Policy Committee of the Energy Trust Board of Directors

July 6, 2010, 4:00-5:30 pm

1. Debrief board retreat. The committee thought the discussion was constructive and forward-looking and that overall, the retreat was very good.

2. Schools policy. This policy) is up for routine review. ODOE uses 10% of the public purpose fund to pay the full cost of electric and gas improvements based on plans developed from energy audits. If the improvements meet our investment criteria, Energy Trust helps with improvements that are not part of plans, or when the 10% schools-specific part of the public purpose fund is insufficient. We are working with ODOE how to improve services to this important sector. ODOE is still interested in leading the effort. The primary change in the proposed policy amendment is to continue this approach to schools funding on an ongoing basis, rather than treating it as temporary or transitional. The amendments would treat it as part of two standard programs. The committee concurred, and proposed that the amendments be added to the consent agenda.

3. July 28 strategic utility roundtable. Staff will brief the board on sector strategic plans at the July 28 meeting. Program staff have been working with the Coraggio Group on these plans for several months. We do not propose to have a utility roundtable at every board meeting, but in view of the utilities' interest in early involvement in strategic planning, staff thought it would make sense to invite the roundtable representatives to participate in that part of the meeting. Staff would not invite detailed comments at the board meeting; the plans will be presented to the RAC and CAC and detailed feedback invited there. The committee agreed. Staff should make sure the roundtable participants get written material early.

4. ISP recommendation. At the July 28 board meeting, staff expects to propose a contract with one of the firms that submitted a bid for the Integrated Solutions Project. After an extensive review process, staff expects to recommend an integrated solution proposed by Epicor. Staff plans a "deep-dive" session to delve into details of the solution, determine how to manage risks, specify how implementation may work, and decide whether the proposed Epicor is a good fit. The 2010-11 cost would be in the $3.3 million range. The initial budget was $2.88 million, which is a little over budget in 2010 and about $280,000 over in 2011. Ten-year costs look like about $4.4 million, which compares favorably with the other proposals.

5. Legislative briefings. Staff briefed the committee on the status of briefings for legislators on Energy Trust and its accomplishments. These are informational, non-advocacy briefings, meant to familiarize legislators with Energy Trust in case we come up in connection with their legislative work. Staff has had one meeting with Senator Burdick and is scheduling a follow-up.

   Rep. Bailey is exploring new options for funding energy efficiency, including allowing utilities a return on investment, a new approach to energy efficiency in schools, and financing options.
   CEWO is a new non-profit created to manage and comply with federal requirements for a $20 million federal community development block grant. Margie is on the board. Its scope and services are still being discussed.

Jason talked to some environmental groups about a bill that would develop a plan to meet climate goals. Staff has been invited to a meeting organized by CUB with environmental groups to discuss different policy options linking energy efficiency and carbon.

6. House-keeping matters:

Board composition. The board will let staff know if it needs any help from staff regarding recruitment of new board members.

New office space. The lease on our current space expires 12/31/11. We found a broker that specializes in green and LEED-certified properties, and represents tenants only. Staff will update the board at the July 28 meeting.

ATTACHMENT 1: Conservation Funding for Schools

History			
Source	Date	Action/Notes	Next Review Date
Board Decision	May 8, 2001	Adopted (R27)	November 28, 2001
Board	November 28, 2001	Reviewed/Revised (R58)	February 27, 2002
Board	February 27, 2002	Reviewed/Revised (R87)	February 2005
Board	October 6, 2004	Amended (R295)	October 2007
Board	April 6, 2005	Amended (R328) – see R331	April 2006
Board	May 4, 2005	Amended (R331)	June 2008
Board	February 14, 2007	Authorized funding to 2007 (R426)	June 2010

Summary:

The Energy Trust needs to coordinate its funding and programs with the schools conservation program.

Purpose:

SB 1149 provides that schools get the first ten percent of the public purposes funding to implement electric energy efficiency audits and install cost effective energy saving measures. Measures are based on plans that are developed by the Oregon Department of Energy after performing an energy audit of each school. This policy describes how Energy Trust may complement these funds for electric and/or gas efficiency measures.

Policy:

1. **Energy Trust will make funds available for SB 1149 schools through its New and Existing Buildings programs, provided the proposed measures meet the relevant cost-effectiveness criteria.**
2. **Energy Trust funds and other SB 1149 school funds may not be used for the same energy efficiency measure.**

3. **Energy savings estimates, measures costs and other data identified in the school district audits will be accepted by the Existing and New Building programs.**

Adopted on May 4, 2005, by Energy Trust of Oregon Inc., Board of Directors.