EnergyTrust of Oregon

Board Meeting Minutes—164th Meeting

February 20, 2019

Board members present: Susan Brodahl, Ernesto Fonseca, Eric Hayes, Elee Jen, Mark Kendall, Debbie Kitchin, Henry Lorenzen, Alan Meyer, Roland Risser, Anne Root, Janine Benner (Oregon Department of Energy special advisor)

Board members absent: Roger Hamilton, Lindsey Hardy, Melissa Cribbins, Steve Bloom (OPUC ex officio)

Staff attending: Kathleen Belkhayat, Wendy Bredemeyer, Amber Cole, Tara Crookshank, Hannah Cruz, Phil Degens, Cheryle Easton, Fred Gordon, Jessica Kramer, Betsy Kauffman, Oliver Kesting, Steve Lacey, Debbie Menashe, Spencer Moersfelder, Jay Olsen, Pati Presnail, Amanda Potter, Thad Roth, Lizzie Rubado, Zach Sippel, Greg Stokes, Zabyn Towner, Jay Ward, Kate Wellington, John Volkman

Others attending: Aaron Frechette (Cascade Energy), Chad Gilless (Stillwater Energy), Rick Hodges (NW Natural), Joe Marcotte (Lockheed Martin), Elaine Prause (OPUC), Whitney Rideout (Evergreen Consulting)

Business Meeting

Alan Meyer called the meeting to order at 9:30 a.m. Reminder that consent agenda items can be changed to regular agenda items at any time.

General Public Comments

There were no public comments.

Officer Selection

Debbie Kitchin suggested minor changes to the onboarding process for new board members.

RESOLUTION 870
ELECTING OFFICERS OF
ENERGY TRUST OF OREGON, INC.

WHEREAS:

1. **Officers of the Energy Trust of Oregon, Inc. (other than the Executive Director and Chief Financial Officer) are elected each year by the Board of Directors at the board's annual meeting.**
2. **The Board of Directors Nominating Committee has nominated the following directors to renew or be appointed to terms as officers:**
   - **Roger Hamilton, President**
   - **Alan Meyer, Vice President**
   - **Mark Kendall, Secretary**
   - **Susan Brodahl, Treasurer**

It is therefore RESOLVED that the Board of Directors hereby elects the following as officers of Energy Trust of Oregon, Inc., for 2019:

- **Roger Hamilton, President**
- **Alan Meyer, Vice President**
- **Mark Kendall, Secretary**
- **Susan Brodahl, Treasurer**

Moved by: Roland Risser Seconded by: Anne Root

Vote: In favor: 10 Abstained: 0

Opposed: 0

RESOLUTION 871
ELECTING ERIC HAYES, ERNESTO FONSECA, DEBBIE KITCHIN,
HENRY LORENZEN, ALAN MEYER
TO NEW TERMS ON THE ENERGY TRUST BOARD OF DIRECTORS

WHEREAS:

1. **The terms of incumbent board members Eric Hayes, Ernesto Fonseca, Debbie Kitchin, Henry Lorenzen, Alan Meyer expire in 2018.**
2. **The board nominating committee has recommended that these members' terms be renewed.**

It is therefore RESOLVED that the Energy Trust of Oregon, Inc., Board of Directors elects Eric Hayes, Ernesto Fonseca, Debbie Kitchin, Henry Lorenzen, and Alan Meyer, incumbent board members, to new terms of office that end in 2021.

Motion by: Anne Root Seconded by: Debbie Kitchin

Vote: In favor: 10 Abstained: 0

Opposed: 0

Consent Agenda

The consent agenda may be approved by a single motion, second and vote of the board. Any item on the consent agenda will be moved to the regular agenda upon the request from any member of the board.

MOTION: Approve consent agenda

Consent agenda includes:

- December 14, 2018 Meeting Minutes
- January 28, 2019 Strategic Planning Workshop Minutes
- Approve Authority to Commit Incentive Funds Policy R#867
- Approve Waiving Program Incentive Caps R#868
- Approve Waste to Energy Policy R#869

Motion by: Debbie Kitchin Seconded by: Roland Risser
Vote: In favor: 10 Abstained: 0
Opposed: 0

President's Report

Alan Meyer described two recent State of Oregon reports regarding low-income Oregonians and energy burden: the *Low-Income Utility Program Working Group Report* and the *Ten-Year Plan: Reducing the Energy Burden in Oregon Affordable Housing*. State entities tapped into Energy Trust's data and expertise in producing these reports.

Authored by the Low-Income Utility Program Working Group convened under direction from Governor Brown and facilitated by the Oregon Public Utility Commission, the *Low-Income Utility Program Working Group Report* covered existing programs that reduce energy burden and included a list of all programs available for low-income customers. Energy Trust supported the report with contributions of information and analysis and participation in seven meetings. Recommendations include giving utilities authority to create low-income programs, giving the OPUC authority to set rates by energy burden, ensuring low- and moderate-income customers are resourced to participate in clean energy, convening a permanent energy burden and poverty task force, and enhancing and implementing programs that reach low- and moderate-income Oregonians.

The *Ten-Year Plan: Reducing the Energy Burden in Oregon Affordable Housing* report was developed by Oregon Department of Energy, Oregon Housing and Community Services, and the OPUC under direction from Governor Brown through an executive order in 2017. The report defined an affordable energy burden as paying 6 percent or less of household income for energy costs. An energy affordability gap occurs when a household pays more than 6 percent. Energy Trust staff participated in development of the report by attending meetings, providing data for the energy use assessment of affordable housing stock and reviewing the draft report. The report recommends understanding the market, supporting the market, and funding programs. Energy Trust's Savings Within Reach and Manufactured Home Replacement programs were referenced in the report.

The board expressed interest in receiving more information through presentations from the report authors.

Investment Earnings

Susan Brodahl presented on Energy Trust's investment returns, which were $1 million in 2018, up from $400,000 in 2017. Investment returns can be spent for the benefit of ratepayers.

Staff Report

Cheryle Easton on behalf of Michael Colgrove, Status of Board Review

Cheryle provided an update on the upcoming board review. Henry Lorenzen is representing the board during a board review consultant selection process. The goal of the review is to perform an analysis of the organizational structure and function of the Board of Directors, including its decision-making processes, relationship with management, and interaction among the board members, to determine if it is optimally advancing the mission of the Energy Trust and fulfilling the fiduciary duties of the board members.

Sue Fletcher, Diversity Advisory Council Update

Sue Fletcher, senior manager of communications and customer service, described work underway to develop a Diversity Advisory Council. Energy Trust is working with a foundational Diversity Advisory Council, which consists of seven volunteer advisors who are helping form and create a charter for a future Diversity Advisory Council. The purpose of the Diversity Advisory Council will be to guide the board and staff in diversity, equity and inclusion efforts and progress. The foundational council has met several times and anticipates two more meetings to complete a draft charter, which will be presented to the board at a future board meeting. Ernesto Fonseca and Susan Brodahl have been involved with the foundational Diversity Advisory Council.

The board discussed the geographic diversity of the future Diversity Advisory Council and how foundational members are engaging with Energy Trust. The foundational council will note in the charter that council members should represent Eastern Oregon, Central Oregon and Southern Oregon.

Hannah Cruz and Jay Ward, Legislative Update

Hannah Cruz, senior communications manager, described the state legislative session, which convened on January 22 and is expected to end around June 30, 2019. Energy Trust is a non-lobbying organization per its grant agreement with the OPUC. This extends to staff, contractors and board members representing Energy Trust. While Energy Trust does not advocate for policy, staff provide information, respond to information requests and track on legislation that could be relevant to Energy Trust. Of the 2,000 bills introduced so far in this session, Energy Trust is tracking 50 and is monitoring a few of those bills closely.

Jay Ward, senior community relations manager, provided an update on relevant legislation. There are multiple bills and legislative concepts that could directly impact Energy Trust. HB 2020 is a “cap and invest” bill, also called the Oregon Climate Action Program. It would cap greenhouse gas emissions and reduce caps over time, with allowances available for auction. If this bill passes, it could have impacts on the cost-effectiveness of Energy Trust measures. Jay described several other bills that could potentially impact Energy Trust, including HB 2494 that would extend the sunset of SB 1149 from 2026 to 2036.

The board asked questions about several of the bills, including the cap and invest bill, HB 2602 related to vehicle electrification, and HB 2329 related to siting of energy facilities.

Preliminary annual results

Steve Lacey presented Energy Trust’s preliminary annual results. In 2018, Energy Trust saved 54.0 average megawatts of electricity, which was 95 percent of its electric savings goal, and 7.5 million therms of natural gas, which was 114 percent of its natural gas savings goal. The organization generated 2.39 aMW of renewable electricity and achieved 126 percent of its renewable generation goal. Gas savings were driven by a large regenerative thermal oxidizer project, and strong savings from Production Efficiency and new residential and commercial construction. Electric savings were impacted by the delay of a very large project into 2019. Renewable generation was driven by demand for residential solar systems that completed early in 2018 to meet installation deadlines to receive the state’s Residential Energy Tax Credit before it expired. Final results and comprehensive information, including audited financials, will be available in the Annual Report to the OPUC and board on April 15, 2019.

The board asked if Energy Trust is actively pursuing opportunities with other regenerative thermal oxidizers around the state, and Amanda Potter, industrial and agriculture sector lead, responded yes.

Energy Programs

Staff presented on four Program Management Contractor (PMC) and Program Delivery Contractor (PDC) contract extensions, including a final extension for Lockheed Martin for Existing Multifamily, a first extension for ICF for Existing Buildings, and extensions for two standard Production Efficiency PDCs, Cascade Energy and Evergreen.

Kate Wellington, Existing Multifamily program manager, presented about a one-year extension of Lockheed Martin’s PMC contract to manage the Existing Multifamily program through 2020. The contract was awarded in 2015 and extended in 2018. This is the second and final extension, which means that the contract will be rebid in 2020 for 2021. Lockheed has been the Existing Multifamily PMC since 2011. The Existing Multifamily program serves properties with two or more dwelling units across a range of market segments and offers free direct installation of lighting and water-saving devices, standard and custom incentives, buy-downs with distributors and common-area lighting upgrades.

Kate summarized performance criteria for the Lockheed Martin contract, including satisfactory execution of statement of work deliverables, cross-program coordination, project pipeline, innovation and teamwork.

Kate explained the Existing Multifamily savings shortfall in NW Natural territory in 2018, which was largely due to several large projects delaying from 2018 to 2019, as well as lower than expected uptake in direct-install offerings.

The board asked about Existing Multifamily savings and participation trends, including more projects with smaller properties and reductions in electric savings goals over time. Kate explained that the program now serves more units but can claim less savings for these smaller projects that require more expensive outreach. Staff are working on developing new measures and evaluating the program to optimize it for future years.

The board asked why measure-level savings have gone down, and Kate explained that lighting baselines are shifting significantly as market transformation occurs. For showerheads, an evaluation indicated that fewer savings are realized than expected.

Kate shared examples of Lockheed Martin's success coordinating with the Residential program, developing new offerings and incentives, expanding program offerings, enhancing marketing and outreach strategies and streamlining program participation.

The board asked about diversity, equity and inclusion goals in PMC contracts, and Kate explained that diversity, equity and inclusion goals are already included in Lockheed Martin's scope of work and goals for 2019.

The board had no objections to extending the contract with Lockheed Martin as Energy Trust's Existing Multifamily PMC.

Jay Olson, Existing Buildings program manager, presented about a one-year extension of ICF's PMC contract to manage the Existing Buildings program through 2020. The Existing Buildings program serves existing commercial customers with custom projects, standard upgrades, lighting upgrades and energy performance management offerings.

Jay described the performance criteria for the ICF contract, which included achieving annual electric and gas savings goals, developing a savings pipeline for future gas and electric savings, achieving deliverables, cross-program teamwork and innovation.

The program achieved savings goals in Cascade Natural Gas and Avista in 2018 but fell short in other utilities. Jay described challenges, including large, complex projects that can delay and make a significant impact on savings goals. The program is also seeing more small projects with fewer savings.

Jay described ICF's achievement of performance criteria, including building a pipeline of future projects, expanding outreach, increasing the number of custom studies, maintaining compliance with internal audits, supporting the measure development process, collaborating with other programs, enhancing efforts to reach underserved, small and rural commercial customers, moving offerings midstream, and assembling a team to lead outreach to small customers.

The board asked about falling short of the Pacific Power goal in 2018, and Jay explained how limited contractor availability is slowing down project completions.

The board had no objections to extending ICF's contract as Existing Buildings PMC.

Jessica Kramer, Production Efficiency program manager, presented a one-year extension of Cascade Energy's PDC contract to deliver the Production Efficiency program's standard offerings through 2020.

Jessica described performance criteria for the Cascade Energy contract, including meeting savings goals, delivery budget management, project pipeline and Trade Ally Network development, data management and project reporting, excellent service to customers and trade allies, marketing coordination, quality control and exhibiting teamwork.

In 2018, Cascade Energy exceeded savings goals in all utility territories except for Avista. The program overestimated savings opportunities in Avista territory because some large customers were transport or commercial. The program expects to meet Avista goal in 2019.

The board asked how performance criteria are different for industrial PDCs and commercial PMCs, and Jessica explained that the Production Efficiency program has a more granular breakout of criteria. The board also asked about surveys to understand customers and customer satisfaction.

The board had no objections to extending Cascade Energy's contract as Production Efficiency standard track PDC.

Jessica presented a one-year extension of Evergreen's PDC contract to deliver the Production Efficiency program's lighting offerings through 2020.

Jessica described performance criteria for Evergreen, including achieving annual savings goals, delivery budget management, project pipeline development, trade ally network development, data management and project reporting, service to customers and trade allies, marketing coordination, quality control and teamwork. Evergreen met all performance metrics.

Evergreen gave Energy Trust early notice that they expected to overachieve goals in 2017 and 2018, and Energy Trust instructed them to achieve increased savings.

The board asked if Energy Trust has a clause to claw back incentives for cannabis customers that invest in energy efficiency upgrades and then go out of business. Jessica explained efforts ensure longevity of investments. Energy Trust is conducting analysis of past cannabis participants to see which businesses are still operating. This analysis will inform how much savings the program will claim from cannabis projects.

The board had no objections to extending Evergreen's contract as Production Efficiency lighting PDC.

Ernesto Fonseca left the meeting at 11:37 a.m.

Update on Organizational Development Implementation Plan

Greg Stokes, organizational development manager, summarized recommendations made last year from Energy Trust's organization review and budget review teams. Both teams focused on recommendations that would help an already high performing organization work efficiently and continue to become more flexible, adaptable and nimble.

In late 2018, Energy Trust contracted with two consulting firms to develop implementation plans for the organization review and budget review recommendations. Implementation plans for both sets of recommendations provide guidance on prioritization, change management planning, success metrics, work packets, implementation timelines and resource estimates.

The implementation plans for organizational development focus on the next 18 months, and include plans for organizational culture, conflict management, decision-making, prioritization and innovation. Each plan includes a project brief called a work packet.

Greg described the budget review recommendation, which includes transitioning from a one-year planning and budget cycle to a three-year planning cycle with one-year budgets. In the planning year, there would be intensive engagement with stakeholder workgroups. The three-year plan will guide annual budgets for the next few years. The recommendation has been shared with the OPUC, and staff will continue to engage with the OPUC going forward.

Greg described the timeline for implementing a new budget process. The organization will switch to the new budget process in 2021. Work to develop new process and workgroups will occur in 2020.

Greg summarized improvements identified in the organization review that are in process or completed, and which have been prioritized to move forward in 2019.The primary focus will be on a budget tools project and improving staff decision-making. Initial work will also commence on recommendations for innovation, organizational culture, change management, and the new budget process and workgroups.

The board noted that the new budget process is a three-year process and strategic planning is a five-year process, and the two processes are not aligned.

The board took a break for lunch at 12:00 p.m.

Renewable Northwest

The board reconvened at 12:59 p.m.

Nicole Hughes, the new executive director of Renewable Northwest, provided an overview of Renewable Northwest. Renewable Northwest was established 25 years ago and covers Oregon, Washington, Montana and Idaho. Funding is from foundation grants and dues from for-profit and nonprofit members.

Renewable Northwest advocates for the expansion of environmentally responsible renewable energy resources in the Northwest through collaboration with government, industry, utilities, customers and advocacy groups. Renewable Northwest focuses on policy, regulatory process, transmission and clean energy markets.

The board asked about Renewable Northwest's relationship with utilities.

In 2019, Renewable Northwest's policy priorities for the legislative session are siting bills, the clean energy jobs bill, bills that might erode the Renewable Portfolio Standard and the bill to extend the sunset of SB 1149. Renewable Northwest is involved in rulemaking for bills prohibiting siting solar on high-value farm land. It is also involved in Energy Facility Siting Council rulemaking that looks at whether a cluster of solar sites should be integrated and whether the cumulative impacts of multiple projects are considered.

The board asked about the definition of high-value farm land and Renewable Northwest's relationship with counties regarding siting bills.

Renewable Northwest's 2019 regulatory priorities are Pacific Power's Integrated Resource Plan, OPUC investigation of PURPA contracts, rulemaking for community solar, PGE modelling of transmission system to increase flexibility, and distribution system planning.

The board asked if Renewable Northwest was involved in community solar program design.

Renewable Northwest's 2019 transmission priorities include tracking Bonneville Power Administration's tariff and settlement agreements, OPUC transmission workshops, Montana Renewable Development Action Plan and interconnection queue reform. Montana Renewable Development Action Plan is relevant because Montana's significant wind resource could help the region meet its climate goals.

Clean energy market priorities include cap and trade, regionalization and work to address energy trade barriers, and tracking siting issues that may impact development opportunities.

The board asked about Renewable Northwest's advisory board, which consists primarily of nonprofit members plus three for-profit members.

The board appreciated learning about Renewable Northwest.

Committee Reports

Strategic Planning Committee (Mark Kendall)

The Strategic Plan Committee met to develop the organization's future unique role of value statement, which is intended to describe the characteristics Energy Trust should have to thrive in future markets.

Debbie Menashe, director of legal and human resources, provided an update on work since the board strategic planning workshop on January 28. Staff synthesized what was heard in the board discussion to develop a draft future unique role of value statement, which will serve as a guide for developing the strategic plan. Staff also met with the five utilities to talk about the unique role of value statement and specific areas of opportunity. This meeting is time to hear feedback from board members and OPUC staff about the unique role of value statement.

Elaine Prause, OPUC utility program deputy director, participates in Energy Trust's policy and strategic planning committees. Elaine shared the OPUC's perspective on the future unique role of value statement, including suggestions for phrasing and feedback on the process for development. She stressed the importance of Energy Trust maintaining a focus on its core mission and proposed a meeting with OPUC and Energy Trust staff for more discussion on her feedback.

Janine Benner left the meeting at 1:58 p.m. Janine phoned into the meeting at 2:02 p.m.

The board discussed appropriate levels and timing of stakeholder engagement during strategic planning. The board talked about balancing responsiveness to new opportunities with maintaining focus on its core mission and noted that the board needs to align on its approach to balancing the two. The board supported a collaboration meeting with OPUC staff and noted an additional board strategic planning conversation might be helpful prior to the May board strategic planning retreat. The board suggested future discussions focus on the draft strategic plan more broadly, not just the unique role of value statement. The board also requested more time for unstructured and unfacilitated discussion.

Policy Committee (Alan Meyer)

Policy committee recommends amending the bylaws to make them more consistent with current practice and article of incorporation.

RESOLUTION 872
AMEND THE BYLAWS OF ENERGY TRUST OF OREGON, INC.

WHEREAS:

1. **In 2018, Energy Trust's Management Team was restructured, and the position of Chief Financial Officer was replaced by a Director of Finance. In addition, the position of General Counsel" was restructured to a "Director of Legal and Human Resources." Because the Chief Financial Officer and General Counsel positions were referenced specifically in the Energy Trust Bylaws, staff undertook a review of the bylaws for possible revisions.**
2. **In addition, Energy Trust staff undertook an overall review of the bylaws for possible revisions. Energy Trust staff, in consultation with its auditors, the Policy Committee, and Oregon Public Utility Commission staff, suggest revisions to the bylaws which are consistent with Energy Trust operations and continue to demonstrate Energy Trust's commitment to a high level of financial stewardship.**
3. **Energy Trust's Policy Committee reviewed staff's proposed bylaw revisions over a series of committee meetings and, at its meeting on January 31, 2019, recommended revisions to the bylaws as follows: i) revise the purpose statement to be consistent with the Energy Trust Articles of Incorporation, ii) eliminate references to a chief financial officer, iii) add a bylaw requirement for an audit committee, iv) add detail on the role of the Treasurer, v) delete bylaw provisions regarding certification of financial statements and internal controls reports, and vi) replace a bylaw reference to "General Counsel" with**

reference to "chief legal counsel."

It is therefore RESOLVED that the Energy Trust Bylaws be revised as shown below.

Motion by: Roland Risser		Seconded by: Debbie Kitchin
Vote:	In favor: 10	Abstained: 0
	Opposed: 0	

BYLAWS
OF
ENERGY TRUST OF OREGON, INC.

SECTION 1
NAME

The name of the Corporation is Energy Trust of Oregon, Inc., an Oregon nonprofit corporation.

SECTION 2
PURPOSE AND POWERS

2.1 Purpose. The Corporation is organized and shall be operated to support the development of cost-effective local energy conservation, market transformation energy conservation, renewable energy resources for certain utility customers and such other purposes as are not contrary to the law.

2.2 Powers. Subject to the foregoing purposes and the requirements of Internal Revenue Code section 501(c)(3), the Corporation shall have and may exercise all the rights and powers of a nonprofit corporation under the Oregon Nonprofit Corporation Act (the "Act").

SECTION 3
DIRECTORS

3.1 Powers. The board of directors shall manage the business and affairs of the Corporation and exercise or direct the exercise of all corporate powers.

3.2 Number. The number of voting directors may vary between a minimum of five (5) and a maximum of thirteen (13), the exact number to be fixed from time to time by resolution of the board of directors. Additionally, the Oregon Public Utility Commission shall be entitled to appoint one "ex officio" member of the board of directors, which member shall have no vote but shall otherwise be afforded all the courtesies and rights of a member of the board of directors.

3.3 Election and Term of Office. Directors may be elected at any meeting of the board of directors by a majority vote of the directors then in office. Directors shall serve rotating three (3) year terms, so that no more than one-third (1/3) of the directors then in office have terms expiring in any year. Upon the expiration of their three (3) year term (except in the case of initial directors, whose terms may be shorter than three (3) years), directors' terms shall effectively end at the later of: (a) the next annual meeting of the board of directors following expiration of their term, or (b) when their successors have been elected and take office. Directors may serve for successive terms.

3.4 Resignation. Any director may resign at any time by delivering written notice of resignation to the President or Secretary. Such resignation shall be effective on receipt unless it is specified therein to be effective at a later time, and acceptance of the resignation shall not be necessary. Upon the resignation of any designated director, the body who appoints or elects that director shall be immediately notified in writing by the Secretary of such resignation and a request shall be made for said director's immediate replacement.

3.5 Removal. Directors may be removed at any time, with or without cause, by the affirmative vote of seventy percent (70%) of the directors then in office, at any annual or regular meeting of the board of directors specifically called for that purpose. The notice of such meeting shall state that the purpose or one of the purposes of the meeting is the removal of the director or directors involved. At any meeting of the directors called for the purpose of removing any director(s), said meeting notice shall specify the reasons for removal and any director who is the subject of any such removal proceeding shall be afforded adequate opportunity to respond, in writing and/or by oral presentation, to any charges or allegations made in connection therewith.

3.6 Vacancies. Any vacancy occurring in the board of directors for any reason, including a vacancy resulting from the removal of a director or an increase in the number of directors, shall be filled by the approval of a majority of the directors then in office.

3.7 Compensation. Directors shall not receive compensation for their services. A director may receive reimbursement for actual and reasonable expenses incurred in performing his or her duties upon the approval of the board of directors.

3.8 Public Meetings. All duly called meetings of the board of directors shall be open to the public, except executive sessions and committees.

3.9 Annual Meetings. The annual meeting of the board of directors shall be held at a date, time, and place determined by the board of directors.

3.10 Regular Meetings. The board of directors may from time to time establish or call monthly or other regular meetings of the board, the specific date, time, and place to be determined by the board of directors.

3.11 Special Meetings. Special meetings of the board of directors may be called by the President or by any two directors.

3.12 Notice of Meetings. Written notice of the annual meeting of the board of directors shall be given at least 30 days before the meeting; written notice of any regular meeting shall be given at least ten days before the meeting; and, written notice of a special meeting shall be given at least 48 hours before the meeting. The notice shall in each case specify the date, time, and place of the meeting, and notice shall be sufficient if actually received at the required time or if mailed not less than five days before the required time. Mailed notices shall be directed to the director's address shown on the corporate records or to the director's actual address ascertained by the person giving notice, by United States mail, postage prepaid. Except as otherwise required by law, the Articles of Incorporation, or these bylaws, neither the business to be transacted at nor the purpose of any meeting of the board of directors need be specified in the notice. Interested parties who are registered with the Corporation shall also be provided with notice of board of director meetings, on the same schedule as above.

3.13 Waiver of Notice. Whenever any notice is required to be given to any director, a waiver thereof in writing, signed by the director entitled to such notice, whether before or after the event specified in the waiver, shall be deemed equivalent to the giving of such notice. Furthermore, the attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

3.14 Action Without a Meeting. Any action that is required or permitted to be taken by the directors at a meeting may be taken without a meeting if a consent in writing setting forth the action is approved by all of the directors entitled to vote on the matter. The action shall be effective on the date when the last signature is placed on the consent.

3.15 Meeting by Telephone Conference. The board of directors may hold a meeting by conference telephone or similar equipment by means of which all persons participating in the meeting can speak and hear each other. Participation in such meeting shall constitute presence in person at the meeting.

3.16 Quorum; Majority Vote. Unless otherwise provided in these bylaws or in the Articles of Incorporation, a majority of the number of directors in office at the time of a meeting of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board of directors. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless a different number is required by law, the Articles of Incorporation, or these bylaws. A minority of the directors, in the absence of a quorum, may adjourn and reconvene from time to time but may not transact any business.

3.17 Presumption of Assent. A director who is present at any meeting of the board of directors shall be presumed to have assented to all actions taken at that meeting unless the director's dissent shall be entered in the minutes of the meeting, or unless the director shall file, with the person acting as the secretary of the meeting, his or her written dissent to the action before adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of the action.

3.18 Special Board Advisor. There shall be a position named Oregon Department of Energy (ODOE), Special Board Advisor. The ODOE Special Board Advisor shall be entitled to provide a separate report at any regularly scheduled Energy Trust board meeting, to receive all directors' packet material (less confidential material), and to sit with the board during its regular public meeting sessions and strategic planning sessions, and comment on agenda items as the special advisor deems appropriate. The ODOE Special Board Advisor shall have no vote. The ODOE Special Board Advisor shall be appointed by the Director of the Oregon Department of Energy.

3.19 Executive Sessions: Executive sessions of the board of directors may be held at the request of the President or at the request of four board members, for the consideration but not decision of the following matters:

3.19.1 internal personnel matters

3.19.2 participation in litigation, mediation or negotiations to settle a dispute; or discussions with counsel regarding potential litigation affecting a corporate choice of action

3.19.3 trade secrets, proprietary or other confidential commercial or financial information; or

3.19.4 information regarding negotiations whose disclosure would likely frustrate corporate purposes.

3.20 Notification: Whenever a matter is proposed for consideration in an executive session of the board, the meeting notice shall state the grounds for the executive session.

3.21 Movement of executive session matters to open meeting: During an executive session, any director may request that the matter under discussion be moved into an open meeting. Upon receiving such request, the chair will poll the directors present in the executive session. If a majority agree to move the matter into an open meeting, the chair will conclude the discussion and schedule the matter for consideration at the next open meeting of the board.

SECTION 4
OFFICERS

4.1 Designation. The officers of the Corporation shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and an Executive Director. Such other officers as may be deemed necessary may be elected by the board of directors and shall have such powers and duties as may be prescribed by the board. The same individual may hold two or more offices.

4.2 Election and Term of Office. Officers of the Corporation other than the Executive Director shall be elected annually by the board of directors at the annual meeting of the board of directors. Each officer so elected shall hold office until a successor is duly elected or until the officer's resignation, death or removal.

4.3 Resignation. An officer may resign at any time by delivering written notice of resignation to the President or Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at a later time. The board of directors may reject any postdated rejection by notice in writing to the resigning officer.

4.4 Removal. The board of directors may remove any officer (other than the Executive Director, whose tenure, salary and other terms of employment shall be governed by their employment agreement), with or without cause, by vote of the directors then in office, at any meeting of the board of directors. Removal shall be without prejudice to the contract rights, if any, of the person removed. Election of an officer shall not of itself create contract rights.

4.5 Vacancies. A vacancy in any office because of death, resignation, removal, or otherwise may be filled by the board of directors for the unexpired portion of the term.

4.6 President. The President shall preside at all meetings of the board of directors. The President shall have such other powers and duties as may be prescribed by the board of directors. The President shall also be a nonvoting ex officio member of any committee established pursuant to Section 5.

4.7 Vice President. The Vice President(s) shall perform such duties as the board of directors shall prescribe. In the absence or disability of the President, the President’s duties and powers shall be performed and exercised by the Vice Presidents.

4.8 Secretary. The Secretary shall prepare and keep (or cause to be prepared and kept) the minutes of all meetings of the board of directors and any committees of the board of directors and shall have custody of the minute books and other records pertaining to corporate business. The Secretary shall give or cause to be given such notice of the meetings of the board of directors as is required by the bylaws. The Secretary shall be responsible for authenticating resolutions and other records of the corporation. The Secretary shall perform such other duties as may be prescribed by the board of directors.

4.9 Treasurer. The Treasurer shall supervise and monitor the finances of the Corporation, keep and cause to be prepared correct and complete books and records of account of the Corporation, and perform such other tasks as requested by the board of directors.

4.10 Executive Director. The Executive Director shall: (a) serve at the pleasure of the board; (b) execute contracts, agreements and other instruments consistent with the policies and directions of the board of directors; and (c) subject to board policies and resolutions, act as the Corporation’s principal executive officer with general supervision, direction and control of the business and affairs of the Corporation.

SECTION 5
COMMITTEES

5.1 Creation. The board of directors shall, by resolution adopted by a majority of the directors then in office, designate and appoint an Audit Committee. The board of directors may, by resolution adopted by a majority of the directors then in office, designate and appoint an Executive Committee and such other committees as may be deemed appropriate

5.2 Authority. Each committee appointed by the board of directors shall have and may exercise such powers and authority as may be conferred by the board of directors, but no committee shall in any event have the power or authority to (a) amend, alter, or repeal these bylaws or the Articles of Incorporation, (b) elect, appoint, or remove any director or officer, or (c) approve the Corporation's dissolution or merger, or any sale, lease, pledge, or transfer of all or substantially all of the Corporation's assets other than in the usual and regular course of the Corporation's business. The designation and appointment of any committees and the delegation thereto of authority shall not operate to relieve the board of directors or any individual director of any responsibility imposed by law. The board of directors shall have the power at any time to fill vacancies in, to change the size or membership of, and to discharge the Executive Committee and any other committee.

5.3 Audit Committee. Each calendar year, annual financial statements shall be prepared in accordance with generally accepted accounting principles, uniformly applied, audited by an outside independent certified public accountant, and presented to the Audit Committee for review. The Audit Committee may also exercise such other powers and authority as may be conferred by the board of directors consistent with these bylaws.

5.4 Executive Committee. An Executive Committee, if formed, shall consist of the President and at least two other directors, and the President shall act as chairman of the committee. Between meetings of the board of directors, the Executive Committee may, subject to such limitations as may be imposed by resolution of the board of directors or applicable law, have and exercise all the power and authority of the board of directors in the management of the Corporation.

5.5 Other Committees. All other committees shall consist of at least two directors. The President shall be a nonvoting ex officio member of all other committees.

5.6 Advisory Councils on Conservation and Renewable Resources. The board of directors shall create separate advisory councils for (a) conservation, and (b) for renewable resources, to provide advice and resources to support the Corporation. The role of such advisory councils shall be to assist the board of directors and the President in the development of a strategic plan and to assist the Corporation's staff with implementing key elements of the strategic plan, according to guidelines to be established by the board of directors.

5.7 Meetings. Members of committees shall meet at the call of the chair of the committee at such place as the chair shall designate after reasonable notice has been given to each committee member. Each committee shall keep minutes of its proceedings and within a reasonable time thereafter make a written report to the board of directors of its actions. Any action that may be taken by a committee at a meeting may be taken without a meeting if a consent in writing setting forth the specific action taken and signed by all members of the committee entitled to vote on the matter. The action shall be effective on the date when the last signature is placed on the consent.

5.8 Quorum. A majority of the members of a committee shall constitute a quorum for the transaction of business at any committee meeting, and any transaction of a committee shall require a majority vote of the quorum present at the meeting.

SECTION 6
INDEMNIFICATION OF DIRECTORS AND OFFICERS

6.1 Generally. The Corporation shall to the fullest extent permitted by law indemnify any person who is or was a director or officer of the Corporation against any and all liability incurred by such person in connection with any claim, action, suit, or proceeding or any threatened claim, action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that such person is or was a director or officer of the Corporation, if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interest of the Corporation, and with respect to any criminal proceeding such person had no reasonable cause to believe the conduct was unlawful. Liability includes reasonable attorneys fees and expenses, judgments, fines, costs, and amounts actually paid in settlement. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that such person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal proceeding, had reasonable cause to believe that such conduct was unlawful. The foregoing right of indemnification shall be in addition to and not exclusive of any and all other rights to which any such director or officer may be entitled under any statute, bylaw, agreement, or otherwise.

6.2 Actions by or in the Right of the Corporation. In connection with any proceeding brought by or in the right of the Corporation, the Corporation may not indemnify any person who is or was a director or officer of the Corporation if such person has been adjudged by a court of law to be liable to the Corporation, unless the court in which the action or suit was brought shall determine upon application that, despite the adjudication of liability, in view of all of the circumstances of the case such person is fairly and reasonably entitled to indemnity.

6.3 Self-Interested Transactions. The Corporation may not indemnify any person who is or was a director or officer of the Corporation in connection with any proceeding charging improper personal benefit to such person in which such person has been adjudged liable on the basis that personal benefit was improperly received by such person, unless the court in which the action or suit was brought determines upon application that, despite the adjudication of liability, in view of all circumstances of the case such person is fairly and reasonably entitled to indemnity.

6.4 Determination of the Propriety of Indemnification. The determination that indemnification is proper shall be made by the majority vote of a quorum consisting of the directors who were not parties to the proceeding or, if such a quorum cannot be obtained, by the majority vote of a committee, duly designated by the board of directors, consisting of at least two directors who were not parties to the proceeding. If there are not two directors who were not parties to the proceeding, the full board of directors shall select special legal counsel to determine whether indemnification is proper.

6.5 Evaluation of Expenses. An evaluation as to the reasonableness of expenses shall be made by the majority vote of a quorum consisting of directors who were not parties to the proceeding or, if such a quorum cannot be obtained, by the majority vote of a committee, duly designated by the board of directors, consisting of at least two directors who were not parties to the proceeding. If there are not two directors who were not parties to the proceeding, the full board of directors, including directors who were parties to the proceeding, shall evaluate the reasonableness of expenses.

6.6 Advance of Expenses. Expenses incurred with respect to any claim, action, suit, or other proceeding of the character described in this article may be advanced by the corporation prior to the final disposition of such proceeding if (a) the director or officer provides written affirmation to the Corporation of such person's good faith belief that such person satisfies the criteria for indemnification, and (b) the director or officer gives the Corporation a written undertaking to repay the advanced amount if it is ultimately determined that the director or officer is not entitled to indemnification under this article.

The undertaking shall be a general obligation of the director or officer, but need not be secured and may be accepted by the board of directors without reference to the director or officer's financial ability to make repayment.

6.7 Insurance. The board of directors shall have the power to purchase insurance on behalf of any individual who is or was an officer or director of the Corporation against liability asserted against or incurred by such individual arising out of such individual's status as a director or officer of the Corporation, whether or not the Corporation would have the power to indemnify such individual against liability under the provisions of this article.

SECTION 7
CONTRACTS, LOANS, CHECKS AND DEPOSITS

7.1 Contracts. The board of directors may authorize any officer or officers, employees, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

7.2 Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the board of directors. Such authority may be general or confined to specified instances.

7.3 Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the board of directors.

7.4 Deposits. All funds of the Corporation not otherwise employed, shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the board of directors may select.

7.5 Facsimile Signatures. Contracts and agreements of the Corporation, and endorsements, renewals, and amendments of the same, may be authenticated by facsimile of the signature of a duly authorized officer of the Corporation in lieu of a signature of such officer. In the event of such authentication by facsimile signature, such contract or agreement shall be valid only if countersigned by an agent of the Corporation authorized to execute such type of contract or agreement. The validity of any such contract or agreement shall not be affected in the event that the delivery of such document occurs after the officer whose signature appears by facsimile is no longer serving as an officer of the Corporation by reason of death or any other cause.

SECTION 8
CODE OF ETHICS

8.1 Generally. Officers, directors and staff of the Corporation shall at all times be mindful of their responsibilities to the Corporation to conduct its business fairly and honestly, and avoid personal financial activities that might compromise or reasonably create the appearance of compromising the Corporation.

8.2 Conflicts Disclosure. Annually, all officers, directors and non-administrative staff shall disclose in writing to the Corporation's chief legal counsel, on such forms and in such formats as shall be established by the directors, any relationships that may be deemed a "direct or indirect conflict of interest," as defined in section 65.361 of the Act, as may be amended and interpreted from time to time.

8.3 Review of Unusual Transactions. The board or a committee designated by the board shall review policies and procedures with respect to transactions between the Corporation and its officers, directors, or affiliates of officers or directors, or transactions that are not a normal part of the Corporation's business.

8.4 Executive Director. The Executive Director shall ensure full, fair, accurate, timely and understandable disclosure in the Corporation's required periodic reports and compliance with applicable governmental rules and regulations.

8.5 Reporting Concerns. Any person who is concerned that a violation of this code of ethics has occurred may report such concern to a person or firm to be determined by the board.

SECTION 9
AMENDMENT

The board of directors may amend or repeal these bylaws or adopt new bylaws by the affirmative vote of more than seventy percent of the directors then in office, at any meeting of the board of directors called for that purpose. The meeting notice shall state that a purpose of the meeting is to consider an amendment to the bylaws and shall contain a copy or summary of the proposed amendment.
The foregoing bylaws were duly adopted by the board of directors on the 31st day of March, 2001, revised on the 30th day of April, 2003, the 4th day of February, 2004, the 8th day of September, 2004, the 3rdth day of November, 2004, the 6th day of April, 2005, the 14th day of December, 2005, the 9th day of April, 2008, and the 20th day of February, 2019.

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Mark Kendall, Secretary

Evaluation Committee
Phil Degens, evaluation manager, summarized the December 2018 evaluation committee meeting, which included discussion of an industrial Strategic Energy Management evaluation. The evaluation found that 90 percent of SEM actions remained in place. Staff will look at persistence of these savings over time. The meeting also included a presentation on a commercial Pay for Performance evaluation; a diversity, equity and inclusion data and baselining report; and evaluation of Fast Feedback customer surveys. Staff will evaluate Fast Feedback now that the organization no longer needs to collect information about free ridership.

Finance Committee (Susan Brodahl)
Finance committee met in January when year-end results were not yet available. The committee now has draft year-end results, which were positive. Incentive spending was below budget because savings were very cost-effective, and therefore Energy Trust did not spend down reserves. Savings were strong and were achieved at a lower cost than expected. The committee also talked about the state's community solar program and Energy Trust investment results.

Conservation Advisory Council (Elee Jen)
Conservation Advisory Council and Renewable Energy Advisory Council members received a presentation from the Northwest Power and Conservation Council about impact of climate change on weather in the Pacific Northwest.

Hannah Cruz added that the Northwest Power and Conservation Council presentation was informative as Energy Trust starts to look at the value of efficiency during different times. It's important to understand how temperature shifts will impact the value of savings. Staff also presented about diversity, equity and inclusion goals regarding customers and trade allies, and there was a presentation about Energy Trust's unique strengths to inform strategic planning.

Adjourn

The meeting adjourned at 2:32 p.m.

The next regular meeting of the Energy Trust Board of Directors will be held Wednesday, April 3, 2019 at 10:30 a.m. at Energy Trust of Oregon, Inc., 421 SW Oak Street, Suite 300, Portland, Oregon.

__/k/ Mark Kendall________________	04/01/2019
Signed: Mark Kendall, Secretary	Date