EnergyTrust of Oregon, Inc.

Draft Board Meeting Minutes – 85th Meeting

November 12, 2008

Board members present: Dan Enloe, Roger Hamilton, Julie Hammond, Debbie Kitchin (arrived 12:20 pm), John Klosterman, Alan Meyer, Preston Michie and John Reynolds

Board members absent: Rick Applegate, Jason Eisdorfer, Al Jubitz, Caddy McKeown, Betty Merrill and John Savage, *ex officio*

Staff attending: Kacia Brockman, Sarah Castor, Pete Catching, Diane Ferington, Fred Gordon, Margie Harris, Ben Huntington, Nancy Klass, Steve Lacey, Pati Presnail, Amanda Reynolds, Thad Roth, Sue Meyer Sample, Jan Schaeffer, Brian Thornton, John Volkman, Peter West, Kendall Youngblood

Others attending: Jeremy Anderson, WISE; Joe Barra, PGE; Eric Brean, Oregon Green Solutions; Joe Frey, Oregon Green Solutions; Lori Koho, OPUC *via teleconference;* Holly Meyer, NW Natural

Business Meeting

President John Reynolds called the meeting to order at 12:15 pm.

John asked if there were any changes to the agenda. Hearing none, the agenda stands as published.

September 3, 2008

MOTION: Approve minutes from the September 3, 2008, meeting.

Moved by: Roger Hamilton Seconded by: Dan Enloe

Vote: In favor: 7 Abstained: 0

Opposed: 0

Adopted on November 12, 2008, by Energy Trust Board of Directors.

General Public Comments

There were none.

President's Report

John Reynolds presented slides illustrating the Jayco refrigerator recycling center and process. He also showed slides of the Portland Habilitation Center solar installation and distributed an article he wrote in Solar Today about Energy Trust, noting he is the chair of the American Solar Energy Society.

Draft 2009-2010 Action Plan and Draft 2009 Budget

Debbie Kitchin arrived at 12:20 pm as Margie introduced her presentation.

Margie Harris presented the draft 2009-2010 action plan and 2009 budget. She began with the 2008 year-end forecast, noting we will come close to reaching our best case electric efficiency goal (34 aMW compared to the goal of 36 aMW). We will exceed the best case goal for annual therms (2.5 million annual therms compared to goal of 2.3 million therms). Renewable projects are expected to produce 35 aMW, a dramatic increase over past years and well over the best case annual goal.

Margie then made some general observations:

- Financial market downturns and credit crisis
- Volatile energy prices
- New administration; prospect of carbon regulation
- Unknown how changes will impact consumer behavior and program participation
- Energy efficiency and renewable energy remain centerpiece solutions
- We're keeping our foot on the accelerator and "riding the green wave" as long as it lasts
- Will the resources we may need be available in 2010 for efficiency and 2011 for renewables?

Board members discussed the economy, and the fact that fuel prices have come down. Margie noted cost of acquiring efficiency is increasing.

Margie noted today Umpqua Bank is unveiling its lower interest loan program, GreenStreet Lending. It's a community bank, Oregon-owned, with branches all over the state. She noted ongoing collaboration with utilities on the fall Solutions campaign. We want to expand our community energy projects. Debbie Kitchin suggested selecting a PGE community with economically and ethnically diverse demographics. We could use that opportunity to gain experience working with diverse clientele.

Margie noted we are making improvements in our website. There is live video on the website now. We would like to have more interactive features. She noted we will continue to explore offering service to NW Natural customers in Washington state. We will begin an enterprise resource plan and also preparing for the five-year management audit. We will also update our five-year strategic plan.

The total budget is $126.2 million, our largest to date. She noted we expanded the marketing budget up slightly to $1.3 million. She reviewed the renewables budget of $23.2 million. This is the first full year we will not support utility scale renewable projects, due to the RPS/SB 838. The open solicitation program will be restructured to focus on small and niche markets instead of on new technologies. We will continue cross-promotions between renewables and energy efficiency. The renewable energy generation goal ranges from 7.58-16.09 average megawatts. In 2010 the budget is reduced to $21.4. Absent new revenues by 2011, program offerings will need to be changed and reduced.

The efficiency budget supports greater penetration within existing markets, especially the commercial sector, with more emphasis on marketing and outreach to existing small business and new commercial construction. We will introduce more new efficient gas and electric technologies. We will expand the Trade Ally network and participate in and leverage regional initiatives. Margie reviewed emphases by sector. The existing homes program seeks to expand Home Performance with ENERGY STAR, and to implement a near-low-income outreach strategy. We will integrate solar hot water efforts into home assessments and pursue behavior change strategies such as the Energy Performance Score and more Blueline monitors for residential consumers. Debbie Kitchin noted the Energy Performance Score rates the building and not behavior. Margie said the Score is intended to inform the choices and behavior of the purchaser to encourage awareness and seek a high-performing home.

The new homes program intends to increase ENERGY STAR new homes market share, promote high performance home construction and specialty CFLs. We will seek to increase refrigerator recycling initiative penetration as well.

New commercial buildings will develop the small to medium construction design-build market, expand the ENERGY STAR track and initiate a net-zero pilot. The existing buildings program will concentrate on food services, lodging, office and healthcare, and add commercial laundries and data centers. The industrial program will expand outreach to small/medium customers and develop semi-prescriptive analysis tools for small industrial operations. For the first time, small industrial gas customers will be included in program offerings.

Overall, the 2009 efficiency budget is $79.1 million for electric and $17.4 million for gas. The stretch savings electric goal is 42 aMW and 2.6 million annual therms of natural gas. We expect to maintain momentum in 2010.

Julie noted NEEA accounts for 15% of 2009 savings and asked if we remain comfortable with the number. Fred said we are getting millions of CFL sales in the Northwest. Sometime in the next several years the rest of the nation will catch up and we will not be able to rely on CFL savings. Margie noted there are many rural areas where the market for CFLs has not been transformed. Dan Enloe noted the opportunity to follow the same cycle with LED technology.

Margie reviewed marketing and communication themes for the budget and action plan, including applying customer-focused marketing strategy, utilizing market research findings, and pursuing cross-program initiatives. She noted the Energy Performance Score, Green Street Lending, Better Living Show, strategic, leveraged ad buys reaching out to utilities, and continuing website improvements.

Preston asked what Energy Trust's contribution to the Umpqua Bank Green Street Lending is. Margie noted our contribution of staff time planning, marketing and evaluating. We are not buying down the rate. Margie noted other financing discussions with the incoming legislators and the utilities, and hopes for utility on-bill financing.

She said the management and general budget continues process improvements to better serve internal and external customers, with more on-line forms; solidifying the IT staffing plan; finalizing the RFP for the enterprise resource plan; and the 2009 management audit.

Margie reviewed budget goals in comparison to OPUC performance goals. Preston asked about the increase in levelized efficiency cost by the OPUC from 2.0 to 3.5 cents/kWh; Debbie noted it's related to the discount rate. Dan asked whether electric and gas are supported at the same rate. Fred noted the avoided cost of natural gas is less per unit, requiring a higher subsidy per unit saved. We're paying less

than the value in both cases. Roger Hamilton asked if gas or electric heat is more cost effective. Fred said we serve both fuel types and selecting one source over the other is complicated and circumstance dependent. Our fuel neutrality policy says we do not promote fuel switching and instead promote installing the highest efficiency alternative, whatever fuel source is chosen.

Margie noted our administrative costs remain well within the minimum OPUC performance measure. Alan Meyer noted normally, with revenues going up, you would expect to see administrative costs go down. Ours are going up. Sue Meyer Sample said this is due mainly to unmet IT infrastructure needs and the management audit planned for 2009. Dan noted the lower conservative range of levelized costs for gas includes an amount over the performance measure of 60 cents/therm; Steve noted the performance measure is computed on a three-year rolling average. Exceeding the amount in '09 would put constraints on performance in the next two years. Historically, Energy Trust has always achieved savings above the conservative case threshold.

Margie reviewed projected carryover for 2010. Our projections show expenditures will exceed revenues and with carryover expected to be used in 2009, we may need additional revenues to support our accelerated activities. Julie asked if we truly expect to spend down carryover in this economic climate. Margie noted that we cannot predict the effect of the slowing economy. She wanted to consider both the potential demand and bring a balanced budget. If we determine more funds would be needed to capture additional savings potential, we can approach the OPUC and utilities in August '09 to potentially adjust the SB-838 tariff filings. Julie noted we have predicted running out of carryover in the past but typically do not spend all that's budgeted. Sue said we do expect to outspend revenues received in 2008 and further erode carryover in 2009.

Board members discussed the effect of the tight economy on our programs. People will have less to spend and revenues may go down. Some trade allies will go out of business. Incentives may need to be increased.

Margie described next steps, including continued outreach, and changes to the budget and action plan for final presentation to the board December 19.

Debbie said she had questions about the action plan. She noted the intent to acquire more results per customer and asked if we have caps per customer. Steve said caps come into play only for large projects. It is not apparent to us that customers are running up against caps. If we found this to be the case for existing or new commercial customers, we might adjust the caps.

Alan said coincidentally he was approached by an industrial customer upset because they had hit their cap and could not take advantage of higher incentives. Dan and John made the point that if ever there was a time to spend more, it's now. Alan noted BPA's cap for industrial projects is 70%; Steve said this is because three of the BPA states don't have the Business Energy Tax Credit (BETC) and need higher incentives for industrial customers to commit to efficiency projects. Debbie urged consideration of a short-term increase in caps proactively rather than wait for a shortfall in participation. She said she still hears a perception in the marketplace that Energy Trust is out of money. Alan said "short term" should be a year long, at least. Dan said on the renewables side he would only offer a "sale" on biopower and open solicitation, because we get more bang for the buck there.

Julie said her initial reaction to cross-program work is to be careful about how to present residential customers with the list of what they can do. Too long a list can be overwhelming and lead to inaction. She would hope the list could be prioritized, for commercial customers as well as residential. Margie

said the Home Energy Review is designed to provide a list of the most cost-effective measures to implement; for people motivated to act, we need to offer a range of choices.

Alan noted the increase in the New Homes budget in '09 is greater (over $4 million) compared to Existing Homes. Steve said the increase is mostly for products, not new home construction. Margie thinks perhaps that should be broken out in the future; John Reynolds said that would help.

John Klosterman asked what we said no to in our budget preparations. Steve said the existing homes program had more aggressive budgets for multifamily and existing buildings but pared these back to meet revenue expectations. Dan asked if we removed the least cost effective measures. Steve said no, we instead reduced efforts in programs where we could adjust outreach activities that were not as dependent on market demand. We chose not to reduce service in existing homes as impending rate increases and weather will dictate activity in this area. Steve said we are asking PMCs to look again at their program forecasts and to see if there will be additional funds available from budget items that will be underspent this year. These surplus funds will be reallocated to areas that had funding adjusted.

Roger thinks a topic for discussion at the next strategic planning retreat might be the allocation between efficiency and renewables in the public purpose charge. Margie noted the possibility of activity in the next legislative session that could impact us, especially since we are approaching 10 years since the original allocations were determined in the SB 1149 legislation.

Peter addressed trade offs in his budget. Community wind was cut to make the projects available for utility scale. The choice to focus Open Solicitation on niche markets instead of new technologies reflects the great amount of time required to review proposals. It's a better allocation of our staff time to focus on existing technologies such as biopower. He noted also that we cannot afford large scale PV -- $1-3 million apiece – without lowering investments in biomass. An exception is a provision for 1-2 larger scale solar installations that might come out of the PGE IRP.

Preston thinks it might be useful in '09 to think about three legislative changes, one the split between energy efficiency and renewables that Roger addressed, second would be direct application of renewables (i.e., solar water heating) and third would be demand response. He knows we don't lobby and perhaps we should do a white paper or spend some time in '09 thinking about these options.

John Reynolds said he has been beating the drum about direct solar. Now the benchmark is a good deal higher than 2 cents, there may be headroom enough on the efficiency side to support solar water heating. Preston's reservations have to do with financial uncertainties. We need to keep an eye on the impact on consumers and the small businesses that do the work. We may need to do what we can to help them survive the year.

Julie asked how quickly Energy Trust can maneuver if needed. Margie said we have to pay attention to market signals and pay attention to what we hear from trade allies. If we need to respond, we can do so quickly. Julie asked if we know what the market indicators are. She would rather err on the side of being overly aggressive than withholding money. Steve said indicators include seeing projects put on hold. We need to be able to address incentives or services in response. On the residential side, we are seeing more demand than we can keep up with – at least in terms of Home Energy Reviews.

Roger asked if on the renewables side we might see scaling down of projects, and therefore reduced economies of scale and less bang for the buck. Peter said we work closely with the solar industry and have changed incentives where it made sense. We now see a good third of our larger projects on hold

while they look for funding. Most are municipalities. Third party companies are holding back. We may need to raise incentives to attract them.

Roger asked if tight financing is affecting wind projects. Peter said our stronger role is to qualify the projects as eligible for utility-scale and meeting the RPS.

Debbie asked about incentives in 2010 for existing homes. She noted the incentive dollars went down while other program costs went up. Steve said this reflects the reduction in incentives for multifamily. Julie asked, regarding goals, about whether Energy Trust is responsible for the entire 10% renewable energy goal. Margie said the 10% equates to 450 aMW, of which Energy Trust is responsible for 150 aMW. Julie also asked about the investment for IT systems. Sue said costs will be scalable over time. Julie asked for a translation of JLAC in reference to performance measures; Margie said this stands for Joint Legislative Audit Committee.

John Reynolds asked if there are megaprojects anticipated for 2009. Margie said we built one megaproject into the budget, the OSU CHP project.

Margie said we expect to bring to the board a request for staff to have flexibility to move funds among programs within a sector without board approval. Presently we have authority to move funds among line items within a program. Alan, Julie, Roger and several other board members said this seems logical to them. Dan said he would be concerned if dollars are moved into more expensive projects, he would want to know if other options had been exhausted. Steve said we are trying to leverage the funds and get them where they're needed most.

Debbie noted commercial new buildings' incremental strategy focuses on small projects and wonders why this same focus isn't listed for existing buildings. Steve said the target sectors we list in the commercial sector are predominantly smaller operations – lodging, restaurants, grocery stores, laundries etc. We have already been focused on these in existing commercial but have not yet done so in the new buildings program.

She noted the NEEA BetterBricks program has had success working with associations like BOMA. She wondered if on the industrial side, NEEA is involved in any of the business associations serving the markets we are entering, or whether Energy Trust is involved. Alan Meyer said Energy Trust is involved in food processing and is trying to do more with pulp and paper. Margie said we take this approach of working with trade associations across the board.

Break

The board took a 15 minute break at 2:00 pm.

Renewable Energy Program

Brian Thornton described a request for board authority to direct $571,000 for above market costs of a solar electric system for the City of Gresham wastewater treatment plant. Gresham is working with Tioga Energy, Inc. The plant currently gets half of its electricity from an Energy Trust biogas project. Total project costs are $2.8 million. We propose to pay Tioga a custom incentive of $1.36 per watt, significantly less than the $1.75 standard incentive for government projects in PGE's service area.

Alan asked why Energy Trust would retain green tags for years 3-20 and not 1-18 or some other combination. Peter said the market Tioga is interested in claiming credit for being green is the first two years.

Preston asked if the project output is measured in kW or kWh. Brian said kWh. We expect about 8.7 *(corrected after meeting to 8.1)* million kWh over 20 years. Brian said the incentive is an accelerated performance payment, spread over the first five years.

Dan Enloe asked what the aMW production would be of this project. He noted solar is expensive. He asked if we had considered transport savings. Peter said we calculate the value to the customer. We make an estimate of the PV benefits when we report our overall energy accomplishments. We include an adder for transport savings when we can identify one.

Preston would like to see the whole financing picture when we see these proposals, including BETC. John Reynolds noted normally we do this. Peter said we will go back to doing that. Preston said he thinks it's good policy to note transport benefits, but he thinks distribution benefits are debatable, as you still use the distribution system.

Roger asked what the capacity factor is. Kacia said we use a factor of 12-15 percent. Lifetime is 20 years. John Reynolds noted the life span of many collectors is longer than 20 years.

RESOLUTION 490

AUTHORIZING FUNDS FOR THE TIOGA ENERGY INC, CITY OF GRESHAM SOLAR PHOTOVOLTAIC PROJECT

WHEREAS:

1. **Tioga Energy, Inc. proposes a 420 kW (nameplate capacity) ground-mount solar photovoltaic array for the Gresham Waste Water Treatment Plant, to be completed no later that August 2009.**
2. **Total project costs are projected to be $2,727,009. Staff estimates the above-market costs at $839,292.**
3. **At 420 kW and as incentive of $1.36 per watt, the project is significantly less costly than Energy Trust's standard offer for government photovoltaic projects.**
4. **The project would be one of the largest photovoltaic projects in Oregon, at a per-watt cost that is significantly lower than Energy Trust's standard offer for government photovoltaic projects.**

It is therefore RESOLVED:

The board of directors of Energy Trust of Oregon, Inc.:

1. **Authorizes up to $571,000 to offset the above-market costs of the Tioga Energy, Inc. – City of Gresham photovoltaic project.**
2. **The executive director is authorized to enter into contracts consistent with this resolution.**

Moved by: Julie Hammond Seconded by: Debbie Kitchin

Vote: In favor: 8 Abstained: 0

Opposed: 0

Adopted on November 12, 2008, by Energy Trust Board of Directors.

Energy Efficiency Program

Steve Lacey presented a request for a contract amendment for the Living Wise energy efficiency educational program. Diane Ferington showed a Living Wise kit, explaining the kit is provided to 6th graders. They take the kit home and use it to change out light bulbs, faucet aerators and shower heads. We expected to deliver 10,500 kits but demand has outstripped supply. We are requesting funds for an additional 1,200 kits through February 2009. The current contract with Fan-Fi International, Inc., creator/distributor of the kit, is for $498,105. The increase would raise the total to $553,317, which is over the $500,000 threshold and requires board approval.

John Reynolds asked if we have thought about offering the kits in NW Natural only territory in conjunction with public electric utilities. Steve said we will consider doing this in 2009. John Klosterman said he loves it: kids telling parents what they can do to save energy. Dan Enloe asked if surveys analyze actual savings. He asked if the data from the kit is available to Energy Trust; Diane said we do.

RESOLUTION 491

APPROVE EXPANSION OF A CONTRACT FOR THE LIVINGWISE ENERGY EFFICIENCY EDUCATIONAL PROGRAM

WHEREAS:

1. **The current Energy Trust contract with Fan-Fi International, Inc. ("Contractor") authorizes a budget of $498,105 for the LivingWise Energy Efficiency Educational Program ("Program"). The Program distributes energy efficiency kits to students and related educational materials to schools. Students take the kits home and install them as a learning exercise.**
2. **Under the current contract, Energy Trust agrees to pay for materials development ($15,000); kit distribution ($40.01 per kit, not to exceed $420,105); and reporting ($6 per kit, not to exceed $63,000).**
3. **Each kit is estimated to save 203 kilowatt-hours and five therms of gas. The term of the contract is from June, 2008 through February, 2009.**
4. **Contractor has notified Energy Trust that it can distribute more kits than originally expected in the current contract term. Energy Trust staff are pleased with the Program to date and recommends distribution of 1200 additional kits, at a maximum further cost of $55,212, including reporting cost.**

5. **Because the additional expenditure would bring the contract over $500,000, the contract may be amended only with the board's approval.**
6. **For the 2009 budget, staff will recommend continued funding for the Program after February, 2009. Accordingly, staff also proposes that the 2009 contract total be authorized consistent with the board's 2009 budget approval.**

It is therefore RESOLVED:

1. **The board authorizes the executive director to amend the current contract with Fan-Fi International, Inc. to increase expenditures from a total of $498,105 to a total of $553,317, for distribution of and reporting on an additional 1200 kits through February, 2009.**
2. **The executive director is authorized to sign future Program contracts for services after February, 2009, if consistent with board-approved budgets and action plans.**
3. **To maximize Program savings and benefits, staff may reallocate funds among categories within the Program budget as long as such reallocation is consistent with the board-approved annual budget and action plan decisions.**

Moved by: Debbie Kitchin Seconded by: John Klosterman

Vote: In favor: 8 Abstained: 0

Opposed: 0

Adopted on November 12, 2008, by Energy Trust Board of Directors.

Committee Reports

Finance and Compensation Committees. John Klosterman said the Finance Committee met a couple of weeks ago. He is requesting that assumptions used in budget preparation are clearly documented. He didn't have specific examples but said in this time of economic uncertainty, as we are establishing conservative and best case goals we should document the underlying assumptions.

Dan Enloe noted at his work he is doing supply chain risk assessment. Not all of them may survive. One of the things we may need to examine is what to do if a trade partner essential to a program's continuation fails. Can we tap others? Preston discussed his view of risks and data to analyze. Dan noted the new Umpqua Bank program offers a window of insight if we keep close track of performance against expectations.

John said the Finance Committee meets again December 1.

He noted the Compensation Committee will meet to prepare recommendations in light of Tompkins research on staff compensation.

Strategic Planning Committee. John Volkman noted we thought the workshop on innovation and risk was very informative. We currently have a workshop on demand and smart grid set for Jan. 22, with Ken Canon facilitating. We have talked some about what happens with the strategic plan after that, and whether we can do something relatively early in the year for the board to look at – recognizing we

don't know what the legislature will do in 2009 that will affect Energy Trust. John Reynolds noted he thinks the workshops are a lot more useful with high board attendance.

Audit Committee. Julie Hammond said the audit committee met today. They are working with Perkins and Co. on the annual audit. They discussed protecting Energy Trust during these economic times from potential pressures from PMCs and others. They discussed the management audit and began to scope some ideas. They will send out an RFP by the end of the year and expect to start the audit at the end of the second quarter or beginning of the third, with the goal of having the audit completed by the end of the year. She noted there is an opening on the audit committee and would like a volunteer. They meet four times a year, usually on the same day as the board meeting.

John asked if we were applying lessons learned from the last management audit. Julie said we won't do a full audit of every department but strategically look at certain areas. John Klosterman asked if there still is an outside representative on the committee. Julie said Alexis Dow continues to serve, although she intends to step down after this process and offered to help us find another individual of the same caliber to participate. Preston suggested bringing that individual on board now to have experience to bring to bear after Alexis steps down. Julie said the committee will look for staff support along the lines of that provided last time by Mark Roller.

Policy Committee. John Reynolds drew attention to considerations being given to Energy Trust space needs and whether to participate in a Living Building cooperative. Margie noted Energy Trust has been participating with a loose group of like-minded organizations, including Gerding Edlen. Earth Advantage, PECI and Oregon Environmental Council, who are considering a Living Building campus or shared building by 2011, when our lease expires. We would be an owner of a building that demonstrates what we believe in. There is a meeting next week with Gerding Edlen and will know more about costs and benefits over time associated with this approach. Sue Meyer Sample said the City of Portland is involved now as well, as they are looking to make the building a destination.

Dan said we should get clear what the boundary conditions are – lease, own, etc. He noted owning the land after doing the building is a strong incentive. Sue said the plan would be to lease it for 10 years and then purchase. Dan suggested going as far as you can with this high rise building and then 10 years down the road when more land becomes available, do a better one and sell this one. Preston suggested looking broadly at all solutions.

Sue noted we are also working with a broker on leased space. Margie noted we expect the cost per square foot in this building to go up; it's now a class A space while when we leased it was class B. John Reynolds noted that the economic downturn could influence this.

Program Evaluation Committee. Debbie noted the committee discussed the difficulty of assessing the spillover effect. NEEA is attempting to develop a methodology to quantify spillover effects that potentially could be utilized by Energy Trust programs. With nonparticipants, we often don't know what they did or how energy efficient it was. There is a lot of gray area.

Alan Meyer noted the committee has discussed also the imprecision of free riders, in addition to spillover. One approach may be to have evaluations note free riders without docking savings, since it is so difficult to estimate spillover. Fred offered a caution against simple solutions. The Alliance is a quarter to a third of our savings and it's pure spillover. Debbie noted Fred missed the last meeting where we discussed all of this, but we can take it up again. Board members continued discussing this topic.

Debbie mentioned evaluation report summaries included in the board packet.

Staff Report

Elaine Prause made a feature presentation on the Production Efficiency program. The program serves large and small industrial operations, agriculture and wastewater treatment. She showed a chart outlining different roles of production delivery contractors, allied technical contractors and trade allies. She identified market barriers, including lack of capital, lack of time/people, relative small share of cost represented by energy, and lack of awareness. The program emphasizes non-energy benefits (increased production, quality, reduced waste), simplifying processes, focusing on energy management and O&M measures. Most of the savings come from primary process improvements while the greatest number of projects are lighting measures. Wood products represents the industry delivering highest savings.

She showed savings by year, demonstrating great variability tracking with megaprojects. She highlighted Roseburg Forest Products, 2009 Energy Award winner. She noted the 2-year pilot to integrate energy management into terms industry already uses.

Margie read from a front-page story in today's Oregonian about wind power and its acceptance by farmers. The featured landowner rents farmland to Klondike.

Margie reviewed highlights from the staff report. She touched on the move into Washington for NW Natural. WTC has asked NW Natural to continue its analysis of working with Energy Trust in Clark County. We will be represented on an advisory committee that will meet for the first time in December or January. We will conduct phase two of our study of savings potential and costs of working in Clark County. We have had a preliminary meeting with Clark County PUD. It makes sense to offer programs together.

She noted there was an energy summit convened by the governor made up mostly of utility representatives. We have a copy of the governor's legislative agenda. Other proposals are floating around relating to financing of energy efficiency. She expects a robust legislative session.

The Northwest Energy Efficiency Alliance board chose not to adopt the entirety of the strategic plan. Instead they agreed that the plan is sufficient to inform the business plan and funding plan. One of the strategic questions is whether the Alliance should explore moving into gas efficiency.

The "Solutions" advertising campaign is running. It is a direct message around managing energy costs and behavior. We have had high call volumes, attributable in part to the campaign, and to increased awareness and interest in being green. We also have a different close rate on people participating in a Home Energy Review: compared to the 20 percent national average, 40% of our participants are taking action.

The Northwest Energy Efficiency Task Force will complete its work in January. There will be opportunities to work across state lines on a number of topics. Between that and the legislature there's a lot of activity coming up.

Margie noted record numbers of clothes washers. She noted the bundled gas incentives associated with the Solutions campaign. We are transitioning from SAIC to PECI for new commercial buildings. We may have a geothermal project at OIT in Klamath Falls. We have several other biopower studies underway.

A lot of training for call centers and Umpqua Bank call centers has taken place this fall.

She encouraged board members to go to the website to see new materials and tools. We are working up some video case studies.

Under community energy we had largest ever turnouts at three solar workshops in Corvallis.

We participated in a Douglas County tour of solar homes, and hosted a workshop for governments on renewables.

We have leveraged some good television coverage.

We have completed the salary and benefits survey.

Adjourn

The meeting adjourned at 4:06 pm.

Next meeting. The next regular meeting of the Energy Trust Board of Directors will be held Friday, December 19, 2008, 12:00 noon at the Energy Trust of Oregon, Inc., 851 SW Sixth Avenue, 12th Floor, Portland, Oregon.