

## Briefing Paper

# Draft 2020-2024 Strategic Plan Public Comments

October 16, 2019

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## Background

In preparing a final proposed 2020-2024 strategic plan for the board of directors, the board strategic planning committee and staff developed a draft plan over the course of several months. From May 2018 through April 2019, Energy Trust board members, advisory councils, partner utilities, the Oregon Public Utility Commission and others were engaged in discussions that helped the board committee and staff develop the five focus areas, strategies and progress indicators in the draft plan.

From June through August 2019, staff executed a public outreach plan on the Draft 2020-2024 Strategic Plan. The objectives were to educate customers, contractors, and a wide and expanded set of interested stakeholders on Energy Trust's role, the strategic plan's focus areas and strategies, and opportunities to provide feedback on the draft plan.

Outreach included public announcements and communications, a six-week public comment period from June 24 – August 2, presentations to the advisory councils, outreach to interested parties, a community reception the evening before the Pendleton board meeting and promotion at existing forums, like stakeholder meetings and the Pacific Power regional workshops.

After the public engagement and outreach plan concluded, the draft plan was revised. Revisions reflect the areas of public feedback considered by the board and staff to be at a strategic planning level. In this briefing paper, we summarize the comments by theme, which are listed below in no particular order. With each theme, we provide a few examples from the comments and describe any changes made to the plan based on the theme.

We received many detailed comments on the draft plan from approximately 27 individuals and organizations. We are appreciative of all the feedback we have received. The comments are supportive of the plan, overall, and the process by which it was developed.

Some comments suggested policy or regulatory changes that we are not positioned to advance without direction from the legislature or Oregon Public Utility Commission. In addition, we received many comments best suited for staff consideration during budgeting, program design, program implementation or other processes. Examples of these types of comments are provided in the supplemental section at the end of this briefing paper. In the cases where the feedback is better suited to be addressed through another process that we manage, we will reach out to commenters during those times to ensure they have an opportunity to participate.

Given the large volume of comments we received on the draft strategic plan, we are not responding individually to each comment. All comments received were shared with the board and follow this briefing paper.

## Themes in Comments Received

### Prioritizing and resourcing the five focus areas

- Description: After a high level of agreement with prioritizing Focus Area 1, comments suggested how we might prioritize the other focus areas or asked how we intend to prioritize them.
- Examples of comments provided:
  - “This [Focus Area 1] is Energy Trust’s ‘bread and butter’ and we appreciate the core programs ETO provides to our customers and believe most effort and investment should remain in this area.” (Pacific Power)
  - “By prioritizing focus area one, the plan acknowledges this as Energy Trust’s key mission. The attention to underserved communities in focus area one is consistent with the state’s commitment to ensuring that clean and affordable energy, and the benefits of energy efficiency, are accessible to all Oregonians.” (Oregon Department of Energy)
  - “It would be good to have more context about how ETO envisions prioritizing and connecting Focus Area 1 with this Focus Area 4, and they should be seen as complementary. In particular (for example), focusing on health impacts and decarbonization could align well with ETO programs and reduce disparities through a DEI lens.” (City of Portland)
  - “Guidance on how to handle potential conflicts between competing focus areas will be important to include in the Strategic Plan. The Strategic Plan should recognize the potential for conflicts and establish principles for prioritizing choices among competing needs in the first two focus areas. We recommend that top priority be given to long-term cost-effective savings in cases where resources are limited, or end goals do not align.” (NW Power and Conservation Council)
- Changes reflected in final proposed plan: The plan implementation section on page 15 was revised to more clearly articulate the priority of Focus Area 1 and the processes we will use to identify, prioritize and allocate resources to other focus areas as the plan progresses.

### References and specificity around diversity, equity and inclusion

- Description: Diversity, equity and inclusion objectives should be more prominent, and the plan should be more specific and intentional when referencing diversity, equity and inclusion.
- Examples of comments provided:
  - “In a framework of addressing past inequities in access, we suggest that ETO should dedicate a significant amount of resources to Focus Area 1, broadening access to underserved communities and engaging in market development opportunities.” (City of Portland)
  - “As an organization that values Diversity, Equity and Inclusion, we are excited to see goals focused on the internal culture and demographics of Energy Trust staff, boards

- and committees. However, we think your goal statement for Focus Area 5 should more expressly state that you are committed to developing a more diverse and representative workforce and boards. We encourage Energy Trust to revisit the goal statement and make it clearly an equity focused goal.” (Community Energy Project)
- “OSEIA is pleased to see ETO focusing more on historically disadvantaged communities, low-income ratepayers, rural communities and people of color. We encourage ETO to continue this new focus and make it a bigger priority in the strategic plan. This prioritization should be highlighted more in the plan and should be addressed in every focus area.” (Oregon Solar Energy Industries Association)
  - “Is there any acknowledgement of historical inequity? People didn’t have awareness of the available offerings and were excluded as a result. Will you take responsibility for your role in that as you move forward?” (Energy Trust Conservation Advisory Council and Foundational Diversity Advisory Council)
  - Changes reflected in final proposed plan: Revised several sections of the plan to raise the prominence, and importance, of our diversity, equity and inclusion objectives, such as improving our ability to serve communities of color, people with lower incomes and rural customers. The Focus Area 5 statement was not revised to specifically mention diversity, equity and inclusion. While diversification is a critical element of Focus Area 5, the intent is broader than diversification.

### **Use of the phrase ‘clean energy’**

- Description: The phrase ‘clean energy’ has many meanings and doesn’t necessarily reflect the work of Energy Trust.
- Examples of comments provided:
  - “‘Clean energy’: a term throughout the plan that isn’t consistent with how we understand your work and how our customers understand your work. Not only does EE get lost in this language but it muddles which players are in which business; we see the utilities (gas and electric) as striving to provide centralized clean energy generation and rely on the Energy Trust to help our customers make sure we need as little of that as possible because you are helping them use our resources as efficiently as possible. We feel very strongly that energy efficiency should be stated explicitly as you speak of your work.” (NW Natural)
  - “We find the use of the terms, ‘energy project’ and ‘clean energy opportunities’ to be imprecise and subject to multiple interpretations. ‘Clean energy’ is not congruent with a renewable energy and is a nebulous term that has, in some policy discussions, included nuclear and natural gas.” (PGE)
- Changes reflected in final proposed plan: Because the term is widely used in the utility industry and with varying definitions, we affirmed the definition we have assigned to “clean energy” on page 4 and reviewed the plan to ensure any use of the phrase is in alignment with our definition. If the phrase was used in lieu of a specific mention to energy efficiency or renewable energy, we made the change to the more specific term.

**Including trade ally contractors as market actors to support plan implementation**

- Description: Trade allies, and their contribution to supporting Energy Trust goals, is missing from the document.
- Examples of comments provided:
  - “Energy Trust has worked extensively with Trade Allies in the past, yet they are not included within this Focus Area, while referencing ‘distributors, suppliers, retailers and other mid- and up-stream market actors.’” (Avista)
  - “More information about the efforts to develop a robust network of trade ally contractors, installers, and etc. to serve customers would be helpful. Are there any plans for further focus in this area? We believe we fill a critical role in accelerating customer adoption of technologies, and would love to see more information in the plan about how the Energy Trust plans on working with this network of trade allies over the next five years.” (Blue Raven Solar)
- Changes reflected in final proposed plan: Trade allies are necessary and important to ensuring we meet our goals. References to trade ally contractors were added in the document, specifically to Focus Areas 1 and 2.

**The urgency of climate change**

- Description: The draft plan does not convey a sufficient sense of urgency about climate change and the associated policy environment.
- Examples of comments provided:
  - “The impacts of climate change in the Pacific Northwest are expected to get more severe in the coming decade. This should be a new lens through which ETO looks at and prioritizes incentives and investments, to help customers plan, adapt, and respond to new hazards.” (City of Portland)
  - “New policies will continue to drive carbon and GHG goals toward zero and Oregon and other states will need programs that proactively respond to these climate goals and help to make them a reality. We need more than modest impacts and encourage the Energy Trust to be more aggressive in its efforts to deliver deep energy reductions to a more diverse group of stakeholders who could potentially benefit from your programs.” (New Buildings Institute)
  - “The current draft of your strategic plan is deeply lacking in urgency and ambition [in regards to climate change] ... Page 4's statement of ‘Where We Will Focus’ makes no mention of the urgency of climate change. Thinking based on ‘steady progress’ (on the bottom of page 5) and ‘20-year planning’ (page 6) dramatically misses the mark. Page 2’s conclusion that carbon emissions policies will have a ‘modest impact’ through 2024 conveys passivity rather than an aggressive pursuit to leverage such policies and resources, as committed to in Focus Area 4.” (PECI)
- Changes reflected in final proposed plan: The context section was revised to include reference to acknowledge the seriousness of the challenge and the actions governments and communities are making to mitigate and adapt to the effects of climate change.

### **Working with communities and community-based organizations**

- Description: Relationships with community-based organizations and underserved communities should be formed to meet the objectives of the plan.
- Examples of comments provided:
  - “By working with community-based organizations, Energy Trust can expand its reach, and more effectively reach customers who have been left out. Leaning on community groups to find energy savings opportunities because of their on-the-ground knowledge is a cost-effective way to achieve savings.” (Community Energy Project)
  - “Particularly as it relates to your second strategy, ‘Deliver cost-effective programs designed specifically to engage underserved customers’, we hope to see robust partnerships with culturally-specific organizations as you consider programmatic updates.” (Oregon Housing and Community Services)
  - “Looking forward we continue to encourage ETO to further develop relationships in underserved communities, particularly rural Oregon where there is a significant overlap with low-to-moderate income families.” (Pacific Power)
- Changes reflected in final proposed plan: Revised Focus Area 1 to reference collaboration with other organizations as a needed area of evolution to better serve customers.

### **Addressing the sunset of Senate Bill 1149**

- Description: The sunset of Senate Bill 1149 on December 31, 2025, should be explicitly addressed.
- Examples of comments provided:
  - “It is also important to address the future trajectory of ETO, and support policy changes that extend the programmatic and organizational mandate of ETO beyond the 2024 timeframe.” (City of Portland)
  - “We believe that this strategic plan must specifically address the existential question related to the continuation of funding of Energy Trust through public purpose funds (SB 1149). The coincidental timing of this strategic plan and the potential sunset of funding provide an ideal opportunity to address this question head on in an open and transparent way.” (New Buildings Institute)
  - “Lastly, in ETO’s long-term budgeting and planning we hope to see ETO plan for two possible futures, one assuming a public purpose charge extension and one assuming its expiration.” (Oregon Solar Energy Industries Association)
- Changes reflected in final proposed plan: The plan addresses this contingency as part of Plan Management, page 15. We think this approach to contingency planning is sufficient; no changes were made in the plan. Going forward the board and staff will monitor the status of the sunset and revisit the plan if needed.

### Including key performance indicators in the plan

- Description: Metrics should be in the plan to ensure goals are measurable and reported on.
- Examples of comments provided:
  - “There’s a vague reference to DEI goals [in Focus Area 1]. What are those goals? Are the goals specific enough to be measured? The goals should be stated clearly, not by reference to another document. Progress indicators are very vague in this regard. Meeting and exceeding unstated DEI goals does not really help ETO or communities of color.” (Native American Youth and Family Center)
  - “My general opinion is that the Strategic Plan needs objective and measurable targets / goals, for each person in the Energy Trust organization.” (Douglas County Smart Energy)
  - “This draft strategic plan needs SMART (Specific, Measurable, Attainable, Relevant and Timely) goals and measurable KPIs (Key Performance Indicators) in order to provide more concrete descriptions of what Energy Trust is trying to accomplish and how it will measure success.” (New Buildings Institute)
- Changes reflected in final proposed plan: Metrics are not included in the strategic plan. Revisions to page 15 clarify that metrics will be set for each progress indicator during the first year of the plan, and that annual progress reports will be provided to the board of directors. These metrics may evolve over the plan period. An addition to page 14 describes where we provide diversity, equity and inclusion goals and metrics.

### Next Steps

Changes referenced above, and other smaller text edits or clarifying language changes, were made to the Draft 2020-2024 Strategic Plan and reviewed with the board at a public meeting on September 16, 2019. Based on that meeting, final revisions were made to the draft document. A Final Proposed 2020-2024 Strategic Plan will be presented to the board of directors for consideration at a public meeting on October 16, 2019, where the board will vote on its adoption.

In addition, we remain available for individual discussions with those organizations that submitted comments we did not address in the revisions process.

## Supplemental Information

As mentioned earlier, these are examples of the types of comments that will be considered in other Energy Trust-led processes or are policy related.

### Comments that could be addressed through Energy Trust's budgeting, program implementation or other processes

- Examples of comments provided:
  - “OSEIA also recommends that ETO take state and local renewable energy programs into account when planning for the future. The Portland Clean Energy Fund, the Community Solar Program and the new statewide Solar Rebate will all be important considerations for ETO’s strategic plan.” (Oregon Solar Energy Industries Association)
  - “An increased focus on capturing additional, highly cost-effective, EE from these industrial customers, therefore, could partner well with the ETO’s goal of increasing penetration in under-served, higher cost communities, by balancing out this higher cost with low cost opportunities.” (Alliance of Western Energy Consumers)
  - “We strongly encourage ETO to expand its current diversity, equity and inclusion work to add representatives on the Diversity Advisory Council.” (Pacific Power)
  - “One other additional focus or supplemental might be to make the process as clean and efficient as possible. Often there are many hoops attached to funding that prevent developers from engaging as it is not cost effective to participate.” (Related Northwest)
  - “As climate change impacts--such as wildfire and drought—become increasingly severe across Oregon in the coming years supporting efforts by local communities and organizations to plan for and adapt to these changes through targeted application of energy efficiency and distributed clean energy microgrids and other technologies should be a central role for ETO.” (Spark Northwest)
  - “We encourage ETO to continue to keep the rural perspective in mind when designing programs. Could this include variable incentives based on climate?” (Wallowa Resources)
  - “Renewable Northwest sees an opportunity for ETO to conduct further research into clean energy resiliency benefits and how they can be quantified.” (Renewable Northwest)
  - “In terms of cultivating diversity on the board of directors and advisory councils, will there be term limits for members?” (Energy Trust Renewable Energy Advisory Council)
  - “We recommend the Draft Strategic Plan emphasize the need for innovative pilot programs and seek additional partnerships to help accelerate the deployment of cost-effective energy efficiency and include progress indicators for innovation efforts.” (NW Power and Conservation Council)

- Staff response: Beyond clarifying on page 14 how we identify our diversity, equity and inclusion efforts, no changes were made to the final proposed plan. In general, these and other similar comments are important considerations for other processes, like when we develop our business plan, annual budget and action plan or diversity, equity and inclusion operations plan. The strategic plan sets the broad direction for the organization. Specific initiatives are set each year through these other processes.

### **Comments referencing policy decisions separate from an Energy Trust plan or process**

- Examples of comments provided:
  - “Ideally, the calculations that Energy Trust uses to determine whether a measure is cost-effective need to be more flexible and allow for more non-energy benefits to be used. There are high costs to community, health, and climate that are not valued in the current calculation, yet everyone ends up paying. The drive to be cost-effective should not be a barrier to developing programs that reach underserved communities.” (Community Energy Project)
  - “Engage with local governments on advancing codes and ensuring that these codes are understood and enforced so carbon savings are actually realized. Formally participate in the process to advance codes and policies in Oregon that will benefit all rate payers and help Oregon to regain the mantle of leadership in this arena” (New Buildings Institute)
  - “The unique structure and effective operation of the Trust is a valuable asset for Oregon and for the Pacific Northwest region which should be protected and potentially enhanced to expand into other areas, if called upon, to increase its responsibility and reach.” (NW Power and Conservation Council)
- Staff response: No changes were made to the final proposed plan. Energy Trust is an objective source of information for the OPUC, the State of Oregon and other policymaking entities in Oregon. Pursuant to our grant agreement with the OPUC, we do not advocate or lobby for policy change. We remain open to additional discussion on these, or other topics, at the OPUC’s discretion. With regards to the requirement of cost-effectiveness, we are working with the OPUC to implement this requirement in a way that reflects the benefits beyond energy, particularly those that are difficult to quantify.