Board Meeting Minutes – 97th Meeting

May 5, 2010

Board members present: Dan Davis, Dan Enloe, Roger Hamilton, Julie Hammond, Debbie Kitchin, John Klosterman (joining by web-conference), Caddy McKeown, Alan Meyer and John Reynolds

Board members absent: Rick Applegate, Jason Eisdorfer, Al Jubitz, Preston Michie, Mark Long (ODOE special advisor) and John Savage (ex officio)

Staff attending: Debbie Blanchard, Matt Braman, Sarah Castor, Pete Catching, Amber Cole, Tara Crookshank, Kim Crossman, Robin Denney, Phil Degens, Fred Gordon, Hannah Hacker, Margie Harris, Marshall Johnson, Oliver Kesting, Nancy Klass, Steve Lacey, Ted Light, Debbie Menashe, Spencer Moersfelder, Kathleen Ortbal, Sue Meyer Sample, Brien Sipe, Jessica Rose, John Volkman, Peter West and Aaron Zahler

Others attending: Lauren Shapton (PGE), Murali Varahasamy (Lockheed Martin), David Jackson (Lockheed Martin) and Aaron Wines (Lockheed Martin)

Business Meeting

President John Reynolds called the meeting to order at 1:10 p.m.

General Public Comments

No comments voiced.

Consent Agenda

MOTION: Approve Consent Agenda.

Moved by: Debbie Kitchin Seconded by: Julie Hammond

Vote: In favor: 7 Abstained: 0

Opposed: 0

April 7, 2010, meeting minutes adopted as part of the Consent Agenda on May 5, 2010

President's Report

John Reynolds followed on Energy Trust's receipt of the NW Energy Coalition's 2009 Conservation Eagle Award (presented to Energy Trust at the April board meeting) by reporting on Emerald PUD (southeast Eugene) receiving the 1988 Conservation Eagle Award for its new highly efficient building. John presented on the building and its energy-efficiency components, including the design that allows harvesting of the winter sun; vines that provide summer and fall shade yet allow in winter and spring sun; summer night flush for cooling; and year-round day-lighting. He described the structural system that allowed for very high windows; shortened beams for greater thermal savings; high ceilings; and acoustic absorption by hanging baffles. The building is laid out so all work spaces are 2.5 H (height of window).

Energy Programs

Margie commented staff is bringing forward to the board progress reports on two program management contracts (Lockheed Martin and Conservation Services Group) and one program delivery contract (Cascade Energy Engineering). These reports are to describe progress toward criteria set up when the board originally approved the contracts in 2007. No motion needed, general board approval (no objections) suffices to give authority to the executive director to extend the contracts for one year.

Peter West commented staff has reviewed the three contracts. He said the five renewal criteria used to review the contracts are: cross program referrals, project pipeline, innovation, teamwork and satisfactory execution of statement of work deliverables. He felt each contract exceeded the renewal criteria and recommended to extend each contract for one year. Staff recommended a one-year extension versus an optional two-year extension request due to a slow economy and uncertainty in the industry. In addition, impacts are not yet known from Business Energy Tax Credit changes, federal legislation related to HOME STAR and Clean Energy Works Oregon. These are large efforts underway now and into next year, and to change contracts next year would affect savings goals.

Production Efficiency program Cascade Energy Engineering contract extension for small industrials. Progress for the 2007-2009 period: Cascade Energy Engineering met contract goals. The program completed 306 projects at a levelized cost that was within bounds on the gas side and a little high on the electric side. Peter felt levelized costs for electric will go down as we learn how to navigate within this new market. The project pipeline so far in 2010 includes 29 completed projects for almost 800,000 kilowatt hours and another 64 projects in progress for an additional estimated 2.8 million kWh. There is a small amount of gas projects bringing in approximately 34,000 therms.

Roger asked for examples of projects that go through the Small Industrial program. Ted Light replied the program works with industrial customers on compressed air and variable frequency drive (VFD) projects, and works with small irrigators on projects involving VFDs, pumps, system change-outs, motors, irrigation nozzles and sprinklers. Dan Enloe commented that the program has spent only about 15 percent of its budget but the year is almost half over. Peter noted spending will soon follow as the pipeline is quite full, and savings goals for the year are on track to be met.

No other comments from the board were made on the Cascade Energy Engineering contract. No objections from the board were made to extend the contract for one year.

Dan Davis arrived at 1:30 pm.

Home Energy Solutions program Conservation Services Group (CSG) contract extension. Progress for the 2007-2009 period: CSG achieved contract goals. On the electric side levelized costs have been $0.022/kWh, while working with a 63 percent increase in goals. This program is responsible for 7 percent of total electric savings for Energy Trust. Peter commented the Existing Homes program is not the biggest program savings-wise, but is the most visible to customers, stakeholders and others. On the gas side, the program has averaged a levelized cost of $0.39/therm and is working with a 33 percent increase in goals. The program is responsible for 37 percent total gas savings for Energy Trust.

Julie asked if there is a way to measure cross-program referrals and how did staff come to the conclusion that the program did “good” on this criteria point. Peter said the tracking is difficult; staff finds, unfortunately, that we are able to track on the negative side (when a cross-program referral does not occur), such as when a customer gets stuck in the system or issues a complaint.

Julie commented that when her company does a cross referral, they track it so they know how someone goes through the system. Spencer Moersfelder commented the programs are working together to hand-off projects, PMCs are actively reaching out to customers to communicate on all of Energy Trust offerings, and the leads are being transferred more effectively.

Steve Lacey gave background that the cross program criteria originally initiated because in the past, PMCs tended to protect their leads, instead of sharing them.

No other comments from the board were made on the CSG contract. No objections from the board were made to extend the contract for one year.

Business Energy Solutions program Lockheed Martin Services, Inc. contract extension. Progress for the 2007-2009 period: Lockheed Martin achieved goals on the electric side at a levelized cost of $0.018/kWh while goals increased 256 percent. The program is responsible for 14 percent of total Energy Trust electric savings. On the gas side, the program achieved goals at a levelized cost of $0.248/therm while goals increased 53 percent. The program is responsible for 25 percent of total Energy Trust gas savings.

The Existing Buildings program delivers energy-efficiency solutions for lighting, HVAC and audits — the whole range for commercial.

Debbie mentioned she liked the discussion of innovation and putting in contract criteria to get rid of the “hockey stick”. She said she would like to see that effort in the other programs to better manage the work flow instead of being subject to the swings of the market. Peter commented the innovation criteria is in a number of Production Efficiency contracts, and for the New Homes program.

No other comments from the board were made on the Lockheed Martin contract. No objections from the board were made to extend the contract for one year.

Other: Multifamily contract. Peter said staff proposed to competitively rebid the Multifamily contract in summer 2010; it is currently with CSG. The rebid is not due to performance issues (even though the program is behind goal so far this year), but to organizational developments. Peter described the program being transferred from the Homes Group to the Business Group in late 2009/early 2010, as part of the organization redesign. The Business Group has different contracts, approaches and outreach strategies, and it would make more sense to rebid the contract in that light. Oliver Kesting is leading an effort for sectors to have strategic plans that link to the overall Energy Trust strategic plan. He'd like to take this timing opportunity to see what else is out there that links new and existing construction in the Multifamily sector to answer the question: Is there a different approach for this program?

Alan asked if there are any guidelines or rules in place that limit the number of contracts awarded to one company. Steve clarified that Energy Trust does have a policy that a company cannot hold more than two program management contracts at one time.
Peter added that there are benefits and disadvantages (both qualitatively and quantitatively) to having more contracts held with a single company but one main indicator to inform the decision is where can we deliver the most savings in a cost-effective manner? Peter mentioned Production Efficiency was moved in-house.

Roger asked for further explanation into moving Multifamily from the Homes Group to the Business Group and how this move changes customer strategy. Peter said we're dealing with buildings greater than six units that are managed by a business property manager who looks at investment calculations and payback from a business perspective. The program is working with the landlord (who may or may not be an Oregon resident). Margie reiterated we are still promoting low-cost/no-cost tips for the renters — we're serving the renter as a residential customer but we're serving the property as a business, given how and where the decision is made.

Caddy agreed that Multifamily belongs in the Business Group. She questioned the program's efforts into geographic diversity and moving out of the Portland metro area. Peter commented that is part of our strategic plan and it will be included in the RFP when it is drafted. Marshall Johnson said we currently have outreach staff that work in remote areas.

John Reynolds mentioned when we do rebid the contract, the board likes to see more than one genuine bidder. Does staff expect to see more than one bidder? Peter expected so, though could not guarantee it. What can be guaranteed is an open competition. John remarked he is noticing the number (the quantity, not the quality) of serious bidders in the past was much larger than today. Peter said one way to encourage competition is to break up contracts, which has its advantages and disadvantages: Energy Trust begins to manage more contracts and it becomes more complex via staffing, cross-program referrals and ease for customers.

John Klosterman joined the meeting via teleconference.

Margie introduced Lockheed Martin representatives in the audience: Aaron Wines (senior program manager, manages the Portland and St. Louis offices), David Jackson (business development manager); Murali Varahasamy (program manager). Margie expressed Energy Trust's appreciation for their hard work.

Committee Reports

Audit Committee. Julie Hammond, chair audit committee, noted the Audit Committee has not met since the last board meeting and there is nothing new to report.

Evaluation Committee. Debbie Kitchin, chair evaluation committee, noted the Evaluation Committee met April 23 and referred board members to the executive summaries associated with evaluation reports completed a few months ago. She highlighted key takeaways from those reports.

- Production Efficiency and Existing Buildings technical study follow-through rates.
    - The committee discussed what constitutes an acceptable follow-through rate.
- Early ductless heat pump (DHP) pilot field monitoring, lab testing and process findings.
    - Pilot run by NEEA.
    - DHP technology ideal for non-ducted homes heated by resistance heat. Roger said he installed an LG version, bill went from $500 to $250 (he previously had ceiling resistance heat). He had two units and the units are quite unobtrusive and extraordinarily quiet. John Reynolds commented a potential negative may be noise level with the outside unit bothering neighbors. The units are set by remote. The committee thinks there is quite an opportunity to bring the price down by getting sufficient competition in the region. Dan Enloe commented the market size is quite large, and an ideal demographic, “it’s the light bulb you’ve been looking for”,
- Review of the Clean Energy Works Portland pilot Phase 1 and Phase 2.
    - Debbie said it’s encouraging that the pilot isn’t waiting until it’s completely over to evaluate its success and instead is running evaluations in phases to be able to adjust sooner.
    - The pilot is encountering issues with getting homeowners to sign-up and marketing is planned.

Debbie noted the packet contained several executive summaries with staff responses to completed evaluations:

- Corvallis Energy Challenge (CEC)
- Fast Feedback Pilot for Existing Buildings and Production Efficiency
    - The purpose is to follow-up quicker with customers. Debbie said Energy Trust typically surveys participants one to two years after they had participated, when the experience is no longer fresh.
    - The feedback can be incorporated into the program delivery quicker.
- Customer segmentation studies of how other utilities use their segmentation data and looking for opportunities for Energy Trust and others to collaborate.
- Oregon lighting market assessment

John Reynolds said he was mildly disappointed in the CEC results. Debbie said that through the effort and evaluation, we recognized that by using a community-approach we were reaching more people but that doesn’t necessarily correlate into greater participation rates. Staff had recommendations on how to approach such a community in the future. Phil commented that CEC was a pilot, testing whether the community effort approach works. His takeaway is that something long-term and in-depth like CEC does take considerable resources (staff, time). By working with motivated community organizations, we can provide a turn-key solution to the organization and not have to spend too much time training and delivering a custom effort. Margie noted this approach in the future might be similar to how Solarize Portland works. Phil

said the report recommended one “CEC” per year: year one would include planning and rolling-out; and year two would be running the pilot and evaluation.

A second community hasn’t been selected for collaboration to this extent, though staff is working closely with Klamath Falls, Pendleton and others. Margie commented we learned a lot from this pilot that can be applied elsewhere. She said one of the largest take-aways is it involves a lot of work to sustain the effort and the scale is not as cost-effective or resulting in as many measures installed as the investment would suggest. Board members commented they would be interested to seeing if there is any further action by the community in the next few years and would like to see such an evaluation.

Amber Cole mentioned Energy Trust seeded the project that led to the federal grant that the City of Corvallis received in 2010, which funds a sustainable coordinator to follow-up with CEC sign-ups. She said the CEC and Energy Trust’s involvement with CEC influenced the grant award. Julie asked how well citizens who signed up at the community events recognize Energy Trust’s name a year after the effort — to see penetration of our brand. Sarah Castor said there was recognition. Julie asked what prompted the recognition, if it was a particular ad or event. Debbie recommended staff review the population again in a year or two. It wouldn’t necessarily have to be a full-scale evaluation but could potentially piggy back on other residential awareness studies. Margie said we can also mine our data systems in a year to see if projects from the Corvallis area were completed.

John Reynolds said he felt Energy Trust is behind the 8 ball on using the segmentation results. Phil said there is really only one utility using the data. He said Puget Sound has done a segmentation study and they are planning on using in their marketing but have not yet begun. Alan also felt there is a great opportunity to use this data, especially in rural areas.

Finance Committee. John Klosterman, chair of the Finance Committee, noted the Committee cancelled its tentative April meeting as the Bank RFP responses were not ready for review. The recommendations for finalists and the evaluation process of the selection will be discussed at the next meeting.

Alan commented he sees too many dollars as unrestricted net assets and referenced the board packet which said unrestricted assets went from $53 million in December 2009 to almost $74 million in March 2010. He noted money as unrestricted assets are not producing savings sitting in the bank account. Julie followed up by asking to learn more about Energy Trust’s committed and uncommitted dollars.

Sue Meyer Sample said the contract summary report displays contractual commitments. She said we do have a large cash reserve right now which is typical this time of year as we move from closing projects from 2009. She said the forecast isn’t ready yet, which would tell us exactly how much of those dollars are committed. Project commitments do not necessarily appear on the contract summary report. She said also that program pipelines factor into the committed dollar figure. Board members noted they were concerned the perception these uncommitted funds could leave on the public.

Sue noted the Banking RFP is out and we received 10 responses. A staff committee has been formed to review the responses and interview potential candidates.

Margie said we are working on the timing of any potential tariff rate filings under SB 838. She noted our budgeted revenue is down right now: $1 million from Pacific Power and $1.5 million

from Portland General Electric. She noted a few causes of this shortfall, such as the warmer winter weather and the economy. By third quarter, we'll decide with the utilities and the OPUC whether any additional incremental funding is warranted.

Debbie said it was a responsible, transparent move to use the RFQ process for our real estate broker. She asked what criteria will be applied to the RFQ selection. Sue said Northwest Energy Efficiency Alliance did a similar RFQ and we are using some of their criteria.

Margie followed-up with the board on the survey asking about preferences for office space once Energy Trust's lease is up in January 2011. Both the board and OPUC ranked cost per square foot highest on the list. Staff ranked central downtown location with transit access high on the list. PMC's ranked proximity to their offices as important. Dan Enloe commented the area sounds like it's a mile from the river on each side and no further north than Fremont nor south of PSU.

Margie noted staff did not think it was essential to have everyone on one floor. She said energy efficiency and modeling what we ask others to do in their spaces (including daylighting and operable windows) also made the top five for staff, as long as it's cost-effective. The complete results will be emailed to the board.

Break

The board took a 15 minute break at 2:28 p.m.

Committee Reports continued

Policy Committee. Alan Meyer, in Jason's absence, said the last meeting's agenda included the strategic utility roundtable and new strategies to help renewable energy projects move forward to completion. He said Elaine Prause is working on the renewable energy strategies, and is coming back to the committee with a clarifying statement of the problem and proposed recommendations.

Alan noted the Public Interest Policy, which provides that issues coming before the Board shall be decided by Board members not on the basis of special interests represented on the Board, but on what Board members perceive to be in the general public interest, was reviewed and no changes are recommended. Board members noted the timing on the review of this policy corresponds to pending board resignations; in particular, Preston Mitchie.

Alan also said the CPUC issued new rules on tradable Renewable Energy Certificates (RECs). There had been concern that the California REC market would spur development of renewable projects in Oregon whose RECs are sold to California, and inflate the cost of Oregon RECs. The new rules, which would allow RECs to meet California renewable requirements only if the power is delivered to California, avoid this. Board members discussed the problem that occurs when a REC goes to California and the power stays in the Northwest, i.e. we have to manage for the intermittency of the power but don't benefit from the environmental attributes to meet RPS requirements.

The Policy Committee also discussed the data sharing policy between Energy Trust and the utilities, the $20 million community development block grant awarded to the City of Portland to expand Clean Energy Works Portland to other parts of the state, and federal legislation related to HOME STAR.

Strategic Planning Committee. John Volkman, in Rick Applegate's absence, discussed the proposed agenda for the strategic board retreat in June. John Reynolds asked that the agenda be modified to add a one-hour Executive Session on Saturday morning. Overall he stressed the importance of board attendance.

John Volkman reported that Lee Beyer's attendance at the retreat is confirmed and he will share his views on the future of Oregon energy policy. The utilities will lead a discussion of major utility drivers that have implications for Energy Trust. The afternoon will begin with a briefing by Rob Fenty of Coraggio Group on an annual planning process that will link sector programs to strategic goals. The planning process will incorporate elements of risk assessment, using a process that a few board members have been involved in on a pilot basis, but expanded to include a cross-section of staff and board members. .Rob will facilitate a discussion of several areas of risk and opportunity that emerged from the pilot, e.g., potential issues in the 2011 legislative session, and new governor.

Julie asked if data breaches and banking risk were discussed. John Volkman said they had not. Julie said cyber reliability/data breach risks are top of mind in the business world. John said we looked at this issue last year and did end up purchasing insurance. Julie mentioned she will be looking at the risk again and associated federal regulations.

Steve Lacey mentioned the Integrated Solutions Project may not be brought forward to the board for action at the June retreat as two new actors have stepped forward in response to RFP. Steve noted Debbie Blanchard would explain further in her IT report (*see below*).

Staff Report

IT overview and Integrated Solutions Project update, Debbie Blanchard, IT director, presented on the structure and activities of the IT Group and the status of the in-progress Integrated Solutions Project RFP.

IT's role in delivering business value: While we look at machine performance, what allows us to do a good job and stay productive is people performance. Providing quality service at a competitive price. We strive for transparent technology decisions that are aligned with the business strategy. IT contributes to Energy Trust's mission by helping business users deliver and track energy savings and generation, improving productivity, keeping administrative costs low and enabling effective market data analysis.

IT Group background: From 2002-2007, used typical start-up software (Excel, Access, Word) and chose systems with quick implementation and payback due to Energy Trust's original 2012 sunset date. In 2007, with the extension of that sunset to 2025, a major IT assessment was conducted. Main recommendations from that assessment were to i) replace, strengthen or migrate existing systems; ii) strengthen the IT organization reporting structure to free up the Manager to focus on more strategic tasks; also strengthen IT skill sets through training; and strengthen the helpdesk; iii) investigate a data warehouse; and iv) devise a strategic plan.

2008 IT Strategic Plan: IT Mission: Deliver high quality, cost-effective solutions to support the organization's strategic goals; "mature" the IT organization; adopt IT governance; define strategies for improving or migrating systems.

IT Group overview: The Group consists of a Business Systems team, Business Intelligence & Reporting team, Infrastructure and Help Desk team and Integrated Solutions Project team, In summary, nine FTEs (10 including the director), 4.5 contractors, 0.5 intern, 2 open FTE, 1 open contractor. The general philosophy is to retain contractors for specialized skill sets or to fill a short term staffing need,

The 2010 combined IT budget (total capital and expense items): Transform portion — $1.5 million, or 38 percent of the IT budget (new products, new business models, new value propositions); Grow portion — $1.14 million, or 29 percent of the IT budget; Run portion — $1.28 million, or 33 percent of the IT budget. Goal is to keep the run portion as low as possible, so more investment can be made in growth and transformational initiatives.

IT expenditures as a percentage of Energy Trust revenue (including staff costs): 1.8 percent in 2002; projected to be 3.2 percent in 2010. When Gartner compared Energy Trust IT to the industry, we have run at a lower rate than the Gartner industry average for a "like" industry (professional services) over the last 7 years. The 2010 benchmark range over all industries is 0.9 percent to 5.5 percent and the average over all industries is 3.4 percent.

IT Strategies and Projects:

- Improve customer satisfaction and experience
    - Aligns with Design Team recommendation from 2009
    - Web Forms/Web Services project
    - Business Intelligence project for self-reporting capabilities
    - Establish IT metrics and benchmarks
- Strengthen and streamline core business processes
    - Integrated Solutions Project
    - Sharepoint for a document sharing strategy to interact with PMCs, utilities and amongst each other for better access to information
- Enhance effectiveness of technology investments
    - Lead project management processes and adoption throughout organization (Design Team recommendation)
    - Formed IT steering committee to help prioritize initiatives (senior leaders or their delegates in the organization, typically program managers but no outside representation, attend)
    - Strengthen and evolve core infrastructure: server virtualization, monitoring and disaster recovery (DR), Testing of the DR plan will be done on an annual basis. The co-location facility is in Beaverton. Dan Enloe expressed his concern with Beaverton's vulnerability during an earthquake. Debbie Blanchard commented that we could look at other locations. Board recommended looking at alternative sites,

Major IT Project Updates:

- Web services: Provide a means of inter-operating between Energy Trust databases and different software applications to cut down on manual data entry. Debbie Blanchard reported we've already seen checks being sent to customers two weeks sooner when web forms are used instead of manual entry. She noted this project does transition certain costs to IT in

order to maintain and support these services. Debbie Kitchin asked if there are there savings in other parts of the organization and are we capturing those savings? Steve said the PMCs are able to deploy existing people to get more savings, versus having to hire more people. Debbie Blanchard noted that web services allows us to create and extract information on customers and trade allies. Steve clarified customer data is never shared with trade ally contractors. Debbie Kitchin noted we've been getting feedback for a while on simplifying forms and making them less intensive. She said hopefully we can learn from the web services and roll out these techniques to other processes within the organization. Debbie Blanchard noted auto-population of forms is a future project for IT.

- Web/database interaction: Energy Trust online forms now include a residential HVAC form and several products form. IT is able to retrieve data from other databases (JACO Environmental and fridge recycling); consumers can access their billing data (Apogee and Home Energy Analyzer; "What's the status of my application?" web tool; trade ally lookups), Debbie Blanchard noted there were 4,400 fridge recycling projects in quarter one of 2010 and 2, 100 product applications. Caddy asked what is the percentage in relation to the total. Aaron Zahler said about 15 percent, and that's with just a soft-launch approach. Caddy asked what is the goal for migrating the web forms across the organization. Aaron said the project needs to now hold until the results of the ISP are known and we have a stable data environment. Debbie Blanchard expanded on upcoming projects: document upload and storage (receipts, invoices, completion certificates), Power Clerk system integration for the solar program; Home Check system integration for Home Energy Reviews to move from paperwork to digital, allowing us to input into a customer contact record what the reviewer recommended and measures installed during the review to track follow-through rates more accurately. Debbie Kitchin added this also allows us to identify high-quality potential customers.
- Business Intelligence: Currently, there are reports available for staff to use when they need information, but if the report doesn't exist, a report request is sent to IT and can take two to three weeks to be supplied to the requester. The Business Intelligence platform allows internal staff/PMCs to "self serve" for data fulfillment. Started with a Levelized Cost pilot and are evaluating the results right now. The next projects will be "counting" sites, measures, projects and participants, and forecasting and budgeting.
- Integrated Solutions Project: Two RFPs issued – one for an Integrated Solution and one for a Human Resources Information System that could potentially integrate into the ISP. Gartner Research recommended solutions that take into account Energy Trust's size and data input/reporting needs. Microsoft – Dynamics AX (received); Epicor (received); Net Suite – an on-demand solution (plans to respond by May 15); SAP – all-in-one solution (plans to respond by May 15); Oracle – JD Edwards solution (did not respond). Julie asked for clarification on the decision to extend the response period for Net Suite and SAP. Debbie Blanchard said we are trying to look at as many alternatives as possible to make the best decision, and we hope to customize as little as possible, as that raises risks associated with project completion. Robin Denney said the playing field is a combination of software and implementation partners. She said Net Suite, Microsoft and Epicor are missing the real estate piece, and we're looking for this piece as we similarly manage and track based on location or site address. The real estate application also emulates FastTrack, giving us the opportunity to "retrofit" this current software instead of allowing us to only have a complete new solution. The real estate application also allows us to track customers separate from site so if the customer moves, we can still see that they participated with us.
- Next Steps: Steering Committee meeting May 6, 2010, to adjust timeline due to May 15 response date extension. Tentatively looking at a two-week delay and a move of the board decision from the strategic retreat in June to the board meeting in July.

Highlights, Margie Harris presented staff highlights. She said we are going through a rigorous forecasting process now that Energy Trust goals are linked to IRP goals. Most programs are doing quite well: the Production Efficiency pipeline is at 74 percent, the New Homes & Products is going to use carryover funds to keep them moving and Existing Homes is also doing well. She said we are paying attention to Existing Buildings, and have increased incentives and caps to help move this depressed sector.

Margie commented Energy Trust is working with the four utilities on three fronts:

- Data-sharing agreements (as referenced in the policy committee notes)
    - We hope to have a new data-sharing agreement by late summer.
- OPOWER, our pilot project that mails energy consumption reports to homeowners, is behind schedule due to data-sharing hindrances.
- Strategic planning sessions with individual utilities: Met with PGE already, have a second scheduled with NW Natural, and are scheduling with Pacific Power and Cascade Natural Gas.

Margie reported to the board that utility ratepayer savings from 2002-2009 were $593 million, which is a cumulative figure. Alan asked what it cost them to save that much. Sue said there was a 50 percent rate of return on investment, without including spillover.

Margie highlighted some recently completed projects and activities:

- Mt. Hood Community College: spent $10.7 million dollars and made 13 campus buildings more efficient
- OIT geothermal plant dedication
- Employee-oriented strategy with Columbia Sportswear's *Lighten our Load* campaign: energy conservation and solar bulk purchasing, on-site Energy Trust Home Energy I.Q. trainings. Margie said she sees this as another venue for Energy Trust to reach customers, and called Columbia Sportswear a "natural partner". Julie mentioned Kettle Chips and Nike are also examples of natural partners.
- Solarize efforts: Solarize NE had more than 1,000 neighbors sign up; still have Solarize SW, Solarize SE and Solarize Pendleton.
- Batelle Pacific Northwest Labs: be able to fund specific research about financing and building controls.

Margie commented on the $20 million in federal "retrofit ramp-up" funding awarded to City of Portland (who applied on behalf of the state) to expand the Clean Energy Works Portland pilot across the state. The application request was originally for $75 million, and we are going back to reevaluate the scale-up of the Portland pilot to a statewide offering. The money allows us to use the same delivery model from the Portland pilot for homes and bring it statewide for homes and businesses as well. This funding also enables us to fulfill parts of our ambitious goals associated with EEAST. Mayor Sam Adams and the Governor expressed their gratitude.

Margie said we're expanding our business development and savings strategy by working with minority communities and Hispanic Chambers of Commerce to offer workshops to contractors and homeowners, doing outreach through Jack Hruska and with the Native American Youth and Family Center on the potential for reaching these important communities.

Margie reported that Bob Repine will be the new acting executive director of Oregon Department of Energy as of May 24; Mark Long will finish his stint this month. Margie has

contacted Bob to talk about our activities, the Business Energy Tax Credit and the special advisor role on the board.

Margie also told the board about a recent National Renewable Energy Lab survey of the utilities that rank the highest nationwide with their green power programs. PGE ranked 2nd, and PacifiCorp ranked 3rd, in green power sales; PGE and PacifiCorp ranked 1st and 2nd respectively for total number of customer participants.

Adjourn

The meeting adjourned at 4:20 p.m.

***Next meeting*. The next regular meeting of the Energy Trust Board of Directors and annual strategic planning workshop will be held June 11 and 12 at Reed College, 3203 SE Woodstock Boulevard, Vollum Lounge, Portland, Oregon.**