



# ANNUAL REPORT



# 2018





## LETTER FROM THE DIRECTOR

For the 16th year in a row, we helped meet customer energy needs with the cheapest energy-efficiency resources available, and we supported Oregon customers' investments in clean, renewable power.

In 2018, we supported energy-efficiency upgrades and renewable energy installations at more than 48,000 Oregon and Southwest Washington homes, businesses, factories and farms.

The benefits of our investments don't only accrue to the customers installing the projects. When we save energy, the utilities do not need to generate, purchase or distribute it to meet the energy needs of their customers. This helps reduce energy costs for everyone. For every \$1 we invest in energy efficiency, utility customers will save nearly \$3. But the people who participate directly receive additional benefits through lower energy bills at their home or business. Unfortunately, not everyone experiences the same opportunity to participate in our programs.

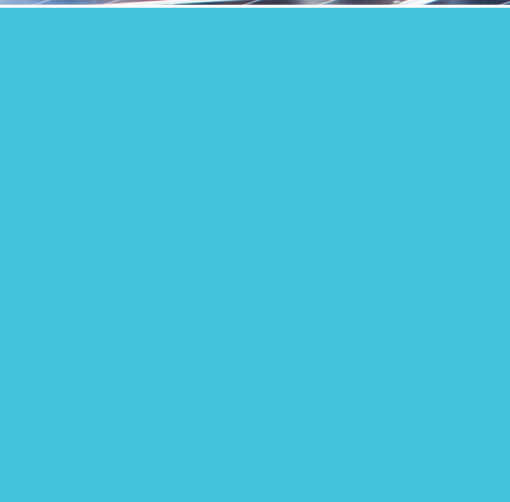
To help ensure everyone can benefit from direct participation, in 2018 we established 10 diversity, equity and inclusion goals for 2019 and 2020. These goals challenge us to identify customers who are not participating in our programs, explore new program designs to reach those customers, establish relationships with organizations who work with and represent those customers, and better reflect the communities we serve in our staffing, governance and procurement.

We're already moving in the right direction. This report features some of our innovative approaches to ensure that underserved communities benefit directly from our work, such as an initial collaboration with a nonprofit to reach low-income residents with no-cost upgrades and a pilot that leverages multiple funding streams to replace manufactured homes with new, efficient models.

We are launching even more new program designs in 2019 to achieve our diversity, equity and inclusion goals and adapt to our rapidly changing industry. These goals will be top-of-mind as we finalize our 2020-2024 Strategic Plan, which will guide us in navigating challenges and opportunities in service to our customers and to the State of Oregon.



**MICHAEL COLGROVE**  
EXECUTIVE DIRECTOR

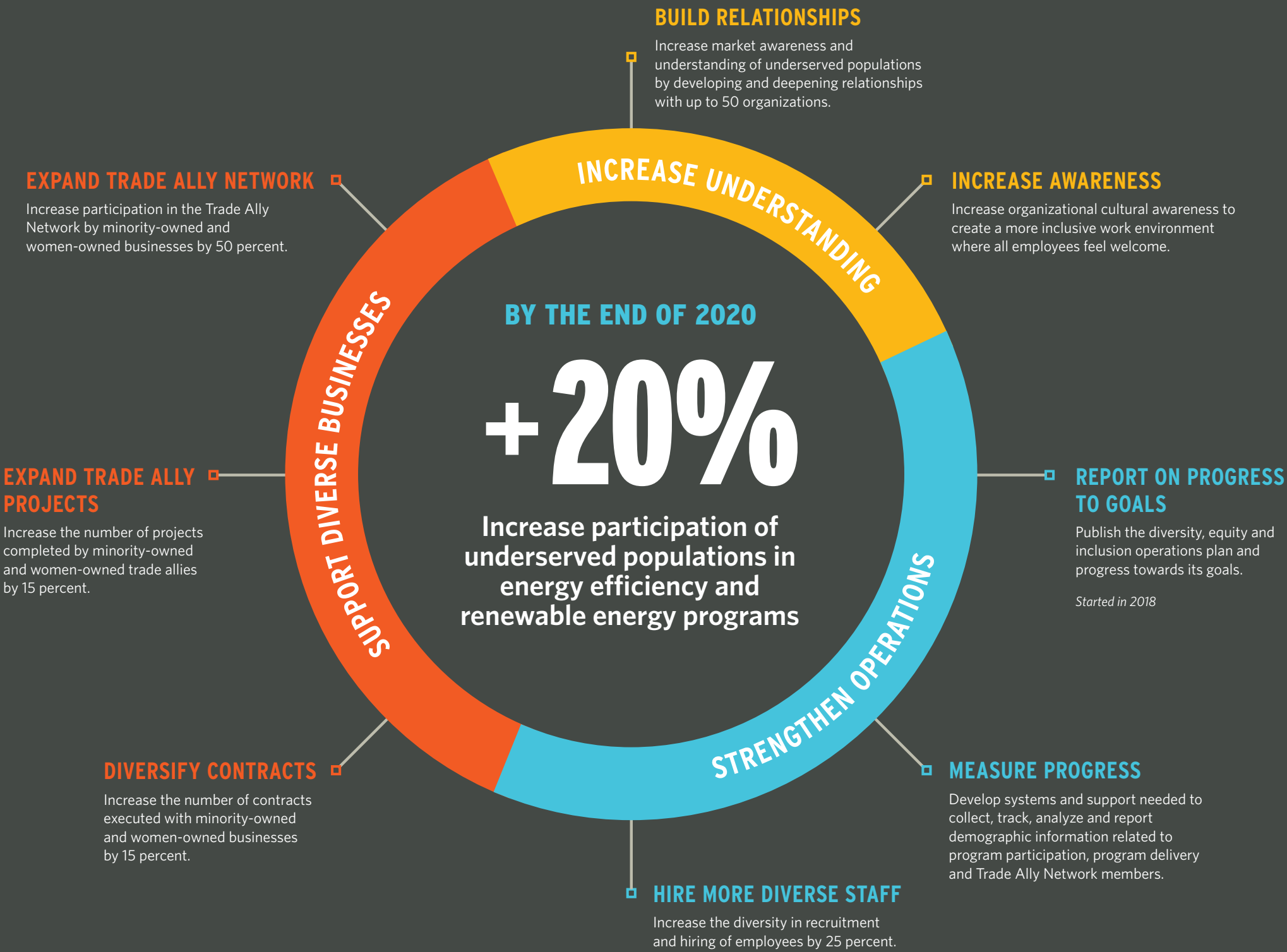




# MAKING A COMMITMENT TO DIVERSITY, EQUITY AND INCLUSION

We believe it is our responsibility to design programs so that all customers can directly benefit from our services, including people with low and moderate incomes, communities of color and rural communities.

That's why we developed 10 diversity, equity and inclusion goals in 2018 that will challenge us to identify customers who are not participating in our programs, explore new program designs to reach those customers, establish relationships with organizations who work with and represent those customers, and better reflect the communities we serve.





#### IN CAVE JUNCTION

### Efficient New Home Cuts Energy Costs For Rural Residents

Kelpie Wilson and George Shook wanted to build a comfortable home with very low energy bills. They got all that and more through Energy Trust's support for design and construction of highly efficient homes.

With highly insulated 10-inch walls and high-performance windows, heat recovery ventilation, a high-efficiency ductless heat pump and an 8.9-kW solar system, the 1,500-square-foot home is 40 percent more efficient than a similar house built to current code. Wilson and Shook received \$3,113 in Energy Trust cash incentives for these investments, and they will enjoy estimated annual energy savings of \$1,900.



Highly Insulated  
10" Walls

High-Performance  
Windows

# HELPING CUSTOMERS DO MORE WITH LESS ENERGY

Ductless  
Heat Pump

#### 2018 STATEWIDE ACHIEVEMENTS

**46,000**

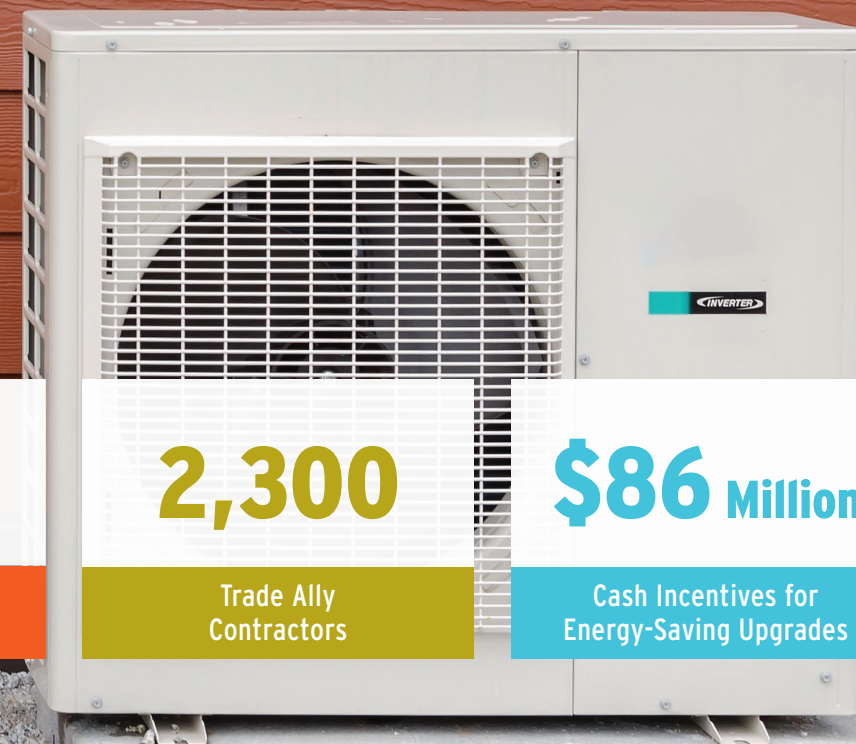
Sites Received Energy  
Efficiency Upgrades

**2,300**

Trade Ally  
Contractors

**\$86 Million**

Cash Incentives for  
Energy-Saving Upgrades







“WE’VE DEFINITELY PUT OUR PRODUCTS IN A BETTER LIGHT, WHICH CAN’T HELP BUT INCREASE SALES.”

**SAYS JEUNG**  
Manager, Lily Market

#### IN PORTLAND

## Family Grocery Saves \$3,000 with Lighting Overhaul

A family-owned grocery that’s been serving customers since 1984, Lily Market strives to keep operating costs low. When Energy Trust trade ally Green Life LLC approached Says Jeung, the market’s manager, he was eager to learn about the advantages of LED case lighting.

With Energy Trust incentives, it wasn’t long before the 10,000-square-foot market had replaced all the fixtures in its cooler, freezer and produce cases with LED technology, trimming yearly energy costs by an estimated \$3,000. In addition to saving energy, Jeung appreciates how the LEDs make the cases brighter and highlight products with excellent color.



*Pictured: Trenee Carson, daughter of Community Energy Project client*

#### IN PORTLAND

## Nonprofit Collaboration Expands Access to Energy Savings

An innovative collaboration between Community Energy Project and Energy Trust is helping low-income Portland residents enjoy the benefits of energy efficiency and reduced energy bills. Nonprofit Community Energy Project, which has a long history of reaching residents with low incomes and communities of color, installs heat pump water heaters in low-income homes at no cost to the participants. Sponsored by Energy Trust, the effort tests a new model of program design that taps into the networks of community-based organizations to deliver services to wider audiences.

“This program was a blessing for me,” said Burnette Holder, who lives on Social Security and contacted Community Energy Project when her aging water heater failed. “They handled everything and even showed me how to adjust the temperature if I need to.” An Energy Trust cash incentive of \$875 helped offset the full cost of the water heater for Holder, who will save an estimated \$190 on her annual energy bill—stretching her income for other important needs.





IN ROSEBURG, GLIDE AND PORTLAND

## Manufactured Homes Get an Energy Overhaul

Energy Trust is retiring older, inefficient manufactured homes and replacing them with new energy-efficient models, easing the strain on residents' comfort and wallets.

Older manufactured homes have less insulation, experience high air leakage and have inefficient windows and heating systems. As a result, residents of these homes spend about 70 percent more on energy per square foot than residents of site-built homes, according to the U.S. Energy Information Administration. Unfortunately, these higher energy costs disproportionately affect people with lower incomes.



Thanks to Energy Trust's Manufactured Home Replacement pilot, dozens of manufactured home residents in Oregon will gain a pathway to a more cost-effective, energy-efficient home. And the benefits extend beyond energy savings. With a new home, residents also can gain healthier living conditions and greater economic security.

Energy Trust designed the pilot through a collaborative partnership with Oregon Housing and Community Services, St. Vincent de Paul Society of Lane County, CASA of Oregon, NeighborWorks Umpqua and regional Community Action Agencies. With help from these partners, Energy Trust hopes to establish a replicable model that integrates energy, poverty alleviation and affordable housing investments.

“  
WE SET A GOAL  
TO REDUCE  
ELECTRICITY USE  
BY 5 PERCENT. WITH  
STRATEGIC ENERGY  
MANAGEMENT, WE  
DOUBLED THAT.”

RICHARD BOYER

Plant Manager, J&J Snack Foods

IN WESTON, NEAR PENDLETON

## Factory Employees Wipe Out Energy Waste

With help from Energy Trust, J&J Snack Foods has invested in capital improvements for years—enough to slash annual energy costs by an estimated \$70,000. That success didn't stop the producer of soft pretzels, pizza pockets and other filled dough products from participating in Energy Trust's Strategic Energy Management initiative, which teaches employees the skills to find no- or low-cost operations and maintenance opportunities that deliver additional long-term savings.



# HELPING CUSTOMERS INVEST IN GREEN POWER

Solar-Ready Infrastructure for a Future Roof-Mounted Solar System

Parking Lot Solar System

Heating and Cooling System Recovers and Reuses Waste Heat

High-Efficiency Windows

## IN WOODBURN

### High School Aces Energy-Efficient Design

The first K-12 school enrolled in Energy Trust's Path to Net Zero initiative, the new Success High School will save Woodburn School District an estimated \$33,000 annually. It uses so little energy that most, if not all, of its annual energy needs should be met by a 250-kilowatt solar system on campus.

The open design features natural light and ventilation, an HVAC system that recovers and reuses waste heat, LED lighting and infrastructure for another roof-mounted solar system. These clean energy features reduce operating costs so the school can focus on its mission as an alternative education program helping students with different learning styles reach their full potential.

## 2018 STATEWIDE ACHIEVEMENTS

**\$9** Million

Cash Incentives for Renewable Energy Upgrades

**1,785**

Solar Systems Installed





#### IN MULTIPLE COMMUNITIES

## Solar Grants Spur Ideas to Benefit Low-Income Customers

Energy Trust awarded nine organizations a total of \$81,000 in solar innovation grants to develop community-centric models that help Oregonians with low and moderate incomes benefit from solar technology. The idea emerged from a series of workgroups Energy Trust hosted around the state with low-income advocates, organizations that serve low-income communities of color, affordable housing providers and energy assistance practitioners.

From Wallowa to Lake counties, recipients will test a variety of innovative models. This includes developing solar curriculum and financial incentives for soon-to-be homeowners, designing a model to pass on solar financial benefits to tenants in affordable multifamily buildings, and bringing solar solutions to qualifying Habitat for Humanity homes.



#### IN MULTIPLE COMMUNITIES

## Irrigation Upgrades Invigorate Rural Investments

Many Oregon irrigation districts depend on century-old open canals that can lose 50 percent of water to evaporation and seepage. With Energy Trust support, Farmers Conservation Alliance (FCA) helps modernize aging irrigation systems, creating opportunities to generate electricity through in-pipe hydropower.

FCA's Irrigation Modernization program has received widespread support, thanks to a unique public/private partnership that brought funding from Energy Trust and 15 different federal and state organizations totaling almost \$50 million so far. More than 20 irrigation districts are participating, including Three Sisters Irrigation District, which has already modernized 59 of its 64 miles of canals and will have three hydropower facilities generating clean energy and providing a long-term revenue source for the district.





A portrait of Jeremy Wolf, Vice Chairman of the Board of Trustees of the Confederated Tribes of the Umatilla Indian Reservation. He is a middle-aged man with grey hair, wearing a light green short-sleeved button-down shirt. He has a stethoscope around his neck and a colorful beaded necklace. He is standing in a hallway with a blurred background.

**“WE ARE CONSTANTLY STRIVING TO PROTECT, PRESERVE AND ENHANCE OUR ENVIRONMENT AND OUR PEOPLE.”**

**JEREMY WOLF**

*Vice Chairman, Board of Trustees, Confederated Tribes of the Umatilla Indian Reservation*

*Pictured: Dr. Rex Quaempts, Medical Director, Yellowhawk Tribal Health Center*



**IN PENDLETON**

## **Tribal Health Center Nears Net Zero**

Located on the Confederated Tribes of the Umatilla Indian Reservation, the new Yellowhawk Tribal Health Center builds on a community's commitment to wellness and sustainability. Serving tribal members and other eligible American Indians and Alaska Natives in Umatilla and Union counties, the energy-efficient 64,000-square-foot clinic is expected to generate as much energy as it uses over the course of a year.

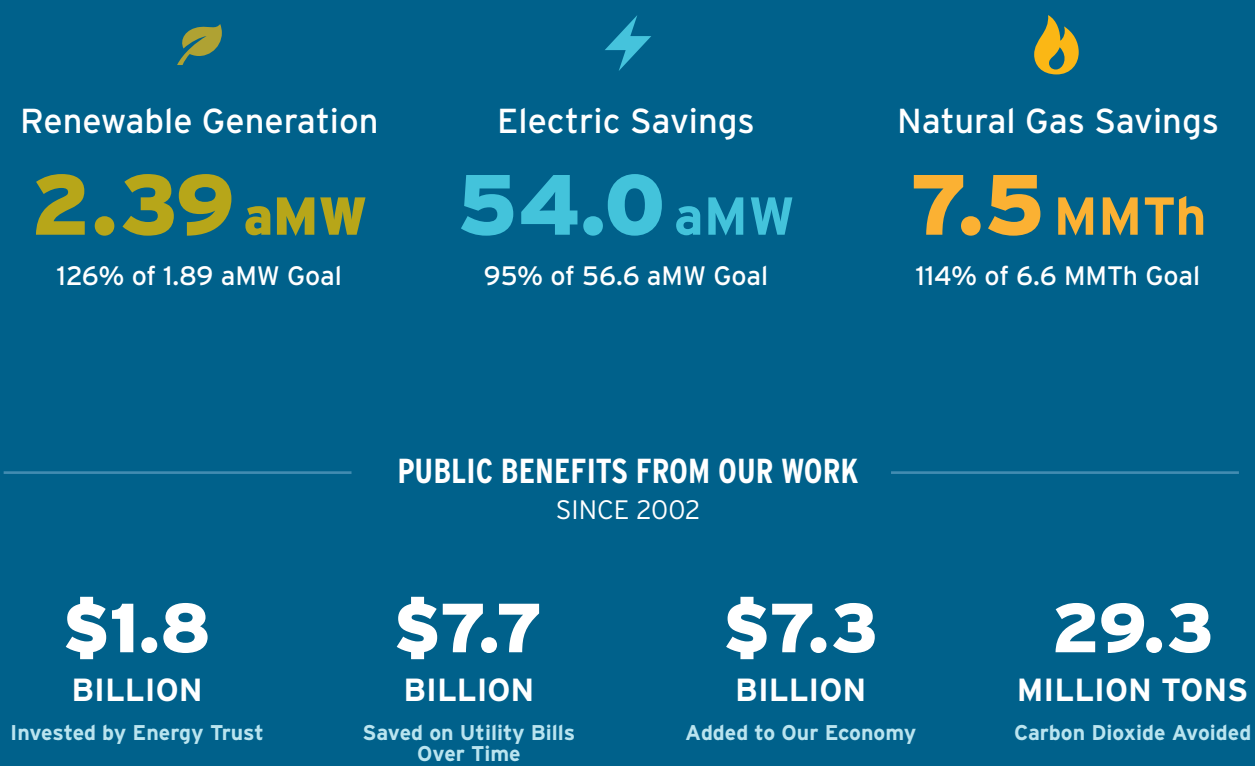
Tapping into Energy Trust's Path to Net Zero initiative, tribal leaders received support throughout the design and construction process, resulting in a building that is 60 percent more efficient than a standard building of its type. The clinic boasts solar panels, natural shading and ventilation. The tribes received \$295,000 in Energy Trust cash incentives for the clean energy features, which will save the center roughly \$58,000 per year.

"We are constantly striving to protect, preserve and enhance our environment and our people. This project helps us achieve that," said Jeremy Wolf, vice chairman of the Board of Trustees, Confederated Tribes of the Umatilla Indian Reservation.



# 2018 RESULTS

Serving customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista



## POWERED BY LOCAL BUSINESSES

We work with 2,300 trade ally contractors and other allied professionals who are part of our on-the-ground network that connects customers to incentives and services. We provide resources, funding and training to help these businesses build skills and expertise in new areas of opportunity. By connecting customers to contractors in their communities, we support the growth of local businesses.

## UTILITY PARTNERS

Our programs are available to 1.6 million utility customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista. Together, they represent 74 percent of electricity customers and nearly all natural gas customers in Oregon. We also serve customers of NW Natural in Washington.

*aMW is average megawatts; MMTh is million annual therms.*

## TRANSPARENCY AND ACCOUNTABILITY

We are governed by a volunteer board of directors and accountable to the Oregon Public Utility Commission. Stakeholder advisory councils guide our work.

### EXCEEDED PERFORMANCE MEASURES SET BY THE OREGON PUBLIC UTILITY COMMISSION

- Achieved 95 percent customer satisfaction.
- The benefits of all programs far exceeded the costs.
- Low administrative and program support costs at 5.7 percent of annual revenues (\$10.8 million).
- Read the full list of Energy Trust’s performance measures and results in our 2018 Annual Report to the Oregon Public Utility Commission at [www.energytrust.org/reports](http://www.energytrust.org/reports).

### ENERGY TRUST’S COST TO SAVE ENERGY

- Energy efficiency is the lowest-cost energy that utilities can buy.
  - 2.8 cents per kilowatt hour—compared to 6.5 cents utilities would pay for energy from other sources.
  - 26.4 cents per therm—compared to 73 cents utilities would pay for energy from other sources.

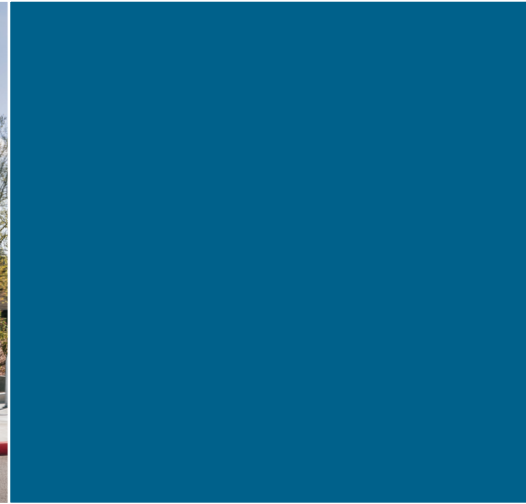
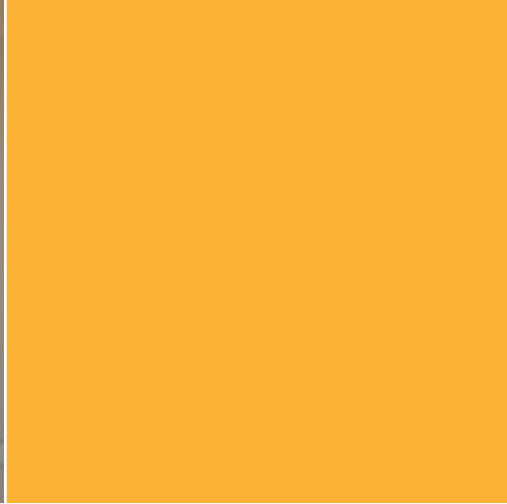
### REVENUES AND EXPENDITURES ON TARGET

- Revenues totaled \$188.1 million.
- Expenditures totaled \$174.8 million.
- Delivered \$94.3 million in incentives, with most of the remainder for delivery of customer services.

### ACCOUNTABLE AND TRANSPARENT

- Every dollar received and invested is accounted for in monthly, quarterly and annual financial statements.
- Financial statements are audited annually by an independent auditor; Energy Trust has a perfect track record of unmodified financial audits, available online at [www.energytrust.org/financials](http://www.energytrust.org/financials).
- Each kilowatt hour and therm acquired is reported in quarterly and annual reports.
- All major programs are evaluated by a third party.
- We contract for an independent management audit every five years.
- We receive guidance from two volunteer advisory councils, Conservation Advisory Council and Renewable Energy Advisory Council, and we are developing a third Diversity Advisory Council to launch in 2019.
- We established Diversity, equity and inclusion goals in 2018 (see page 4).





To see more of our achievements, customer stories and financial information, visit [www.energytrust.org/annualreport](http://www.energytrust.org/annualreport).

As an independent nonprofit organization, Energy Trust is dedicated to helping 1.6 million customers of PGE, Pacific Power, NW Natural, Cascade Natural Gas and Avista in Oregon and NW Natural in Southwest Washington save energy and generate renewable power. We provide comprehensive energy efficiency and renewable energy programs. Our success is measured in kilowatt hours of electricity saved or produced with renewable energy, therms of natural gas saved, and efficient and effective delivery of services to all utility customers.

*Pictured above, top-left to bottom-right: Dr. Rex Quaempts, Yellowhawk Tribal Health Center; J&J Snack Foods; Success High School. Pictured on front cover, top-left to bottom-right: Kelpie Wilson; Success High School students; Says Jeung, Lily Market; manufactured home; Trenee Carson; Yellowhawk Tribal Health Center. Pictured on inside cover, top-left to bottom-right: Portland Rescue Mission Shepherd's Door; Humane Society for Southwest Washington; Success High School students; Marc Thalacker, Three Sisters Irrigation District.*

#### **Energy Trust of Oregon**

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