$ 4,007	$ 12,790	$ 182
Planning and Evaluation Services	$ 71,060	$ 12,712	$ 17,347	$ 458	$ 12,006	$ 28,364	$ 174
Advertising and Marketing Services	$ 106,385	$ 4,616	$ 22,526	$ 1,112	$ 14,919	$ 62,892	$ 320
Other Professional Services	$ 175,359	$ 11,675	$ 43,681	$ 801	$ 21,463	$ 97,507	$ 232
Travel, Meetings, Trainings & Conferences	$ 17,863	$ 983	$ 4,952	$ 277	$ 2,329	$ 9,241	$ 82
Dues, Licenses and Fees	$ 12,449	$ 330	$ 6,088	$ 85	$ 734	$ 5,184	$ 27
Software and Hardware	$ 19,423	$ 1,030	$ 4,291	$ 288	$ 5,108	$ 8,616	$ 90
Depreciation & Amortization	$ 6,481	$ 319	$ 1,905	$ 93	$ 1,274	$ 2,862	$ 29
Office Rent and Equipment	$ 21,906	$ 1,331	$ 5,548	$ 373	$ 3,402	$ 11,137	$ 116
Materials Postage and Telephone	$ 2,266	$ 134	$ 579	$ 41	$ 362	$ 1,138	$ 13
Miscellaneous Expenses	$ 126	$ 7	$ 35	$ 3	$ 19	$ 62	$ 1
Expenditures	**$ 6,233,133**	**$ 295,469**	**$ 1,824,279**	**$ 175,284**	**$ 941,981**	**$ 2,945,693**	**$ 50,427**

Expenditures Detail by Function	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential
Program Costs	$ 5,874,218	$ 278,456	$ 1,719,233	$ 165,190	$ 887,740	$ 2,776,075	$ 47,524
Administrative Costs	$ 358,915	$ 17,014	$ 105,045	$ 10,093	$ 54,241	$ 169,618	$ 2,904
Management + General	$ 212,584	$ 10,077	$ 62,218	$ 5,978	$ 32,127	$ 100,464	$ 1,720
Communications + Outreach	$ 146,331	$ 6,937	$ 42,827	$ 4,115	$ 22,114	$ 69,154	$ 1,184
Expenditures	**$ 6,233,133**	**$ 295,469**	**$ 1,824,279**	**$ 175,284**	**$ 941,981**	**$ 2,945,693**	**$ 50,427**

Energy Savings Detail	OPUC Efficiency	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential
Gas Savings (therms) Annual Goal	588,280	39,994	233,821	23,612	124,398	166,455	0
Levelized Cost per therm saved	$ 0.831	$ 0.412	$ 0.611	$ 0.371	$ 0.584	$ 0.584	
Gas Savings (therms) - IRP Target	512,541	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency

Action plan: 2025
Avista
December 6, 2024

This document describes key activities planned for Avista customers, including joint activities with Energy Trust and Avista. The information is not comprehensive of all activities serving Avista customers. Activities directed to customers of all gas funding utilities can be found in the Action Plan section of the budget packet. Budget tables are inclusive of all revenues, expenditures and energy goals for Avista customers.

Contents

Informing the 2025 Avista Action Plan

Engagement approach

In alignment with HB 3141, Energy Trust and its utility partners collaborated to co-produce the 2024-2025 Utility-Specific Action Plans in 2023. Development of those action plans included six utility coordination meetings with utilities plus market intelligence gathering sessions with all five partner utilities and Energy Trust's three public advisory councils. Energy Trust's 2025 action plans build on and largely align with those 2024-2025 action plans and leverage those insights gathered in 2023.

In 2024, Energy Trust continued to engage utilities and stakeholders for input on the organization's priorities and strategies for development of our 2025-2030 Strategic Plan, to be approved by our board of directors in December 2024. Energy Trust sought input from customers, communities, community-based organizations and Energy Trust's three advisory councils. That input was collected and reviewed by staff to develop the 2025 Budget and Action Plan. Supplementary community insights were gleaned from Energy Trust program and outreach staff and market research. Themes from community and stakeholder feedback are summarized in the Market Intelligence Memo. Community feedback was also invited during the budget public comment period from October 2 to 16, 2024.

Energy Trust and Avista will continue to engage in partnership on new areas of work that are supported by the Oregon Public Utility Commission to further increase savings to meet the state's clean energy goals. Energy Trust and Avista will also collaborate on co-developing marketing strategies to better reach and serve energy burdened and income-qualified customers.

Avista-specific 2025 Key Activities

Outreach and community engagement

- Coordinate or inform of emerging community engagement activities and ongoing community events where education and awareness of Energy Trust's programs and services can support utility and community goals, including emerging tribal engagement activities.
- At the frequency desired by Avista, convene Energy Trust and utility staff for regular coordination regarding joint customer awareness building, program coordination, utility planning, community relationships, initiatives and grants, and to align on opportunities to deliver greater community benefit together.
- Serve as point of contact for communities and for regional Avista outreach managers sharing information about community needs and insights and jointly attend community events.
- Track on community-led energy sustainability or climate plan development to share information on activities and energy projects that may emerge from planning efforts.

Marketing

- Co-develop marketing strategies to better reach and serve income-qualified customers with information and education on available income-qualified products and services, including supporting community-based organizations, as needed and appropriate.
- Coordinate with outreach and event teams to develop event marketing strategies that support program customer acquisition and educational goals.
- Collaborate on new or expand current cooperative marketing strategies to maximize savings, support targeted load management projects or other special initiatives, and better reach underserved audiences.
- Communicate strategies and tactics for relevant gas and dual-fuel Residential, Business, Industrial and Energy Trust Organizational marketing with Avista on an ongoing basis to create awareness or obtain feedback.

Energy efficiency activities

- Communicate with Avista on progress of program pipelines and opportunities for interruptible and transport gas customers.
- Perform demographic and tracking analyses to support geographically targeted efficiency and activities.
- Produce energy efficiency potential forecasts for Integrated Resource Plans.

Targeted initiatives involving joint investment and deployment (e.g., TLM, DR/EE)

- Continue collaboration with Avista on opportunities for Targeted Load Management (TLM) projects to support Avista's utility system needs as identified by their distribution systems planning analyses.
- Leverage utility data on customers in potential TLM areas, including income-qualified bill discounts (IQBD).
- Coordinate and communicate progress of hybrid heating pilot with utility and inform about NEEA aligned work.
- Develop Low-Income Co-funding with Avista with a focus on coordination with Lake County Resources Initiatives (LCRI) and others as opportunities evolve.

Other

- Collaborate with Avista to incorporate Utility-Specific Action Planning (USAP) into the multi-year business planning approach that Energy Trust is exploring to successfully plan, manage and achieve ambitious 2030 clean energy goals.
- Participate as available in Avista low-income Equity Advisory Group and inform about Energy Trust activities as applicable.

- Enhance reporting capabilities for utility specific funded programs.

Avista-specific 2025 Budget

2025 Portfolio Level

Financial Overview	OPUC Efficiency (Excl. Interruptible)	Interruptible	Total for Avista
Beginning Net Assets	$ (148,918)	$ 11,183	$ (137,735)
Revenue	$ 6,174,186	$ 570,657	$ 6,744,843
Expenditures	$ 5,492,557	$ 475,330	$ 5,967,886
Net Income	$ 681,629	$ 95,327	$ 776,957
Interest Income Distribution	$ 8,282	$ 2,540	$ 10,822
Transfer Between FS	$ -	$ -	$ -
Ending Net Assets	**$ 540,993**	**$ 109,050**	**$ 650,043**

Gas Savings Overview	OPUC Efficiency (Excl. Interruptible)	Interruptible	Total for Avista
Gas Savings (therms) Annual Goal	424,659	57,012	481,671
Levelized Cost per therm saved	$ 0.823	$ -	$ -
Gas Savings (therms) - IRP Target	435,982	-	-

2024 Utility Carbon Targets	First Year Carbon (Metric Tons CO2)	Lifetime Carbon (Metric Tons CO2)
Avista (OR, Interruptible, Transport)	3,463	73,389

2025 Avista-invested Efficiency Funds

Reflects planned investments of a portion of efficiency tariff funds collected by the utility that are in addition to funds received by Energy Trust.

Utility-invested Tariff Funds	OPUC Tariff
Avista transport	-TBD

Avista-specific 2025 Program Level Details

Expenditures Detail	OPUC Efficiency (Excl. Interruptible)	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Interruptible
Incentives	$ 2,838,901	$ 57,216	$ 481,516	$ -	$ 165,381	$ 2,134,788	$ -	$ 293,995
Program Delivery Contractors	$ 1,777,283	$ 59,955	$ 341,095	$ 183,376	$ 31,355	$ 1,109,044	$ 52,458	$ 111,764
Employee Salaries & Fringe Benefits	$ 458,508	$ 15,763	$ 67,144	$ 9,783	$ 19,519	$ 343,262	$ 3,036	$ 37,416
Agency Contractor Services	$ 23,962	$ 658	$ 4,446	$ 708	$ 989	$ 16,955	$ 206	$ 2,107
Planning and Evaluation Services	$ 56,782	$ 6,473	$ 9,033	$ 517	$ 2,963	$ 37,601	$ 196	$ 5,612
Advertising and Marketing Services	$ 102,752	$ 2,351	$ 11,729	$ 1,256	$ 3,682	$ 83,374	$ 361	$ 6,835
Other Professional Services	$ 164,413	$ 5,945	$ 22,744	$ 904	$ 5,296	$ 129,261	$ 262	$ 11,167
Travel, Meetings, Trainings & Conferences	$ 16,309	$ 501	$ 2,578	$ 313	$ 575	$ 12,250	$ 93	$ 1,229
Dues, Licenses and Fees	$ 10,519	$ 168	$ 3,170	$ 96	$ 181	$ 6,873	$ 31	$ 879
Software and Hardware	$ 15,868	$ 524	$ 2,234	$ 326	$ 1,261	$ 11,422	$ 101	$ 1,957
Depreciation & Amortization	$ 5,400	$ 163	$ 992	$ 104	$ 314	$ 3,794	$ 32	$ 580
Office Rent and Equipment	$ 19,721	$ 678	$ 2,889	$ 421	$ 840	$ 14,763	$ 131	$ 1,609
Materials Postage and Telephone	$ 2,028	$ 68	$ 302	$ 46	$ 89	$ 1,508	$ 14	$ 170
Miscellaneous Expenses	$ 112	$ 3	$ 18	$ 3	$ 5	$ 82	$ 1	$ 9
Expenditures	**$ 5,492,557**	**$ 150,467**	**$ 949,891**	**$ 197,854**	**$ 232,448**	**$ 3,904,976**	**$ 56,921**	**$ 475,330**

Expenditures Detail by Function	OPUC Efficiency (Excl. Interruptible)	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Interruptible
Program Costs	$ 5,176,285	$ 141,803	$ 895,195	$ 186,461	$ 219,063	$ 3,680,120	$ 53,643	$ 447,959
Administrative Costs	$ 316,271	$ 8,664	$ 54,696	$ 11,393	$ 13,385	$ 224,856	$ 3,278	$ 27,370
Management + General	$ 187,327	$ 5,132	$ 32,397	$ 6,748	$ 7,928	$ 133,181	$ 1,941	$ 16,211
Communications + Outreach	$ 128,945	$ 3,532	$ 22,300	$ 4,645	$ 5,457	$ 91,674	$ 1,336	$ 11,159
Expenditures	**$ 5,492,557**	**$ 150,467**	**$ 949,891**	**$ 197,854**	**$ 232,448**	**$ 3,904,976**	**$ 56,921**	**$ 475,330**

Energy Savings Detail	OPUC Efficiency (Excl. Interruptible)	New Buildings	Existing Buildings with MF	NEEA Commercial	Industry and Agriculture	Residential	NEEA Residential	Interruptible
Gas Savings (therms) Annual Goal	424,659	21,821	96,134	26,652	33,624	246,429		57,012
Levelized Cost per therm saved	$ 0.823	$ 0.385	$ 0.584	$ 0.371	$ 0.395	$ 0.502		$ 0.084
Gas Savings (therms) - IRP Target	435,982	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	Included in OPUC Efficiency	

Glossary of Key Terms

Above market cost: The portion of the net present value cost of producing power (including fixed and operating costs, delivery, overhead and profit) from a new renewable energy resource that exceeds the market value that is used by the utility to acquire resources. The market value will typically be an updated forward price curve, qualifying facilities tariff, Oregon Public Utility Commission-approved avoided cost filings or marginal resource selected through a competitive bidding process. In the case of on-site and net-metered use, the market cost will be the retail rates for the customer under filed tariffs with the Oregon Public Utility Commission (OPUC).

Administrative cost: Costs that, by nonprofit accounting standards, have general objectives that enable an organization's programs to function. The organization's programs provide direct services to its constituents to fulfill the mission of the organization. Administrative costs are included in the OPUC performance measure on administrative and program support. See **program delivery efficiency OPUC performance measure**.

> Administrative costs fall in these two categories. **Management and general** includes governance/board activities, interest/financing costs, accounting, payroll, human resources, general legal support and other general organizational management costs. **General communications and outreach** covers expenditures of a general nature, conveying the nonprofit mission of the organization and general public awareness. Both management and general and general communications and outreach receive an allocated share of indirect costs.

Allocation: A way of grouping costs together and applying them to a program as one pool based upon an allocation base that most closely represents the activity driver of the costs in the pool. Used as an efficient alternative to charging programs on an invoice-by-invoice basis. An example would be accumulating all costs associated with customer management such as call center operations, customer service personnel and complaint tracking. Costs are then spread to programs that benefited using the ratio of calls to the call center by program (i.e., the allocation base).

Allocation cost pools: These are: employee benefits and taxes; office operations including rent, telephone, utilities and supplies; information technology services including infrastructure, development, reporting and analysis; planning and evaluation general costs; customer service and trade ally support costs; community services costs; general communications and outreach costs; management and general costs; shared costs for electric utilities; shared costs for natural gas utilities; and shared costs for all utilities.

Auditor's opinion: An accountant's or auditor's opinion is a report by an independent Certified Public Accountant describing the scope of an examination of an organization's financial books and documents and certifying that its financial statements meet the American Institute of Certified Public Accountants (AICPA) requirements of Generally Accepted Accounting Principles. Depending on the audit findings, the opinion can be unmodified or modified regarding specific items. Failure to follow Generally Accepted Accounting Principles can result in a modified opinion. An unmodified opinion indicates agreement by the auditors that the

financial statements present an accurate assessment of the organization's financial results. Energy Trust strives for and has achieved in all its years an unmodified opinion. This annual audit is presented every spring to the board of directors. The OPUC requires an unmodified opinion regarding Energy Trust's financial statements.

Average megawatt: Megawatt is the standard term of measurement for bulk electricity. One megawatt is 1 million watts. One million watts delivered continuously 24 hours a day for a year (8,760 hours) is called an average megawatt.

Avoided cost: The amount of money an electric or natural gas utility would spend for the next increment of electric generation or fuel it would need to acquire if not for the reduction in demand due to either energy-efficiency savings or the energy that a co-generator or small-power producer provides.

Benefit/cost ratio: For Energy Trust to provide an incentive for a project, the benefit must meet or outweigh the cost. This is expressed as a benefit/cost ratio with the benefits in the numerator and the costs in the denominator. The OPUC has directed Energy Trust to apply the Total Resource Cost Test benefit/cost ratio and Utility Cost Test benefit/cost ratio to ensure that Energy Trust is responsibly investing ratepayer funds. The Total Resource Cost Test determines whether to provide an incentive for an energy-efficiency measure. The Utility Cost Test helps determine the maximum allowable amount of the incentive. Together, the tests assess the value of the energy-efficiency investment compared to a utility supplying the same amount of energy and determine whether energy efficiency is the best energy buy for a utility and for all utility customers.

Business planning: An annual process by which Energy Trust evaluates available staff resources in relation to organizational work and areas for innovation and prioritizes projects and business activities for the following year. The business plan forms the basis for setting the next year's organizational goals, budget and action plan, and is reviewed by leadership at least on a quarterly basis.

Board approved annual budget: Funds approved by the board for expenditures during the budget year (subject to board approved program funding caps and associated policy) for stated functions and capital asset expenditures. Energy Trust's budget uses a calendar year. The board approves the general allocation of funds including commitments and cash outlays. Approval of expenditures is based on assumed revenues from utilities and contracted revenues.

Clean energy: Defined by Energy Trust as conservation, energy efficiency and small-scale renewable energy projects.

Committed funds: Represents funds obligated to identified efficiency program participants in the form of signed applications or agreements and tracked in the project forecasting system. If the project is not demonstrably proceeding within an agreed upon time frame, committed funds are released. Reapplication would then be required. Funds are expensed when the project is completed or interim milestones are met.

Contract obligations: A signed contract for goods or services that creates a legal obligation. Reported in the monthly Contract Status Summary Report.

Cost-effectiveness calculation: Energy-efficiency programs and measures are evaluated for cost-effectiveness. The cost of the savings must be lower than the cost to provide the energy

from both a utility and societal perspective. Expressed as a ratio of the presumed avoided cost of energy divided by the cost to provide the energy. Program cost-effectiveness evaluation is "fully allocated," i.e., includes all program costs plus a portion of Energy Trust administrative costs. In some instances, exceptions to cost effectiveness can be requested from the OPUC. See **avoided costs, benefit/cost ratio** and **administrative cost**.

Dedicated funds: Represents funds obligated to identified renewable program participants in the form of signed applications or agreements and tracked in the project forecasting system. May include commitments, escrows, contracts, board designations or master agreements. Methodology used to develop renewable energy activity-based budgets amounts. Funds are expensed when the project is completed or interim milestones are met.

Direct program costs: Costs that can be directly linked to and reflect a causal relationship to an individual program/project or that can easily be allocated to two or more programs based on usage, cause or benefit.

Direct program evaluation and planning services: These include: evaluation services for a specific program rather than for a group of programs; costs incurred in evaluating programs and projects and included in determining total program funding caps; planning services for a specific program rather than for a group of programs; costs incurred in planning programs and projects and are included in determining program funding expenditures and caps; evaluation and planning services attributable to a number of programs are recorded in a cost pool and are subsequently allocated to individual programs.

Distributed energy resources: Solar, biopower and hydropower are renewable distributed energy resources (DERs). Other distributed energy resources include battery storage, energy efficiency, electric vehicles, smart thermostats, smart water heaters and other flexible loads that are connected to the grid at or near customers' homes and businesses. When aggregated, distributed energy resources may provide a supplement to traditional utility infrastructure.

Distribution-system connected technologies: Technology connected to the distribution grid at the customer's site and installed for use by the customer. This could be either a smart inverter that is part of a solar generation system and capable of providing grid support or a battery storage system charged by on-site renewable energy or the electric grid with a smart inverter and/or integrated controls capable of providing grid support.

Diversity, Equity and Inclusion Initiative: Energy Trust's work to promote diversity, equity and inclusion in internal and external activities to create more opportunities for underserved communities. This involves evaluating burdens, benefits and outcomes to these communities, including people of color, people with low to moderate incomes and people who live in rural areas. Work is guided by Energy Trust's Diversity, Equity and Inclusion board policy, the Diversity Advisory Council, an internal Diversity, Equity and Inclusion Committee and a staff-led operations plan.

Energy Trust funding:
The 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. Energy Trust also contracts with governments, utilities and other entities to deliver programs and services that align with our mission, advance our strategic plan focus areas and support our core energy savings and generation work.

Expenditures, expenses: Amounts for which there is an obligation for payment of goods and/or services that have been received or earned within the month or year.

Free riders: Program participants who would have completed an energy-saving action even in the absence of Energy Trust programs.

Gross savings, gross generation: The estimate of savings from program participants, irrespective of free riders or spillover. Gross was adopted as the standard method of budgeting and reporting beginning in 2020, replacing use of net energy reporting. Where 2020 is compared to earlier years, those years will likewise be restated from net to gross for comparability. These values are also subject to annual updates following true-up adjustments. See **true up**.

Incentives: Energy Trust offers cash incentives to reduce costs of energy efficiency and renewable energy investments. These incentives may be paid to any customer type, to trade ally contractors or other market actors. Midstream or upstream incentives may be provided to retailers, distributors and manufacturers of products and equipment; these incentives are passed on to consumers and contractors as instant discounts, reducing barriers to participation.

Indirect costs: Costs within programs that are not directly associated with delivering to customers or projects, such as travel and supplies. These are shared costs that are allocated for accounting purposes rather than assigning individual charges to programs and are allocated to all programs and administration functions based on a standard basis such as hours worked, square footage and customer phone calls. Examples include rent/facilities, supplies, computer equipment and support and depreciation. See **allocation**.

Integrated Resource Plan (IRP): Comprehensive energy resource planning documents developed by utilities. IRPs identify future resources needed to meet expected customer demand and consider reliability and least cost resources. Energy Trust typically coordinates every-other year with each utility to determine the amount of cost-effective energy efficiency resource that the utility can incorporate into its IRP.

Internal costs: Charts and graphs in budget materials highlight the top three types of cost—incentives, delivery and staffing costs. The remainder of the expenditure budget is labelled “internal costs” in these charts and graphs. This category includes professional services and operating expenses.

Kilowatt hour: A unit of energy commonly used as a billing unit by electric utilities.

Levelized costs: A measure of the average net present cost of the savings from an energy efficiency resource or the energy generated by a renewable generation resource over the lifetime of the respective resource.

Low- and moderate-income (LMI) customers: Residential customers whose household income is less than or equal to 120% of the state median income, adjusted for household size.

Net assets: Cumulative revenue less cumulative expenditure. Also called carryover or reserves. Net assets are necessary to ensure funds are available when needed and to protect the organization from unexpected downturns in revenue or timing of expenditure.

Non-energy benefits: Benefits to utility customers and other stakeholders that don't involve energy and that Energy Trust includes in the numerator of Total Resource Cost Test cost-effectiveness calculations when the benefits are generally applicable and can be credibly quantified at a reasonable cost. Quantifiable non-energy benefits include comfort from adding cooling to a site; spending less on wood, propane or heating oil; or spending less on replacement parts and labor due to longer-lasting efficient equipment, like LEDs resulting in fewer bulbs replacements. In some cases, exceptions to cost-effectiveness can be requested from the OPUC when non-quantifiable non-energy benefits are present.

OPUC performance measures: Under Energy Trust's grant agreement with the OPUC, the OPUC establishes quantifiable performance measures that clearly define its expectation of Energy Trust's performance, including financials. Performance measures are adjusted on an annual basis.

Outsourced services: Miscellaneous professional services contracted to third parties rather than performed by internal staff. Can be incurred for program or administrative reasons and will be identified as such.

Program costs: Expenditures made to fulfill the purposes or mission of the organization and are authorized through the program approval process. Includes program management, incentives, program staff salaries, planning, evaluation, quality assurance, program-specific marketing and other costs incurred solely for program purposes. Can be direct or indirect (i.e., allocated based on program usage). See **indirect costs, direct program costs.**

Program Delivery Contractor (PDC): Company contracted to implement a specific program track or initiative. Using PDCs keeps costs low for utility customers, draws from existing expertise and skills in the market and allows Energy Trust to remain flexible and nimble as the market changes. PDC contracts are competitively selected, reviewed by a committee of internal staff and external representatives and reviewed and approved by the board. Contracts are rebid on a regular basis.

Program delivery efficiency OPUC performance measure: The maximum threshold set by the OPUC for administrative and program support costs as a percentage of total annual revenues. Administrative costs adhere to Generally Accepted Accounting Principles for nonprofit organizations. Program support costs were defined in coordination with the OPUC to enable comparison with other recipients of public purpose funding. For the purposes of this measure, program support costs are defined as program costs, except for direct program costs, in the following areas: program management, program delivery, program incentives, program payroll and related expenses, outsourced services, planning and evaluation services, customer service management and Trade Ally Network management. See **OPUC performance measures**.

Program delivery expense: Includes all Program Management Contract labor and direct costs associated with incentive processing, program coordination, program support, trade ally communications and Program Delivery Contractors. Includes contract payments to Northwest Energy Efficiency Alliance for market transformation efforts. Includes performance compensation incentives paid to Program Management Contractors and Program Delivery Contractors under contract agreement if certain incentive goals are met. Includes professional services for items such as solar inspections and general renewable energy consulting. See **Program Management Contractor**.

Program Management Contractor (PMC): Company contracted to deliver and implement a program. PMCs keep costs low for utility customers, draw from existing expertise and skills in the market and allow Energy Trust to remain flexible and nimble as the market changes. PMC contracts are competitively selected, reviewed by a committee of internal staff and external representatives and reviewed and approved by the board. Contracts are rebid on a regular basis.

Program management expense: PMC billings associated with program contract oversight, program support, staff management and other duties. See **Program Management Contractor**.

Program marketing, program outreach: PMC labor and direct costs associated with marketing, outreach and awareness efforts to communicate program opportunities and benefits to utility customers and program participants. Awareness campaigns and outreach efforts are designed to reach participants of individual programs. Co-op advertising with trade allies and vendors promotes a program benefit to customers. See **Program Management Contractor**.

Program quality assurance: Independent in-house or outsourced services for the quality assurance efforts of a particular program (distinguished from program quality control).

Program reserves: Negotiated with utilities annually with a goal of providing margin of funds above what is needed to fulfill annual budgeted costs. The reserve percent varies by funder. Management may access up to 50 percent of annual program reserves without prior board approval. See **net assets**.

Project specific costs: For renewable energy, expenses directly related to identified projects or identified customers to assist in constructing or operating renewable projects or distribution-system connected technologies. Includes services to prospective and current customers. Must involve direct contact with the project or customer, individually or in groups, and provide a service the customer would otherwise incur at their own expense. Does not include general program costs to reach a broad audience such as websites, advertising, program development or program management. Project specific costs may be in the categories of incentives, staff salaries, program delivery, legal services, public relations, creative services, professional services, travel, business meetings, telephone or escrow account bank fees.

Program support costs: A portion of the costs in the OPUC performance measure, includes support expenses incurred directly by the program and allocation of shared and indirect costs incurred in the following categories: supplies; postage and shipping; telephone; printing and publications; occupancy expenses; insurance; equipment; travel; business meetings; conferences and training; depreciation and amortization; dues, licenses, subscriptions and fees; miscellaneous expense; and an allocation of information technology department cost. Contained in statement of functional expense report.

Project forecasting: Information in Energy Trust's Project Tracker information system about the timing of future incentive payments. *Estimated* means project data may be inaccurate or incomplete; a rough estimate of energy savings/generation, incentives and completion date by project and service territory. *Proposed* means a project has received a written incentive offer but no agreement or application has been signed; energy savings, incentives and completion date to be documented by programs in this phase. (For renewable energy projects, this is a project that has received board approval.) *Accepted* is used for renewable energy projects in the second round of application; projects have reached a stage where the approval process can

begin. *Committed* means a project has a signed agreement or application reserving incentive dollars until project completion or completion of interim milestones; energy savings/generations, incentives and completion date by project and service territory must be documented in project records and in Project Tracker. If a project has not demonstrably proceeded within the agreed upon time frame, committed funds are released. Reapplication is required. *Dedicated* is used for renewable energy projects that have been committed, have a signed agreement and, if required, have been approved by the board.

Public purpose charge: A charge on utility customer bills initially authorized by Oregon state law SB 1149 in 1999 and modified in 2021 through HB 3141. As of 2022, Energy Trust will receive a portion of public purpose charge funds collected to invest in small-scale renewable energy systems and distribution-system connected technologies. Energy-efficiency funding that previously came from the public purpose charge will be set through standard OPUC ratemaking processes. See **Energy Trust funding**.

Spillover: The concept that some program participants will complete an energy-saving action because of awareness of the program but will not receive a program incentive.

Staffing costs: Combination of salaries, benefits, retirement and employer taxes incurred by the organization to retain employees. Staffing costs are subject to an OPUC performance measure.

Therm: A unit of natural gas commonly used as a billing unit by utilities.

Total program and administrative expenses (line item on income statement): Used for cost-effectiveness calculations, levelized cost calculations and in management reports used to track funds spent/remaining by service territory. Includes all costs of the organization: direct, indirect and an allocation of administration costs to programs. Should not be used for external financial reporting; not Generally Accepted Accounting Principles.

Total program expenses (line item on income statement): All indirect costs have been allocated to program costs with the exception of administration (management and general costs and communications and outreach). Per the requirements of Generally Accepted Accounting Principles for nonprofits, administrative costs should not be allocated to programs. There is no causal relationship—costs would not go away if the program did not exist.

True up: A previously used annual process in which prior years' energy savings and renewable generation were adjusted and corrected to reflect new information on how much energy was saved or generated in the field. Information included improved engineering estimates of savings, corrections to identified transaction errors and results from actual evaluations of the program and the year of activity in question.

Working savings/generation: The estimate of savings/generation used for data entry by program personnel as they approve individual projects. Estimates are based on deemed savings/generation for prescriptive measures and engineering calculations for custom measures. They do not incorporate any evaluation or transmission and distribution line loss factors.