EnergyTrust of Oregon, Inc.

Finance Committee Notes

October 27, 2008

The finance committee met at 3:40 pm on October 27, 2008, with John Klosterman, treasurer; Debbie Kitchin, secretary; Dan Enloe, board member, John Reynolds, board chair, Margie Harris, executive director, Sue Sample, chief financial officer, and Pati Presnail, controller in attendance

Preliminary Draft 2009-2010 Action Plan and Budget

Margie presented the preliminary draft budget presentation to the committee. The budget and action plan are similar to that of the current year with the major exception and unknown being the impact of the economy. John K. wanted to be sure that the assumptions used in the budget preparation are clearly identified so that any variations can be easily documented. The Board will see much of the same presentation in finalized form on November 12, 2008.

An important question for efficiency, both electric and gas, and renewable energy is whether the amount of projected revenues is sufficient to meet future demand. Another question involves the mechanism to be used to meet the potential additional revenue requirements.

Margie described the budgets for both renewable energy and energy efficiency and the opportunities and challenges ahead.

Work continues at the state level to assist the Energy Trust in obtaining its goals via policy efforts and leveraging the work of others in the field.

The OPUC has established performance measures for 2009 which recognize the additional costs necessary to be more aggressive in obtaining more elusive savings opportunities.

The committee acknowledged Pati and her capabilities in organizing and preparing the budget documents more effectively each year.

September 30, 2008 Financial Statements

Sue outlined the major items of interest in the September financial statements, particularly as highlighted in the dashboard. While we continue to be underspent, we are currently projecting to come in very close to our best case/stretch electric goal by year end and to exceed both our gas and renewable energy generation goals. Renewable incentives and professional services are the most consistent areas of shortfall. It is expected that many costs in those areas will be deferred and are included in the 2009 budget.

The committee acknowledged that many of the variance comments identified economic factors as the source of the underspending and the potential impact continuation of that trend might have on our results.

Additional Comments

Dan expressed a concern that we manage our cash flow so as to take advantage of pricing offered by vendors hungry to close deals before year end. He also expressed concern about our leveraging our cash balances to provide reserves for local banks rather than utilize our current conservative investment approach.

Next Meeting

The next Finance Committee meeting is scheduled for December 1, 2008 at 3:30 pm.

The meeting adjourned at 4:40 pm.