Draft Board Meeting Minutes – 89th Meeting

May 6, 2009

Board members present: Rick Applegate, Jason Eisdorfer, Dan Enloe, Roger Hamilton (via web conference), Julie Hammond, Debbie Kitchin, John Klosterman, Caddy McKeown, Alan Meyer, John Reynolds, John Savage, ex officio (via web conference), and Betty Merrill, *ex officio*

Board members absent: Al Jubitz and Preston Michie

Staff attending: Pete Catching, Amber Cole, Lakin Garth, Brooke Graham, Fred Gordon, Margie Harris, Nancy Klass, Steve Lacey, Kathryn Ortbal, Thad Roth, Sue Meyer Sample, John Volkman, Peter West

Others attending: Jeremy Anderson, WISE; Joe Barra, PGE; Jeff Bissonnette, CUB; Bill Edmonds, NW Natural; Claire Fulenwider, Ph.D., NEEA; Jeff Harris, NEEA; Don Jones Jr., Pacific Power; Chris Pratt; Jan Schaeffer; Lauren Shapton, PGE;

Business Meeting

The business meeting was preceded by an Executive Session held pursuant to sections 3.19.1 and 3.19.4. Executive Sessions are not open to the public.

President John Reynolds called the business meeting to order at 12:40 pm.

April 1, 2009, meeting minutes

MOTION: Approve minutes from the April 1, 2009, meeting.

Moved by: Debbie Kitchin Seconded by: Julie Hammond

Vote: In favor: 10 Abstained: 0

Opposed: 0

Adopted on May 6, 2009, by Energy Trust Board of Directors.

General Public Comments

There were none.

President's Report

John Reynolds presented slides on the Emerald PUD's Short Mountain landfill gas project. Emerald has been generating electricity from methane at this site since 1992. About 1,200 cfm of gas is produced. Three generators, each about 1,150 hp (800 kw) produce about 15 million kwh/year. Emerald PUD offices feature daylighting, passive solar, night flush cooling, and other features.

NEEA annual update

Margie Harris introduced Claire Fulenwider, Ph.D., Executive Director, Northwest Energy Efficiency Alliance (NEEA). She was accompanied by Jeff Harris, NEEA director of emerging technologies.

Claire noted NEEA is voluntarily funded by seven IOUs, BPA, Energy Trust and others in the four northwestern states: Oregon, Washington, Idaho and the western part of Montana. She said their main claim to fame is having captured a lot of energy efficiency, especially upstream. She stated NEEA has been doing strategic planning over most of 2008, followed by a business plan. The two plans were approved in April by NEEA's board.

The strategic plan created a new vision: energy efficiency is a cornerstone of a vibrant sustainable Northwest. Its mission: mobilize the Northwest to become increasingly energy efficient for a sustainable future.

The strategic plan identified six areas of emphasis the region wanted:

1. Increase market adoption
2. Help NW energy efficiency organizations achieve their goals
3. Build regional market capability via education, training and technical support
4. Facilitate emerging technologies and solutions
5. Promote energy efficiency
6. Facilitate regional energy efficiency planning and implementation

Claire noted value delivered beyond aMW:

- Pipeline of emerging technology
- Better leverage with upstream market actors
- Economies of scale
- Codes + standards "lock in"
- Expansion of regional market capability
- Avoidance of resource duplication
- Mitigation of risk

Claire outlined key emphases in the business plan:

- Flexibility
- Transparency
- Accountability
- Focus on activities where the region working together can achieve greater results
- Balance of long- and short-term results

Key change: fuel neutrality:

- Will develop a regional "Fuel-Neutral" Action Plan consistent with NEEA's new mission statement
- Would not use funds from any fuel source to engage in activities that would be seen as encouraging fuel-switching

Claire reviewed yearly savings for Energy Trust from NEEA, noting that cost per kwh is going up as CFL markets transform. NEEA is estimating 100 average megawatts (20% share to Energy Trust). Asked by Debbie if Energy Trust's share is based on our financial contribution, Claire said yes, to date; but that going forward NEEA will track savings by zip code.

Claire noted NEEA has been underachieving in the industrial sector. She expects this to increase. New evaluation results support this assessment. A similar pattern is seen in the commercial sector. She noted no savings predicted from emerging tech over the next five years.

Claire stated that historically, NEEA has been budgeted at $20 million a year. This year Energy Trust and others brought some additional funds to support specific research projects, raising the total budget to $24.5 million. The business plan calls for $39.4 million in funding commitments over 10 years, starting in 2010.

The big increases anticipated in the NEEA budget stem from:

- Cost/kWh is rising
- Less low hanging fruit
- 6th power plan requirements for more energy efficiency
- Focus on climate change, economy and energy independence
- New Federal leadership
- Short versus long-term savings
- Emerging technology
- More targeted partner services

Debbie said she's fully in favor of NEEA focusing on market transformation. She asked how budgets for each funder are determined. Claire said NEEA uses a formula which addresses total retail sales and number of customers, which Jeff elaborated. Debbie asked if results match payments. Fred Gordon said that over the past 12 years Energy Trust, PGE, and Pacific Power Oregon customers have contributed approximately 15% of NEEA's annual budget and received 20% of the savings. The new formula seeks greater equity, and for this reason Energy Trust will be paying more in the future.

Dan Enloe estimated that for about $5 million/year we get about 8 aMW from NEEA.

Margie asked Claire to comment on the Northwest Energy Efficiency Task Force (NEET) and its relationship to NEEA's business plan. Claire said NEET has asked NEEA to take on several of its recommended actions and further develop them. She noted the NEET marketing initiative is leading to a proposal for market research on what motivates people to do energy efficiency and what messages might tap this. NEEA will also coordinate a regional forum coming out of NEET. She thinks the exercise helped clarify ways in which entities in the region can work together. She and Margie both commented on the alignment between NEET recommendations and the NEEA business plan.

Dan asked what are NEEA's top three technologies already budgeted and the top three technologies not yet budgeted. Jeff said NEEA's main focus will be introducing developed technologies into the market place. He noted none of the technologies have been funded yet; this starts in 2010. He noted a few exceptions, including ductless heat pumps and heat pump water heaters.

Margie noted it's been fun for her to work with Claire and the NEEA board and NEEA strategic planning committee and thanked Claire and her staff for their effective work.

Committee Reports

Finance Committee. John Klosterman reported on variance in incentive spending as compared with the budget, leading overall expenses to be below budget. (The Finance Committee has not met since the last board meeting, so there was no Finance Report in the packet.)

Alan Meyer asked a question about a footnote on the balance sheet referring to funds that are not escrowed but are committed through the budget process. Sue said she will amend that footnote so it does not imply the funds are unavailable.

Betty Merrill asked whether the $63.7 million in carryover funds were available or partially committed. She referred to the next-to-bottom number in the total column on the "year to date by program/service territory – joint costs allocated at program level." Sue said much of the funds showing in carryover are committed for future payments on identified projects. (Sue subsequently provided Betty with a report of committed funds.)

Caddy McKeown asked about variances. Jan said these will be explained in the quarterly report.

Dan asked for clarification on over- and under-spending in solar.

Audit Committee. Julie Hammond said her committee has reviewed the scope of work for the management audit. It has gone out for review by the committee and some staff. She will send it out tomorrow to the rest of the board and to the OPUC for their final review. When the reviews are complete, her committee will begin the RFP process. The RFP will go out within the next 30 days.

Board Nominating Committee. Rick Applegate said this committee has not met lately. The committee is considering adding a member from outside the metro area. He asked for board member recommendations. John Reynolds said he personally is sorry the process is taking so long. Caddy asked what the process is for soliciting prospects. Rick said we count on board members with knowledge of individuals in southern and eastern Oregon and their capabilities. Betty asked if we post on our website that we are looking for a board member. Rick said we have not but could do this. Roger Hamilton said the fact that meetings are in Portland and full participation is required has been a deterrent. Caddy suggested we could use technology to our advantage and work on making on-line meetings available. Rick thinks we would end up with better board participation if we used this. He has experience with it. Alan Meyer also supports this approach and has had experience with it. Betty Merrill suggested occasionally having a board meeting outside Portland; this could help with outreach.

Program Evaluation Committee. Debbie said the committee met Friday and reviewed a number of evaluations – new buildings, existing buildings, Home Energy Review update, Home Energy Monitor pilot and more. There will be a report in the next board packet.
Policy Committee. Jason Eisdorfer said most of the items covered at its most recent meeting are coming forward to the board later today for action. He noted item 5 in the report, suggesting more be done to get accurate information about Energy Trust in the news media.

He introduced a recommendation to amend the open solicitation policy (OSP) to authorize approval of mature technologies. Betsy Kauffman presented this topic. She noted the OSP was where newer technologies would be directed to seek funds. Project support at $50,000 or less may be approved by the executive director; projects between $50,000-$125,000 are reviewed by the Renewable Energy Advisory Council and placed on the board's consent agenda; projects over $125,000 must go to the board for approval.

Betsy is now proposing a standard technology track requiring the levels of scrutiny for other renewable programs. The standard track would first apply to hydropower projects and require board approval only for projects of $500,000 or more. Alan asked whether we should create a hydropower program. Peter noted this would be a small program; its budget would need to be approved in the annual process and if projects failed to materialize the board would need to approve budget changes. The OSP program itself is quite small and by incorporating multiple tracks there can be the flexibility to shift funds within OSP to capture opportunities. Alan said he was satisfied by this explanation.

Resolution 513

ESTABLISHING TWO TRACKS FOR OPEN SOLICITATION PROGRAM PROJECT APPROVAL

WHEREAS:

1) **The Open Solicitation Program was established by the board in 2002 to deal with unusual technologies or applications; because of their novelty, these projects undergo more extensive review than established technologies and applications;**
2) **In recent years, the Open Solicitation Program has focused on more established technologies such as hydropower generation. Because these projects are relatively well understood, it is appropriate to re-configure the program to reflect different levels of review for different project types.**

Therefore, BE IT RESOLVED: That the Energy Trust of Oregon, Inc., Board of Directors:

1) **Authorizes two tracks for approval of projects within the Open Solicitation Program and not covered by other Energy Trust renewable energy programs:**
   a. **Mature technologies, i.e., traditional hydropower projects and such other technologies as the board may designate in the future: The executive director may approve projects involving incentives less than $500,000; board approval is required for projects involving $500,000 or more.**
   b. **Other projects:**
      i. **Projects involving incentives of $50,000 or less may be approved by the executive director. A summary of any such project will be provided subsequently to the board and Renewable Advisory Council.**

ii. Projects entailing incentives of $50,000 to $125,000 require review by the Renewable Advisory Council and will be placed on a consent agenda for board action unless a member of the board asks to have the project placed on the regular agenda.

iii. Projects involving incentives of more than $125,000 will be reviewed by the Renewable Advisory Council and placed on the regular agenda for board approval.

2) Replaces the current Open Solicitation Policy with this resolution.

Moved by: Jason Eisdorfer Seconded by: Julie Hammond

Vote: In favor: 10 Abstained: 0

Opposed: 0

Adopted on May 6, 2009, by Energy Trust Board of Directors.

Betsy noted staff will propose later to wrap small wind into the OSP program and rename the program something more self-explanatory. John Klosterman observed the program seems to be evolving. Peter said the technologies all require significant outreach. Betsy noted the high level of effort required to move these projects to the funding stage. We have a lot of feasibility studies completed or in progress that might turn into projects but this takes a long time and a lot of handholding. John asked why new technologies don't get traction with Energy Trust. Peter said they take a lot of funding and we do not have enough to spread very far.

Strategic Planning Committee. Rick noted the briefing paper in the packet on the board strategic planning retreat to be held June 12-13. His committee suggests the agenda include:

- Review vision, mission and long-term goals
- Review quantitative 5-year goals and objectives
- Discuss strategic level recommendations from the organizational redesign process
- Discuss strategic implications of legislation, stimulus funds, regional initiatives
- Living Building initiative

Alan would like to see the retreat consider what the purpose of the Trust is in a new world. Rick concurs. It's a good opportunity to discuss where Energy Trust ought to be.

Debbie asked if we have selected a facilitator. John Volkman said we have settled on John Runyan, who has been facilitating the organizational redesign process and facilitated the NEEA board restructuring process. Dan offered to investigate meeting space at Intel. Margie appreciated his suggestion and would consider it for 2010, but noted contracts have already been executed to reserve the space at Reed College, where these meetings have been held for a number of years.

Break

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

John Klosterman left the meeting.

Energy Efficiency Program

Expanding efficiency services into Washington state. Margie introduced Bill Edmonds, NW Natural, and Steve Lacey to present on this topic and acknowledged work by Pete Catching and Matt Braman to analyze impacts of expanding Energy Trust service into Washington state. Steve said NW Natural had asked Energy Trust to perform a feasibility study to expand Energy Trust services to serve NW Natural's mostly residential customers, predominantly in Clark County, WA. We completed a phase 1 study and, more recently, are finishing a second phase study consisting of a detailed implementation plan. The Phase II study recommends offering the Existing Homes and Existing Buildings programs in Washington state. In the first year we expect savings of 75,000-125,000 annual therms, ramping up to 350,000 per year after four years. NW Natural would pay Energy Trust $700,000 in year one to deliver these services. Unless otherwise directed by the Washington Utilities and Transportation Commission (WUTC), services would continue indefinitely. During year one Energy Trust would incur a maximum of $200,000-300,000 in start up costs. Steve noted we envision one full-time staff manager plus part-time administrative support; along with lesser efforts by marketing and other personnel, for a total of 2.5 FTE. We expect to amend program management contracts, but will require no board action as we do not anticipate changes of more than 10% in funding.

Bill Edmonds noted over a year ago Gregg Kantor, NW Natural CEO, came to Energy Trust to ask for consideration of expanding into Clark County to serve NW Natural customers there. Subsequently NW Natural launched a formal process with WUTC. Initially the company sought approval of decoupling but, facing reluctance from WUTC about this approach, decided to move forward separately with the energy efficiency proposal. NW Natural looks forward to offering efficiency services to their Clark County customers by next heating season.

Alan thinks this is a much more logical extension of our services than other proposals in the past. He is concerned that staff makes sure we don't disadvantage our core Oregon customers. He asked if the start-up costs would be compensated by NW Natural; Steve said yes. Jason asked about a bullet identifying potential legal liability if we incurred a loss in Washington that exhausts Washington funds and our insurance. John Volkman stated we could avoid that risk by incorporating a separate Washington subsidiary organization. This would entail significant additional cost and effort and John believes the potential risk is too low to justify this step.

Jason asked about WUTC's attitude toward this proposed plan. Steve and Margie noted some initial resistance on the part of WUTC staff and that meetings have helped to explain program approaches and strategies and to clarify concerns. In the end the decision to approve or deny this action by NW Natural to engage Energy Trust rests with the WUTC commissioners. Bill noted the relationship between Energy Trust and WUTC is mediated through NW Natural, with Energy Trust basically acting as NW Natural's contractor. Cascade Natural Gas' use of an RFP and contractor approach provides a point of comparison.

Bill explained the "all party settlement" that led to creation of the Energy Efficiency Advisory Group that oversees this effort. The group includes representatives from NW Natural, WUTC, the Public Counsel Section of the Washington Attorney General's Office, Northwest Industrial Gas Users and Energy Trust.

Roger Hamilton noted he feels NW Natural will be operating at a disadvantage without decoupling. Bill agreed. He said WUTC will entertain another request for decoupling as soon as a couple of pilot arrangements have been completed.

Don Jones from PacifiCorp expressed a lasting concern that this effort not distract Energy Trust from serving Oregon customers, especially in the hard-to-reach rural areas of Pacific Power's territory. Jason said he agrees and senses the board would not move ahead without assurances that our core constituencies will continue to be served. Julie asked if there is an exit strategy if we determine Washington is distracting us from serving our core constituents. Bill noted the long-term MOU is not put together yet. He thinks both entities would look for walk-away strategies.

John Savage, by telephone, asked how long the contract extends. Margie explained it will be a one-year contract to start with for a pilot effort. John asked that the contract make reference to termination if Oregon customers are determined not to be adequately served.

Alan asked to have the resolution amended to add a reference to inclusion of start up costs in Whereas clause 2. This was accepted by board members.

Resolution 512

ENDORSING PROVISION OF EFFICIENCY SERVICES TO NW NATURAL'S WASHINGTON CUSTOMERS

WHEREAS:

1. **At NW Natural's request, Energy Trust has completed a study of providing energy efficiency services to NW Natural's residential and commercial customers in Washington, approximately 60,000 people and businesses. The study indicates:**
   a. **About 75,000 – 125,000 therms could be saved cost-effectively from residential and commercial programs initial offerings in the first year, increasing to 350,000 per year after four years as program outreach infrastructure and offerings mature.**
   b. **The cost of acquiring these savings would be approximately $7 per first-year therm, assuming current levels of evaluation rigor and reporting of net savings.**
2. **NW Natural would pay Energy Trust $700,000 plus start up costs to provide these services in the first year of the program. Unless the Washington Utility and Transportation Commission requires otherwise after the first year of service, services would continue indefinitely.**

It is therefore RESOLVED:

1. **The board of directors of Energy Trust of Oregon, Inc. endorses the proposal that Energy Trust provide efficiency services to NW Natural's residential and commercial customers in Washington.**
2. **The executive director requires no additional authority to receive funds from NW Natural for this purpose, or to execute contract amendments to provide these services.**

Moved by: Rick Applegate Seconded by: Jason Eisdorfer

Vote: In favor: 9 Abstained: 0

Opposed: 0

Adopted on May 6, 2009, by Energy Trust Board of Directors.

Rick Applegate left the meeting.
Betty Merrill left the meeting.

Providing programs to certain NW Natural industrial and commercial customers. Steve explained NW Natural would like us to extend energy efficiency services to approximately 900 of their commercial and industrial customers in Oregon. This is a pilot, with sunset in 2010. Steve said if the pilot is successful, it could either be extended or a public purpose charge established to continue the effort.

Debbie suggested adding “and commercial” to the title of the resolution. This was acceptable to the board.

Alan asked why it is proposed to limit services to interruptible customers to $500,000 per year. Bill noted NW Natural favors firm customers even though in their IRP, they do not include interruptible customers. The typical size of interruptible customers could divert a significant percentage of the budget to this customer class. He noted also that transport gas customers are not presently in the program.

Julie asked if these customers do not now pay a public purpose charge. Bill said some do, some don’t. Steve explained the rate includes the cost of the service, in lieu of a public purpose charge. Julie asked what type of customers approached him about this. Steve said the customers are currently offered electric efficiency services and have sought support for gas efficiency.

Steve asked Kim Crossman, Senior Industrial Sector Manager, to answer a question from Caddy about how many of the 900 customers would seek Energy Trust support. She estimates about 5-10 percent is on the commercial side; the rest are industrial. She thinks the commercial customers are more likely to get in early, as we have already worked with many of them. Depending on the size and scope of the projects, Kim anticipates serving 6-40 in year one

Jason noted how times have changed. A decade ago large industrial customers wanted to avoid being served. He asked if the funds are dedicated to the customers on different rates; Steve said this is the case.

Nick Parsons, Lockheed Martin, said he polled his large commercial customers about this opportunity and received a pretty good response. There is significant pent-up interest, he thinks.

Bill noted the accounts are served by account managers. He thanked Kim for working with them.

Resolution 514

NW NATURAL INDUSTRIAL AND COMMERCIAL PROGRAM

WHEREAS:

1. **NW Natural proposes to contract with Energy Trust to provide energy efficiency services, over a two-year trial period, to the NW Natural industrial firm sales customers, interruptible sales customers, and commercial customers receiving firm sales or interruptible sales.**
2. **About 295,000 therms of energy savings could be cost-effectively attained from programs serving these customers in the first year, increasing to 500,000 per year in the second year.**
3. **The cost of acquiring these savings would be approximately $3.00 per first-year therm, assuming costs are in alignment with the gas incentives currently delivered through Existing Buildings.**
4. **To provide these services, NW Natural would pay Energy Trust $900,000 in the first year and $1.75 million in the second year, but no more than $500,000 per year for interruptible customers**

It is therefore RESOLVED that the board of directors of Energy Trust of Oregon, Inc.:

1. **Endorses the proposal for Energy Trust to provide efficiency services to these NW Natural customers in Oregon.**
2. **The executive director requires no additional authority to receive funds from NW Natural for this purpose, or to execute contract amendments to provide these services.**

Moved by: Debbie Kitchin Seconded by: Jason Eisdorfer

Vote: In favor: 8 Abstained: 0

Opposed: 0

Adopted on May 6, 2009, by Energy Trust Board of Directors.

Report from Jeff Bissonnette. Margie invited Jeff Bissonnette to comment on activities in the Oregon legislature. Jeff noted it is different now to discuss the public purpose charge and its results. Whereas for years it was an idea, there are now real results. This tends to give Energy Trust a high profile. He noted there are only 14 legislators who were present in 1999 when the original legislation was enacted. Therefore, legislators need ongoing education about the reasons behind the public purpose fund and about Energy Trust. He said most of the proposed bills that dealt directly with public purpose issues and Energy Trust are dead. The issues are alive, however, including one that would require Energy Trust board members to file statements of economic interest with the state Department of Ethics. He thinks the bill to redirect Energy Trust public purpose revenues is dormant but could revive when the new economic outlook comes out mid May. Assuming we get out of this legislative session somewhat unscathed, he thinks the board should develop an ongoing education process for the future. He commended

efforts of staff to help develop a statewide loan pilot like the (Clean Energy Fund) one being implemented here in Portland.

Alan asked if Energy Trust should advertise the Energy Trust benefits that come to ratepayers. Jeff thinks this would be helpful. He thinks by and large people get this, citing the uproar created in 2007 by the attempt to redirect some funds from Energy Trust/public purpose charge to OMSI. He thinks targeted efforts to show local benefits, such as what is happening in Klamath Falls, also are useful.

Julie asked to have discussion at the board retreat of communication about local efforts.

Jason asked for a short update on SB 80, formerly “cap and trade,” Jeff said the bill now directs state agencies to determine how they can reach statutory carbon reduction goals from the last session and to go back to the Legislature if they need more tools to do this.

Portland Clean Energy Fund Pilot. Steve Lacey introduced Derek Smith, City of Portland Bureau of Planning and Sustainability, and briefly explained the pilot. The pilot will test whether more homeowners would do more energy efficiency if easy financing were available, along with a much more convenient way for them to implement multiple measures at one time. He noted the tie to the Energy Efficiency and Sustainability Technology (EEAST) legislation, HB 2626, mentioned by Jeff. He noted the City of Portland also is motivated by carbon and workforce development goals.

Caddy asked about the timeline. Derek said we anticipate doing 30 homes over the summer and to move forward at a faster pace starting in September, with the goal to finish 500 homes by next year this time. Steve mentioned the possibility of a major media event with Vice President Biden to kick this off.

Debbie asked about the process to enroll homes in the pilot. Steve said we have a data base of 2,500 homes who would be invited to participate through a letter that will invite them to a screening process located on our website. The screening would identify eligible candidates. He said an Energy Trust facilitator, called an Energy Advocate, would assist the homeowner in choosing measures and arranging utility on-bill repayment in conjunction with a third-party loan administrator.

Dan asked how long the loan term will be. Derek said 15 years.

Chris Pratt, from the audience, asked if the pilot will test new technologies. Steve said the main purpose is to test service delivery models, and sticking with tried-and-true technologies for this 500 home pilot. People are anticipating that once at scale, this model would be reaching thousands of homes and that there may be opportunities to introduce new technologies.

Debbie asked how the pilot will build a strong energy efficiency industry, mentioning the CSG-employed energy advocate. Steve said the contractors will be Building Performance Institute (BPI) certified. The Energy Advocate will be present with the contractor. The advocate will communicate recommendations to the homeowner and subsequently oversee the contractors, but the contractors will do the work. We are in discussions with a number of contractor groups and getting some positive interest for the pilot.

Caddy asked for an estimate of jobs to be created through the pilot. Derek said 30-40. At scale, serving 10,000+ homes, we’d be looking at hundreds of jobs.

Alan asked what happens when you sell the home. Steve said the financed amount will be retired, for the pilot. The proposed state legislation contemplates other outcomes where the outstanding repayment amount may be linked to the utility meter and repayment obligation transferred to the new utility customer.

Enhanced Home Energy Review (HER) introduction. Amber explained she is standing in for Diane Ferington, Senior Residential Sector Manager. She noted the proposed changes in the HER form provided to the customer had been presented to the Conservation Advisory Council twice and that CAC and trade ally feedback had been incorporated. We are seeking to improve the HER process to:

- Improve the customer experience by providing clearer, simpler information
- Increase customer follow through
- Reduce customer delay in installing energy-saving measures
- Improve customer service

Amber introduced a new HER homeowner report which:

- Supports better communication
- Includes space to note existing conditions/appliances in the home
- Highlights opportunities for savings
- Features simple messaging around potential savings to motivate participants
- Provides space for the reviewer to prioritize energy-saving opportunities in the home

The form has carbon copies. The original stays with the homeowner. The second copy goes to the Home Energy Reviewer and stays with their files so they can reference the report should a customer call with questions. The third is filed by CSG to be made available if needed by the reviewer.

Alan asked why an account/meter number isn't on the form. Amber and others explained there are other forms needed to communicate data for our FastTrack system but this form is intended for the customer's use.

Amber reviewed a plan to streamline materials in the packet. Julie asked whether the form should identify recommendations numbered and in priority order, to provide a visual cue. She wondered if we could provide payback information. Amber said we are headed in the direction of training advisors to be more specific. We're discussing these matters now. She noted discussions with the evaluation team. Debbie noted there can also be interaction among measures.

Amber noted providing measure cost information is contentious with CAC and contractors. We are looking at providing an average range of payback in years.

Alan had a Home Energy Review this morning. It went well. It used a different form. He said they found something he never thought of. He has a whole house fan that works well in summer to pull the heat out but also in winter pulls heat out. The reviewer informed him about incentive value (per square foot) for insulation but not the total cost of incentive.

Caddy said this is a perfect opportunity to put a line on the form to the effect of "My Ratepayer Dollars At Work." Amber made note.

Renewable Energy Program

Douglas County Landfill gas-to-electricity project. Thad Roth presented on this topic. He noted the resolution would authorize up to $1,235,355 paid over four years to offset the above market cost of a 1.06 megawatt methane-to-electricity project at the Douglas County landfill in Roseburg. The project will be owned and operated by Ameresco, Inc.

Thad noted that six other landfills in Oregon put their methane to use, four to generate electricity and two for thermal needs. The Douglas County project is small in comparison to these, the smallest of which is three megawatts. He noted that dry climates create less methane than wet ones.

Caddy asked how temperature/seasons affect gas production. Thad said the effects differ by site.

Thad noted the technology for capturing and generating power from methane at this site is standard. Ameresco, Inc., has a proven track record – about 15 landfill generation projects in operation and 10 in development. Ameresco is working with Douglas County on a 20-year contract.

The cost of the project is $1.27 million per aMW, more expensive than the Stahlbush project but less than Rough and Ready.

Thad noted additional benefits, including Ameresco investment in improving the methane capture. He reviewed the financial analysis. The total project revenue (power sales + BETC pass through) is $5.9 million. Total project cost is $7.8 million. Revenue minus cost is $-1.8 million, minus tax benefits is $-1.0 million – which is the net above market cost. Equivalent value paid over four years is $1.3 million. Staff proposes to pay $1,235 million into an escrow account to be disbursed over 4 years, or a net present value of $970,961.

Alan asked why, if we are paying 95% of above market cost, we are receiving only 85% of the green tags. Peter said our green tag policy allows us to match the green tag market price if the market price is projected to be higher than what we are offering. A 95% share of the tags would average to a price that is below the forecasted market rate. Reducing our share of tags to 85% would meet the future market value of the tags ($11.25 levelized). Discussion ensued around the fact that the future value of green tags is difficult to predict.

Resolution 515

APPROVING FUNDS FOR THE DOUGLAS COUNTY LANDFILL GAS-TO-ELECTRIC GENERATION PROJECT

WHEREAS:

1. **Douglas County has selected Ameresco, Inc. to develop a 1.06 megawatt cogeneration facility (expected to generate 0.97 average megawatts) fueled by methane at the Douglas County Landfill.**
2. **Staff and an independent contractor reviewed the project design and costs and found them to be standard and reasonable for projects of similar type and design.**

3. **Staff proposes an incentive payment for above-market costs to Ameresco of $1,235,255 paid over four years, which has a net present value to the project of $970,961 over a 20-year operating lifetime.**
4. **At the proposed payment, the project's energy would cost Energy Trust about $1.27 million per average megawatt (aMW), which is in the range of other Energy Trust biomass projects.**
5. **Energy Trust's biomass generation portfolio is currently 5.2 MW. At 1.06 MW, the Douglas County project would be a significant increase.**

It is therefore RESOLVED, that the board of directors of Energy Trust of Oregon, Inc. authorizes:

1. **Payment of up to $1,235,255 into escrow to be paid to Ameresco over time to offset the above-market costs of the Douglas County Landfill gas-to-electric generating project;**
2. **Energy Trust will take ownership of at least 85% of the green tags produced annually; and**
3. **The executive director to enter into contracts consistent with this resolution.**

Moved by: Dan Enloe Seconded by: Caddy McKeown

Vote: In favor: 8 Abstained: 0

Opposed: 0

Adopted on May 6, 2009, by Energy Trust Board of Directors.

Staff Report

Feature presentation: Better Living Show, Amber Cole and Brooke Graham. Amber played news clips from coverage of the show featuring Lizzie Rubado. Brooke Graham offered volunteer "Good Energy" t-shirts and showed the informational cards distributed at the show, which explain what you can do to save energy in your homes. She reviewed the results from the show:

- 2nd year of the show, largest sustainable lifestyle show in the Northwest
- Energy Trust was once again the title sponsor
- Other sponsors included NW Natural, Umpqua Bank and others
- Over 27 Energy Trust trade allies exhibited
- Energy Trust "owned" the lobby and greeted visitors with notepads that included an entry form for a drawing to win an energy efficient computer and other appliances in the "office" section of our Good Energy House
- The Good Energy House featuring a variety of energy saving and renewable energy approaches was the centerpiece; jammed at all times
- Two Energy Trust booths outside the home proved successful—one on refrigerator recycling and the other on duct and air sealing

Amber outlined the value to Energy Trust from the show:

- Greeted 20,000 visitors in the lobby

- Constant stream of visitors through Good Energy House and personal interactions with them
- Notepads distributed to more than 10,000
- Nearly 800 entries into the Home Energy Makeover contest at the show itself (6,000 total online)
- More than 200 families created solar ovens for their kids
- 6.7 million media impressions (4 major newspapers, 7 magazines and online banners)
- 232 radio spots
- 171 television spots
- 55 transit tails (5.8 million impressions)
- Nearly 50 articles featuring Energy Trust Better Living Show
- Over 50 news clips on television and radio
- Show mentioned 23,000 times on web pages
- Over 60 articles in publications
- Over 200 listings on calendars
- Monthly show e-newsletter reached 4,500
- 26,000 “Twitter” followers
- 162 friends on Facebook
- 269 friends on My Space
- 1,900 callers reported learning about Energy Trust from an event, 40-60% greater than in other months
- Solar Now! call volume nearly doubled previous month
- All time high home page views in March (63% more than March 2008)
- At show, 77% of people survey said they are more aware of Energy Trust services, 74% said they are likely to take advantage of Energy Trust services

Amber made note of Blue Ocean’s Sponsorship Report.

Dan Enloe noted at the boat show he gets the boat show price and asked if we provided any special offer. Debbie said trade allies can do this and many do at a show.

Debbie said this is one of the best-attended shows in the area. Julie noted Energy Trust was also at the Bend home show recently. Brooke said she would follow up with Julie on this.

Staff Highlights

Margie noted:

- We earned two ENERGY STAR awards from EPA and U.S. DOE, one for existing residential homes and the other for existing commercial buildings.
- We are in dialogue with several cities and counties related to potential joint stimulus money investments. We submitted one of our own ideas to the ODOE focused on assistance to schools in rural counties.
- Pacific Power is giving back over 3 million dollars we committed for the GoodNoe Hills wind project, with a request that we reinvest such funds in a future Pacific Power renewable energy project.
- The organization design team’s work is ending this month; you’ll hear more about it at the retreat next month.
- We leased 4,400 feet of office space on the fifth floor and will occupy it in September.
- Staff will come back in July with a revised budget, based in part on market indicators we are tracking in the current economy (see report by Lakin Garth in the packet).

Adjourn

The meeting adjourned at 5:10 pm.

***Next meeting*.** The next regular meeting of the Energy Trust Board of Directors and annual strategic planning workshop will be held at Reed College, 3203 SE Woodstock Boulevard, Vollum Lounge, Portland, Oregon as follows:

Board meeting, June 12, 2009, 12:00 noon
Annual Strategic Planning Workshop, June 12 and 13, 8:30 am