

4.21.000-P Authority to Commit Incentive Funds for Payment of Energy Efficiency Projects in future Years

History			
Source	Date	Action/Notes	Next Review Date
Board Decision	May 25, 2006	Adopted (R391)	May 2009
Policy Committee	May 19, 2009	editorial revision, deleting building tune-up program	May 2012
Board Decision	Sept 19, 2012	Amended (R644)	Sept 2015
Board Decision	Sept 30, 2015	Amended (R752)	Sept 2018
Board Decision	Feb 20, 2019	Amended (R867)	Feb 2022

Authorizing Commitment of Incentive Funds for Payment of Energy Efficiency Projects in Future Years

BACKGROUND:

1. Energy Trust continues to identify improved ways of managing program budgets and maintain accountability.
2. Beginning in 2005, the board approved changes to the annual budget process, program monitoring and reporting of savings and budget expenditures and provided staff the flexibility to shift funds within programs.
3. The Board later modified the policy to (a) accommodate customers with complex multi-year projects and incentive payment requirements in future years; (b) clarify that some of the policy's limitations apply to programs as a whole and others to individual incentive commitments, and (c) allow individual commitments beyond two years if the overall limitation on programs budgets is respected and the commitment is consistent with Energy Trust contracting policies and the OPUC grant agreement.

POLICY:

Staff may design energy efficiency programs to pay financial incentives over several years, provided that:

1. Staff reviews such programs annually and ensures that not more than 75% of the program's budgeted financial incentive funds are projected to be committed in the following year, and not more than 25% in the succeeding year.
2. In addition, any long-term financial incentive commitments made to individuals or individual entities shall be:
 - (a) consistent with milestones or conditions in any reservation, tracking or other systems or requirements applicable to these programs;
 - (b) subject to all Energy Trust contracting requirements and policies, and the Energy Trust-OPUC grant agreement;
 - (c) tracked and reflected appropriately in forecasting reports; and

(d) displayed by the program and incorporated into the annual budget process