



Clean, affordable energy for everyone

Draft 2023 Budget and 2023-2024 Action Plan

October 12, 2022



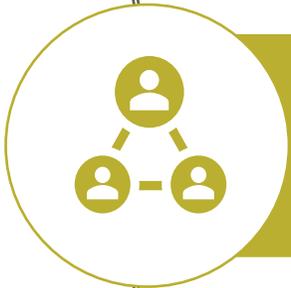
Presentation Agenda

- Organizational goals
- Draft 2023 budget overview
- Budget and action plan highlights
- Clarifying Questions
- Short Break
- Board Roundtable Discussion

2023 Organizational Goals



Customers will save and generate energy and reduce costs in 2023 and beyond as a result of Energy Trust's investments in their clean energy projects and upgrades.



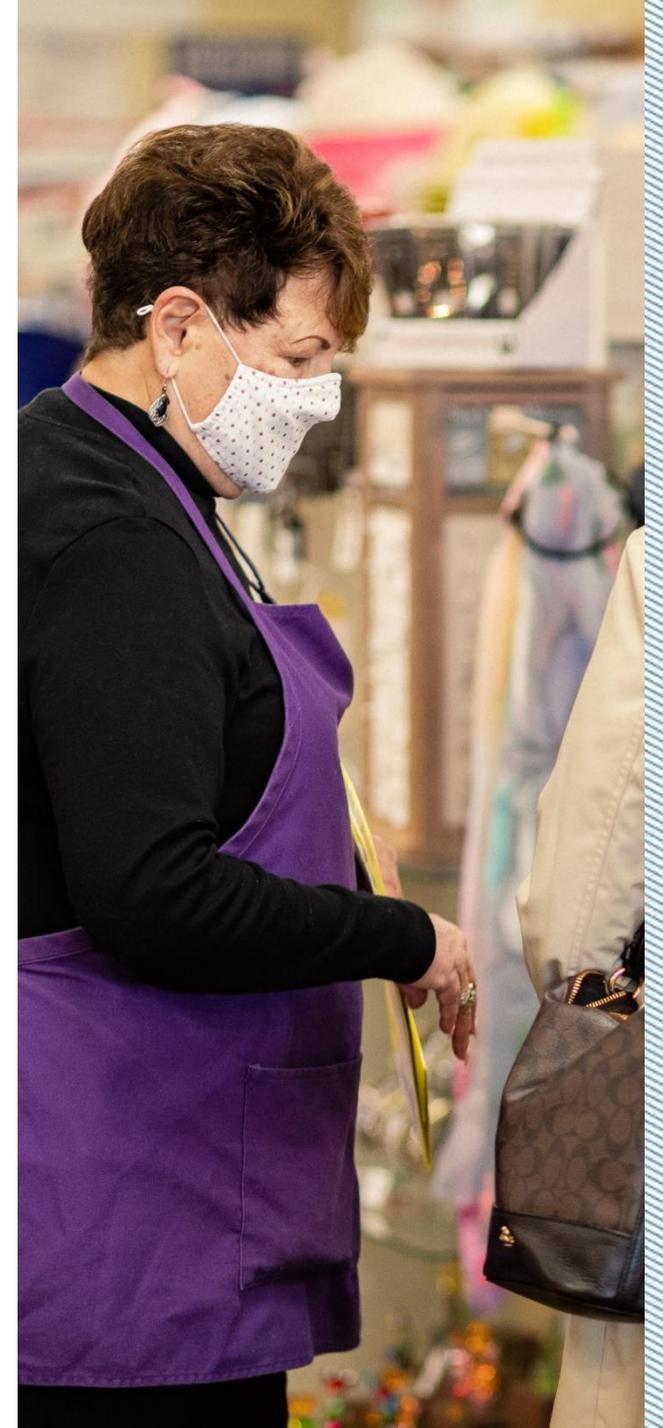
Utility partners, communities and policy implementers will achieve their objectives by leveraging Energy Trust's clean energy solutions that reduce greenhouse gas emissions, support grid management and deliver additional societal benefits.



Customers and stakeholders will gain future benefits from Energy Trust's investments in preparing for a more dynamic and complex energy industry.

Investments in the Future

- Hire, onboard and retain **staff**
- Expand **programs and outreach** to reach customers we have underserved
- Build capacity with delivery **partners**
- Support **decarbonization**
- Use new **data** to model and target time of use and carbon impacts
- Invest in **infrastructure** and **systems**
- Pursue new **funding** sources to leverage and extend the impact our core work





Draft 2023 Budget Summary

- **Investing \$228.6 million**
- **Saving 48.4 aMW and 6.9 MMTh**
 - 65.2 MW of reduced demand during summer peak and 77.6 MW during winter peak
- **Delivering highly cost-effective energy**
 - 3.7 cents/kWh levelized
 - 49.2 cents/therm levelized (Oregon)
 - 92.7 cents/therm levelized (Washington)
- **Generating 5.9 aMW**
- **Distributing \$114.4 million in incentives; 50% of total expenditures**
- **Administrative and program support costs at 8.7% of revenue**

aMW: average megawatts (of electricity); MMTh: million annual therms (of natural gas)

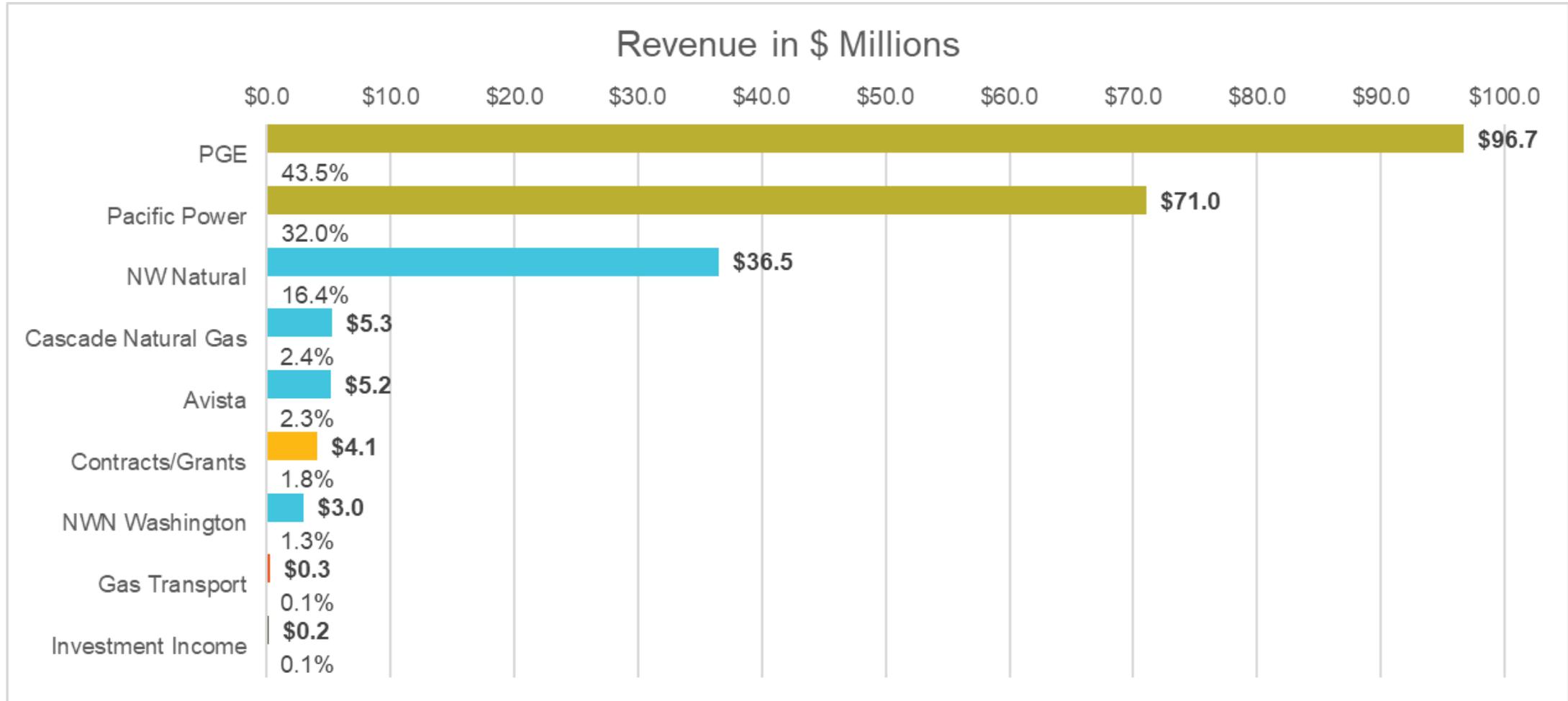
Customer Benefits from 2023 Investments

- **Lower energy bills and energy burden** for participants—\$800 million in future bill savings for participants
- **Opportunities for 1,600 local businesses** 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
- Additional support for **community-led clean energy efforts**, such as resilience



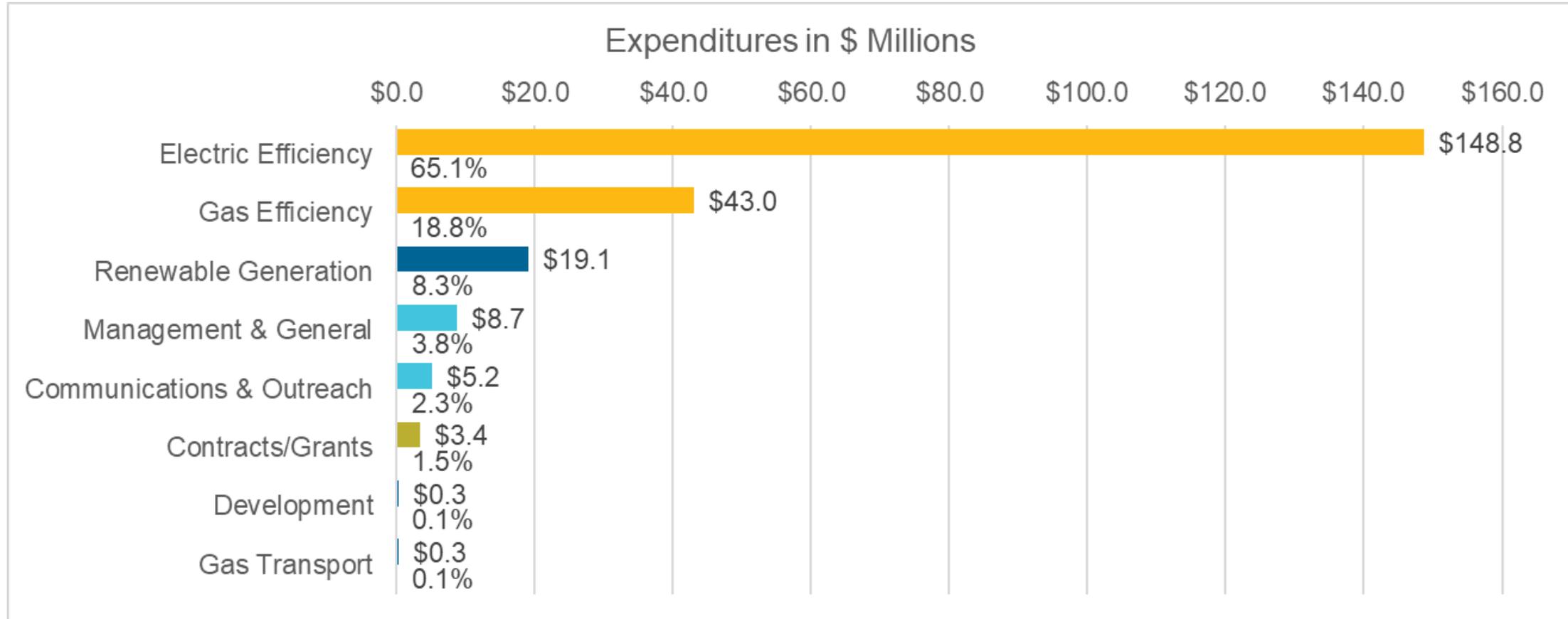
2023 Draft Budget Revenues

\$222.1 million, up 8.7% from 2022 budget



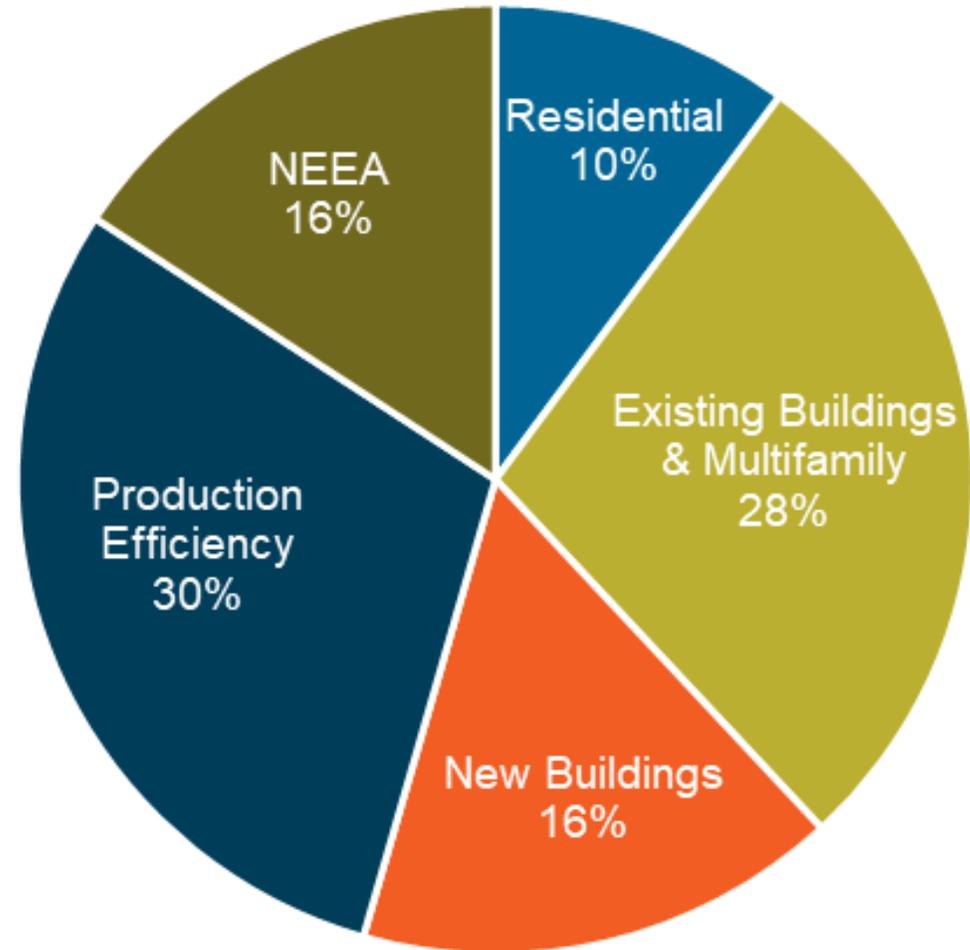
2023 Draft Budget Expenditures

\$228.6 million, up 4.1% from 2022 budget



2023 Electric Savings by Program

- 48.4 aMW of electric savings, down 4.4% from 2022 budget
- Equivalent to 122,000 metric tons of carbon avoided
- \$159.7 million in total costs, including customer incentives, services and delivery
- Commercial megaproject
- Increasing demand for cooling
- Declining lighting savings opportunities

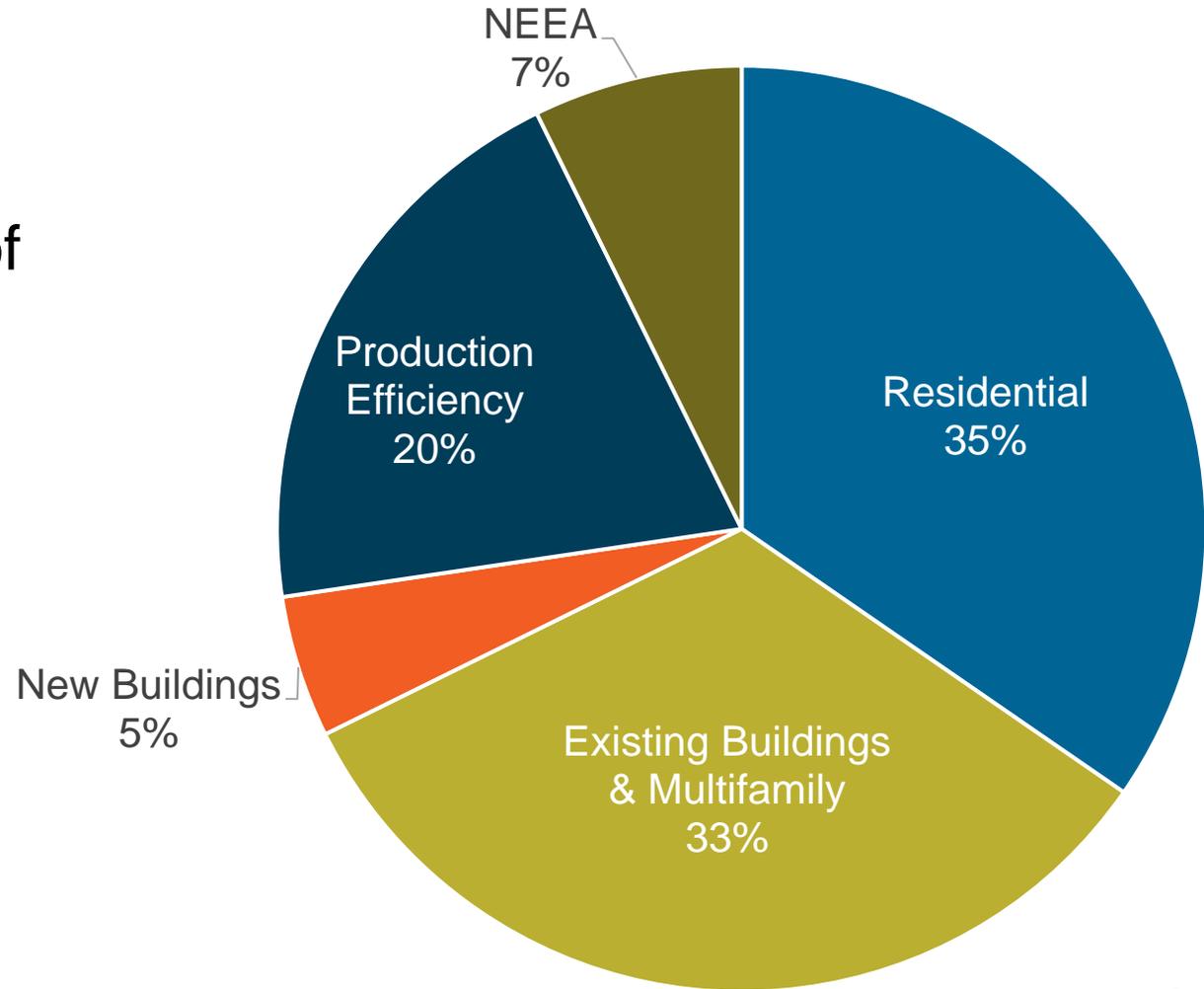


aMW; average megawatts

Comparisons are 2022 budget to 2023 draft budget

2023 Natural Gas Savings by Program

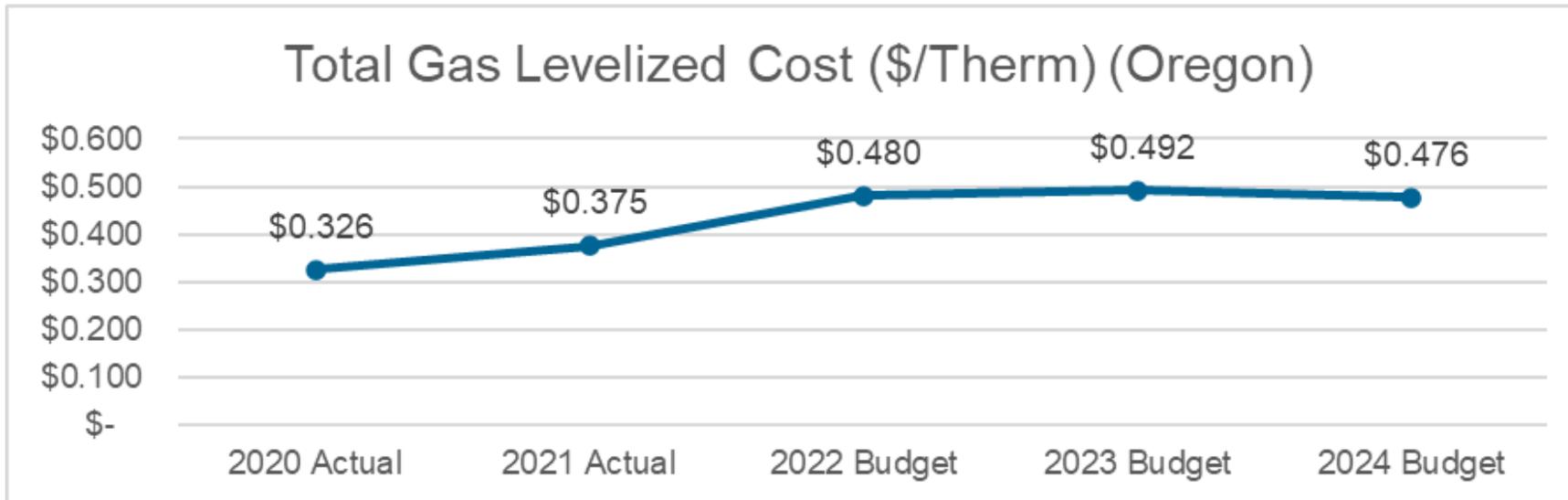
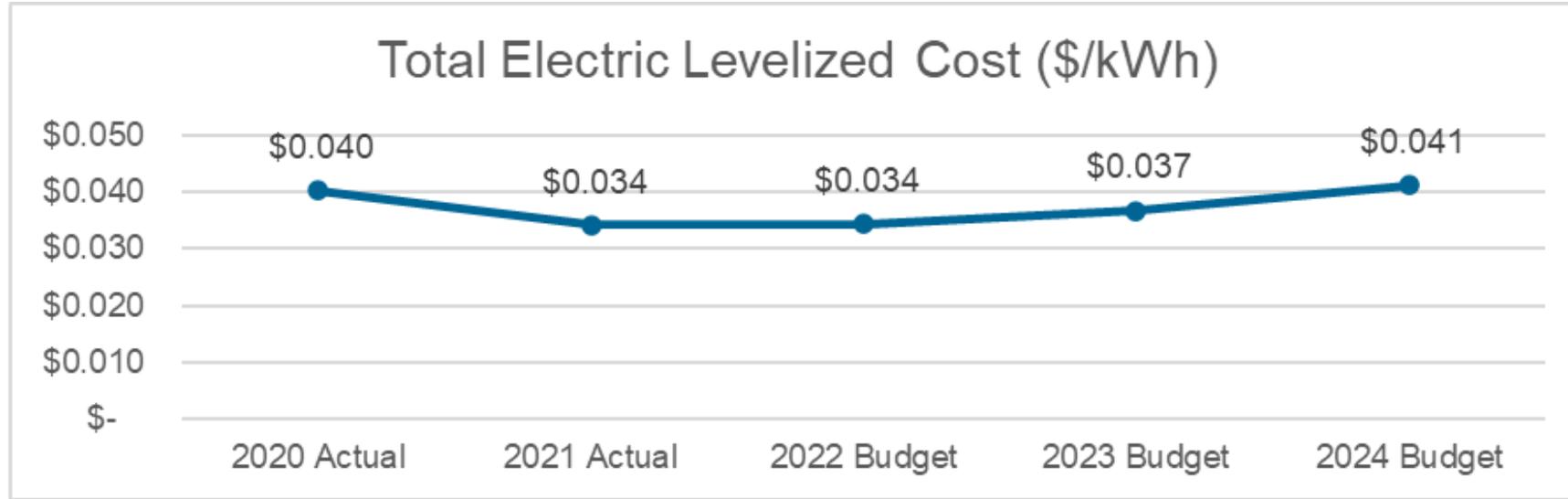
- 6.9 MMTh natural gas savings, down 8.6% from 2022 budget
- Equivalent to 37,000 metric tons of carbon avoided
- \$45.8 million in total costs, including customer incentives, services and delivery
- Growing market transformation
- Strong new home construction
- Demand for smart thermostats, furnaces, insulation



MMTh: million annual therms

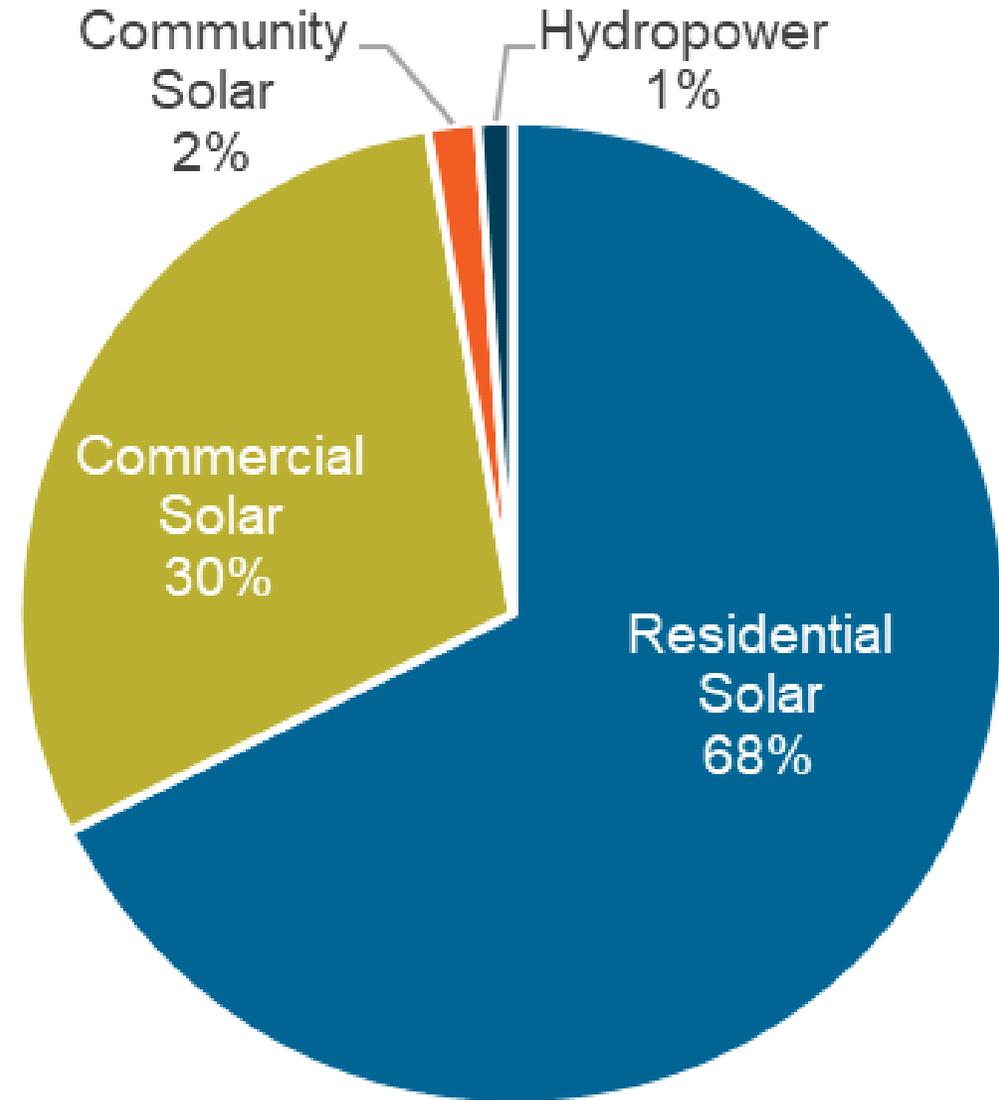
Comparisons are 2022 budget to 2023 draft budget

Levelized Cost Trends (Oregon only)



2023 Renewable Generation

- 5.9 aMW generation, up 42.9% from 2022 budget
- Equivalent to 15,000 metric tons of carbon avoided
- \$20.3 million in total costs, including incentives, services, delivery
- High customer demand for solar
- Expanded federal, state and local funding
- Focus on customers with low and moderate incomes and distribution system-connected technologies



*Comparisons are 2022 budget to 2023 draft budget.
Numbers may not total due to rounding.*



Additional Contracts

Landlord-provided Cooling Spaces

- Contract with ODOE (2022-24)
- Support cooling equipment installation in multifamily property common areas or manufactured home parks

\$1.18M
revenues

Solar Energy Resilience for Vulnerable Communities (pending)

- FEMA grant via Oregon Department of Emergency Management (2022-25)
- Accelerate solar+storage microgrids in communities impacted by wildfire or public safety power shutoffs

\$1.20M
revenues

PGE Smart Battery

- Contract with PGE for outreach, quality management and upfront incentive pass through (2020-25)
- Enroll 525 qualifying smart battery systems

\$0.41M
revenues



Additional Contracts

Smart Grid Advanced Load Management & Optimized Neighborhoods (SALMON)

- Contract with PGE for planning, delivery, and evaluation of efficiency, renewables and demand control to a targeted community (2021-27)
- Retrofit 580 buildings in North Portland

\$0.36M
revenues

Community Solar Program

- Subcontract for program development, delivery (2020-2023)
- Projects installed to date generate 2.1 aMW of clean energy

\$0.38M
revenues

Flexible Feeder

- Contract with PGE to introduce new energy efficiency measures and explore how to integrate efficiency (2022-24)
- Part of PGE's Smart Grid Test Bed

\$0.25M
revenues



Additional Contracts

Smart Inverter Demonstration Project

- Contract with PGE for project development, trade ally engagement, customer enrollment (2020-25)
- Engage up to 500 solar customers to study how smart inverters can provide grid benefits

\$0.17M
revenues

Solar Ambassadors

- Subcontract with the National Renewable Energy Laboratory (2021-23)
- Address barriers to installing solar panels for Black, Latino and immigrant and refugee customers

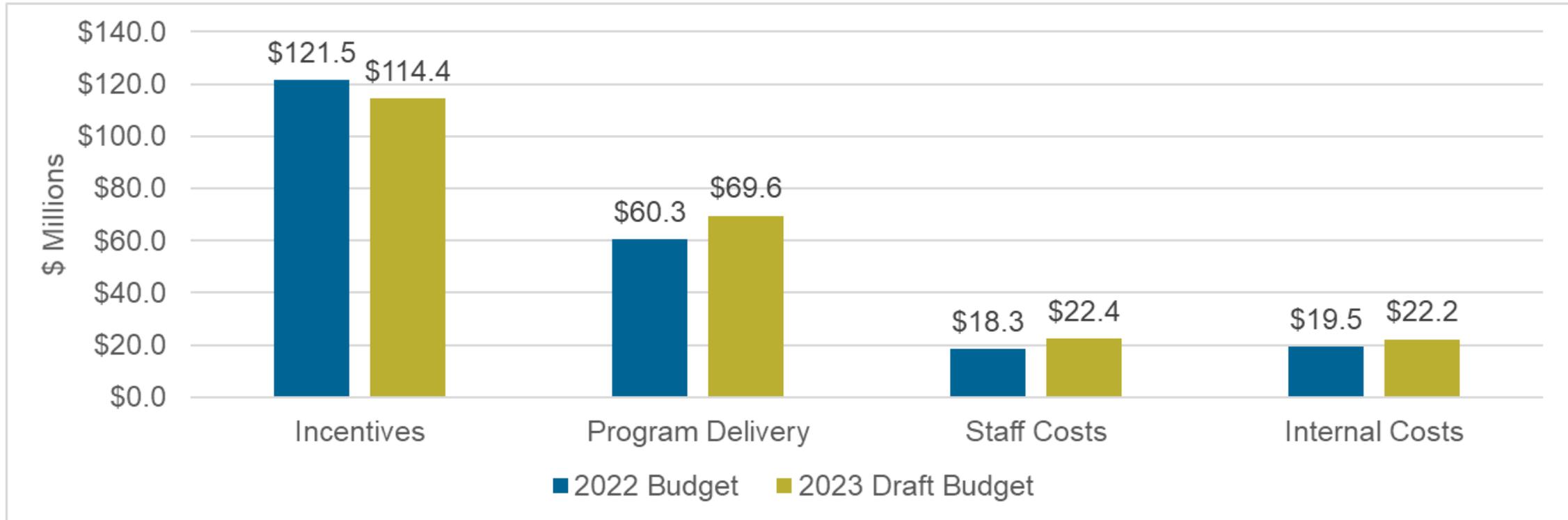
\$0.11M
revenues

Solar with Justice

- Subcontract with Clean Energy States Alliance (2021-24)
- Develop more effective ways of working with community-based organizations to deliver clean energy in communities with low incomes

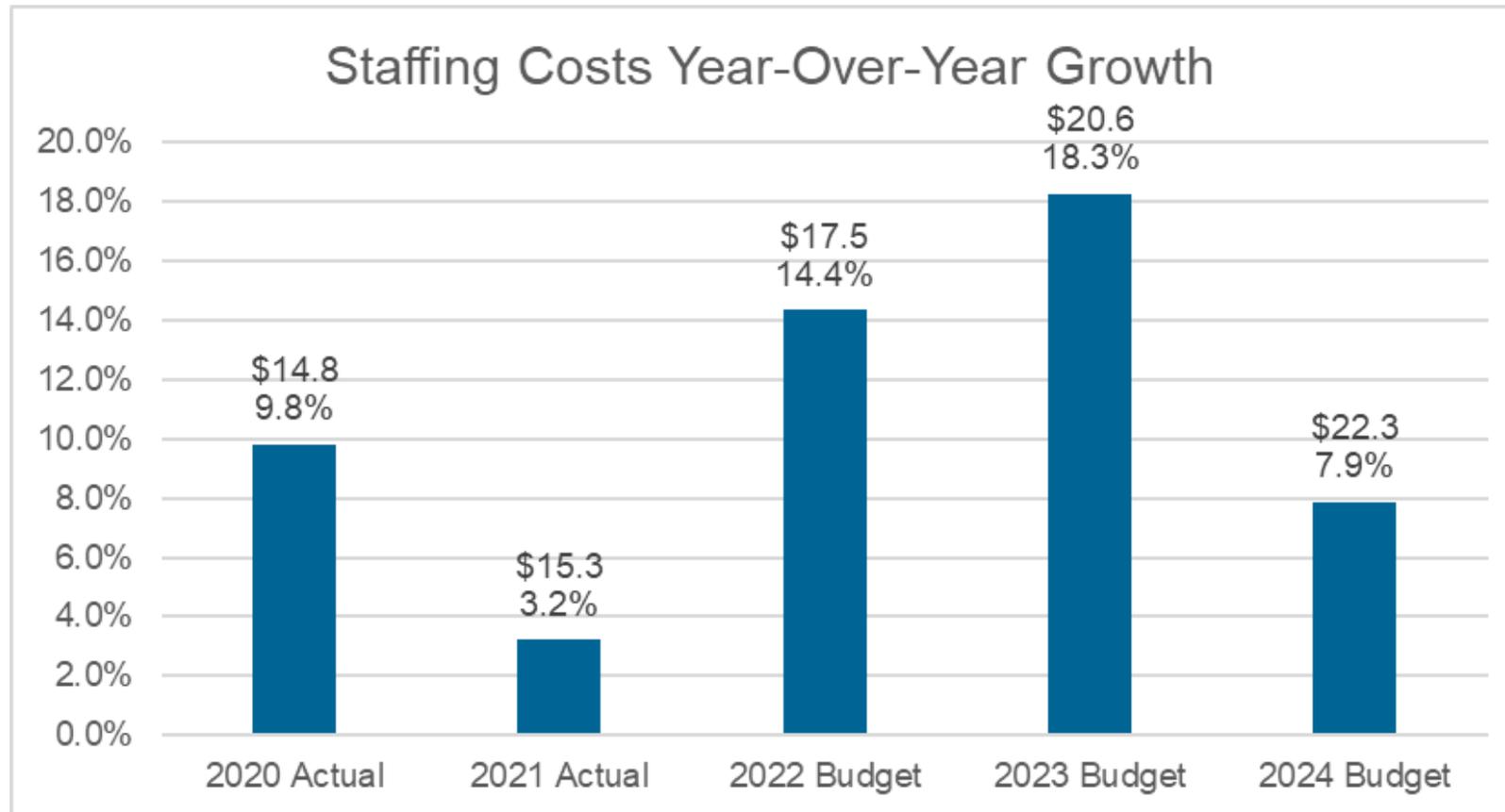
\$0.01M
revenues

2023 Draft Budget Expenses by Category



OPUC Performance Measure: Staffing Costs

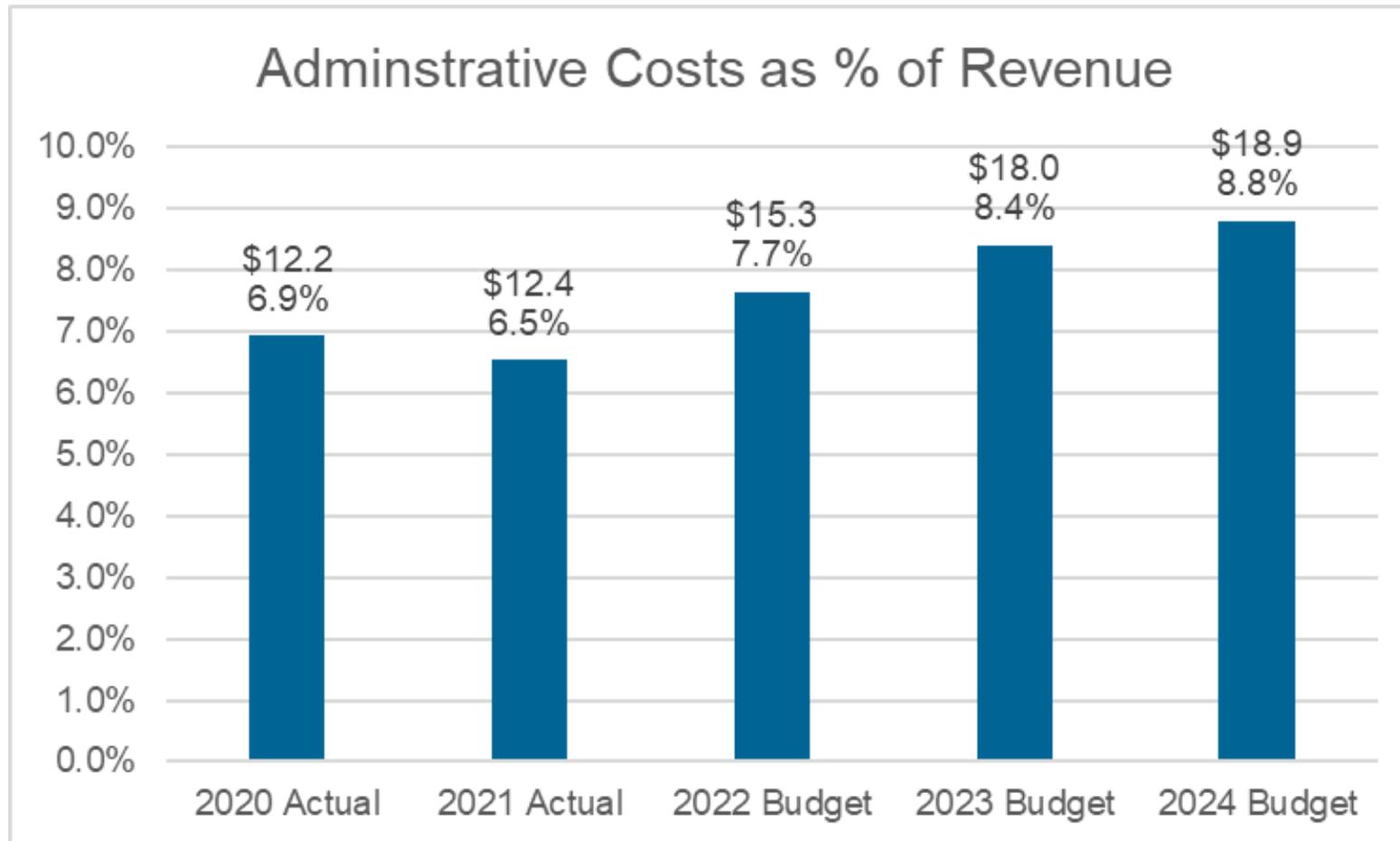
- We expect staffing costs to exceed performance metric cap of 9% year-over-year increase in 2023



Staffing costs are embedded in internal program delivery, general communications & outreach, and management & general. Figures exclude NW Natural Washington, Community Solar Program, PGE Smart Battery Pilot and Development funds

OPUC Performance Measure: Administrative Costs

- We expect administrative and program support costs to exceed year-over-year cost increase cap ($\leq 10\%$) and percent of annual revenue cap ($\leq 8\%$)





Action Plan Highlights

Launch new incentives, offers and pilots

- Evolve internal structures
 - PMC and PDC contract transitions
 - Innovation and development team
 - Communities and new initiatives sector
- Expand outreach and marketing
- Invest in workforce development
- Support communities and develop partnerships
 - Expand Community Partner Funding
 - Community-based organization support

Questions?

Discussion / Roundtable Questions

Where do you see alignment between the goals and activities shared today and progress toward annual goals and strategic plan focus areas?

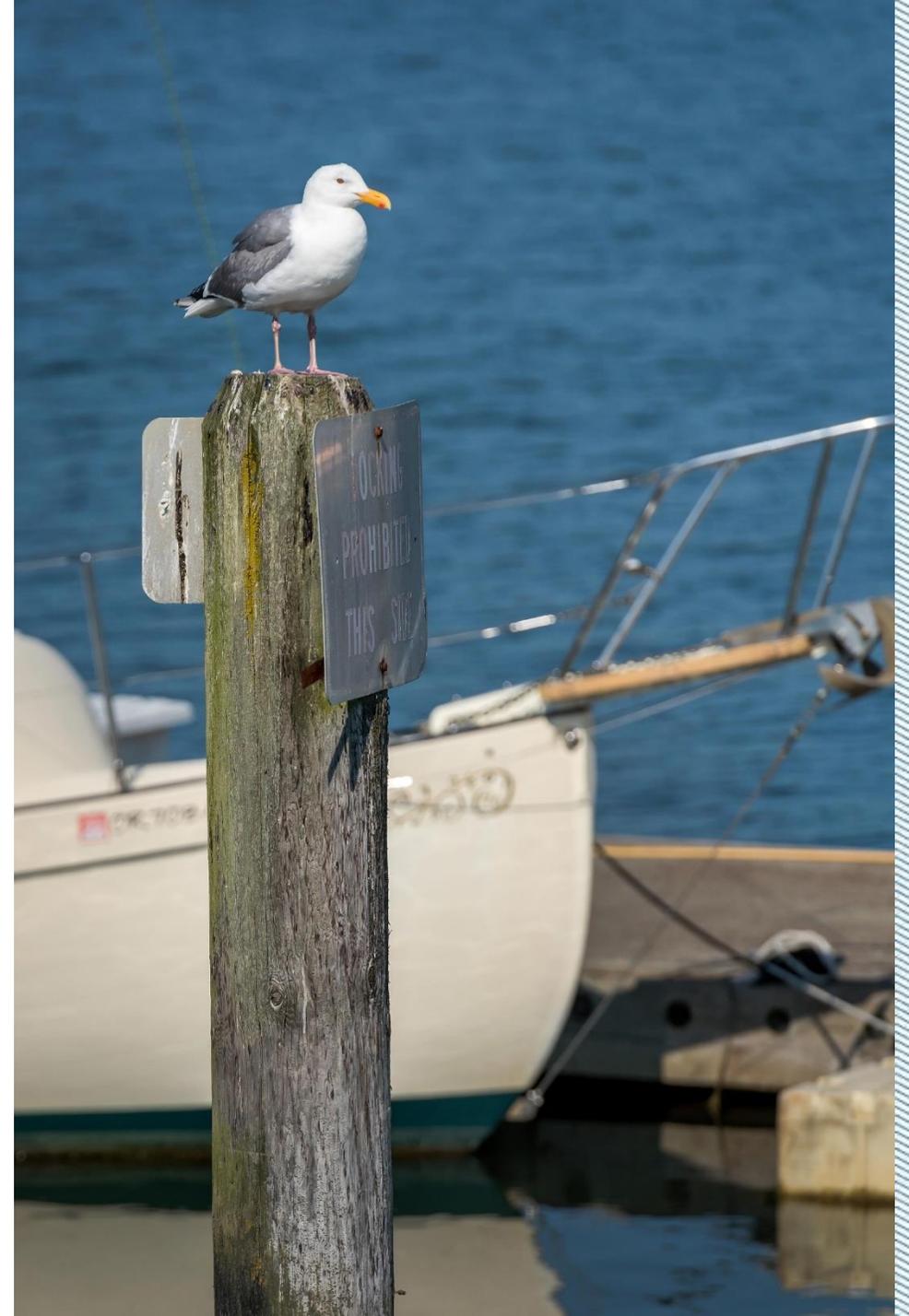
What would you like to see addressed in the final budget, action plan and goals that isn't there today?

Are there tradeoffs we should consider for the final proposed budget? Where would you like to see us invest more or less?

Budget Next Steps

- October 19: Public comments due
- November 3: OPUC public meeting
- December 8: Final proposed budget online
- December 16: Board action on final proposed budget

www.energytrust.org/budget





Thank You

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