2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Commercial

Existing Buildings

Program Purpose: Acquire cost-effective electric and natural gas savings by providing technical assistance and financial incentives for high-efficiency equipment and energy efficient operating practices in existing commercial facilities.

2014 Strategies & Activities

1. Deliver program to commercial entities through Program Management Contractor (ICF), subcontractors and a statewide comprehensive network of trade allies
2. Continue to focus on delivering tailored program services to the entire value chain of target markets from business owners, property owners, tenants, property management companies, service providers, electrical/mechanical contractors, distributors, manufacturer representatives and manufacturers.
3. Provide offerings and services that appeal to a wide-range of participants, including 16 key market sectors.
4. Maintain the state-wide program reach, while looking for opportunities to reach customers in under-participating areas.
5. Continue approach to increase non-lighting Trade Ally project activity in addition to historical lighting focus. Develop approaches for Trade Allies to sell lighting and non-lighting measures concurrently.
6. Evolve lighting program offerings to adapt to changing lighting baselines associated with market transformation effects and federal lighting standards.
7. Adapt to reduced Gas and Electric Avoided Costs to provide cost-effective measures, providing more services as necessary to aid the customer's decision making and redefining recommendations to limit marginal measures.
8. Increase operations-based savings and low-cost/no-cost approaches to save energy as a means to expand the ways to engage customers or provide energy savings options for the capital constrained customer.
9. Build and leverage long-term relationships to help customers implement energy savings strategies over time.
10. Explore options to streamline certain program requirements including compressing processes and paperwork in order to speed participation and provide more direct access to program experts via a dedicated call center.
11. Increase awareness and visibility throughout the state by expanding geographic presence with statewide field staff to promote program with Customers and Trade Allies.
12. Develop marketing strategies to address key barriers to action, including but not limited to customer success stories, demonstration of the business case for energy efficiency.

2014 New Initiatives & Focus Areas

1. Expand market education on the pending Federal 2014 lighting ballast standard and provide incentives to encourage participants to convert T12s to T8s.
2. Evolve Comprehensive Lighting Pilot offering to continue to educate the market on better lighting design and, if appropriate incorporate into steady-state program offerings.
3. Review results of Building Performance Tracking and Control Systems pilot to review efficacy of using building information systems to encourage operational improvements and if appropriate modify to be a regular program offering.
4. Provide incentives for technically sound and cost-effective LED applications.
5. Develop and roll-out an offering to provide streamlined measure installation services for small commercial customers.
6. Expand Strategic Energy Management (SEM) by: 1) Enrolling 15 participants in the SEM Cohort approach 2) Enrolling 3 customers in Corporate SEM 3) Enrolling 5 additional participants in SEM Introductory and 4) Offering a continuation of SEM services to select participants.
7. Work with other efficiency organizations to achieve regional economies to reduce product costs and ensure supply.
8. Use incentives, services and sales techniques to encourage customers to install more measures in a shorter time frame.
9. Continue to coordinate with ODOE to identify and study schools projects in Energy Trust service territory.
10. Coordinate with NEEA and other NEEA utility funders to leverage regional lighting coordination opportunities like upstream buy-downs and contractor training.
11. Continue to promote Building Operator Certification and provide scholarships as appropriate for tuition.
12. Coordinate with electric utility field and outreach representatives and marketing efforts to recruit and screen new leads.
13. Multifamily Strategies and Activities and New Initiatives and Focus Areas presented in a separate Action Plan.

2015 Planned Activities

1. Revise lighting program to account for new baseline from Federal 2014 lighting ballast standards.
2. Continue to expand the emphasis on operations and strategic energy planning.

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	($ / KWh)	therms	($/therm)
2013 Forecast	$34.1	$6.6	$40.7	13.6	$0.034	1,764,617	$0.377
2014 Budget	$43.9	$8.0	$51.9	15.9	$0.035	1,781,978	$0.431
2015 Projection	$43.7	$8.5	$52.2	15.5	$0.036	1,799,228	$0.452

The Energy Trust of Oregon, Inc
2014 Draft Budget
Existing Buildings

	2013 Forecast	2014 Budget	2015 Projection
Incentives	**$25,426,256**	**$33,407,178**	**$33,769,032**
Delivery Costs			
Program Management	825,441	729,288	748,185
Program Delivery	9,143,083	10,529,452	10,789,632
Marketing-PMC	785,824	936,166	963,807
Performance Comp	237,500	355,000	280,000
Total Delivery Costs	**10,991,848**	**12,549,905**	**12,781,624**
ETO expenses			
Staffing	602,230	753,526	789,579
Marketing	252,500	246,500	246,500
Other Services	889,566	1,637,447	1,319,447
General	41,500	116,500	105,000
Allocations	1,164,379	1,481,208	1,457,583
Sub-Total before Admin Costs	**39,368,279**	**50,192,264**	**50,468,765**
Administrative Costs	1,334,968	1,740,317	1,724,267
TOTAL EXPENSE	**40,703,247**	**51,932,582**	**52,193,033**

2014-2015 DRAFT ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Commercial

Existing Multifamily

Program Purpose: Acquire cost-effective electric and natural gas savings by providing technical assistance and financial incentives for high-efficiency equipment and energy efficient operating practices in existing multifamily (2+ attached units, retirement and campus living) and condominium and townhome buildings.

2014 Strategies & Activities

1. Deliver program to multifamily entities through Program Management Contractor (LM), subcontractors and a statewide network of trade allies specializing in this market.
2. Develop and include offerings and initiatives that will involve multifamily tenants in the savings decision and overcome the split incentive dilemma.
3. Continue to focus on delivering tailored program services to the entire value chain of target markets from property owners, tenants, property management companies, service providers, electrical/mechanical contractors, distributors, manufacturer representatives and manufacturers.
4. Provide offerings and services that appeal to a broad mix of multifamily owners and managers.
5. Expand program throughout the state to reach new customers and go deeper with existing customers in all four utility service territories.
6. Collaborate across New Buildings, Existing Homes and Existing Buildings to maximize program effectiveness in the marketplace.
7. Build and develop an affordable housing project pipeline that can utilize either the on-bill financing option through the MPower Oregon pilot or through normal program tracks.
8. Leverage learning's and redesign efforts for custom track projects and audits to launch refined services and offerings to better fit the needs, budgets and timelines of multifamily owners and managers.
9. Expand the distributor buy-downs focused on suppliers of energy efficient products in order to competitively place efficient equipment in replacement applications.
10. Enhance outreach focus to promote project activity including selling lighting and non-lighting measures concurrently.
11. Launch seasonal and special "limited time only" bonuses for specific technologies to increase penetration or introduce successful but yet to be adopted technologies.
12. Increase operations-based savings and low-cost/no-cost approaches to save energy in a capital constrained market.
13. Build and leverage long-term relationships to help established customers implement energy savings strategies over time and across multiple capital budget cycles.
14. Develop marketing approaches that use customer success stories to demonstrate the strong business case for energy efficiency as a means to help spur action from more property managers.

2014 New Initiatives & Focus Areas

1. Extend the program offerings and the "single point of contact" outreach approach to small multifamily properties and individual condominium and townhome owners through 2014 integration of these building types into Existing Multifamily.
2. Work with the affordable housing community to innovate how the program can serve their tenants through partnership in a financing pilot, behavioral opportunities and capital investments.
3. Continue implementation of the Memory Care Comprehensive Lighting Pilot to develop a cost and savings baseline for this facility type, test the effectiveness of a template approach on meeting the Oregon regulations for Memory Care Communities, characterize the non-energy benefits of advanced lighting design and, if appropriate incorporate into steady-state program offerings.
4. Implement a comprehensive overhaul of existing website structure and content to provide a "one-stop shop" for all multifamily properties in order to eliminate mixed messaging and confusion as a result of previous program design.
5. Develop and launch an email newsletter specific to multifamily owners and decision makers in order to foster meaningful engagement with the program and its staff.
6. Integrate enhanced sales approach through tablet based walkthrough survey and benchmarking tools in order to provide comprehensive and actionable information on opportunities within customer portfolios
7. Collaborate with other energy efficiency implementation organizations to achieve regional economies to ensure satisfactory customer service, support pilot initiatives, reduce project costs and gain organizational efficiencies.
8. Coordinate with electric utility and water utility field and outreach representatives on marketing and outreach efforts to recruit and screen new leads and promote energy efficiency.

9. Research, develop and test new measure opportunities for upgrades to electrically heated units, including a pilot related to high efficient zonal heating alternatives.

2015 Planned Activities

1. Evaluate progress and lessons learned from MPower Oregon Pilot and move forward next stages of pilot if appropriate.
2. Revise lighting program to account for new baseline from Federal 2014 lighting ballast standards and new LED applications.
3. Testing and integration of new ISM opportunities utilizing emerging technologies in order to supplement existing offerings that will be phased out due to changes in Federal Standards.
4. Continue to expand the emphasis on affordable housing and within the general multifamily market for operations and strategic energy planning opportunities.

Targets - Multi-family program costs and energy savings tables are included in the Existing Buildings summary

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Commercial
New Buildings

Program Purpose: Acquire cost-effective electric and natural gas savings by providing technical assistance and financial incentives for high-efficiency design and equipment in commercial and industrial new construction and major renovation projects.

2014 Strategies & Activities

1. New Buildings will continue to drive significant changes to how buildings are designed and constructed, resulting in sustained market practices that promote high-performance buildings.
    a. Position as a technical and educational resource in the market, provide trainings.
    b. Continue support of early design meetings with project teams to identify energy saving strategies and make the business case for achieving efficiency goals directly to owners.
2. Deploy a robust regional outreach strategy serving six regions statewide: North Coast and Columbia River Corridor, Eastern Oregon, Central Oregon, Southern Oregon and Southern Oregon Coast, Willamette Valley and Central Coast, and Portland Metro areas.
    a. Allies will receive enhanced regional support with project reviews for design-build projects and trainings on tools and workbooks with support from an Energy Analyst.
    b. Lighting design support for allies will be expanded and a local resource in Eastern Oregon will be provided.
    c. Over 125 regional owner accounts will be leveraged along with over 100 regional architecture, engineering and design-build accounts.
3. Target the small commercial market with simple solutions.
    a. Market new offers launched under the 'Hey Building' campaign to six market sectors, and develop two new packages to further reach and measure saturation. Packages are building type-specific and offer projects simpler, pre-calculate, packaged options to drive quick decision making. Continue providing standard measures.
4. Continue to build a market position for New Building Allies that actively support efficiency and are critical to New Buildings' success in transforming the market.
    a. Focus on the allies' influence on practical elements of integrated design, system selection and critical decisions that affect the efficiency of a project.
    b. Provide trainings in collaboration with AIA Portland and Cascadia Chapters.
5. Build demand for Net Zero solutions by creating an approachable concept for early design and getting net zero on the drawing board for owners and design teams to consider, and begin to prepare for future changes in energy codes expected to ratchet up baselines quickly. Continue innovation through collaboration among stakeholders and the market.
    a. Implement changes from the most recent code update that will take effect in 2014.
    b. Collaborate with stakeholders to develop a strategy to address future codes and standards.
6. Increase the number of Solar Ready buildings eligible to receive incentives for solar PV installations by leveraging early design in New Buildings to include solar
    a. Promote Solar Ready design options and build a pipeline of future solar projects.
    b. Strengthen the Solar Design Ally network through training and education.

2014 New Initiatives & Focus Areas

1. Drive small commercial market opportunities – target business owners, allies and designers.
2. Expand regional outreach and ally focused delivery statewide.
3. Continue to innovate and build on the success with Net Zero.
    a. Fine tune program design to remove barriers experienced by far-reaching projects.
    b. Continue to engage potential net zero and net zero ready projects through targeted outreach, goal-setting, and directed participation.
4. Connect customers with additional financial resources and the Lending Ally network to push innovative financing approaches forward that could reduce financial barriers to participation and boost aggressive savings targets.
5. Position New Buildings to capture additional market transformation savings and adjust to the 2014 code.
6. Engage trade allies to improve code compliance in advance of the 2017 code, which may align with the Reach.

2015 Planned Activities

1. Continue building the pipeline and support for 2013 Oregon Energy Efficiency Specialty Code in addition to adoption of the Reach code.
2. Offer incentives and engineering support to reward increasing energy efficiency in excess of the energy code.
3. Leverage our emerging delivery network of New Buildings Program Allies to drive projects that exceed code.

(See budget detail on reverse side)

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	($ / KWh)	therms	($ / therm)
2013 Forecast	$12.9	$1.2	$14.1	6.0	$0.025	450,231	$0.222
2014 Budget	$13.6	$1.5	$15.2	5.1	$0.031	560,707	$0.233
2015 Projection	$12.3	$1.6	$13.8	4.3	$0.033	549,538	$0.245

The Energy Trust of Oregon, Inc
2014 Draft Budget
New Buildings

	2013 Forecast	2014 Budget	2015 Projection
Incentives	**$7,331,483**	**$8,133,802**	**$7,437,576**
Delivery Costs			
Program Management	155,000	204,980	200,000
Program Delivery	4,044,060	4,122,588	3,800,000
Marketing-PMC	372,000	251,975	220,000
Performance Comp	120,000	124,988	130,000
Total Delivery Costs	**4,691,060**	**4,704,530**	**4,350,000**
ETO expenses			
Staffing	339,048	280,168	293,751
Marketing	102,500	118,000	113,000
Other Services	517,697	610,947	381,947
General	15,000	18,000	15,000
Allocations	577,360	728,387	717,366
Sub-Total before Admin Costs	**13,574,148**	**14,593,835**	**13,308,639**
Administrative Costs	509,849	586,184	538,220
TOTAL EXPENSE	**14,083,997**	**15,180,019**	**13,846,859**

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Commercial

Market Transformation Northwest Energy Efficiency Alliance (NEEA)

Program Purpose: NEEA invests in northwest market transformation programs across commercial, industrial and residential sectors, working in coordination with Energy Trust programs. NEEA focuses on products, services and practices that, while technically promising and cost-effective, are not taking hold in the market. To realize the promise and energy savings potential of these emerging opportunities, NEEA facilitates the development of coordinated regional strategies to permanently remove market barriers and executes components of those regional strategies for which a regional approach brings greater value than would individual action by utilities. NEEA's role varies by market transformation program and is characterized by activities with market participants who are "upstream" from ETO and utility customers. NEEA's commercial sector programs are designed to create the market conditions that will accelerate and sustain market adoption of energy efficient products, services and practices in the commercial real estate, lighting and new construction markets, resulting in cost-effective energy savings for ETO and the region.

2014 Strategies & Activities

1. Commercial Real Estate. Focus on accelerating market adoption of SEM practices within the commercial real estate office market through development of innovative market infrastructure including: comprehensive SEM business owner decision-making tools; training for the market actors applying these tools.
2. Hospitals and Healthcare. Complete initiative transition to Energy Trust, including delivery of a full inventory of available resources and SEM implementation tools.
3. Commercial Lighting Upstream. Develop an upstream commercial lighting platform with region's distributors and national manufacturers enabling launch of first regional program to influence the upstream availability of energy-efficient commercial and industrial lighting products. Collaborate closely with ETO and other utility partners via the Regional Lighting Working Group to ensure mutually agreed upon technologies are selected.
4. Luminaire Level Lighting Controls (LLLC). Increase product availability and owner awareness of the business case for LLLC in retrofit applications.
5. Existing Building Renewal (EBR). Complete assessment and validation phase by evaluating the 2013 pilot results and begin a broader market test later in the year. Build market awareness of EBR value proposition and approach. Disseminate toolset (i.e., integrated design tools; business case template) that enables building owners and investors to make the business case for Existing Building Renewal investments.
6. Building Operator Certification (BOC). Accelerate market adoption of high performance operations and maintenance of commercial buildings by building market demand for certified building operators while continuing to increase market knowledge and capabilities.
7. New Construction. Innovate and advance the practices of integrated design to create opportunities for further energy reduction in the future.

2014 New Initiatives & Focus Areas

1. Transition CRE focus to supporting infrastructural activities (e.g. creation of tools and resources that support ETO/BPA/utility and other market actor efforts to increase market capability, awareness of and demand for strategic energy management practices).
2. Launch Top Tier Trade Allies initiative to build connectivity between contractors, training resources and utility programs in the advanced lighting retrofit market.
3. Identify strategic opportunities to leverage existing commercial initiatives to influence more stringent commercial codes.
4. Identify, share and leverage key lessons learned/capabilities across the multiple existing SEM market sectors.
5. Build upon the strategic market work to leverage and maximize common market intervention points across initiatives.
6. Introduce new initiatives identified in 2014 scanning review process, as appropriate per NEEA's Initiative Lifecycle stage-gate process.

2015 Planned Activities

1. Complete transition of BOC to market.
2. Build upon proven lighting distributor platform to introduce other efficient lighting technologies through the upstream distribution market.
3. Continue to refine the integrated Commercial and Industrial SEM infrastructure to support regional energy efficiency.
4. In collaboration with utility partners, identify and execute strategy to increase commercial real estate owners and investors' adoption of EBR practices.

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	($ / KWh)	therms	($ / therm)
2013 Forecast	$3.3	$0.0	$3.3	1.5	$0.025		
2014 Budget	$3.0	$0.1	$3.0	1.0	$0.032		
2015 Projection	$2.6	$0.1	$2.7	0.6	$0.051		

The Energy Trust of Oregon, Inc
2014 Draft Budget
NEEA Commercial

	2013 Forecast	2014 Budget	2015 Projection
Delivery Costs			
Program Delivery	$3,122,249	$2,829,715	$2,494,396
Total Delivery Costs	**3,122,249**	**2,829,715**	**2,494,396**
ETO expenses			
Staffing	10,092	19,054	20,007
Allocations	55,484	60,422	58,464
Sub-Total before Admin Costs	**3,187,825**	**2,909,191**	**2,572,867**
Administrative Costs	119,509	123,349	108,769
TOTAL EXPENSE	**3,307,334**	**3,032,540**	**2,681,636**

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Industry and Agriculture
Production Efficiency (PE)

Program Purpose: Acquire cost-effective electric and gas savings through technical assistance and financial incentives for high-efficiency design, equipment and operations in existing and new industrial and agricultural processes and facilities. Promote innovative technological and behavioral approaches to industrial energy efficiency; provide technical expertise, training and project funding to help companies plan, manage and improve their energy efficiency.

2014 Strategies & Activities

1. Custom track allows for a comprehensive approach to process efficiency projects, retrofits, operations & maintenance (O&M).
    a. Custom Program Delivery Contractor (PDC) delivery funds dedicated industrial efficiency engineers to work with industrial customers in assigned geographic territories. Custom PDCs facilitate program participation, encourage customer commitment and act as a key technical resource to plant staff over multiple years. They achieve goals through developing and delivering Custom projects, which represent the majority of industrial energy savings.
2. Streamlined tracks focus on simpler or more standardized projects delivered by Trade Allies. The streamlined tracks are delivered by specialized PDCs, who focus on Trade Ally outreach and training, project verification and delivery of savings from streamlined measures, and new measure and tool development. Streamlined measures rely on prescriptive and calculated savings analysis tools developed for mass deployment, rather than relying on custom technical studies to determine savings and incentives for each project. This simplified analysis and use of Trade Ally vendors for delivery of these projects provides a shorter and simpler project development cycle for participants and their vendors, and includes:
    a. The Lighting Trade Ally Network delivers all types of lighting projects at industrial sites.
    b. The Streamlined Industrial and Agricultural Initiative delivers savings from irrigation measures, small compressed air, VFDs and other prescriptive and calculated measures.
3. Increase depth and persistence of savings and respond to customer demand by providing training, tools, technical support and public recognition to establish or improve an energy management culture in the workplace.
4. Drive customer adoption of industrial strategic energy management (SEM) and support their continuous improvement.

2014 New Initiatives & Focus Areas

1. Target the delivery of custom track services and incentives to small- to medium- industries through improved outreach strategies in existing market channels. Systematically promote streamlined projects across all sizes of customers, leveraging existing services and networks to increase access and drive engagement. Together these new innovations should lead to greater diversity of savings, participants and trade allies.
2. Increase custom lighting incentives, and some prescriptive lighting incentives, particularly LEDs, to improve project economics and increase savings from industrial lighting measures.
3. Further develop Energy Trust's Strategic Energy Management offerings for all sizes of industrial customers. Synthesize best practices and lessons learned in 2009-2013 SEM initiatives and standardize SEM offerings, procedures, and tools for highest impact. Continue to test the scalability of SEM and provide more comprehensive services to motivated small industrial customers by completing the second cohort of 10 companies participating in the CORE pilot.
4. Capitalize on opportunities resulting from 2013 PDC re-compete, new PDC territories in 2014 and CRM system to more deeply engage with existing clients to build on customers' positive experience with PE program.
5. Continue to monitor and strategically plan for contingencies related to the equitable distribution of industrial funding, and rural savings acquisition.

2015 Planned Activities

1. Integrate newly developed materials for strategic energy management (SEM) into program offerings.
2. Innovations and improvements started in 2014 will be tuned in 2015, including scaling of custom services to smaller industries; new approaches to market segmentation and customer outreach; impacts of lighting incentive increases.
3. Building off Energy Trust's 5 year strategic plan process, prepare new Industry and Ag Sector five-year strategic plan.

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	($ / KWh)	therms	($ / therm)
2013 Forecast	$27.4	$3.1	$30.6	15.3	$0.024	1,079,340	$0.295
2014 Budget	$31.9	$3.4	$35.3	17.5	$0.023	1,257,840	$0.271
2015 Projection	$34.6	$3.3	$38.0	16.3	$0.027	1,257,840	$0.268

The Energy Trust of Oregon, Inc
2014 Draft Budget
Production Efficiency

	2013 Forecast	2014 Budget	2015 Projection
Incentives	**$19,562,093**	**$22,159,491**	**$23,726,033**
Delivery Costs			
Program Delivery	7,963,022	8,861,900	9,932,316
Performance Comp	156,000	285,000	285,000
Total Delivery Costs	**8,119,022**	**9,146,900**	**10,217,316**
ETO expenses			
Staffing	726,535	814,252	853,099
Marketing	181,000	182,500	182,500
Other Services	442,433	1,162,433	1,074,433
General	64,910	69,560	69,560
Allocations	525,571	615,679	603,964
Sub-Total before Admin Costs	**29,621,563**	**34,150,815**	**36,726,904**
Administrative Costs	937,881	1,158,989	1,226,353
TOTAL EXPENSE	**30,559,444**	**35,309,804**	**37,953,257**

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Industrial

Market Transformation Northwest Energy Efficiency Alliance (NEEA)

Program Purpose: NEEA invests in northwest market transformation programs across commercial, industrial and residential sectors, working in coordination with Energy Trust programs. NEEA focuses on products, services and practices that, while technically promising and cost-effective, are not taking hold in the market. To realize the promise and energy savings potential of these emerging opportunities, NEEA facilitates the development of coordinated regional strategies to permanently remove market barriers and executes components of those regional strategies for which a regional approach brings greater value than would individual action by utilities. NEEA's role varies by market transformation program and is characterized by activities with market participants who are "upstream" from ETO and utility customers. NEEA's industrial and agriculture sector programs are designed to create the market conditions that will accelerate and sustain market adoption of energy efficient products, services and practices in industrial and irrigated agriculture markets, resulting in cost-effective energy savings for ETO and the region.

2014 Strategies & Activities

1. *Strategic Energy Management.*
   a. *Complete transition out of Food Processing initiative.*
      i. *Discontinue work with individual Food Processor facilities.*
      ii. *Deliver cohesive tool set available to utilities and market via SEM knowledge center.*
      iii. *Summarize and capture lessons learned for benefit of the region's SEM programs.*
   b. *Continue leading regional collaboration on SEM to identify and deliver regional resources that help utilities and other market actors advance SEM practices.*
2. *Certified Refrigeration Energy Specialist (CRES).* Test and validate CRES *certification*, as a strategy to expand the capabilities of northwest refrigeration operators. Build awareness and demand for certified operators by expanding national refrigeration organizations' recognition of CRES.
3. Advanced Irrigation. Validate performance and market acceptance of an easy-to-use, integrated agricultural irrigation decision support solution that enables 20 percent energy and water reduction by 2020.
4. Industrial Technical Training. Continue expanding knowledge and capabilities of industrial trade allies and professionals who influence energy efficiency choices by continuing to deliver Industrial Technical Training courses.
5.

2014 New Initiatives & Focus Areas

1. *Draw on key lessons learned from Industrial and Commercial SEM programs to develop and deliver a more holistic, integrated set of SEM* resources that support utilities and the market in building market capability, and in building awareness and demand for energy efficiency. Resources will include online SEM and industrial and commercial SEM tools.
2. **Introduce new initiatives identified in 2014 scanning review process, as appropriate per NEEA's Initiative Lifecycle stage-gate process.**

2015 Planned Activities

1. Enhance market conditions for adoption of the precision irrigation systems by developing market capabilities and awareness around proven agricultural irrigation decision support solutions by validating the business case for a broader market segment.
2. Continue expanding market awareness by working with national refrigeration organizations capabilities for increased demand for CRES operators by business owners as well as further enhancing the market availability of training that leads to CRES certification.

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	($ / KWh)	therms	($ / therm)
2013 Forecast	$1.3	$0.0	$1.3	0.2	$0.091		
2014 Budget	$1.5	$0.0	$1.5	0.2	$0.114		
2015 Projection	$1.4	$0.0	$1.4	0.1	$0.304		

The Energy Trust of Oregon, Inc
2014 Draft Budget
NEEA Industrial

	2013 Forecast	2014 Budget	2015 Projection
Delivery Costs			
Program Delivery	$1,231,709	$1,393,233	$1,224,408
Total Delivery Costs	**1,231,709**	**1,393,233**	**1,224,408**
ETO expenses			
Staffing	907	12,333	12,950
Allocations	55,432	62,284	60,210
Sub-Total before Admin Costs	**1,288,048**	**1,467,850**	**1,297,568**
Administrative Costs	47,875	61,576	54,219
TOTAL EXPENSE	**1,335,923**	**1,529,426**	**1,351,787**

2014-2015 PROPOSED DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Residential

Existing Homes

Program Purpose: Acquire cost-effective electric and gas savings by providing energy-efficiency products, services and incentives to homeowners of existing single-family and manufactured homes.

2014 Strategies & Activities

1. Evolve program design and measure requirements to offerings that maximize returns for individual customers, trade allies and the ratepayer base as a whole.
2. Advance customer (including trade allies) experiences to create ease in participation.
3. Develop processes and program design strategies to promote more flexibility in responding to market conditions.
4. Create more access to financing through on-bill and off-bill channels.
5. Prioritize quality installation leading to long-term verifiable energy savings.
6. Adapt program savings and design to adjust to national trends and requirements (lighting, Home Performance, etc.).
7. Manage to established thresholds on savings through Instant Savings Measures (ISM)s.
8. Guide customers to relevant resources and support, based on customer disposition, utility consumption, and housing characteristics
9. Streamline program touch points with consumers by simplifying eligibility requirements and utilizing contractor paid incentives
10. Leverage savings opportunities through support or collaboration with NEEA, supply chain, industry stakeholders (i.e., OHBA, ORA, Home Performance Guild, etc.) and trade allies.
11. Implement state-wide quality management (Success Through Quality Management) through in-project support, continuous improvement in quality assurance.
12. Develop manufactured homes program design strategies to achieve new cost-effective savings opportunities.
13. Increase moderate income participants' access to energy-efficiency improvements through expansion of financing options (including gas furnaces)
14. Expand contractor-paid incentives to reduce barriers and increase ease in participation for homeowners.
15. Develop marketing messages and value proposition for engaging remodelers
16. Evaluate school-based approach of outreach and education services delivered through Community Action Partnership of Oregon (CAPO).
17. Collaborate with IT in development of simplified solutions for trade allies and tools and systems that support program delivery (i.e., ISI phase two, CRM enhancements for trade ally referral and rating processes, trade ally portal, webforms, etc.)

2014 New Initiatives & Focus Areas

1. Design and/or implement gas weatherization pilots aimed at innovative approaches to cost-effective gas savings (including prescriptive air sealing, early retirement of gas furnaces/windows, programmable thermostats, behavior).
2. Build program design around targeted offerings specific to measures or services to build controls for cost-effectives and/or drive specific participation by trade allies or customers
3. Expand on-bill financing products to targeted products and/or services.
4. Deliver trade ally continuous engagement
5. Develop new program marketing strategy, an overarching design with flexibility to adapt to key messaging based on measure priorities

2015 Planned Activities

1. Plan for changes to electric avoided costs
2. Further development and refinement of Trade Ally Network
3. Build strategies to claim verifiable savings through new behavior change initiatives
4. Connect customers to on bill and off bill financing opportunities
5. Identify opportunities to expand savings through web-based programmable thermostats
6. Accelerate gas water heating market growth
7. Accelerate installation of DHPs/HPWHs
8. Continued evolution of Quality Management

2014-2015 PROPOSED DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	($ / KWh)	therms	($ / therm)
2013 Forecast	$15.1	$8.6	$23.8	5.4	$0.035	1,179,505	$0.549
2014 Budget	$17.7	$9.8	$27.5	5.4	$0.037	1,257,221	$0.606
2015 Projection	$18.2	$8.7	$26.8	5.4	$0.038	1,087,185	$0.604

The Energy Trust of Oregon, Inc
2014 Draft Budget
Existing Homes

	2013 Forecast	2014 Budget	2015 Projection
Incentives	**$10,779,363**	**$13,271,740**	**$12,934,211**
Delivery Costs			
Program Management	466,297	446,500	446,500
Program Delivery	5,724,190	6,043,725	5,754,052
Marketing-PMC	1,456,680	1,642,895	1,642,895
Performance Comp	40,000	200,000	200,000
Total Delivery Costs	**7,687,167**	**8,333,120**	**8,043,447**
ETO expenses			
Staffing	651,556	664,793	695,977
Marketing	487,500	537,500	537,500
Other Services	857,122	1,210,447	1,195,447
General	478,500	92,000	92,000
Allocations	1,972,228	2,360,813	2,347,057
Sub-Total before Admin Costs	**22,913,436**	**26,470,412**	**25,845,640**
Administrative Costs	838,298	1,013,967	978,904
TOTAL EXPENSE	**23,751,734**	**27,484,379**	**26,824,544**

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective savings, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Residential

New Homes & Products

Program Purpose: Implement program efficiencies, targeted outreach, innovative program offerings and marketing, as well as expand focus on retailers and the retail channel to engage consumers and deliver cost effective energy savings. Leverage partner relationships for added processing efficiencies and reduced cost in the basic implementation of both the New Homes and Products sides of the program. Introduce new incentive models, including upstream, midstream, market lift and point of sale instant incentives to create efficiencies, ease in customer interactions and sustained energy savings.

2014 Strategies & Activities

1. Grow EPS™ market share in new construction from a projected 25 percent in 2013 to 29 percent in 2014.
2. Continue to drive builders to the next level of efficiency while also supporting code builders through stand-alone measures.
3. Streamline overall program processes and delivery to support operational efficiencies and positive contractor and customer experience.
4. Develop targeted messaging and training opportunities for contractors.
5. Educate customers on energy-efficiency and drive them to purchase the most energy-efficient products.
6. Increase retailer engagement to support customer education and sales associate support through retail training visits.
7. Further explore and implement upstream incentive models - supporting transition away from paper application models.
8. Coordinate with regional stakeholders to pursue best opportunities to capture savings in shifting retail landscape.
9. Use efficient strategies to reach customers with opportunities relevant to them.
10. Continue to push the new manufactured homes market beyond ENERGY STAR®.

2014 New Initiatives & Focus Areas

1. Modify the existing builder and verifier incentive structure to drive the market to even higher levels of efficiency.
2. Promote stand-alone and air sealing incentives as a means to educate and engage code builders/contractors.
3. Provide early design assistance and green team support to help engage entire construction crew early on.
4. Phase out modeling incentive while helping verifiers craft and sell the energy efficiency message to builders to continue to push the industry forward.
5. Launch and support ongoing coordination with NEEA on NW New Homes database increasing processing efficiency.
6. Coordinate with regional training organizations to drive contractors to appropriate industry trainings (supporting all aspects of building performance).
7. Drive a large volume of cost-effective electric savings through lighting and continue to support tiered product incentives to push the market to higher levels of efficiency.
8. Drive cost-effective savings through tiered fridge recycling incentives, while maintaining ease of participation and high customer satisfaction.
9. Leverage account managers to enhance retailer relationships, maximize promotional opportunities, and establish channels to collect feedback on the program, promotional, marketing coordination and other opportunities.
10. Leverage and coordinate with NW and California utilities to create additional opportunities to work with retailers and manufacturers.
11. Continue to work with retailers to promote energy-efficient manufactured home options, including ENERGY STAR, Earth Advantage eco-Rated and stand-alone upgrades.
12. Coordinate with regional organizations, such as NEEA and BPA, across various program opportunities.

2015 Planned Activities

1. Continue established activities and implement new opportunities with available funds, employing flexibility to meet savings, funding expectations and customer engagement goals.
2. Grow product offerings in the retail channel (lighting and consumer electronics opportunities) while focusing on retail education and consumer engagement tactics.
3. Continue toward alternative retail models for appliances - market lift, instant incentives, and midstream buy downs.
4. Work with NEEA and other regional players to support advancement and alignment in New Homes market.
5. Pursue more program efficiencies and best practices to provide better services, reduced risks and costs.

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective savings, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	($ / KWh)	therms	($ / therm)
2013 Forecast	$15.2	$4.5	$19.7	7.1	$0.033	921,639	$0.412
2014 Budget	$17.1	$4.3	$21.4	8.1	$0.036	986,924	$0.309
2015 Projection	$15.5	$4.8	$20.3	6.5	$0.038	1,131,661	$0.296

	2013 Forecast	2014 Budget	2015 Projection
Incentives	**$10,474,560**	**$10,963,496**	**$10,635,829**
Delivery Costs			
Program Management	263,693	442,460	420,337
Program Delivery	4,490,605	4,945,015	4,365,265
Marketing-PMC	1,693,379	1,732,696	1,646,062
Performance Comp	115,000	155,000	155,000
Total Delivery Costs	**6,562,677**	**7,275,171**	**6,586,664**
ETO expenses			
Staffing	337,272	418,066	437,749
Marketing	287,000	290,000	290,000
Other Services	477,747	592,447	572,447
General	46,000	49,000	49,000
Allocations	830,901	1,091,996	1,078,231
Sub-Total before Admin Costs	**19,016,156**	**20,680,175**	**19,649,919**
Administrative Costs	723,151	741,908	646,101
TOTAL EXPENSE	**19,739,307**	**21,422,083**	**20,296,021**

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

Residential

Market Transformation Northwest Energy Efficiency Alliance (NEEA)

Program Purpose: NEEA invests in northwest market transformation programs across commercial, industrial and residential sectors, working in coordination with Energy Trust programs. NEEA focuses on products, services and practices that, while technically promising and cost-effective, are not taking hold in the market. To realize the promise and energy savings potential of these emerging opportunities, NEEA facilitates the development of coordinated regional strategies to permanently remove market barriers and executes components of those regional strategies for which a regional approach brings greater value than would individual action by utilities. NEEA's role varies by market transformation program and is characterized by activities with market participants who are "upstream" from ETO and utility customers. NEEA's residential sector programs are designed to create the market conditions that will accelerate and sustain market adoption of energy efficient products, services and practices in the consumer products and new construction markets, resulting in cost-effective energy savings for ETO and the region.

2014 Strategies & Activities

1. Heat Pump Water Heaters (HPWH). Accelerate market demand and supply chain adoption of northern climate HPWHs.
    a. Complete Regional Technical Forum (RTF) savings validation via metering study.
    b. Collaborate with ETO and others to support local programs and maximize impact of coordinated efforts.
    c. Scale up efforts to drive demand for HPWH products by continuing to develop and leverage NEEA's supply chain relationships; leverage relationships with manufacturers and big box retailers to influence them to invest in product improvement, distribution and promotion of this technology.
2. Residential New Construction. Accelerate market adoption of energy-efficient residential building practices and technologies to pave the way for future code adoption.
    a. Complete transition of Northwest ENERGY STAR Homes; transition program elements to the market (i.e., open providership). Complete phase II of Performance Path development to increase market uptake.
    b. Recruit 15 multifamily builders/developers to meet Northwest ENERGY STAR Homes multifamily requirements.
    c. Recruit builders to finalize construction of 30 advanced performance pilot homes (Phase II).
3. Retail Product Portfolio (RPP). Capitalize on relationships with retailers established in 2009-2013 through the Televisions initiative to pilot a "Retail Product Portfolio" initiative that would influence retail stocking practices—and ultimately manufacturing and standards--for a portfolio of energy-efficient products.
    a. Pilot RPP approach with retailers to learn what is possible.
    b. Work with NW Regional Retail collaborative to identify appropriate products/product categories for the portfolio.
    c. Coordinate efforts with NEEA funders to ensure complementarity and maximum value.
4. Super-Efficient Television. Ensure long-term sustainability of gains in television technology energy efficiency.
    a. Support and testify to develop Washington state television energy efficiency code.
    b. Include super-efficient televisions (ENERGY STAR 6) in 2014 retail product portfolio pilot.
5. Ductless Heat Pumps (DHP). Build and increase market and consumer demand, adoption and availability of ductless heat pump technology.
    a. Capitalize on lessons learned from 2013 lead generation pilots with utilities and launch with additional funders.
    b. Support continued advancement of DHPs in retail channel via regional display program with new retail partner.
    c. Explore alternative installation practices to support trades outside of traditional HVAC channel. Explore barriers and opportunities of DIY installations.
6. Standards. Participate in Federal and regional proceedings to create and improve equipment efficiency standards; bring information on NW successes in market adoption of efficient products to that process.
7. Previously Funded Initiatives. Track and report on market transformation savings from previously funded initiatives including new homes, compact fluorescent light bulbs, and consumer appliances.

2014 New Initiatives & Focus Areas

1. Pilot "Retail Product Portfolio" initiative to determine scalability (see #3 above).
2. Collaborate with Northwest Regional Retail Collaborative to explore and develop Regional Retail Platform that supports both NEEA and utility energy efficiency programs.
3. Support launch of Super-Efficient dryer initiative.
4. Continue to identify opportunities to commercialize emerging technologies (e.g., dual purpose DHPs; advanced HPWHs), utilizing a regional advisory group to help set priorities and scope projects.

2015 Planned Activities

1. Similar to 2014.

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	($ / KWh)	therms	($ / therm)
2013 Forecast	$4.3	$0.0	$4.3	4.8	$0.016		
2014 Budget	$4.8	$0.1	$4.9	4.8	$0.018		
2015 Projection	$4.2	$0.1	$4.3	4.3	$0.018		

The Energy Trust of Oregon, Inc
2014 Draft Budget
NEEA - Residential

	2013 Forecast	2014 Budget	2015 Projection
Delivery Costs			
Program Delivery	$4,103,478	$4,596,050	$4,046,694
Total Delivery Costs	**4,103,478**	**4,596,050**	**4,046,694**
ETO expenses			
Staffing	2,412	22,294	23,409
Allocations	58,613	59,415	57,516
Sub-Total before Admin Costs	**4,164,502**	**4,677,759**	**4,127,620**
Administrative Costs	151,373	191,516	168,536
TOTAL EXPENSE	**4,315,875**	**4,869,275**	**4,296,155**

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

NW Natural Washington

Program Purpose: To broaden gas savings opportunities to customers of NW Natural (NWN) in southwest Washington by increasing program awareness, building off of Oregon success and collaborating with key stakeholders and utilities.

2014 Strategies & Activities

Residential (Existing & New Homes):

- Utilize CRM Campaign functionality to deliver follow-up communications to customers receiving HERs promoting measures relevant to customers' specific needs or potential next steps
- Streamline program touch points with consumers by simplifying eligibility requirements, utilizing contractor paid incentives, and further deploying online forms.
- Collaborate with industry stakeholders, including Clark Public Utilities, Planet Clark, Clark County, NWN, BPA, NEEA, BIA, the verifier network and other market partners, to promote incentive offerings, leveraging their existing communication channels and events.
- Provide education and product-specific collateral to retail product distributors and installers.
- Increase integration of Lending Allies
- Retain and recruit top builders in SW Washington into the program

Existing Buildings:

- Drive increased program participation among SW Washington commercial customers.
- Drive deeper savings per customer.
- Enhance brand recognition of Energy Trust/NW Natural through strategic continued marketing efforts (including direct mail and chamber ads) and continued expansion of trade ally contractor network through trade ally breakfast meetings, Energy Trust Insider Newsletter, training, and Webinars.
- Ensure strong management of Washington program with dedicated Account Manager and Trade Ally Coordinator.

2014 New Initiatives & Focus Areas

Residential (Existing & New Homes):

- Cross reference residential meter level consumption data with other available data sets (e.g census) to build a targeted campaign, delivering relevant messaging to customers prioritizing solutions that are most appropriate to their homes
- Launch changes to the trade ally rating system and Business Development Fund to create greater market currency and value in multi-star ratings
- Assess Earth Advantage whole home certification as an alternate to the BOP in SW Washington
- Increase program performance of "core measures" including water heaters, furnaces and weatherization. Plan for future savings changes and opportunities
- Identify opportunities to incorporate advanced controls as a gas savings measures

Existing Buildings:

- Maintain relationships with current 2013 RTU trade allies and help them refocus their efforts on other energy saving measures.
- Continue to work closely with the Greater Vancouver Chamber of Commerce and the Camas Washougal Chamber of Commerce to identify opportunities for collaboration around energy efficiency.
- Identify large commercial facilities that may need assistance with custom studies. Additionally, expand outreach efforts to the consulting/design engineering community to make them more aware of study assistance.
- Continue to identify new opportunities for incentive offerings, either from new technologies or successful offerings in the Oregon Existing Buildings program. Leverage the developing relationship with Clark Public Utilities to help make this happen.

2015 Planned Activities

- Develop a high-efficiency windows promotion in an effort to guide windows market actors to prepare for 2015 requirement changes

NOV 2013

2014-2015 DRAFT BUDGET & ACTION PLAN

Acquire cost-effective energy, accelerate investment, innovate, be accessible and transparent, communicate value, focus on customers.

EnergyTrust of Oregon

(See targets and budget detail on reverse side)

Targets

	Annual Expense			Electric		Gas	
				Savings	levelized cost	Savings	levelized cost
Year	Electric	Gas	Total	aMW	($ / KWh)	therms	($ / therm)
0		$1.3	$1.3			237,000	$0.410
0		$1.6	$1.6			256,684	$0.418
0		$1.6	$1.6			263,684	$0.414

	2013 Forecast	2014 Budget	2015 Projection
Incentives	**$559,135**	**$705,418**	**$719,418**
Delivery Costs			
Program Management	84,507	54,800	54,800
Program Delivery	256,819	319,338	319,338
Marketing-PMC	73,212	75,000	75,000
Performance Comp	20,000	20,000	20,000
Total Delivery Costs	**434,538**	**469,138**	**469,138**
ETO expenses			
Staffing	72,212	94,970	99,633
Marketing	19,000	19,000	19,000
Other Services	21,500	26,050	36,050
General	29,106	30,990	30,990
Allocations	125,496	152,948	151,432
Sub-Total before Admin Costs	**267,314**	**323,958**	**337,105**
Administrative Costs	45,852	60,972	61,493
TOTAL EXPENSE	**1,306,839**	**1,559,486**	**1,587,154**
Washington Programs:			
Existing Buildings	569,656	698,892	714,904
Existing Homes	425,737	474,766	475,501
New Homes	311,448	385,828	396,749
TOTAL Washington	**1,306,841**	**1,559,486**	**1,587,154**