# Board Meeting Minutes – 101st Meeting

**November 10, 2010**

**Board members present:** Julie Brandis (newly elected), Dan Davis, Jason Eisdorfer (arrived 12:15 pm), Roger Hamilton, Julie Hammond, Al Jubitz, Debbie Kitchin, John Klosterman, Caddy McKeown , Alan Meyer, Bob Repine (ODOE special advisor—arrived 12:20 pm) and John Reynolds

**Board members absent:** Rick Applegate, Dan Enloe, John Savage (ex officio)

**Staff attending:** Debbie Blanchard, Matt Braman, Sarah Castor, Pete Catching, Amber Cole, Kim Crossman, Scott Curtis, Cheryle Easton, Sue Fletcher, Lakin Garth, Fred Gordon, Margie Harris, Marshall Johnson, Oliver Kesting, Nancy Klass, Steve Lacey, Ted Light, Spencer Moersfelder, Elaine Prause, Sue Meyer Sample, Scott Swearingen, John Volkman, Peter West

**Others attending:** Jim Abrahamson, Cascade Natural Gas; Jeremy Anderson, WISE; Rian Gilman, CSG; Joe Barra, PGE; Bill Edmonds, NW Natural; Terry Miller, CSG; Varahasamy Murali, Lockheed Martin; Janet Schaeffer; Brahm Segal, Power Corrections Systems Inc.; Julie Van Dyne, PECI; Andrew Volkman

## Business Meeting

President John Reynolds called the meeting to order at 12:05 pm.

## General Public Comments

There were none.

## Consent Agenda

**MOTION: Approve Consent Agenda.** John Reynolds noted the Consent Agenda consisted of minutes from the September meeting. There were no proposed corrections.

Moved by: Debbie Kitchin Seconded by: Caddy McKeown

Vote: In favor: 9 Abstained: 0

Opposed: 0

***September 1, 2010, meeting minutes adopted as part of the Consent Agenda***

## Committee Reports

***Audit Committee.*** Julie Hammond, Committee Chair, reported that our auditor, Perkins and Co., will review internal control measures in place and comment on any risks related to implementation of the Integrated Solutions Project work that will be undertaken this year and next.

***Evaluation Committee.*** Debbie Kitchin, Committee Chair, said there have been two meetings since the last board meeting, including one September 24 for which minutes are included in the packet (the other meeting was held October 20 too late to include in this board packet. It will be included in the packet for the next board meeting).

She noted the Clean Energy Works process evaluation provided a third review. They are doing a good job and making changes even during the pilot. John Reynolds noted the people who succeeded in completing projects had lower incomes and smaller homes than the drop outs. Debbie thinks people with access to financing may be taking other options. Phil Degens noted this isn't a program for everyone. Some people have access to lower cost capital, possibly through home equity. This program suits people who do not want to put any money down. Debbie said there are multiple goals for the program, not just energy efficiency—such as equity and workforce development—that add to the cost of the program. Is this appropriate for a program that is attractive to moderate-income homeowners? Debbie notes it might be helpful for homeowners to have an advisor help them decide which Energy Trust offer works best for them.

Debbie noted the committee reviewed a draft of the New Buildings evaluation. When it becomes final, the executive summary will go into the board packet.

***Finance and Compensation Committees.*** John Klosterman, Committees Chair, referenced notes in the packet from meetings in September and October. The committee decided to let the current investment policy stand, recognizing at a future date they may wish to accept a greater level of risk. At a third meeting, October 25, the committee decided not to go with Umpqua investments. He noted the compensation committee also met a couple of times, looking at 401k fund offers.

***Policy Committee,*** No report.

## President's Report

John Reynolds displayed the 2010 ACEEE scorecard for state energy efficiency. Oregon ranked third behind California and Massachusetts. Of a maximum 50 points, California got 45.5 points, Massachusetts 42.5 points and Oregon 37 points. Fred Gordon noted ACEEE rates states, and Energy Trust does not control all of the criteria, such as state policy and transportation. He noted California's level of funding per unit of energy and per capita is significantly larger than ours. California is a leader in setting appliance efficiency standards. Alan Meyer will send board members copies of the rating information

*Jason Eisdorfer arrived.*
*Bob Repine arrived.*

## Energy Programs

***Resolution 568, authorizing a Program Management Contract for the Existing Multifamily Program.*** Jason introduced this topic. Oliver Kesting, Business Sector Lead, introduced Scott Swearingen, Business Sector Project Manager, who made the presentation. He noted the request for proposals, released in July, attracted 10 “intent to apply” responses and 3 proposals, representing 9 firms—demonstrating that firms had teamed up. All three proposers were interviewed and Lockheed Martin selected. They brought in two new staff members and, additionally, teamed with Fluid Market Strategies and Evergreen Consulting, who brought considerable strengths in direct install, lighting services, bulk purchases, and custom analysis. Both subcontractors have worked extensively with Bonneville Power Administration regionally and came highly recommended by the external member of the selection team.

Dan Davis asked if condominium and townhouses with homeowners associations qualify for this program; Scott said they do. Al Jubitz asked what the impact losing the contract is having on CSG, which currently provides multifamily services; Scott and Oliver said most employees would be absorbed into other CSG teams. Al asked what Fluid’s role would be; Scott said Fluid will focus on direct-install (lighting, water flow devices) in rental units. Roger asked about annual savings from this program; Oliver responded about 1.5 average megawatts; Peter said this compares to about 44.3 aMW for electric efficiency in the 2011 budget.

**RESOLUTION 568**

**AUTHORIZING A PROGRAM MANAGEMENT CONTRACT FOR THE EXISTING MULTIFAMILY PROGRAM**

**WHEREAS:**

1. **With assistance from a selection committee including an outside party, staff has conducted a fair and open procurement process to select a contractor to manage the Existing Multifamily program offerings for the next 2-5 years.**
2. **Lockheed Martin Services, Inc. was selected and contract terms are being negotiated.**
3. **Staff has assumed a total first-year program management contractor budget for 2011 of approximately $3,575,134 including a first year delivery contract cost of about $1,215,134, incentives of $2,360,000, and possible performance compensation.**
4. **Based on current assumptions, staff projects the following program savings and fully-loaded costs in 2011:**

| | **Electric** | **Gas** |
|---|---|---|
| **Savings (stretch)** | **13,300,000 kWh** | **77,120 Therms** |
| **$/Unit Savings (stretch)** | **$0.2410** | **$4.789** |
| **Levelized Cost (stretch)** | **$0.0216** | **$0.4395** |

**Actual savings and costs will be reviewed by the Energy Trust board as part of the annual budget and action plan process.**

**It is therefore RESOLVED:**

1. **Subject to determination of a final contract amount based on the board-approved 2011 budget, the executive director is authorized to enter into a contract with Lockheed Martin to manage the Existing Multifamily program from January 1, 2011 through December 31, 2012.**
2. **First-year contract costs and savings goals included in the contract shall be consistent with the board-approved 2011 budget and two-year action plan. Thereafter, the contract may be amended annually consistent with the board's annual budget and action plan decisions.**
3. **The final contract may include a provision allowing staff to offer up to three one-year extensions if the program management contractor meets certain established performance criteria.**
4. **Before extending this contract beyond December 31, 2012, staff will report to the board on the program management contractor's progress and staff's recommendation for any additional extension time periods. If the board does not object to extension, contract terms would remain as approved in the most recent action plans, budgets and contract at the time of extension, and the executive director is authorized to sign any such contract extensions.**

Moved by: Jason Eisdorfer Seconded by: Roger Hamilton

Vote: In favor: 10 Abstained:

Opposed: 0

***Adopted on November 10, 2010, by Energy Trust Board of Directors.***

***Resolution 567, authorizing the executive director to sign a contract exceeding $500,000 with Evergreen Consulting.*** Jason introduced this item. Peter said Evergreen runs a large lighting trade ally contractor network across the Northwest. Kim Crossman, Industrial & Ag Senior Sector Manager, introduced Ted Light, Industrial & Ag Project Manager, to present the item. He noted Evergreen most recently was selected in 2008 for a two-year contract. Staff would like to extend the contract for a year, bringing the total contract value over the $500,000 threshold requiring board approval. Ted said Evergreen has made dramatic progress year after year—even during the slow economy. Kim explained Evergreen functions as a Program Delivery Contractor within Energy Trust nomenclature. Al questioned how the company could have achieved only 68 percent of its stretch goal by October 1 and expect to exceed that goal by 50 percent within three more months. Ted said this is the proverbial "hockey stick" effect. Margie noted we have seen this year after year across the board. Peter noted you can change the seasonal pattern by paying more earlier. Lighting is a quick-install measure. He explained tax policies that support waiting until fourth quarter.

Al observed there is no total cost for this contract in the resolution. Scott pointed out the reference in the third Whereas clause regarding adding $623,000 to the contract. Al asked for clarifying language. Jason suggested a language change, integrated into the resolution as shown below.

**RESOLUTION 567**

**AUTHORIZE THE EXECUTIVE DIRECTOR TO SIGN A CONTRACT EXCEEDING $500,000 WITH EVERGREEN CONSULTING**

**WHEREAS:**

1. **Energy Trust has a two–year contract with Evergreen Consulting, LLC, to deliver lighting consulting services, with a two-year option to extend;**
2. **Evergreen has successfully executed its 2009 and 2010 scopes of work, and is likely to exceed its 2010 stretch goal in a highly cost-effective manner;**

**~~3.The current contract exceeds $500,000 and~~ Energy Trust ~~intends~~ staff proposes to increase the contract goals and to add about $623,000 to the contract for 2011, which exceeds the executive director's $500,000 signing authority.~~;~~**

**~~Authorize the executive director to extend a contract with Evergreen Consulting in an amount around $623,000, to be determined in connection with a final, board-approved 2011 budget.~~**

**THEREFORE, the Energy Trust Board of Directors:**

1. **Authorizes the executive director to extend the Evergreen Consulting contract through December 31, 2011, to an amount of around $623,000.**
2. **The final dollar commitment in the extended contract will be finalized after the board adopts a 2011 budget, and will be determined in accordance with the board's budget decision.**
3. **Before extending this contract beyond December 31, 2011, staff will report to the board on Evergreen Consulting, LLC's progress. Absent board objection, the executive director is authorized to sign such extension.**
4. **If so extended, contract terms shall remain as approved in the most recent board-approved action plans, budgets and contract at the time of extension.**

Moved by: Al Jubitz Seconded by: Dan Davis

Vote: In favor: 10 Abstained:

Opposed: 0

***Adopted on November 10, 2010, by Energy Trust Board of Directors.***

***Industry and Agriculture Sector 2011-2015 planning summary.*** Kim Crossman presented the industry and agriculture strategic plan. She noted that Oregon has the third most industrial economy as a percentage of GDP (not including agriculture) in the US. Agriculture provided 2.5 percent of Oregon's GDP, making us the ninth most agricultural state. She noted the program touches a lot of different types of industries. She said the program is managed in-house with Program Delivery Contractors as industrial efficiency experts assigned to serve industrial participants, Allied Technical Assistance Contractors as engineering consultants doing studies at those sites, and Industrial Technical Service Providers as consultants providing strategic energy management services.

She noted the program primarily provides custom solutions for major retrofits, unique process changes, operations and maintenance measures and strategic energy management. Calculated savings measures are offered through the small industrial initiative and lighting trade ally network. She noted prescriptive measures are technically difficult to develop but we have a few of them.

She observed by end of 2010 we will triple the average number of projects over the past few years. The small industrial and lighting projects accounted for one third of our projects by the end of 2009. More recently, the O+M efforts such as Industrial Efficiency Improvement (IEI) and Kaizen Blitz are accounting for a larger share of savings—a quarter to a third of savings this year.

She introduced the concept of Strategic Energy Management, an umbrella term referring to management practices that can increase production efficiency. In IEI, we take cohorts of 10 companies and teach them continuous improvement approaches applied to energy, including executive sponsorship, goal setting and planning, using energy data to tune operations and employee engagement.

In 2010, a special offer of 90 percent of project costs for any company that can complete an O&M project in 90 days has been successful. At present, 48 projects are in the pipeline, of which 80 percent involve compressed air operations and maintenance. We will get 28 million kWh out of this. It is a very cost effective investment—$20,000 total project cost on average, $15,000 incentive/project. She noted the technical services we bring to the site provide the value, more than the incentive dollars. Al commented on the motivational effectiveness of limited-term offers. Peter noted it's not just the marketing ploy but customer engagement through offering specialized analytical expertise. Kim noted we found other capital projects at almost every site that participated in this offer. Al asked about the levelized cost of these savings. Kim said on a first-year savings basis these improvements are coming in at a low cost, under 2 cents per kWh. Levelized cost is low as well, at .7 cents per kWh.

She noted gas efficiency has provided a challenge in identifying eligible customers. Many industrial gas customers are not eligible because they are on transport rates. She said that at $1 per therm, we are offering less to gas customers compared to electric measures. We end up offering 20- 25 percent for a gas measure, compared to 40-45 percent on electric measures. Alan Meyer identified a discrepancy between the pie chart she showed earlier in her presentation compared to the 20-year savings potential by market for electronics. Kim and Ted explained the pie chart included mega-projects done in the forest projects industry, while they were excluded from the graph. We are having more traction now in the electronics sector.

She noted the program is relationship-based—following a sales model rather than a marketing model. We maintain strong, strategic relationships with participants and collaborating organizations regionally and nationally. She said the program will continue to deliver site- and industry-specific services to create deep and persistent savings in medium to large industrial sectors. The program will continue developing prescriptive offers. It will expand strategic energy management and O+M services and offerings through the Industrial Technical Services Providers. Debbie asked how we select among the ITSPs to assign to a new job. Kim said the program's technical manager seeks project bids, in many cases from multiple providers. She said her team is interested in embedding a continuous improvement culture in internal program administration.

Kim reviewed benefits and risks of offering O+M and strategic energy management services and incentives. We are in an innovation period, and need to manage this innovation carefully.

She reviewed key policy challenges and barriers, including the SB838 spending limitation to sites under 1 aMW; BETC sunset/uncertainty; and limited eligibility for gas incentives. She believes the attitudes of industry toward energy are changing and will continue to do so over the next 3-5 years. Energy is understood as a manageable, variable cost. Energy information systems will be deployed broadly as an enabler for energy management. The emergence of standards and supply chain will help. The growth of clean tech industry in our territory offers new markets.

Alan complimented Kim on her obvious knowledge as to how industrial managers think. Roger asked if her program gets involved in the motivational aspects of behavioral change. Kim said there is a shift occurring now. In the past, saving money was the sole concern. Now, some executives are motivated by achieving greater sustainability. Some have carbon goals.

Al asked about current practices at industrial sites related to tracking and managing energy use, wondering on a scale of 1 to 10 how sophisticated the current practices are in the market. Kim said they all think they are doing better at this than they actually are, and that once engaged with the program, they become more aware of what they don't do currently and could adopt to improve. People have bits and pieces, but no systemic energy management plans. Al asked if monitoring is being installed at the same time as the more efficient equipment. He thinks the feedback loop is critical in keeping interest alive. Kim said sites have a huge desire for that data. Our pilots help them set up those systems. Alan said he agrees with Kim.

## Nominating Committee

***Resolution 566, electing Julie Brandis to the Energy Trust Board of Directors.*** Alan Meyer, Committee Chair, noted Preston Michie has retired from the board. As the new chair of the nominating committee, he was asked to identify a new member. He and several others met with John Savage of the OPUC, who suggested qualities to look for in a new board member. They interviewed three candidates and determined that Julie Brandis most closely met their criteria.

Julie worked with Associated Oregon Industries when SB 1149 was making its way through the Oregon Legislature.

Al asked if Julie would like to explain her interest in serving on the board. Julie came forward. Currently working for Oregon State University, she noted energy is an area of great strength for the university. She felt working on SB 1149 was one of the best experiences of her life, because of the collaborative process. One of the most critical issues we face is how we use energy and use it more wisely. There are so many great opportunities. She gets to take faculty members through industrial facilities and has become interested in the different ways they approach energy management.

**RESOLUTION 566**
**ELECTING JULIE BRANDIS TO THE ENERGY TRUST BOARD OF DIRECTORS**

**WHEREAS:**

1. **Board member Preston Michie was elected to the Energy Trust board in April 2005, re-elected to a new three year term beginning February 2008, and resigned earlier this year. His three-year term expires February 2011.**
2. **The board nominating committee has reviewed candidates to fill Mr. Michie's position and recommends Julie Brandis, Director of Corporate Relations for the OSU Foundation.**

**It is therefore RESOLVED:**

**That the Energy Trust of Oregon, Inc., Board of Directors elects Julie Brandis to complete the remaining term of Preston Michie, and to a subsequent three-year term on the Energy Trust Board of Directors.**

Vote: In favor: 10 Abstained: 0

Opposed: 0

***Adopted on November 10, 2010, by Energy Trust Board of Directors.***

## Break

The board took a 15 minute break at 1:45 pm. .

## Draft 2011-2012 Action Plan and Draft 2011 Budget

Margie thanked all who contributed to the budget, including Peter West and the program/sector managers, Steve Lacey and the operations team, Sue Meyer Sample and the financial team, Matt Braman and the planning team, and Nancy Klass and the administration team. She noted we are presenting the draft budget today; the final budget will be presented in December.

After reviewing the topics to be presented, she addressed highlights of changes from 2010. She noted people are thinking differently now about energy and energy efficiency. We, and the utilities, are treating it as a resource; on a regional level efficiency represents 12 percent of our future energy resource. Our budget is increasing as we link to utility integrated resource plans. Our budget in 2010 was $130 million and we expect to spend $159 million in 2011. The average cost of acquisition remains a bargain at 3.3 cents/kWh. We deliver value on the gas side as well at 46 cents per annual therm.

She reviewed our forecast for year-end 2010. We anticipate landing somewhere between our conservative and stretch goals almost across the board. We are focusing intently on Cascade territory, where the recession has had serious impacts. She said we will meet or exceed our stretch goals for Pacific Power and NW Natural. We are working hard to meet the PGE goal.

Overall we are predicting 41.7 aMW, 93 percent of stretch goal and 29 percent above 2009. We predict 4.5 million annual therms of gas savings, 83 percent of stretch goal and 57 percent increase from 2009. We will land in between the renewables conservative goal of 4.5 aMW and 9.7 aMW with 6.35 aMW new renewable generation. These are good results in a tough economy.

She reviewed 2011-2012 themes and focus, which she said are characterized by greater engagement of internal teams and closer collaboration with utilities. We will apply:

- Overarching strategies to meet ratepayer/customer needs and achieve accelerating goals
- Customer service and focus
- Higher demand for greater diversity of service offerings
- Technical and policy input in anticipation of state changes
- Successful Integrated Solutions Project (ISP) implementation

She noted uncertainties related to the state’s budget constraints and general financial/capital constraints in the current economy. BETC/RETC changes will impact us. Job creation strategies involving school and public building retrofits may affect us. We are working closely with the state and city of Portland in implementing Clean Energy Works Oregon and EEAST.

She noted we will maintain the current foundation while supporting continued innovation, emphasizing codes and standards that push the bar up and test new strategies with pilots.

She described the Integrated Solutions Project (ISP) to upgrade our financial and IT systems. There is a crackerjack team on board to develop the new solutions and manage a successful transition. We will be extremely vigilant in maintaining schedule and budget.

Al asked what our penetration of the market for efficiency has been. Margie noted it differs by sector. Fred said possibly 20 percent of residences have taken a rebate for something. He believes a majority of larger businesses and industry have worked with us, while a minority of smaller businesses has participated.

Al asked what the annual budget for BETC and RETC are. Bob Repine reported on the current caps, which total about $600 million per biennium. Jason asked Margie to explain how we will balance a greater diversity of offerings and more customer service with the abilities of staff to support this.

Margie reviewed business sector activities, which focus on code-based market transformational savings, working with customers to develop long-term portfolio plans that enable deeper savings and providing measures and services that allow smaller customers to invest in efficiency and renewable projects. We will continue the focus begun this year on outreach to public clients, including the military.

Alan expressed concern over the nomenclature of “business,” within which we include nonprofits/governments but not industrial. Alan said he thinks “business” should exclude nonprofits/government and include industry and agriculture, which are businesses.

Margie noted the focus for industry and agriculture is increasing participation by smaller industrial and agricultural businesses, maintaining a high level of customer service and participant satisfaction, and achieving high technical realization of savings. We will continue developing innovative programs like strategic energy management and the small industrial initiative.

She noted that some of the specialty contractors serving our industrial program will likely be paid more than $500,000 in the aggregate. Kim clarified that this issue exists because of the internal management of the program and relates to the administration of service incentives in the Allied Technical Assistance Contractor (ATAC) and Industrial Technical Service Providers (ITSP) pools, which are administered using standard program forms and contracts and the FastTrack incentive processing database. These involve zero-dollar contracts which are followed by individual work orders to provide services such as studies at participant sites. While most work orders are between a few thousand and $20,000, some are as high as $50,000, and over several years a series of small work orders may exceed $500,000. While this process complies with board policy, staff wanted to bring this to the attention of the Board. The matter will be considered by the Policy Committee.

For the homes sector, the themes involve matching customers to appropriate services and offers, transition to new codes, working upstream with distributors and infrastructure, and accelerating engagement with the market—realtors, energy performance score, trade allies. We want to educate consumers to drive behavior change.

Regarding renewable energy, we are having success with our neighborhood programs—Solarize, for instance—but we are running into uncertainties about BETC that have led to putting projects on hold or cancelling them.

She presented a slide showing, by program, 2009 actual spending, 2010 forecast spending, 2011 budget and percent change 2010 to 2011, and the 2012 budget projection. We would like increases in Existing Buildings and Production Efficiency, reflecting the need for higher incentives and to serve the small industrial market. New Buildings incentives are increasing but the budget overall is down, reflecting challenges of getting new projects in this economy. Budgets for Existing Homes and New Homes and Products are increasing.

She noted we are in the second year of a five-year funding cycle for NEEA. Market transformation savings take longer, by definition. A downturn in CFL sales attributable to NEEA is causing our levelized costs to rise.

We are diversifying services for NW Natural in Washington.

She noted on the renewables side a shift in strategy to focus more on the earlier stages of project planning to help participants successfully develop and drive their projects to completion.

She presented program comparisons in savings/generation. Goals for New Buildings and NEEA have been reduced, while goals for Existing Buildings, Existing Homes and Production Efficiency goals have increased.

She presented levelized costs. As we move away from the CFL strategy, we are going to pay more per kWh. Currently the OPUC performance threshold is 3 ½ cents per kWh; we are bumping up against this in 2011 and have asked OPUC to revisit this amount. Debbie noted that with a more stringent building code in place, the cost of exceeding the new threshold is higher and costs more.

Margie noted a second reason costs per kWh are increasing has to do with how we account for free riders identified in our evaluations. This accounts for about 30 percent of our increased costs. The third factor is the need to pay more to get people to act on efficiency in the current economy.

Julie Hammond asked if the OPUC standards are a “floor,” not a standard. Margie said the OPUC requirements are a minimum.

Margie reported the overall increase in savings and spending in 2011 compared to 2010, is on top of the increases 2010 represents over 2009. Debbie thinks even as the economy picks up, the building sector—home building and commercial—will lag. We need to watch the economy for the sectors and elements that do strengthen and design our services and offerings to work for them.

Margie noted the budgets for administration and communications and customer service have remained about at the level they historically have as a percentage of the entire budget. She noted the plan to convert current contractors into staff positions—one a commercial marketing manager and the other a business systems analyst for the customer relationship management system in IT. She described two new positions recommended for addition in the 2011 budget, one of which is an industrial sector operations analyst and the other a planning data analyst.

Margie explained a table showing carryover and reserve by utility. She said if we get to the point of needed additional reserve (we target approximately 5 percent reserves per utility), we would propose to direct interest earnings.

Al notes he is seeing a trend to increase incentives to increase results; he wonders if we need more marketing instead. Why don’t we transfer the New Buildings budget to other areas rather than jack up incentives? Margie said in addition to incentives, we offer education and training. The budget impact is on incentives because they are 60 percent or more of our budget.

Roger said we need to keep doing New Buildings because if built less efficiently, they represent a lost opportunity. Margie said behavior-change strategies are low cost and lead to other investment over time. Peter explained sometimes we raise incentives because the base changes, as happened with the commercial code change.

Brahm Siegel, Power Corrections Systems and the Regional Technical Forum, noted lack of collaboration between regional energy laboratories on research and development.

Margie reviewed the Integrated Solutions Project milestones. She noted negotiations with Epicor succeeded in reducing license fees by 10 percent, ongoing maintenance fees by 18-20 percent, and hourly consulting rates by $5-$20/hour—for an overall first year reduction of $65k.

She also noted our lease expires in 2011. We are considering four potential sites, including this building.

She noted in 2012 we will be 10 years told. We’ll do some modest celebration of that milestone. We will seek funding from sources other than the ratepayers. Julie Brandis asked about staff growth, and whether we’ve outgrown the current space. Margie said our peak years of adding staff occurred in 2005-2007. We’ve added 2-3 staff per year since. We have 73 staff now and would increase to 77 if the four requested positions in the 2011 budget are approved. Margie noted we have many visitors and meetings, of internal and external teams.

Al opened a discussion about appropriate square feet per person. Margie said we will reference the state metric. Julie Hammond noted the possibility of collaborative efforts, and sharing space with other organizations.

Debbie noted we’ve had a big ramp-up in revenues from 838. This will stabilize eventually. In the meantime we’re experiencing growth even in recession. Is there a point two-three years away where we’re not able to meet demand? Margie said, “I want that problem.” Debbie said we’re spending more than we’re taking in. Margie said if we outspend our revenue, this would become a public policy issue to be addressed by OPUC and others.

## Staff Report

Margie noted the Clean Energy States Alliance awarded a State Leadership award for the Solarize program. Yesterday Vice President Biden named Energy Trust as one of 10 communities entrusted to test a new EPA model for determining a home's Energy Performance Score. We will engage a small sample of our residential participants to receive Energy Performance Scores from both the EPA tool and our own CSG-driven tool. Comparisons will inform how we move forward with the EPS for existing homes.

She noted 48 percent of employee commutes in September were by bike, and over 70 percent of employees made at least one commute trip by bike.

She reported the refrigerator recycling program is experiencing ever higher results.

She reported we received a complimentary letter from Commissioner Randy Leonard and another letter from a NW Natural customer very pleased with energy savings from improvements to his steam traps.

She reported on some other new projects, including the Free Your Home campaign and new renewables projects.

She reported that Lizzie Rubado made an appearance on television promoting fridge recycling that correlated with a spike in fridge recycling requests from 100 to 170.

We have expanded the number of web forms and applications.

Margie described briefly a recent trip she made to Israel with the governor. She funded it herself and with contributions outside of Energy Trust ratepayer resources. She met with their minister of environment, minister of infrastructure, advocacy groups and others. She drove an electric vehicle. She learned about interesting technologies in development.

***Elevator Speech.*** Margie explained that Communications and Customer Service group is providing training to Energy Trust staff and PMC representatives to ensure everyone is able to communicate with potential customers about Energy Trust and the range of offerings across the sectors. Amber showed video clips of staff delivering short talks in the elevator between the 16th floor and the lobby, and passed out a wallet-sized reference guide to board members. The reference guide provides basic talking points on Energy Trust and how to guide customers toward action in each sector. Amber said we will produce a companion card that may be handed directly to customers who express an interest in getting started.

***Other topics.*** Al asked about status of OPower; Peter responded. Dan Davis asked about expanding fridge recycling to Habitat for Humanity (which sells them) and others; Peter and other board members responded. Roger mentioned a new geothermal project that Energy Trust supported.

## Adjourn

The meeting adjourned at 4:20 pm.

***Next meeting*. The next regular meeting of the Energy Trust Board of Directors will be held Friday, December 17, 2010, 12:00 noon at the Energy Trust of Oregon, Inc., 851 SW Sixth Avenue, 12th Floor, Portland, Oregon.**

Debbie Kitchin, Secretary