EnergyTrust of Oregon, Inc.

Staff Report

October 3, 2007

This report from Margie Harris is on behalf of all staff and spans the period July 23, 2007 through September 21, 2007. Items not otherwise addressed in this board packet are described here.

General

- Hosted a highly productive and informative 2+ day small-group meeting with representatives from Efficiency Vermont and Wisconsin Energy Efficiency Corporation to exchange ideas, experiences and plans
- Conducted an in-house strategic planning session all day on August 27, engaging representatives from all parts of the organization in discussion of issues and priorities to include in the 2008 budget and 2009-2010 action plan
- Margie was invited to attend and be the dinner speaker at the September 10-11 Manufacturing & Developing Wind Energy Systems conference in Michigan where she described the Energy Trust model and accomplishments
- Margie also was invited to attend and serve on an energy and environment panel at the Council of State Governments-West meeting in Wyoming on September 17
- Tom and Margie presented the second quarter report to the OPUC on September 20

Program Planning and Evaluation

- Developed estimate of possible additional Pacific Power annual funding under SB838 efficiency provisions, similar to an analysis previously developed with PGE.
- Met with OPUC and other interested parties to begin development of rules and requirements for utilities and the Energy Trust under SB 838.
- Worked with PGE on the definition of "customers with load less than one average megawatt," not required to pay into any SB 838 efficiency tariff. Key issue is whether a "customer" is represented by a meter, a site, or all sites under common ownership. PGE will propose a method in its tariff filing in late September; Pacificorp will file in October.
- Awaiting a decision from Cascade Natural Gas as to whether they would like Energy Trust to provide further assistance and advice as they expand program offerings and likely procure efficiency program management services in Washington state.
- Contracted with Stellar Processes and Ecotope to update the Energy Trust efficiency resource assessment, which estimates the amount of conservation available over time from various sectors and measures and in total, for both gas and electric efficiency.
- Held the kickoff meeting of a project steering group for the resource assessment update that includes utility, OPUC, and Power Council representatives.
- Prepared a memo defining market research roles of different Energy Trust departments and generated consensus on the broad outlines of how best to coordinate activities and assure quality. This understanding will be used in the 2008-09 budget development.
- Participated in the kickoff of a regional working group to develop methods and data to quantify non-energy benefits (e.g., productivity), focusing on commercial efficiency projects.

Residential

- Completed cost-effectiveness calculations for:
  - Updated gas fireplace measure
  - Ductless mini-split heat pump
  - New refrigerator measure
  - Kneewall insulation in existing homes
  - Duct sealing for new duct systems in existing single family homes
- Completed Home Energy Savings Program Multifamily Building Owner Evaluation

Commercial and Industrial

- Completed cost effectiveness calculations for revised incentives for commercial clothes washers
- Participated in the Regional Technical Forum subcommittee to develop prescriptive standards for comprehensive efficiency improvements for small commercial buildings
- Completed the Building Tune-Up and Operations Program Evaluation

Renewables

- Completed the Community Wind RFP Process Evaluation

NW Alliance Evaluations

- Completed the Energy Star Consumer Products Market Progress Evaluation Report (August 2007)

Efficiency Programs

Home Energy Solutions—ENERGY STAR® New Homes

- Presented first solar training session for professionals (plumbing basics) and scheduled a robust line-up of consumer trainings for this fall
- Made continued progress with outreach, marketing, and curriculum development as part of the Technical School Outreach initiative
- Signed 15 new builders to the program in August

Home Energy Solutions—ENERGY STAR® Products

- Partnered with Bonneville Environmental Foundation to introduce Solar 4R Schools contest as part of the Change a Light fundraiser program
- Tracking the beginning shipments of CFLs to those stores participating in the Fall Change a Light promotion launching in September

Home Energy Solutions—Existing Homes

- Completed 814 Home Energy Reviews in July and August, compared to 599 in the same period in 2006, achieving 50% more gas savings than forecasted
- Added 4 new trade allies
- Presented "Strategies for Successful Home Performance Selling" training to 37 trade allies on July 17

Business Energy Solutions—New Buildings

- Continued program presentations to targeted architecture and engineering firms
- Continued to receive project notices and applications at a rapid rate, demonstrating that recent outreach has produced results

Business Energy Solutions—Existing Buildings

- Worked closely with the Oregon Department of Energy to help school districts comply with Senate Bill 479 by replacing their metal halide and mercury vapor lighting with better, safer lighting technology
- Continued close work with BPA and the Regional Technical Forum on energy efficiency measures for the lodging/hospitality market

Business Energy Solutions—Production Efficiency

- Interviewed candidates to fill the technical manager and industrial coordinator positions
- Issued an RFP for a Program Delivery Contractor to develop and implement the Small Industrial Initiative; responses due October 5
- Completed the SP Newsprint 6.54 aMW de-inking expansion mega-project with an incentive payment of $1million

NW Energy Efficiency Alliance

- Worked with the EPA, ODOE and Ecotope to develop a new ENERGY STAR specification in anticipation of Oregon code changes being approved
- Sponsored a contest with the Building Owners and Managers Association to recognize the most energy-efficient Portland office buildings using the Energy Star Portfolio Manager benchmarking platform
- Assisted Legacy Health System in facility scoping and benchmarking for its Strategic Resource Management Plan to support energy efficiency opportunities on a multi-year basis across the system

Renewable Energy

Open Solicitation

- Met with Tualatin Valley Water District to discuss hydro and solar project possibilities
- Outreach contractor met with officials from Wilsonville, Sherwood, Beaverton, Salem, Washington County, Metro, Gresham, Hillsboro, and Clackamas County to discuss solar project possibilities
- Worked with Multnomah County to develop its solar project RFP

Utility Scale

- The Biglow Canyon 125 MW wind project (PGE) and the GoodNoe Hills 94 MW wind project (Pacific Power) are proceeding on schedule to be on line in 2007
- Pacific Power withdrew its letter of intent to provide a follow-on, large-scale renewable project; staff will identify other projects to fund with unspent budget in 2007 and 2008.

Wind

- Continued to meet with turbine suppliers and financers to help secure a reliable supply of large turbines for Oregon projects
- Conducted two site assessments in Hood River County for the installation of 50 meter anemometer towers
- Contracted with Northwest SEED to revise the Community Wind Guidebook in preparation for a second printing

Biopower

- Signed $5 million funding agreement for 15.8-megawatt Warm Springs Biomass project
- Signed agreements to share the cost of feasibility studies at Boise White Paper and Stimson Lumber, both wood co-generation and for food processing waste biogas options at Oregon Cherry Growers Cooperative and Stahlbush Island Farms
- Completed feasibility study of Port of Morrow's Heppner wood cogeneration project and market assessment of animal byproducts in partnership with the Oregon Department of Agriculture and the Animal Byproducts Oregon Solutions team
- Presented at Association of Clean Water Agencies in Bend, Oregon, on biogas opportunities for wastewater treatment opportunities

Solar

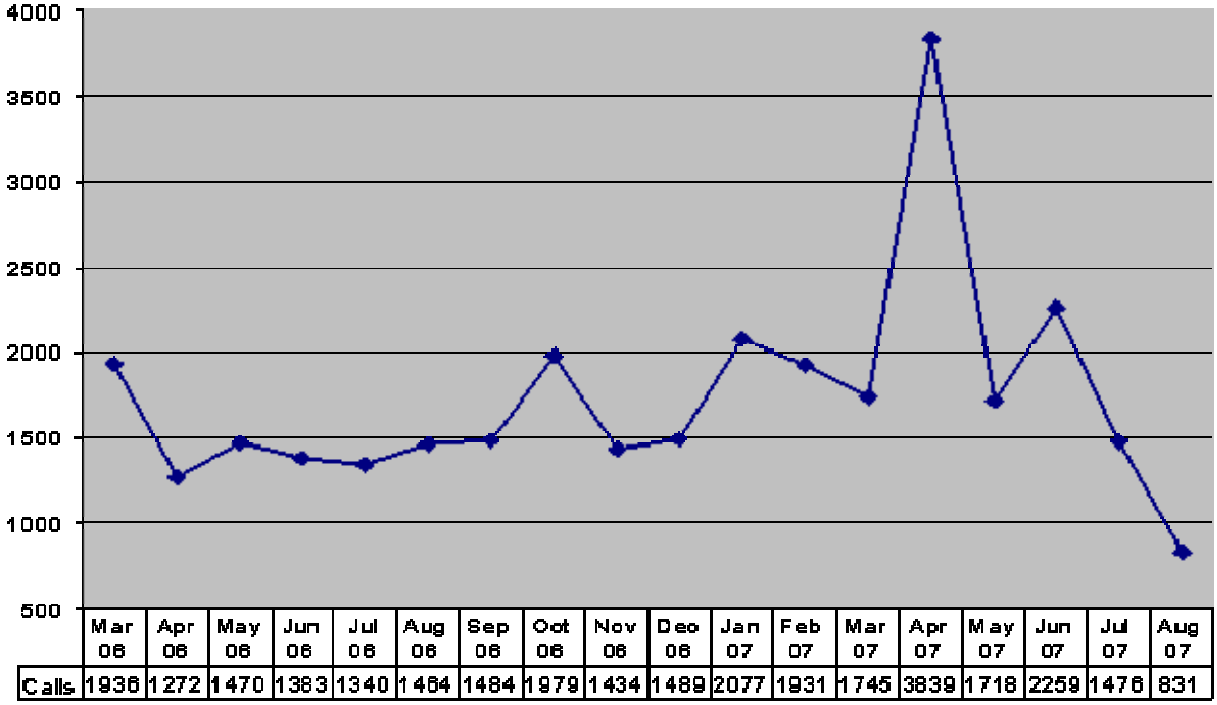
- Initiated market research project with SmartPower involving surveys and focus groups with those who have expressed interest in solar and have not installed a system; responses will be compared to those from individuals who have installed a solar energy system
- Staff met with representatives from the Governor's office and Oregon Department of Transportation and private consultants interested in potentially building a large-scale solar electric installation along public lands in the I-5 corridor; a similar approach has been used in Germany and this would be a first U.S. location.

Communication, Marketing and Outreach

Call Center/Customer Service

- Organized commercial lighting training for call center representatives
- Organized and attended two meetings of the Umpqua Community Action Network to support their possible solar project and obtain their help in expanding home energy review capacity in southern Oregon
- Presented Energy Trust program information for Rogue Gateway Rotary Club in Grants Pass
- Discussed outreach possibilities with Rotary Club members in Grants Pass
- Presented solar program information for Solar Sunday event in Coos Bay/North Bend
- Participated in Home Energy Solutions strategy planning session to provide call center/customer service input

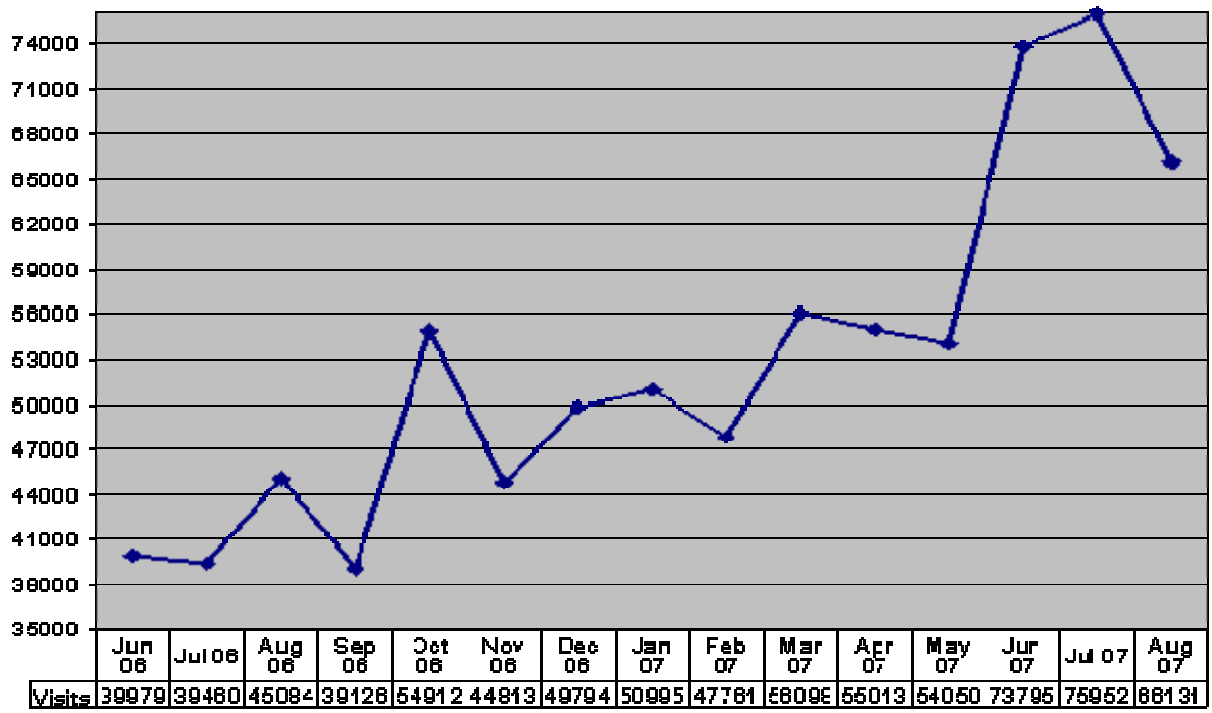
Call Volume through August 2007



Website

- Reached peak of over 75,000 visits in July, and dropped slightly to 66,131 in August
- Launched an online residential program survey to help determine what programs customers are interested in and what motivates them to invest in energy efficiency measures and/or renewable energy
- Completed work on the online form and coupon for the special Solar Coupon promotion
- Posted the new Solar Photo Gallery, sporting new navigational features and quotes from profiled participants
- Launched the new Solar Calculator, an interactive tool designed to help consumers and businesses determine the costs and feasibility of installing a solar electric system
- Launched a residential promotions page to feature a menu of limited-time bonus offers through the Home Energy Solutions program and link visitors to special manufacturer offers
- Launched online entry forms for four tankless water heating sweepstakes sponsored by Energy Trust, NW Natural, Cascade Natural Gas and Rinnai, a leading tankless manufacturer, Sept. 1-Oct. 15
- Posted a new website map
- Posted new Active Builder pages, providing information and photos on specific builders, including their developments and costs

Website Visits through August 2007



Trade Ally Coordination

- Fully updated trade ally training calendar expected to launch on website by end September
- Held trade ally roundtable in Grants Pass, and at request of trade allies; strong turnout resulted in commitment to hold quarterly sessions there
- Held two trade ally recruitment meetings, one in Pendleton and one in Baker City
- Met with legal department to begin work on central trade ally policies and coordination efforts
- Met with key trade allies to hear their suggestions and pursue solutions
- Organized follow up meeting for trade allies to discuss updates to the residential weatherization specifications manual

Community Energy and Outreach

- Met with Greg Ellis, Independence City Manager, and concluded there is no local "champion" to pursue a local community energy project, although an individual was identified who might become one. Though the Independence Station multi-use development across from City Hall is destined for LEED standards, no construction activity has occurred in two years. A sustainability-themed economic development workshop will be held in neighboring Monmouth (municipal electric service) instead of Independence; a new wood products plant contemplating a co-generation facility has encountered permitting problems.
- Met with the steering committee of the Corvallis Sustainability Coalition, whose members expressed strong enthusiasm for partnering with Energy Trust on a community energy pilot effort. Met again with the larger coalition, again encountering

enthusiasm. A vote-by-mail of members on this matter will conclude Sept. 26 and if positive, Energy Trust will work with Corvallis and not Independence on our first venture into community energy.

- Collaborated with the governor's office, Oregon Environmental Council and Oregon Wine Board on a voluntary carbon-neutral initiative for Oregon wineries; Energy Trust offers free solar and efficiency assessments as step one toward carbon neutrality.

Events, Speaking Engagements and Sponsorships

- Participated in 45 energy/conservation-related events during the period
- Presented at the Small-scale Hydroelectric Generation in Oregon conference
- Sponsored three Basics of Going Solar workshops
- Staffed booths at 12 fairs and expos around the state
- Completed the New Buildings Road Show: Why Build Green? with stops in Albany/Corvallis, Medford, Bend and Portland

Creative Products

- Created 21 new and resized advertisements: 6 commercial, 7 residential, 7 renewable and 1 general
- Produced and released 3 newsletters: Synergy (general, monthly), Insider (for trade allies, bimonthly) and Pit Stop (internal, monthly)
- Created 3 new case studies representing the Existing Buildings and Production Efficiency programs
- Created 4 new fact sheets representing the Existing Buildings and Solar programs
- Updated solar programs brochure
- Created a direct mail letter and flyer for a refrigerator replacement program for Pendleton customers

News Releases and Media Events

- Distributed 3 press releases: CAPECO Refrigerator Replacement program in Pendleton, SP Newsprint project completion and presentation of $1 million incentive check, Fall *Change a Light, Change the World* promotion announcement
- Continued to build a pipeline of stories and press releases for 2007
- Continued to garner news coverage about Energy Trust programs in local newspapers around the state

Utility Co-promotions

- Cascade Natural Gas: August bill insert featuring ENERGY STAR new homes; September inserts featuring tankless gas water heaters (residential) and pre-rinse sprayers (commercial); tankless water heating promotion direct mail to Central Oregon customers with sweepstakes offer for a Rinnai tankless water heater
- NW Natural: August Comfort Zone newsletter story on Home Performance with ENERGY STAR and customer Margaret Young, plus mention of Energy Trust duct sealing donation for NW Natural home makeover promotion; September bill inserts featuring tankless gas water heaters (Salem and Portland residential customers) and pre-rinse sprayers (foodservice customers); tankless water heating promotion direct mail to Eugene customers with sweepstakes offer for a Rinnai tankless water heater

- Pacific Power: July *Voices* newsletter story on heat pump incentives and summer cooling, Energy Connections newsletter story on restaurant and lodging incentives and Energy Insights newsletter story on Wong Potatoes and Production Efficiency incentives; September *Voices* newsletter story on the fall Change a Light CFL promotion
- PGE: Fall Change a Light CFL promotion story and solar incentive mention in August Update; Solar Expo story in September *Update*; ENERGY STAR manufactured homes bill insert in targeted September residential bills and ongoing online listings on PGE website for classes Energy Trust co-sponsors for business customers

Operations, Contracts, Human Resources, Finance and Information Technology

Finance

- Reviewed consultant findings for organization-wide allocation study; delayed implementation of changes recommended to analyze cost/benefit
- Established 2008-09 improved budget models for each program
- Coordinated budgets with department and program support
- Completed insurance renewals for Management Liability and Errors and Omissions coverage
- Reviewed the Advanced Budgeting System that accompanies Blackbaud accounting system
- Met with Perkins & Company audit team to discuss results of Moss Adams Enterprise Architecture study and implications for 2007 interim audit work
- Obtained and reviewed RFP responses for development of complete requirements document to facilitate accounting software search
- Designed new financial report for marketing
- Prepared financial reports for July and August
- Assisted with the implementation of the incentive pre-import report
- Reduced the number of incentive errors prior to import
- Monitored the duplication of existing Gold Mine and Great Plains vendor accounts
- Prevented creation of duplicate Gold Mine and Great Plains vendor accounts
- Assisted PMC with Gold Mine and Great Plains questions
- Voided and reissued outdated incentive checks
- Recorded and issued payments to Energy Trust vendors and accounts
- Researched value of an incentive check control point and determined a new control would be used for several new reports
- Added organizational budgeting to organizational timeline process
- Released Substitute W-9 to commercial/industrial programs and conducted W-9 training with commercial/industrial programs
- Recommended changes on commercial/industrial forms to correspond to Substitute W-9 language
- Recommended new method to manage incentives in FastTrack and Great Plains
- Worked with IT to build and finalize several reports to facilitate controls in incentive approval process, help prevent payee name errors and ensure legal vendor naming processes
- Continued working with Production Efficiency program to recommend processes and ideas for in-house program management

- Finalized all industrial and commercial document retention review and issued Verification Receipts for 2001-12/31/2006
- Input all internally managed programs project files into document retention archives
- Continued working on residential document retention review for missing files
- Finalized Document Destruction Policy
- Completed 2007 Q2 FastTrack audit

Human Resources

- Held meeting facilitation training for all staff
- Received an award from EarthShare of Oregon for Energy Trust employees who choose to donate through a payroll deduction; donations increased 119% from the previous year and participation increased 133%
- Accepted the resignation of Martin Staudacher, IT contractor
- Contracted with Jason King who will provide desktop support in the IT department, replacing Martin
- Reluctantly accepted Senior Accountant Thuong Ho's resignation to return to the Seattle area with her husband and new baby
- Reluctantly accepted resignation from Planning and Analysis Manager Jill Steiner who will be joining the Snohomish Public Utility District as their Planning/Evaluation Department manager
- Currently recruiting for Industrial Technical Manager and Industrial Sector Coordinator

Legal and Contracts

- Activity incorporated under other headings

Information Technology

- Received an updated version of the Enterprise Architecture study report from Moss Adams incorporating staff response
- Released a new version of FastTrack incorporating enhancements to the forecasting module and a revised and simplified measure reversal process
- Enhanced Goldmine screens to provide PMC users with visibility to vendor status in Great Plains, improving data quality and minimizing duplication of vendor entries
- Automated the second quarter report featuring compilation of the numbers from FastTrack and Great Plains into the MS Word document tables and text explanations
- Recognized the completion of Serene Ezell's internship on September 21st.