

4.02.000-P Conservation Funding for Schools

History			
Source	Date	Action/Notes	Next Review Date
Board Decision	May 8, 2001	Adopted (R27)	November 28, 2001
Board	November 28, 2001	Reviewed/Revised (R58)	February 27, 2002
Board	February 27, 2002	Reviewed/Revised (R87)	February 2005
Board	October 6, 2004	Amended (R295)	October 2007
Board	April 6, 2005	Amended (R328) – see R331	April 2006
Board	May 4, 2005	Amended (R331)	June 2008
Board	February 14, 2007	Authorized funding to 2007 (R426)	June 2010
Board	July 28, 2010	Amended (R557)	July 2013
Board	August 17, 2011	Amended (R592)	August 2016
Board	September 28, 2016	Amended (R783)	September 2019
Board	February 25, 2020	Amended (R899)	February 2023
Board	January 29, 2025	Amended and Approved (R1058)	January 2028

Introduction

Applicable Law

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:

In 1999 the Oregon Legislature passed Oregon Revised Statute (ORS) 757.612 which authorized collection of an electric “public purpose charge” (PPC). The PPC was and is collected through a surcharge on electric bills. Under ORS 757.612, some of the collected PPC could be directed by the Oregon Public Utility Commission (OPUC) to a “nongovernmental entity” to fund certain cost effective energy efficiency programs and renewable energy programs. In 2001, Energy Trust was established as that nongovernmental entity.

ORS 757.612 also required PPC to be collected to (i) fund energy efficiency upgrades public schools, such funds to be, administered by the Oregon Department of Energy

(ODOE) (“the Schools Program”), and (ii) fund low income energy programs, such funds to be administered by the Oregon Housing and Community Services.

In 2022, the original legislation for the PPC was modernized. Under the modernized statutes, the OPUC may require that a portion of the funds collected in an electric company’s rates be paid to a nongovernmental entity for cost effective energy efficiency programs. See ORS 757.054(4). Under an agreement with the OPUC, Energy Trust is identified as the nongovernmental entity to which those funds from rates are directed. Under the 2022 modernization, PPC is still collected for renewable energy programs and for the Schools Program in accordance with ORS 757.612(1). Further, under ORS 757.746, the OPUC may, through natural gas tariffs, require gas utilities to direct funds collected to a nongovernmental entity for similar purposes.

Energy Trust and ODOE Coordination for Schools

- Because Energy Trust receives funding through rates under ORS 757.054 and 757.746 for energy efficiency program delivery, including for school facilities in its service territories (“eligible schools”), it is essential for Energy Trust and ODOE to coordinate on the Schools Program to ensure that schools receive all potential benefits for energy efficiency upgrades and construction from Energy Trust and through the Schools Program.
- On an ongoing basis, Energy Trust and ODOE will work together to develop mutually agreed-upon “Schools Coordination Procedures” to document how Energy Trust efficiency funds from rates may be combined with Schools Program funding. Such Schools Coordination procedures shall be consistent with any guidance provided by the Oregon Public Utility Commission.
- Annually, Energy Trust will document how its energy efficiency funding was used to fund efficiency measures in eligible schools.
- Energy Trust will inform eligible schools about Energy Trust and ODOE coordination on energy offerings.
- Annually, Energy Trust will document how its electric and gas efficiency funds were used to fund efficiency measures in eligible schools.

Reporting

- In its biennial reports to the legislature, Energy Trust will not claim or report energy savings for efficiency measures at schools that have received both Schools Program Funding and Energy Trust funding or for savings for efficiency measures at eligible schools. In reports to the OPUC, Energy Trust will claim and report energy savings for efficiency measures at schools to which it provided funds.