Board Decision (Consent Agenda)
Amending Policy on Funding Conservation in Schools

July 28, 2010

Summary

Amend the Energy Trust policy on funding energy conservation in schools to reflect current practice.

Background

- Before Energy Trust was organized, utilities provided funding for energy conservation in schools.
- When it authorized the original public purpose charge, SB 1149 required that the first 10 percent of revenue from the charge be distributed to education service districts located in the service territory of the electric company that collected the funds.
- The education service districts were directed to use these funds first to pay for energy audits for schools, and then to weatherize and upgrade the energy efficiency of school facilities, energy conservation education programs, and "purchasing electricity from environmentally focused sources and investing in renewable energy resources."
- The Oregon Department of Energy operates the schools program on behalf of the education service districts.
- When Energy Trust was first organized, the board decided that it would provide funding for energy conservation in schools where SB 1149 audits had been done, and after the funds managed by the Oregon Department of Energy were exhausted.
- Until 2005, the practice was authorized on a year-to-year basis. In 2005, the board decided to make funds available to schools in the annual Energy Trust budget process.
- Currently, Energy Trust budgets and invests funds in electric and gas measures through the Existing and New Building Efficiency programs.

Discussion

- Staff proposes to update the policy to reflect that schools funding now includes gas and electric measures, and is administered through the Existing and New Building Efficiency programs.
- The policy committee reviewed and endorses the proposed revisions.

Recommendation

Amend the "Conservation Funding for Schools" policy by adopting resolution number 557.

RESOLUTION 557

AMEND POLICY ON FUNDING ENERGY CONSERVATION IN SCHOOLS

WHEREAS:

1. **SB 1149 requires that the first 10 percent of revenue from the charge be distributed to education service districts located in the service territory of the electric company that collected the funds. The Oregon Department of Energy (ODOE) administers these funds on behalf of the education service districts.**
2. **These funds must be used first to pay for energy audits, and then to weatherize and upgrade the energy efficiency of school facilities, to provide energy conservation education programs, to purchase electricity from environmentally-focused sources and to invest in renewable energy.**
3. **Energy Trust provides additional funding for energy conservation in schools where SB 1149 audits have been done, and the funds managed by ODOE are exhausted.**
4. **Currently, Energy Trust invests funds in electric and gas measures through the Existing and New Building Efficiency programs.**

It is therefore RESOLVED:

1. **The Board of Directors of the Energy Trust of Oregon, Inc., hereby amends the "Conservation Funding in Schools" policy to reflect that schools funding now includes gas and electric measures, and is administered through the Existing and New Building Efficiency programs, as shown in Attachment 1.**

Moved by: Seconded by:

Vote: In favor: Abstained:

Opposed: [list name(s) and, if requested, reason for "no" vote]

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 Oregon Department of Energy (ODOE) schools conservation program.

Purpose:

SB 1149 provides that education service districts ~~schools~~ get the first ten percent of the public purposes funding to implement electric energy efficiency audits and install cost effective energy saving measures in schools in the service territories of the utilities that collect the funds. These funds must be used first to pay for energy audits, and then to weatherize and upgrade the energy efficiency of school facilities, and other energy purposes. ~~The Board needs to decide whether schools would also be eligible for funding from the Energy Trust.~~ This policy describes how Energy Trust may complement this funding using other SB 1149 electric funds, and gas funds.

~~Utilities are currently providing assistance to audit and implement conservation savings in the schools. The utilities are asking the Trust for guidance on whether to continue to provide these services. Schools appear ready to implement audits and energy saving measures independent of the utilities.~~

Policy:

1. ~~For 2005-2006,~~ Energy Trust will make electric and gas funds available for SB 1149 schools ~~as previously approved, and in future years will decide whether to approve additional funds in the annual budget process~~through its New and Existing Buildings programs, provided the proposed measures meet the relevant cost-effectiveness criteria.

2. ~~SB 1149 schools may not use~~ Energy Trust funds and other SB 1149 school funds ~~on~~ may not be used for the same ~~electric~~ energy efficiency measure.

3. ~~Each electric energy efficiency measure will be required to pass the applicable cost-effectiveness test for the Building Efficiency program or the New Building Efficiency program to receive an incentive.~~

~~4.~~ Energy savings estimates, measures costs and other data identified in the school district audits will be accepted by the Existing and New Building Efficiency ~~and New Building Efficiency~~ programs.

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