# Staff Report

February 14, 2007

This report from Margie Harris is on behalf of all staff and spans the period November 23, 2006, through January 26, 2007. Items not otherwise addressed in this board packet are described here.

## General

- Margie attended the joint West Coast Public Utility Commissions meeting in San Francisco December 3rd and presented highlights of our industrial program.
- The final meeting of the Carbon Allocation Task Force resulted in a letter to the Governor regarding achievements of the members and recommending global warming be a high priority in his second term.
- Sponsored a joint efficiency strategy session on December 11, with representatives of all 3 gas companies serving Oregon and Puget Sound Energy; identified short and longer-term measures to be pursued in anticipation of capturing larger gas savings in future years.
- On December 13, Margie provided an update on Energy Trust accomplishments and direction to the NW Power and Conservation Council.
- Tom Foley accompanied Margie to present the Q3 report to the OPUC December 19.
- At the request of Debbie Kitchin, Margie was one of three speakers at the Oregon meeting of Commercial Real Estate for Women (CREW) on January 18.
- Management team members held an early long-term planning session, looking forward at strategic issues and identifying a timeframe to prepare for the board strategic planning session in June

## Program Planning and Evaluation

- Worked with program managers to complete analyses for all efficiency program manager contracts.
- Currently finalizing reporting mechanisms for a memorandum of understanding with both PacifiCorp and Portland General Electric to accept approximately $1.8M in BPA Conservation Rate Credit funds to implement efficiency measures.
- Developed a savings forecast through 2012 based on current revenues and used it to develop a proposed new strategic plan gas goal, provide recommendations to OPUC staff regarding the gas levelized cost performance measures and explore equity issues; the proposed revised goal will be presented to the Policy Committee in February.
- Initiated an overview evaluation of Energy Trust's model for program management contracting and staffing, using a team of four contractors led by Research into Action; objective is to assess whether there are opportunities to further Energy Trust's ability to capture energy savings and renewable generation by strengthening or changing the current program delivery approach.
- Initiated the 2007 true-up process, including updates to factors used to calculate the difference between savings and generation as reported in the field and our best estimates of savings; results will be incorporated into the Fast Track data system, used in the 2006 annual report and to update prior year savings estimates.
- Convened the Evaluation Committee on January 19, 2007, to review draft reports of the Irrigation Initiative Process Evaluation and the Building Tune-up and Boiler Tune-up Process Evaluation.

*NW Alliance Evaluations*

- Noted that Energy Star Homes Northwest Program Market Progress Evaluation Report #3 is available on the NW Alliance website (www.nwalliance.org).

# Efficiency Programs

*General*

- Margie met with representatives from Lockheed Martin, Conservation Services Group and Portland Energy Conservation, Inc. as part of periodic discussions with program management contractors to solicit comments and ideas to keep our working relationship both open and positive.

*Home Energy Solutions*

New Homes (formerly Efficient New Homes)

- Wrapped up the fall advertising promotion, providing support to 26 builders with an inventory of ENERGY STAR® qualified homes available for sale.
- Presented the second successful "House as a System" workshop in the Portland metropolitan area, reaching over 50 attendees.
- Refocused advertising and marketing messages to include greater emphasis on environmental benefits of ENERGY STAR homes.

Products (formerly Efficient Home Products)

- Completed ENERGY STAR television news segments and television advertising in December with over 600 advertising spots.
- Sold 283,000 ENERGY STAR qualified compact fluorescent light bulbs to customers throughout Energy Trust territory through the Savings with a Twist campaign, a 54% increase over 2005 sales numbers.

Existing Homes (formerly Home Energy Savings)

- Sponsored a trade ally breakfast and awards ceremony attended by over 100 contractors on January 5.
- Reviewed proposed March 1 incentive changes with the CAC January 17.
- Held a Home Performance with ENERGY STAR training in collaboration with Eugene Water and Electric Board.

*Business Energy Solutions*

New Buildings (formerly New Building Efficiency)

- Participating in a regional effort to coordinate a small commercial new construction specification.
- Planning release of a commercial ENERGY STAR track.

Existing Buildings (formerly Building Efficiency)

- Added new program incentives and adjusted some existing incentives to entice more natural gas projects, more complex HVAC projects and more lighting projects.
- Held training seminars for lighting trade allies in Portland, Medford and Bend in early January to discuss 2007 lighting incentives.
- Held a training seminar for building control system contractors in early January to promote the new and adjusted incentives for 2007.
- Working with the Northwest Energy Efficiency Alliance to bring the Building Owners and Managers Association (BOMA) Energy Efficiency Program to Portland (BEEP); training kick-off in January will run through fall.

Production Efficiency

- Gained CAC approval to increase custom incentives from 12 cents/kWh to 15 cents/kWh with a minimum payback of 18 months with no limit on the number of projects per site per year; changes are intended to help stimulate the market and begin filling the 2008 pipeline.
- Sent industrial customers in PGE territory a joint letter from Energy Trust and PGE encouraging participation in the Production Efficiency program as part of a continuing effort to promote availability of incentive funding for projects completed in 2007, 2008, and 2009.

*Solar Water Heating*

- Supported the City of Portland's outreach efforts by enhancing our one hour basic solar presentation for use by the Solar Now! Campaign to promote solar energy use in Portland; monthly presentations will be delivered by the nonprofit consumer education group, Solar Oregon.
- Attracted 25 contractors to our December solar water heating training for new trade allies (offered semiannually), showing continued industry interest.

## Renewable Energy

*Open Solicitation*

- Obtained RAC approval to fund a 869.4 kW solar project at Portland Habilitation Center's new manufacturing facility, currently under construction in NE Portland in PGE service territory; the project would be financed with a "flip model" similar to that commonly used for community wind projects.
- Committed co-funding for hydropower feasibility studies with Hood River County, the city of Astoria, and Talent Irrigation District.
- Met twice with several officials from Hillsboro, including the City Manager and two water managers, to potentially revive a municipal hydropower project previously considered several years ago.
- Visited several potential sites for a municipal hydro project in the City of Portland.
- Visited several potential sites for municipal solar projects in Lake Oswego and presented proposals to Lake Oswego's Sustainability Manager and several other city staff members.
- Received initial application for four 30 kW solar projects on schools in NE Portland to be financed using a flip model.
- Served on the planning committee for the Northwest Environmental Business Council's conference "Making Renewable Power Projects Happen," scheduled for April 24 in Portland; Energy Trust is co-sponsoring the event.
- Visited a farm in Cornelius whose owner is interested in installing a small hydro project.
- Addressed the Tualatin Rotary, providing information on Energy Trust renewable and efficiency incentives.
- Attended winter meeting of the Clean Energy States Alliance (CESA) and the National Renewable Power Marketing Conference.

*Utility Scale*

- Continued to iterate on contract terms with PGE for Biglow Canyon wind project, who reports they are nearing completion on terms for all supporting equipment and construction contracts; will run a final above-market cost analysis when this information is available.

*Wind*

- Signed Letter of Intent for the 4.5 MW Mar-Lu Community Wind Project.
- Obtained strong RAC support for funding for a 42 kW small wind project at the Migliori residence near Newberg, Oregon in PGE service territory; will be the first installation of a 42 kW VoltAir Wind Electric turbine that is new to the market.
- Presented at the first annual Klamath Renewable Energy Conference hosted by the Klamath Soil and Water Conservation District; the highly successful event attracted over 200 attendees.
- Participated in an Oregon PUC interconnection workshop.
- Working with PGE, PacifiCorp, ODOE and members of the renewable energy community to address the high cost telemetry for Qualifying Facility (QF) projects.

*Biopower*

- Co-funded studies of forest biomass availability and project feasibility for the Coquille Indian Tribe and Hood River County, and a study of biogas project options at Clean Water Services' Durham Wastewater Treatment Plant.
- Cosponsored and presented at a forest biomass conference organized by Oregon Forest Resources Institute.
- Addressed the Tribal Council of Coquille Indian Tribe on forest biomass.
- Addressed the Oregon Dairy Farmers Association board of directors on anaerobic digester projects.
- Met with Clackamas County to discuss a biogas project at the Tri-City Wastewater Treatment Plant, and with the City of Coos Bay to discuss a project at the Coos Bay Wastewater Treatment Plant.
- Met with the Forest Sustainability Council to explore options for certifying wood-fired cogeneration projects fueled by environmentally preferable biomass.

*Solar Electric*

- Following discussions with PGE staff, developed a proposal for PGE to partner in our solar electric program by offering no-interest loans to residential customers for PV systems.
- Jointly with ODOE and the Oregon Solar Energy Industries Association, submitted successful proposal to Interstate Renewable Energy Council (IREC), which selected Oregon and five other states to host trainings for building inspectors on how to permit and inspect solar electric systems; training is funded through a federal grant received by IREC.
- Attracted 38 contractors to our December solar electric trade ally training (offered semiannually), showing continued strong interest in the solar industry.
- With Oregon Solar Energy Industries Association and ODOE, presented residential solar options to the Home Builders Association January 25.
- Supported Emerald PUD's plan to launch a solar electric incentive program and adopt Energy Trust's System Requirements, which defines installation standards for high-performance, long-life systems.

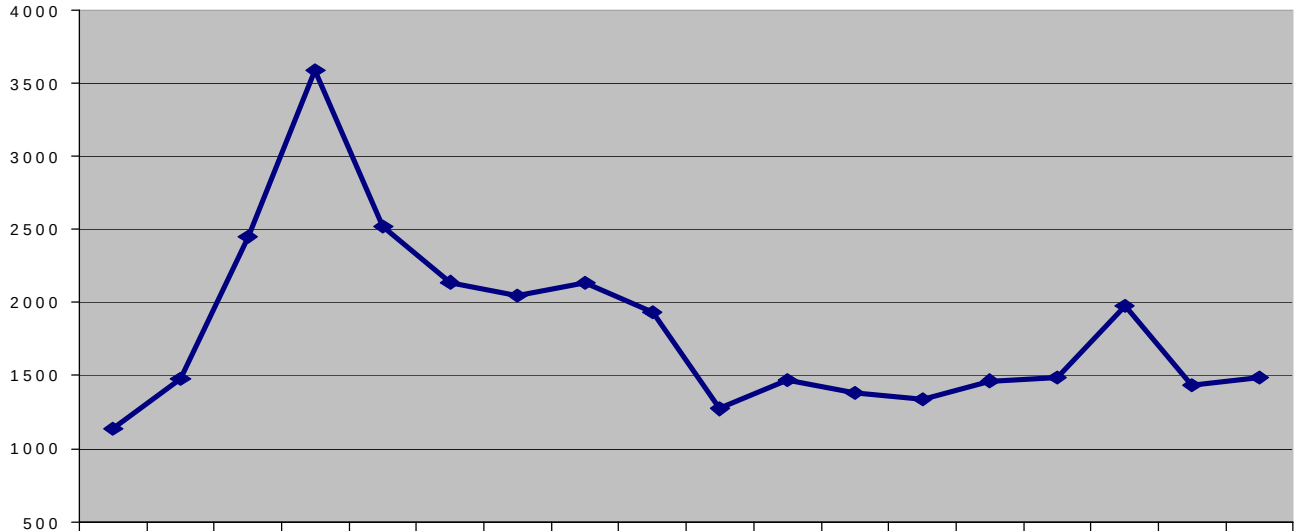
## Communication, Marketing and Outreach

*Call Center/Customer Service*

- Provided training for call center representatives on new incentives for ENERGY STAR homes and products.
- Participated in tribal energy conference to better understand outreach needs for 2007.
- Began planning process for tribal outreach in 2007 with Scott Hansen, tribal weatherization training coordinator.

- Coordinated with ODOE to provide unified training calendar for contractors.
- Coordinated with ODOE to provide training session for program management contractors.
- Reviewed and updated grid showing Energy Trust incentive requirements and ODOE's tax credit requirements.
- Provided feedback on and input for the City of Portland, Office of Sustainable Development's Business Resource Conservation Center plan.

**Call Volume through December 2006**

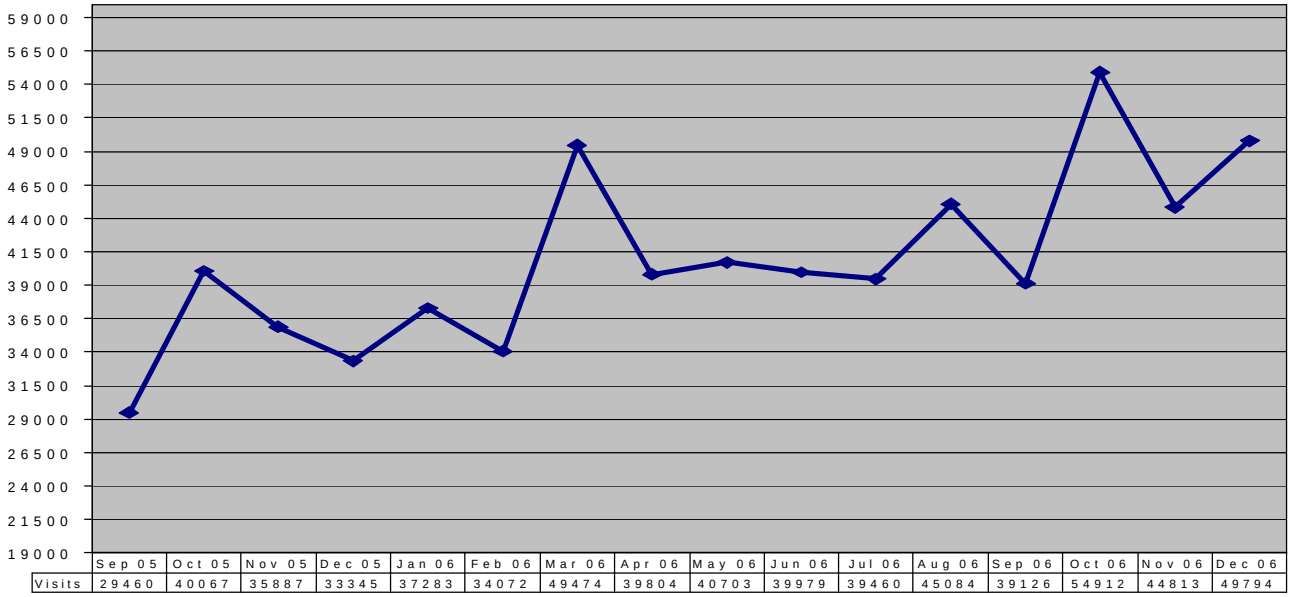



| | Jul 05 | Aug 05 | Sep 05 | Oct 05 | Nov 05 | Dec 05 | Jan 06 | Feb 06 | Mar 06 | Apr 06 | May 06 | Jun 06 | Jul 06 | Aug 06 | Sep 06 | Oct 06 | Nov 06 | Dec 06 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Calls | 1133 | 1477 | 2447 | 3589 | 2521 | 2138 | 2043 | 2133 | 1936 | 1272 | 1470 | 1383 | 1340 | 1464 | 1484 | 1979 | 1434 | 1489 |

*Website*

- Updated all program pages with new program naming conventions.
- Created a new section for ENERGY STAR Homes and Products as the portal to access all ENERGY STAR features.
- Updated trade ally section with a new tab for ENERGY STAR Homes & Products.
- Adjusted trade ally printable lists allowing for clean and easy printing.
- Completed interactive solar program tool, allowing staff to directly upload new announcements.
- Created a similar upload form for reports.

## Website Visits through December 2006




*Trade Ally Outreach*

- Notified trade allies of new program names
- Gathered annual trade ally survey input from Program Management Contractor trade ally coordinators and met with evaluation team to improve draft 2007 trade ally survey
- Implemented routing and editing procedure for trade ally correspondence

*Events, Speaking Engagements and Sponsorships*

- Participated in 12 energy related events during the period.
- Sponsored and presented at the Home Builder Association Green Building Week.
- Sponsored lighting basics class for PGE business customers.

*Creative Products*

- Created and mailed a holiday card to over 400 people; the card was voted one of three "favorites" by the Association of Energy Services Professionals (AESP).
- Produced a mailing for 30,000 participants in Energy Trust programs in 2006.
- Created 28 new and resized advertisements: 6 commercial, 10 residential, 4 renewable and 8 general.
- Produced and released three newsletters: Synergy (general, monthly), Insider (for trade allies, bimonthly) and Pit Stop (internal, monthly).
- Produced updated general brochure.
- Created four new case studies representing the solar, new buildings and existing buildings programs.
- Created new ENERGY STAR® Products "clings" for the updated "Savings with a Spin" promotion.
- Produced ENERGY STAR New Homes yard signs, flyers and kiosk designed for builders for the Earth Advantage Center.

*News Releases and Media Events*

- Distributed two press releases: Stimson Lumber (Production Efficiency) and incentives changes for Production Efficiency.
- Created pipeline of press releases for 2007.
- Continued to garner news coverage about Energy Trust programs in local newspapers around the state.

*Utility Co-promotions*

- PGE—direct mail to industrial customers in January; article in January Update on heat pump sweepstakes winner
- Pacific Power—Article in December Energize
- NWN—article in December Comfort Zone; completed fall radio campaign; began producing television ad
- Cascade Natural Gas – updated web copy; created bill stuffer for February on commercial gas incentives

## Operations, Contracts, Human Resources, Finance and Information Technology

*Finance*

- Completed board-authorized revisions to the Final 2007/2008 Budget and Action Plan and provided documents to OPUC in compliance with the grant agreement; copies posted on Energy Trust website.
- Recorded $6.9 million in incentive payments for December.
- Coordinated end of year incentive processing to ensure inclusion of all completed projects in accordance with Energy Trust policy.
- Initiated policy planning work for electronic document destruction process.
- Developed new reports to provide more detailed information in support of rates used in the analysis of Energy Trust performance.
- Completed personal property tax returns for nine counties (anemometers).
- Re-engineered work processes for 1099 completion to accommodate the automation process.
- Completed confirmation documents for 2006 financial statement audit.

*Human Resources*

- Celebrated the holiday season December 14 with board and staff at Margie's home.
- Trained supervisors in writing performance reviews and monitoring performance; will repeat the training mid-2007.
- Hired new office assistant/receptionist, Leana Mathews, a 2006 University of California-Davis graduate with a double major in communication and international relations who also studied at the University of Barcelona and speaks Spanish.
- Accepted Lee Litchy's resignation as senior communications and marketing manager; Lee has moved on to work at a local advertising agency where part of his work includes energy efficiency in new homes.
- Filled Lee's vacant position by hiring Michel Gregory, an accomplished writer, marketer and public relations professional; Michel leaves her private consulting practice, whose clients included Energy Trust and PGE.

*Legal and Contracts*

- Received an IRS ruling January 19 that residential incentives are tax-exempt to the homeowner and do not need to be reported to the IRS by Energy Trust; this is the first such ruling in the US, so far as we know.
- Began realigning PMC contracts with the annual budget process by amending them to: (1) be consistent with the board-approved 2007 budgets and program goals; (2) include a clearer link to the Energy Trust budgeting process; (3) include the levelized cost assumption used; (4) estimate program goals to reflect the most current evaluation and research data; and (5) include the Excel spreadsheet used by program managers to develop each program's budget and by finance to track program funds; overall benefits are to provide clear communication and alignment of Energy Trust budgets and PMC performance through documentation of assumptions, goals, performance measurements and budget.

*Information Technology*

- Conducted interviews with two Enterprise Architecture study RFP respondents and began reference checks for both.
- Performed extensive maintenance on measure definitions and program titles for 2007, including:
  - Closing obsolete measures
  - Opening new measures
  - Updating contract, reportable, and interactive savings realization factors
  - Applying updated incentive dollars and base savings values for 2007 transactions
- Significant activity involving standard year end work was conducted, such as:
  - Fixed asset inventory
  - Reviewing maintenance contracts
- Prepared source documents for IT audit.
- Researched with BPA representatives automation to enter Conservation Rate Credit data.