# Energy Trust Board of Directors

**December 11, 2020**

Meeting will be conducted with Zoom

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# 184th Board Meeting

December 11, 2020
Register in advance for this webinar:
https://zoom.us/webinar/register/WN_Z3SBEIREQUKvxanjZ-46yA

EnergyTrust of Oregon

| | Agenda | Tab | Purpose |
|---|---|---|---|
| **10:00 a.m.** | **Board Meeting Call to Order** (Melissa Cribbins) | | |
| | **General Public Comment**<br>*The president may defer specific public comment to the appropriate agenda topic.* | | |
| | **Consent Agenda**<br>*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 of any member of the board.*<br>• October 14, 2020 Board Meeting and Budget Workshop Minutes<br>• Policy 4.17.000-P Information Provided by Program Participants, Contractors and Bidders R923 | **1** | Action |
| **10:15 a.m.** | **President's Report** (Melissa Cribbins) | | Info |
| **10:30 a.m.** | **Executive Director Report** (Michael Colgrove) 30 minutes<br>• Diversity Equity & Inclusion Operations Plan extension<br>• Peter West's retirement<br>• Update on organization structural changes<br>• Business programs update on final savings numbers and contract language for diversity, equity and inclusion accountability<br>• Wildfires update | | Info |
| **11:15 a.m.** | **Discuss Board Memo and Resolution to Propose Change in Board Minutes Notetaking** R924 (Mark Kendall and Julianne Thacher) 20 minutes | **2** | Action |
| **11:35 a.m.** | **Committee and Ad hoc Committee Reports** (Committee Chairs) 25 minutes | | |
| | • Audit Committee (Anne Root) | **3** | Info |
| | • Board Nominating Committee (Anne Root) | | Info |
| | • Compensation Committee (Roland Risser) | **4** | Info |
| | • Evaluation Committee (Lindsey Hardy) | **5** | Info |
| | • Finance Committee (Susan Brodahl) | **6** | Info |
| | • Policy Committee (Henry Lorenzen) | **7** | Info |
| | • Strategic Planning Committee (Mark Kendall) | **8** | Info |
| | • Conservation Advisory Council (Lindsey Hardy) | **9** | Info |
| | • Diversity Advisory Council (Mark Kendall) | **10** | Info |
| | • Renewable Energy Advisory Council (Susan Brodahl) | **11** | Info |
| | • Board Governance Review Roles and Responsibilities Ad hoc Committee (Roland Risser) | | Info |
| | • Board Governance Review Governance and Structure Ad hoc Committee (Henry Lorenzen) | | Info |
| | o Resolution to approve two ad hoc committees for Review Board Roles and Responsibilities and Review Board Governance and Structure R925 | **12** | Action |
| | • Board Governance Review Diversity Equity & Inclusion Ad hoc Committee (Mark Kendall) | | |

| | | | |
|---|---|---|---|
| **12:00 p.m.** | **Adjourn for Lunch** 60 minutes | | |
| **1:00 p.m.** | **Irrigation Modernization Program Update** (Dave Moldal and Julie Shea, Farmers Conservation Alliance) 20 minutes | | Info |
| **1:20 p.m.** | **Northwest Energy Efficiency Alliance Presentation** (Susan Stratton, Northwest Energy Efficiency Alliance) 30 minutes | | Info |
| **1:50 p.m.** | **Proposed 2021 Annual Budget and 2021-2022 Action Plans** R926 (Michael Colgrove) 60 minutes | **13** | Action |
| **2:50 p.m.** | **Contracts for Approval**<br>• Authorize the executive director to approve a contract amendment for public relations and communications services R927 (Julianne Thacher) 30 minutes<br>• Authorize the executive director to approve a contract exceeding $500,000 for purchase of advertising through Grady Britton R928 (Shelly Carlson) 30 minutes | **14** | Action |
| **4:00 p.m.** | **Adjourn Meeting** (Melissa Cribbins) | | |

**The next meeting of the Energy Trust Board of Directors will be conducted virtually on Zoom in February 2021.**

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**Tab 13 Proposed 2021 Annual Budget and 2021-2022 Action Plans**

- Adopt 2021 Annual Budget and 2021-2022 Action Plans R926

**Tab 14 Contracts for Approval**

- Authorize the executive director to approve a contract amendment for public relations and communications services R927 (Julianne Thacher)
- Authorize the executive director to approve a contract exceeding $500,000 for purchase of advertising through Grady Britton R928 (Shelly Carlson)

# Tab 1

# Board Meeting Minutes—183rd Meeting

October 14, 2020

**Board members present**: Erik Andersson, Susan Brodahl, Melissa Cribbins, Ernesto Fonseca, Lindsey Hardy, Eric Hayes, Elee Jen, Mark Kendall, Alexia Kelly, Henry Lorenzen, Alan Meyer, Roland Risser, Letha Tawney (Oregon Public Utility Commission ex officio), Janine Benner (Oregon Department of Energy special advisor)

**Board members absent**: Anne Root

**Staff attending**: Mayra Aparicio, Kathleen Belkhayat, Melanie Bissonnette, Wendy Bredemeyer, Karen Chase, Scott Clark, Amber Cole, Michael Colgrove, Ryan Cook, Hannah Cruz, Lenora Deslandes, Cheryle Easton, Emily Findley, Sue Fletcher, Elizabeth Fox, Matt Getchell, Wendy Gibson, Fred Gordon, Jeni Hall, Mana Haeri, Tyrone Henry, Chris Holloway, Marshall Johnson, Betsy Kauffman, Oliver Kesting, Jessica Kramer, Steve Lacey, Dave McClelland, Debbie Menashe, Dave Moldal, Kirstin Pinit, Amanda Potter, Josh Reed, Dan Rubado, Lizzie Rubado, Sloan Schang, Amanda Sales, Cameron Starr, Greg Stokes, Julianne Thacher, Thad Roth, Pati Presnail, Jay Ward

**Others attending**:
Susan Badger-Jones, Shelley Beaulieu (TRC), Steffan Brocks, Tina Brooks (Pacific Power), Angela DeVita (Northwest Bank), Jessica Downey (University of Oregon), Charity Fain (Community Energy Project), Peter Greenberg, Kari Greer (Pacific Power), Julia Harper (Northwest Energy Efficiency Alliance), Tim Hendricks, Raphaela Hsu-Flanders (Bonneville Environmental Foundation), Rick Hodges (NW Natural), Linda Irvine (Spark Northwest), Anna Kim (OPUC), Brikky King, Aaron Leatherwood (Evergreen), Dolores Martinez (Euvalcree), Lisa McGarity (Avista), Mike Moreno, Kheoshi Owens (Empress Rules), Josh Peterson (University of Oregon Solar Radiation Monitoring Lab), Jason Salmi-Klotz (PGE), Veronica Silva (Rogue Climate), Alyn Spector (Cascade Natural Gas), Nadia Spira (Deloitte), Sherry Tran, Julie Williams (Seeds for the Sol)

## **Board Meeting Call to Order** (Melissa Cribbins)

Melissa Cribbins called the meeting to order at 9:01 a.m.

## Draft 2021 Budget and 2021-2022 Action Plan Workshop

Lizzie Rubado, program strategies manager, introduced the workshop, agenda, her facilitation role and instructions for using Zoom and sharing feedback.

The purpose of the workshop was to share what is driving Energy Trust's 2021 planned activities and associated budget and to give attendees an opportunity to share feedback with staff and board. The workshop included a budget overview presentation from Executive Director Michael Colgrove and eight learning sessions where attendees learned more about action plan and budget topics. Learning session topics were: community engagement and outreach; organizational financials and internal costs; energy efficiency savings resources and cost trends; diversity, equity and inclusion organizational actions and investments; industrial and agricultural services and incentives; residential services and incentives; renewable energy services and incentives; and commercial business service and incentives. All program learning sessions highlighted diversity, equity and inclusion actions.

Attendees were encouraged to reflect on the following questions and share feedback: How do you feel about the priorities we are sharing? What opportunities do you see in the budget and action plan? What gaps do you see in our approach for 2021?

Lizzie Rubado clarified that not all of the feedback received may be included in the final proposed budget, but it will be heard and may influence program and organizational implementation activities for 2021. Formal comment must be submitted in writing by October 28, 2020.

Michael Colgrove presented the overview of Energy Trust's Draft 2021 Budget and 2021-2022 Action Plan. In 2021, Energy Trust will invest $209.6 million of utility customer funds to save 41.5 average megawatts (aMW) and 6.4 million therms (MMTh) and generate 3.51 aMW. This includes distributing $116.1 million in incentives, 55% of total expenditures.

The benefits of these investments will include more access for diverse and rural communities, lower energy bills and energy burden for participants, utility system benefits for all ratepayers, opportunities for local businesses, cleaner air and support for communities with energy-related objectives.

Michael Colgrove described the building blocks of the budget, 2021 organizational goals and context shaping the budget, which includes COVID-19, recession, natural disasters, energy codes and standards, market transformation, evaluations and emerging needs for services more attuned to cities and communities.

Michael Colgrove described budgeted revenues and expenditures and summarized some of the strategies and activities featured in action plans. He described savings, generation and costs for the organization and across programs. Energy Trust expects to see reductions in electric and gas savings and an increase in renewable generation in 2021. Levelized costs for electric and gas savings will increase in 2021 but are expected to come down somewhat in 2022.

Michael Colgrove described 2021 draft budget expenses by categories compared to 2020. Incentives will increase slightly, as will staffing and internal costs. Staffing costs are driven by increasing health insurance costs, minimal annual salary increases and four new staff positions. Energy Trust will maintain compliance with OPUC performance measures for staffing and administrative and program support costs.

The board took a break from 10:03 to 10:08 a.m.

Board and attendees attended learning sessions from 10:08 to 11:46 a.m.

At the **community engagement and outreach learning session**, Amber Cole (director of communications and customer service) and Sue Fletcher (communications and customer service senior manager) provided an overview of Energy Trust's approach to engaging communities and enhancing outreach in 2021. Participants asked about co-creating the approach with communities and ways to serve communities that have limited capacity and resources for participation, and about the hiring process for the proposed new outreach staff positions.

At the **organizational financials and internal costs learning session**, Pati Presnail (director of finance) and Steve Lacey (director of operations) provided information on revenues and financials for 2021. Participants asked about the OPUC staffing performance measure (board); the role program management contractors and program delivery contractors play in market development; potential grants for Energy Trust's diversity, equity and inclusion efforts; and expenditures for trade ally outreach and community services.

At the **energy efficiency savings resources and cost trends learning session**, Spencer Moersfelder (planning manager) described how Energy Trust determines achievable energy efficiency and associated costs. Participants asked about avoided-cost constraints, which measures or programs are most cost-effective, and about the Utility Cost Test and Total Resource Cost Test Energy Trust uses to determine cost-effectiveness of measures and programs.

At the **diversity, equity and inclusion organizational actions and investments learning session**, Tyrone Henry (DEI lead), Amanda Sales (director of HR) and Cameron Starr (senior customer service strategies manager) described organizational investments in diversity, equity and inclusion. Participants appreciated Energy Trust's work to expand to reach underserved customers and prioritize internal

diversity, equity and inclusion investments. Attendees asked where communities can find more information about resources and opportunities to participate.

At the **industrial and agricultural learning session**, Amanda Potter (industrial and agricultural sector lead) described services, incentives and diversity, equity and inclusion activities planned for 2021. Participants asked about regional Strategic Energy Management collaboration opportunities, new Strategic Energy Management engagement opportunities and opportunities for continued remote delivery, ways Energy Trust can leverage small business networks to reach new customers, lighting incentives and untapped opportunities.

At the **residential learning session**, Thad Roth (residential sector lead) presented on services, incentives and diversity, equity and inclusion activities planned for 2021. Participants asked about gas furnace offers, offers for rural homes heated with propane, and potential offers for people rebuilding after wildfires. Attendees encouraged Energy Trust to pursue support for wildfire rebuilding efforts and to consider including a Diversity Advisory Council member in Energy Trust's internal wildfire task force.

At the **renewable energy learning session**, Betsy Kauffman (renewable energy sector lead) described services, incentives and diversity, equity and inclusion activities planned for 2021. Participants asked about outreach to communities, priority consideration for local contractors, results of project development assistance incentives and engagement with tribes. They encouraged staff to prioritize building trust and relationships with communities, include Diversity Advisory Council members when planning outreach and engage community-based organizations to reach minority- and women-owned contractors.

At the **commercial business learning session**, Oliver Kesting (commercial sector lead) described services, incentives and diversity, equity and inclusion activities planned for 2021. Participants asked about location-specific incentives, COVID-driven business customer needs such as for air handling equipment, and opportunities to connect with businesses and chambers of commerce to support wildfire recovery and rebuilding. They encouraged staff to help business customers navigate relief funds for rebuilding.

Lizzie Rubado facilitated a group reflection and feedback session for all participants. Lizzie Rubado observed that in the learning sessions, some themes emerged in feedback and questions, including enthusiasm for thoughtful community engagement, support for inclusive co-creation of programs and offers, and interest in innovation.

The board noted small businesses may not have the internal capacity to develop projects that can take advance of Energy Trust incentives, and suggested Energy Trust consider helping businesses overcome this barrier to participation.

The budget workshop concluded. The board took a break for lunch at 12:02 p.m.

## Board Meeting

The board reconvened at 12:34 p.m.

Melissa Cribbins introduced the meeting.

## General Public Comments

There were no public comments.

## Budget Discussion

The board provided feedback on Energy Trust's budget and budget workshop.

For the workshop, the board found it informative and was impressed with the facilitation. Board members appreciated the format, learning sessions and emphasis on soliciting stakeholder feedback. The board asked if there would be an opportunity to do a deeper dive into the budget details.

The board appreciated the connection between annual budget goals and Energy Trust's strategic plan focus areas, the appropriate investments in new staff to advance priority work and the use of reserves to help avoid rate increases for utility customers during a recession. The board acknowledged the changing nature of achieving energy efficiency as a resource and the tension between existing requirements and regulatory frameworks.

The board discussed stakeholder comments from the workshop, reflecting on the urgency expressed around rebuilding and recovery for COVID-19 and wildfires from attendees.

Michael Colgrove asked the board to consider what Energy Trust's role should be in wildfire recovery and rebuilding. The board encouraged early, proactive outreach and education to communities and customers to increase awareness of Energy Trust's support and incentives. The board also suggested customizing and targeting messages to specific communities facing unique challenges, engaging city councils and leveraging local trade allies as a channel to reach customers. The board discussed the challenges and importance of getting communities to focus on energy in urgent rebuilding efforts and noted some cities are considering suspending building codes so that they can rebuild faster.

The board advised staff to communicate that energy efficiency and renewable energy can be incorporated quickly and cheaply into new construction and emphasized the urgency of this communication because communities are already making decisions about rebuilding.

The board suggested incorporating resiliency into new construction as these communities are likely to face more public power safety shutoffs in the future given increased wildfire risks.

The board observed that fewer savings are coming from the residential sector than in the past, largely due to the decline in savings from LEDs.

## 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:

- July 15, 2020 Board Meeting Minutes
- August 13, 2020 Special Board Meeting Minutes
- September 11, 2020 Special Board Meeting Minutes
- Policy 05.010-P Net Asset Policy R#921

Moved by: Roland Risser Seconded by: Eric Hayes

Vote: In favor: 9 Abstained: 0

Opposed: 0

# Resolution 921 (supersedes Resolution 914)

**Maintaining, Establishing and Using Net Assets Policy 5.05.010-P**

October 14, 2020

**Recommendation**

**At the board meeting on July 15, 2020, staff mistakenly presented a non-final draft of the policy for approval in Resolution 914. Staff apologizes for the mistake and presented the correct final version to the Policy Committee on September 10, 2020. The Policy Committee unanimously approved re-presenting the corrected final version of the Net Assets Policy to the full board in its consent agenda. Accordingly, this resolution authorizes revisions to the Using Reserves Policy by revising the policy to a correct version of the Maintaining, Establishing and Using Net Assets Policy as described and shown below.**

**RESOLUTION 921**
**REVISING THE USING RESERVES POLICY INTO THE MAINTAINING, ESTABLISHING AND USING NET ASSETS POLICY**

**WHEREAS:**

1. **The Using Reserves Policy was reviewed by the Policy Committee of Energy Trust's board of directors beginning in September 2019 in accordance with its regular three-year review cycle.**
2. **At that time, staff presented a small number of correction and editorial changes to the policy.**
3. **Committee members asked a number of questions regarding the utility of the Using Reserves Policy and the way in which reserve levels are set by the organization. The committee asked staff to consider further revisions to the policy by providing more information about these issues, including the work and focus of the Finance Committee with regard to the policy.**
4. **In response to committee questions, staff engaged in a comprehensive policy review and revision process to provide more specificity on the types of reserves, or net assets established and maintained by Energy Trust. The policy was also revised to include a procedures document which describes the processes undertaken by staff and net asset review points for the board committees and the full board, including through the board's approval of Energy Trust's annual budget and action plans.**
5. **Staff presented the revised policy, renamed the Maintaining, Establishing and Using Net Assets Policy, to the Finance Committee for review and discussion in March 2020. At the conclusion of the Finance Committee's review and discussion, the committee recommended referring the revised policy to the Policy Committee.**
6. **Staff presented revised proposed revisions to the Policy Committee, informed by input of the Finance Committee members, at the June 19, 2020 Policy Committee meeting, but mistakenly presented a non-final version.**
7. **Staff re-presented the correct final version of the revised policy to the Policy Committee at its meeting on September 10, 2020, redlined to indicate the differences from the incorrect version presented originally. The committee reviewed the correct version and unanimously approved forwarding the corrected version to the full board in its consent agenda at the next full, regular board meeting.**
8. **Based on that discussion and review, Energy Trust's board Policy Committee recommends approval of the correct final version of the revised policy as set forth below.**

**It is therefore RESOLVED that the Energy Trust Using Reserves Policy is revised into the Maintaining, Establishing and Using Net Assets Policy as shown below.**

Moved by: Roland Risser Seconded by: Eric Hayes

Vote: In favor: 9 Abstained: 0

Opposed: 0

# 5.05.010-P Maintaining, Establishing and Using Net Assets Policy

| History | | | |
|---|---|---|---|
| Source | Date | Action/Notes | Next Review Date |
| Board Decision | May 23, 2012 | R633 | May 2015 |
| Board Decision | September 25, 2013 | R677 | Sept 2016 |
| Policy Committee | September 8, 2016 | R800 | Sept 2019 |
| Board Decision | October 14, 2020 | R921 | Oct 2023 |

**POLICY ON MAINTAINING, ESTABLISHING AND USING NET ASSETS**

1. **Energy Trust shall maintain four categories of net assets: Efficiency Program Reserves by Utility, Renewable Program Reserves by Utility, Other Funding Sources, and Contingency Reserves.**
2. **The amount of Efficiency Program ~~Reserves~~ Reserve Targets by Utility shall be established in annual funding negotiations with utilities. Board action shall be required only if staff proposes to use more than 50% of any individual utility efficiency program reserve, provided such usage is clearly identified in the quarterly report to the board and the OPUC.**
3. **The Renewable Program Reserves by Utility can vary based on utility collections at any given time. Renewables programs are funded through SB1149 as a percent of electric utility collections. The amount of revenue is locked at that percent. There is no reserve target or negotiated revenues for the Renewable Program Reserves, but they are monitored to ensure funds are available to make commitments for long-lived projects.**
4. **The reserve target for Other Funding Sources, other than the Business Development fund pool, shall be established in the annual budget process, pursuant to a risk assessment by staff and reviewed by the Finance Committee.**
5. **The Contingency Reserves shall be divided into two pools: the Emergency Contingency Reserve and the Operational Contingency Reserve. ~~The reserve target of the Emergency Contingency Reserve is established by this policy at $5,000,000. The reserve target of the Organizational Contingency Reserve is established at $3,000,000.~~**
    a. **Staff is authorized to use the Emergency Contingency Reserve in emergency or other catastrophic situation to maintain or restore operations, provided that staff shall inform the board after such use and clearly identify it in the quarterly report to the board and the OPUC.**
    b. **Staff is authorized to use the Operational Contingency Reserve to address other organizational needs that might arise as a result of revenue shortfalls derived from weather, opportunities or initiatives that can reasonably be expected to maximize the effectiveness and reach of Energy Trust's public purpose charge revenue, renewable energy projects for which other funds are insufficient or unavailable, or support for energy efficiency projects in the event Efficiency Program Reserves by Utility are otherwise insufficient or unavailable, provided that, in all cases, staff shall obtain prior board authorization or, if prior board action is not practicable, with executive director authorization and board ratification at the board meeting immediately following the use of the Operational Contingency Reserve. In addition, staff shall identify such use in the monthly financial statements to the board and the OPUC.**

**i. Should the Operational Contingency Reserve be drawn down below the reserve target established above in this policy, it shall be replenished as follows and in the order below:**

**First, through repayment of any amount drawn down by a funding utility in the event Efficiency Program Reserves by Utility or renewable program budgets are otherwise insufficient or unavailable.**

**2. Next, with investment income earned on the Emergency Contingency Reserve and the Operational Contingency Reserve.**

**3. Then, with up to 25% of the total investment income earned on the Efficiency Program Reserves by Utility and the Renewable Program Reserves by Utility.**

**ii. In the event the replenishment amounts identified above are not adequate to restore the Operational Contingency Reserve to the target reserve established above in this policy, staff shall report the deficit amount to the Finance Committee at the Finance Committee's next regularly scheduled meeting and provide risk assessment and a proposal for alternatives to full replenishment.**

**6. Energy Trust staff will maintain a Net Assets Procedures document to provide detail on the establishment, maintenance and use of Energy Trust's net asset categories.**

**7. The Finance Committee shall undertake a review of this policy not less than every three years to determine, among other things, whether the reserve targets established for the Contingency Reserves are appropriate. Any changes to the reserve targets for the Contingency Reserves shall be presented by staff and committee for the full board consideration and approval.**

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**POLICY ON MAINTAINING, ESTABLISHING AND USING NET ASSETS**

6. **Energy Trust shall maintain four categories of net assets: Efficiency Program Reserves by Utility, Renewable Program Reserves by Utility, Other Funding Sources, and Contingency Reserves.**
7. **The amount of Efficiency Program Reserve Targets by Utility shall be established in annual funding negotiations with utilities. Board action shall be required only if staff proposes to use more than 50% of any individual utility efficiency program reserve, provided such usage is clearly identified in the quarterly report to the board and the OPUC.**
8. **The Renewable Program Reserves by Utility can vary based on utility collections at any given time. Renewables programs are funded through SB1149 as a percent of electric utility collections. The amount of revenue is locked at that percent. There is no reserve target or negotiated revenues for the Renewable Program Reserves, but they are monitored to ensure funds are available to make commitments for long-lived projects.**
9. **The reserve target for Other Funding Sources, other than the Business Development fund pool, shall be established in the annual budget process, pursuant to a risk assessment by staff and reviewed by the Finance Committee.**
10. **The Contingency Reserves shall be divided into two pools: the Emergency Contingency Reserve and the Operational Contingency Reserve.**
    a. **Staff is authorized to use the Emergency Contingency Reserve in emergency or other catastrophic situation to maintain or restore operations, provided that staff shall inform the board after such use and clearly identify it in the quarterly report to the board and the OPUC.**
    b. **Staff is authorized to use the Operational Contingency Reserve to address other organizational needs that might arise as a result of revenue shortfalls derived from weather, opportunities or initiatives that can reasonably be expected to maximize the effectiveness and reach of Energy Trust's public purpose charge revenue, renewable energy projects for which other funds are insufficient or unavailable, or support for energy efficiency projects in the event Efficiency Program Reserves by Utility are otherwise insufficient or unavailable, provided that, in all cases, staff shall obtain prior board authorization or, if prior board action is not practicable, with executive director authorization and board ratification at the board meeting immediately following the use of the Operational Contingency Reserve. In addition, staff shall identify such use in the monthly financial statements to the board and the OPUC.**
        i. **Should the Operational Contingency Reserve be drawn down below the reserve target established above in this policy, it shall be replenished as follows and in the order below:**

            **First, through repayment of any amount drawn down by a funding utility in the event Efficiency Program Reserves by Utility or renewable program budgets are otherwise insufficient or unavailable.**

            4. **Next, with investment income earned on the Emergency Contingency Reserve and the Operational Contingency Reserve.**

**5. Then, with up to 25% of the total investment income earned on the Efficiency Program Reserves by Utility and the Renewable Program Reserves by Utility.**

**ii. In the event the replenishment amounts identified above are not adequate to restore the Operational Contingency Reserve to the target reserve established above in this policy, staff shall report the deficit amount to the Finance Committee at the Finance Committee's next regularly scheduled meeting and provide risk assessment and a proposal for alternatives to full replenishment.**

**8. Energy Trust staff will maintain a Net Assets Procedures document to provide detail on the establishment, maintenance and use of Energy Trust's net asset categories.**

**9. The Finance Committee shall undertake a review of this policy not less than every three years to determine, among other things, whether the reserve targets established for the Contingency Reserves are appropriate. Any changes to the reserve targets for the Contingency Reserves shall be presented by staff and committee for the full board consideration and approval.**

# Net Assets Procedures

Energy Trust is responsible for nearly $200 million of revenue and expenditure each year. If revenue exceeds expenditure, the accumulated unspent funds are accounted for as net assets, also called reserves, in the name of each funding source.
The board of directors is responsible for the policy governing the use of net assets called *Maintaining, Establishing and Using Net Assets Policy (Net Assets Policy)*. The policy was up for its three-year review in 2019 and when it was brought before the Policy Committee, the committee asked staff a series of questions:

1. How were the emergency and operational contingency reserve amounts established originally?
2. How often are the emergency and operational contingency reserve amounts reviewed by the board?
3. What is the relationship between the budget and the reserve amounts?
4. What are the risk and variability factors considered when establishing reserve levels?
5. The current policy states the Finance Committee will review the emergency reserve level and advise changes. When did the committee last perform this review?
6. Is there a broader role for the finance committee in establishing reserve levels in connection with the budget each year?

The policy committee also had questions about the source of the reserve funds. The following information is a resource to explain the status quo, as the first step in referring the policy to the finance committee for input on policy changes and implementation.

## Net Assets

### At-a-Glance

1. Efficiency Program Reserves by Utility
2. Renewables Program Reserves by Utility
3. Other Funding Sources
    a. Community Solar program reserve
    b. Business Development fund pool
4. Contingency Reserves
    a. Emergency Contingency Reserve
    b. Operational Contingency Reserve

### Definitions and Considerations

1. **Efficiency Program Reserves by Utility** - Each reserve balance represents any carryover and investment income from the previous year plus any accumulated, unspent revenue from the current year.

- Each utility has its own Efficiency Program Reserve. These funds may be used for incentives, delivery, and a share of organization costs on behalf of that utility's rate payers.
- A minimum reserve target is negotiated with each utility during the budget process taking into account the following factors:
  - net assets carried over from the previous year,
  - the amount of revenue needed to cover budgeted expenditure, o the potential for variation from the budgeted revenue or expenditure, and
  - timing of rate filings to avoid too-frequent filings.
- The *Net Assets Policy* authorizes staff to spend down Efficiency Program Reserves by up to 50% without prior board approval and beyond 50% with prior board approval.
- If efficiency expenditures for any particular utility exhaust the Efficiency Program Reserve, the Operational Contingency Reserve is available to cover any shortfall.
- The Efficiency Program Reserves by Utility earns a proportionate share of available investment income from all net assets.

2. **Renewable Program Reserves by Utility** - Each reserve balance represents any carryover and investment income from the previous year plus any accumulated, unspent revenue from the current year.
   - Only the two electric utilities have their own Renewable Program Reserves.
   - Renewables programs are funded through SB1149 as a percent of electric utility collections. The amount of revenue is locked at that percent, but variation in utility collections can impact the exact amount of Renewable Program Reserves at any given time.
   - There is no reserve target or negotiated revenues for the Renewable Program Reserves, but they are monitored to ensure funds are available to make commitments for long-lived projects.
   - If renewable program expenditures exceed available funds, the Operational Contingency Reserve is available to cover any shortfall.
   - The Renewable Program Reserves by Utility earns a proportionate share of available investment income from all net assets.

3. **Other Funding Sources** – These are non-traditional sources of funding for Energy Trust where traditional sources are considered to be SB1149 electric funds for energy efficiency and renewable energy, SB838 supplemental electric funding, gas funding from separate gas utility contracts, and funding from the NWN contract to cover customers in southwest Washington.
   - **Community Solar program reserve** – This program reserve is established to cover any risk associated with managing the Community Solar program. o The Community Solar program exists under a time and materials agreement with rates established in a competitive market. o The Community Solar program reserve target is established by the Finance Committee and reviewed every three years. o The Community Solar program reserve accumulates through earnings from the Community Solar program and from a proportionate share of investment income from all net assets. o Any Community Solar program earnings and any

investment income earned on the Community Solar program reserve in excess of the reserve target is transferred into the Business Development Fund pool.

- **Business Development fund pool** – This pool of funds is reserved to pursue Other Funding Sources or to capitalize programs that don't use traditional funding sources. o The Business Development fund pool comes from a variety of funding sources which are independent from traditional funding sources. o In the past, these funds were used to support staff costs in the development of the Community Solar RFP bid. o The Business Development fund pool earns a proportionate share of investment income from all net assets. o The Business Development fund pool also receives program and investment income earnings from the Community Solar program once the reserve target has been met for the Community Solar program reserve. o Any Other Funding Sources that might be added in the future would contribute both program and interest earnings to the Business Development fund pool in a way similar to the Community Solar program.

4. **Contingency Reserves** – These are net assets that are maintained at specified reserve targets to be used in special circumstances.

- **Emergency Contingency Reserve** - The purpose of this reserve is to ensure funds are available in the event of an emergency, such as a natural catastrophe or some other major business interruption.

  o The Emergency Contingency Reserve has a reserve target of $5 million. The reserve target is assessed by the Finance Committee every three years and can be adjusted by a decision of the Board. o The Emergency Contingency Reserve was established by the board of directors in 2013 (R677). Funds were derived from investment income accumulated between 2002 and 2013. o Management may access the Emergency Contingency Reserve without prior board approval. As soon as practical, management must notify the board. The board Secretary must record the action in the board minutes of the next meeting. o Energy Trust also maintains casualty and business interruption insurance to recover damages and lost revenue. o The proportionate share of available investment income from all net assets attributed to the Emergency Contingency Reserve accrues to the Operational Contingency Reserve.

- **Operational Contingency Reserve** - The purpose of this reserve is to address other organizational needs that might arise as a result of revenue shortfalls derived from weather, opportunities or initiatives that can reasonably be expected to maximize the effectiveness and reach of Energy Trust's public purpose charge revenue, renewable energy projects for which other funds are insufficient or unavailable, or support for energy efficiency projects in the event Efficiency Program Reserves by Utility are otherwise insufficient or unavailable o The Operational Contingency Reserve has a reserve target of $3 million. o The Operational Contingency Reserve was established by the board of directors in 2013 (R677). Funds were derived from investment income accumulated between 2002 and 2013. o The current policy allows use of the Operational Contingency Reserve with prior board approval. o The Operational Contingency Reserve has been used in the past to replace funding shortfalls in Efficiency Program Reserves by Utility. o The Operational Contingency Reserve has been used as capital to support loans by Craft3 to low- and moderate-income participants ($800,000) and for manufactured home replacements ($1M). o The Operational

Contingency Reserve earns a proportionate share of available investment income from all net assets.

## Questions often asked about net assets/reserves

Why do net assets increase or decrease? If revenue flows in faster than expenditures flow out, net assets increase. Likewise, if revenues flow in slower than expenditures flow out, net assets will decrease. These increases and decreases may be seasonal.

What happens to net assets at the end of each year? Net assets carry forward from the end of one year to the beginning of the next.

How do net assets affect the budget? Net assets for each funding source are considered when budgeting revenue and expense for the subsequent year. In the case of Efficiency Program Reserves by Utility, if net assets are higher than reserve target, the revenue can be reduced in a downward rate filing by the utility. In the case of Renewable Program Reserves by Utility, the increase in available funding can be committed to additional projects.

Do net assets sit idle, or do they earn income? Net assets earn a modest return from safe, short-term investments. Investment examples are certificates of deposit, bonds, and highly rated commercial paper. The average return is usually one to two percent.

What happens to the investment income earned from net assets? Investment income accumulates in the Operational Contingency Reserve until a decision is made to use the income or until the end of the year when investment income is allocated to the various categories of net assets as described above. The entire Operational Contingency Reserve was created from the accumulation of investment income over the years Energy Trust has been operating. From 2002-2017, investment returns accumulated to nearly $11 million. At the end of 2018 Energy Trust rebalanced the Operational Contingency Reserve, crediting each category of net assets for a proportionate share of the amount above the $8 million target balance. Thereafter each year, Energy Trust will redistribute the annual investment income to help offset utility rate increases or to increase funds available to programs and other activities.

Are net asset accounts segregated? The Energy Trust accounting system tracks all revenue, expenditure and net assets by funding source in its general ledger. The information is reported monthly. Funds are combined in bank and investment accounts to maximize earnings power.

Is there a formula for deciding the right level for net assets? What level is too low, and what level is too high? One method used by non-profits is 'months available net assets' which compares expendable net assets to average future monthly expenditure. This method works well for organizations with fixed costs and uncertain revenue flow. The recommended level is between six- and twelve-months' expenditure. The target level should be higher if revenue is unpredictable; lower if revenue is more predictable. With annual expenditure of $200 million, a reserve of six months would be $100 million. Another consideration besides revenue predictability is timing. Energy Trust spends 30-35% of the incentive budget in the last month of the year. Total net assets at the end of November – just prior to peak spending were $91 million, reasonably close to the six-month level.

## Net Assets / Reserves at the end of 2019

**Reserves : with investment income re-attributed**

| | 12/31/19 | 12/31/18 | **2019** | |
|---|---|---|---|---|
| | Final with interest | Beginning of year | **Interest** | **Final before interest** |

| | | | | |
|---|---|---|---|---|
| PGE | 17,012,206 | 22,328,018 | 512,718 | 16,499,488 |
| PacifiCorp | 11,192,322 | 9,319,633 | 267,330 | 10,924,992 |
| NW Natural | 3,702,233 | 3,591,597 | 95,060 | 3,607,173 |
| Cascade | 1,134,251 | 373,597 | 19,652 | 1,114,599 |
| Avista | 243,670 | (45,817) | 2,579 | 241,091 |
| NWN Industrial | 984,266 | 772,993 | 22,902 | 961,364 |
| NWN Washington | 417,195 | 501,071 | 11,968 | 405,227 |
| PGE Renewables | 12,524,047 | 9,510,800 | 287,178 | 12,236,869 |
| PAC Renewables | 6,570,936 | 6,490,682 | 170,231 | 6,400,705 |
| Program Reserves | 53,781,125 | 52,842,574 | 1,389,617 | 52,391,508 |
| Other Reserves | 19,220 | 24,897 | 575 | 18,645 |

## **President's Report** (Mark Kendell for Melissa Cribbins)

Mark Kendall acknowledged the contributions of advisory council members. Two Renewable Energy Advisory Council members left the council after many years of contributions to Energy Trust and to the energy industry: Dr. Frank Vignola, lead scientist at solar radiation monitoring laboratory at University of Oregon, and Dick Wanderscheid of Bonneville Environmental Foundation. One of the founding Diversity Advisory Council members, Kaeti Namba, passed away. This is a significant loss for Energy Trust and the community.

## **Executive Director's Report** (Michael Colgrove)

Michael Colgrove introduced Energy Trust's new director of human resources, Amanda Sales, who brings knowledge, resources and strategic thinking about how Energy Trust can invest in its human capital. Amanda Sales supports the board compensation committee and the board executive director review committee.

The board asked about potential upcoming HR challenges for the organization, and Amanda Sales described progress and continued investments needed for recruitment and retention of employees of color.

Ernesto Fonseca left the meeting at 1:30 p.m.

Michael Colgrove provided an update from executive team regarding the business programs request for proposals and the results of the review conducted by Stoll Berne to ensure the RFP process was conducted fairly and with integrity. The board heard these updates at the September meeting along with public comment from stakeholders, including one public comment expressing concern about the review and requesting that the commenter's text messages be reviewed in further investigation. Executive team pursued this additional investigation, however the public commenter then declined to participate, and an investigator was unable to confirm the commenter's allegations. Energy Trust has confidence in Stoll Berne's conclusion that the RFP process was conducted fairly and with integrity.

## Committee Reports

***Joint Audit & Compensation Committee (Roland Risser)***

Energy Trust worked with Moss Adams to complete an audit of its 401(k) plan on time and without incident.

***Board Nominating Committee (Michael Colgrove)***

The committee will schedule its first meeting and review the board member needs matrix.

***Compensation Committee (Roland Risser)***
Energy Trust's 401k plan is increasing in value and employees appear to be managing their accounts well. The committee received a request from an employee to see if they could have some of the investment options disassociated with for-profit prisons.

***Evaluation Committee (Lindsey Hardy)***
The committee received a report on smart thermostat market transformation savings, which concluded that Energy Trust does have a basis to claim market transformation savings.

***Executive Director Review Committee (Melissa Cribbins)***
The committee will conduct a mid-year annual review of Energy Trust's executive director and will consider input from four staff members.

***Finance Committee (Susan Brodahl)***
The organization's finances are better than anticipated.

***Policy Committee (Debbie Menashe)***
There were two committee meeting: a special meeting to preview a presentation on business program contract and a meeting to review and approve new advisory council members.

***Strategic Planning Committee (Mark Kendall)***
The committee is working to set metrics for quarterly dashboard reports on strategic plan focus areas. Diversity, equity and inclusion consultants recommended Energy Trust wait to set metrics until it assesses its baseline, strengths, weaknesses and opportunities regarding diversity, equity and inclusion. The committee is exploring this recommendation and will work with the board governance committee.

***Conservation Advisory Council (Lindsey Hardy)***
The Conservation Advisory Council had two meetings with topics including cost-effective measures and program changes for 2021, 2021 program action plans and wildfire impacts. There were two departing Conservation Advisory Council members, Charlie Grist with the Northwest Power and Conservation Council and Wendy Gerlitz with the Northwest Energy Coalition. The council welcomed new members: Tina Jayaweera from the Northwest Power and Conservation Council and Keith Keuney from Community Action Partnership of Oregon. Holly Braun, NW Natural, retired from Conservation Advisory Council a few months ago.

***Diversity Advisory Council (Mark Kendall)***
The council received an update on data enhancement project; reviewed 2021 diversity, equity and goals; and reviewed and proposed revisions to a diversity, equity and inclusion lens.

***Renewable Energy Advisory Council (Betsy Kauffman)***
The Renewable Energy Advisory Council provided feedback that Energy Trust should increase available funds for project development assistance.

***Board Governance review Roles & Responsibilities Ad hoc Committee and Board Governance review Governance & Structure Ad hoc Committee (Roland Risser)***
The committee issued an RFP for a board governance review. The resulting report will provide guidance on the role of board, delegation of board committees and content of committee charters. Once the month-long RFP period closes, the work is estimated to complete in five months.

***Board Governance review Diversity, Equity & Inclusion Ad hoc Committee (Mark Kendall)***

The committee proposed a vote on appointment of members: Eric Hayes, Letha Tawney (with Anna Kim as proxy), Elee Jen, Eric Hayes, Lindsey Hardy, Janine Benner (with Ruchi Sadhir as proxy), Ernesto Fonseca and Roland Risser.

Moved by: Mark Kendall Seconded by: Eric Hayes

Vote: In favor: 9 Abstained: 0

Opposed: 0

The committee will help the board develop more cultural awareness and sensitivity. Mark Kendall described guidance from consultants, potential engagement with Diversity Advisory Council members, roles of staff and next steps.

## Adjourn

The meeting adjourned at 2:23 p.m.

**The next regular meeting of the Energy Trust Board of Directors** will be held Friday, December 11, 2020 at 10:00 a.m. at held virtually on Zoom.

_____ __ ____/____/____

Signed: Mark Kendall, Secretary Date

# PINK PAPER

# Board Decision

**Amend Participant Information Policy**

December 11, 2020

## Summary

Approve amendments to the Policy on Information Provided by Program Participants, Contractors and Bidders ("Participant Information Policy"). The policy amendments proposed are for editorial clarity. No substantive changes are recommended at this review as the policy is consistent with current requirements and operational practices around privacy and the use of information in Energy Trust's work.

## Background

- Energy Trust is careful about how it uses information provided by individuals and businesses that participate in Energy Trust programs. In addition to being respectful of privacy interests generally, Energy Trust is concerned that if participants do not trust that their identities will be protected, they may not participate in Energy Trust programs.
- At the same time, Energy Trust has a strong commitment to transparency in its operations, and a variety of disclosure obligations and interests, regulatory reporting, legislative inquiries, and collaboration with utilities, government agencies and other energy analysts.
- To balance these concerns, in 2005 the Energy Trust board, in close collaboration with the OPUC, adopted a policy with these basic features:
    - treat all information about residential participants as confidential, while still allowing disclosure of name, Energy Trust incentive and energy savings (or generation) for commercial and industrial participants;
    - permit sharing of aggregated information with other energy analysts;
    - do not treat contracts as confidential unless specifically identified as confidential by Energy Trust's counter-party; and
    - treat bid materials as confidential.
- Since 2005, the policy has been amended in limited ways. The basic parameters of the policy have stayed in place and, we think, worked well.

## Discussion

- In 2017, Energy Trust engaged a privacy consultant, Julie Glover of 6 Degrees, to help review Energy Trust privacy policies and procedures. Her review focused primarily on bringing our practices in line with current "Generally Accepted Privacy Principles," or GAPP. 6 Degrees reviewed the policy again in 2020 and offered no suggested changes.
- The policy continues to be useful in governing Energy Trust's use of information. Staff presented a small number of editorial revisions for clarity only to the Policy Committee on November 6, 2020, and the Policy Committee unanimously

recommended forwarding the revised policy to the board for approval through the consent agenda.

## Recommendation

Amend the Participant Information Policy as indicated below.

**RESOLUTION 923**
**PARTICIPANT INFORMATION POLICY**

**WHEREAS:**

1. **Energy Trust is careful about how it uses information provided by individuals and businesses that participate in Energy Trust programs. In addition to being respectful of privacy interests generally, Energy Trust is concerned that if participants do not trust that their identities will be protected, they may not participate in Energy Trust programs.**
2. **At the same time, Energy Trust has disclosure obligations and interests: regulatory reporting requirements, legislative inquiries, and the need to collaborate with utilities, government agencies and other energy analysts.**
3. **To balance these concerns, in 2005 the Energy Trust board, in collaboration with the OPUC, adopted a policy that: (a) treats information about residential participants as confidential; (b) allows disclosure of name, Energy Trust incentive and energy savings (or generation) for commercial and industrial participants; (c) permits sharing of aggregated information with other energy analysts; (d) discloses contracts except for provisions specifically identified as confidential by the contract counter-party; and (e) treats bid materials as confidential. The policy has been amended in limited ways since 2005, but its basic parameters have stayed in place and worked well.**
4. **In 2017, Energy Trust retained a consultant to review Energy Trust privacy policies and procedures. The review focused primarily on bringing our practice in line with current "Generally Accepted Privacy Principles," or GAPP. The policy was reviewed again in 2020 for GAPP compliance, and no further revisions were suggested. In addition, Energy Trust also consulted with staff who use this information most often, to identify operational issues.**
5. **No substantive changes were recommended as a result of these reviews, but a small number of editorial changes are suggested for clarity.**

**It is therefore RESOLVED that the Energy Trust policy on Participant Information is amended as shown below.**

Moved by: Seconded by:
Vote: In favor: Abstained:
Opposed:

# MARKED

# 4.17.000-P
# Policy on Information Submitted by Utilities, Program Participants, Contractors and Bidders

| History | | | |
|---|---|---|---|
| **Source** | **Date** | **Action/Notes** | **Next Review Date** |
| Policy Committee | 05/24/04 | Review and discussion | 08/24/2004 |
| Policy Committee | 08/24/04 | Reviewed for board action | 09/09/2004 |
| Board | 09/09/04 | Action postponed pending further review and discussion | 09/21/2004 |
| Board | 07/06/05 | Approved (R345) | 07/2008 |
| Board | 05/09/07 | Amended (R438) | 05/2010 |
| Board | 11/07/12 | Amended (R648) | 11/2015 |
| Board | 07/31/14 | Amended (R707) | 07/2017 |
| Board | 09/27/17 | Amended (R816) | 10/2020 |
| | | | |

**Purpose:** Energy Trust and its contractors acquire information from utilities, program participants and others. This document establishes Energy Trust policy on collection, use and disclosure of information about program participants, that is, information obtained from Energy Trust program participants that refers specifically to the participant by name, address, or other personally identifiable characteristics. This information may include not just data from program participants, but also information from Energy Trust survey respondents and others. This policy also addresses disclosure of contracts and bid information. The policy does not restrict the use of information that made publicly available by sources other than Energy Trust.

## 1. Energy Trust will inform participants of this policy

Participants in Energy Trust programs will be notified ~~of the contents~~ of this policy by appropriate means (e.g., on program application forms, the Energy Trust web-site and oral communications). Energy Trust and its contractors will offer participants a copy of this policy.

## 2. Energy Trust protects information provided by utilities

Utilities provide Energy Trust with information that refers to specific energy consumers on condition that this information is treated confidentially. This information is covered by Oregon Public Utility Commission administrative rules, OAR 860-086-000, et seq., and "information transfer agreements" negotiated with each funding utility. Energy Trust will not afford access to this information to anyone who has not signed a confidentiality agreement consistent with the applicable administrative rules and information transfer agreements. If Energy Trust obtains written, oral (documented electronically or in writing), or electronic consent from an Energy Trust program participant, information relating to such participant is no longer subject to utility confidentiality agreements, and instead is governed by section 3 of this policy.

Energy Trust uses specific procedures, systems and tools to safeguard this information against inappropriate use or disclosure, and provides regular training to employees and contractors in governing policy and procedures, data collection, storage, use, retention and disposal of this information ~~in order to safeguard against inappropriate use or disclosure~~. For further information, see https://www.energytrust.org/privacy-policy/.

## 3. Energy Trust use of Participant Information

A. Definition of Participant Information: "Participant Information" means information obtained from program participants, participants in surveys and other Energy Trust initiatives, which refers specifically to the participant by name, address, or other personally identifiable characteristics. "Participant Information" does not include information that is made publicly available by sources other than Energy Trust, or information that a program participant has consented to allow disclosure.

B. Use of Participant Information for Energy Trust Purposes. Energy Trust will use Participant Information only for Energy Trust purposes. For more detail about how Energy Trust uses Participant Information, see the Energy Trust Privacy Policy, https://www.energytrust.org/privacy-policy/. These purposes include ~~a~~ activities involved in providing energy-saving or renewable energy services to program participants, program design, program delivery, program evaluation, energy use analysis, and other activities. Energy Trust will not provide Participant Information to any other entity without express participant consent, or as provided in sections 3.C-E and 3.G-H, below. Energy Trust will share Participant Information with third parties only ~~in the ways that are~~ in a manner consistent with ~~described in~~ this policy. Energy Trust does not sell Participant Information.

C. Protection of Participant Information by Third Parties. Energy Trust may provide Participant Information to Energy Trust contractors who agree in writing to protect such information consistent with this policy. Contractors will consult with their Energy Trust contract manager if in doubt whether disclosure would be appropriate.

D. Collaborative analysis. Energy Trust analyzes Participant Information and aggregates it with other information to plan, evaluate and report on Energy Trust programs. If consistent with section 3 of this policy and if the shared data do not reveal Participant Information, Energy Trust may share such aggregated information with third-parties ~~analysts~~, recognizing that these ~~some of these analysts work for~~ organizations ~~with~~ may utilize their own information disclosure policies and requirements.

E. Using Participant Information in Energy Trust ~~marketing~~ communications materials. Before using Participant Information in case studies, brochures, press releases, advertisements, marketing or other publicity material, Energy Trust and/or its contractors will obtain express consent from the relevant participants. This express consent will refer specifically to use of Participant Information in marketing materials. Aggregated, non-identifiable P~~p~~articipant D~~d~~ata may be used without participant consent.

F. Retention and Destruction of Participant Information. Energy Trust retains Participant Information for only as long as it is needed to meet the purposes stated in Section

3.~~b~~ B. of this policy (https://www.energytrust.org/privacy-policy/), or as required by law or regulation. When Participant Information is no longer needed for such purposes, Energy Trust will securely delete and/or destroy such information.

G. Information provided to government entities

(1) Energy Trust will not report residential program Participant Information to government entities.

(2) For non-residential programs, Energy Trust may include the following information in reports to the Bonneville Power Administration, the Oregon legislature, the Oregon Public Utility Commission ("OPUC") and other government agencies as necessary to meet Energy Trust responsibilities and regulatory requirements:

- participant name
- site address
- general description of type of energy saving or renewable project or activity implemented (e.g., lighting, HVAC, solar ~~PV~~)
- Energy Trust services or incentive payments provided to the participant
- energy saved or generated as a result of Energy Trust services or incentives.

(3) Before providing Participant Information other than as specified in this section 3.G, Energy Trust will obtain express participant consent or, in the case of information requested by the OPUC, use the procedure specified in Section 6, below.

H. Information provided to utilities. Energy Trust will provide Participant Information to utilities as specified in OAR 860-086-000, which, as of September~~,~~ 2012, consisted of

- name;
- service address (including apartment, unit, or suite number);
- meter number and other point-of-delivery identification numbers;
- information about efficiency program participation, such as measures installed since the inception of the efficiency programs; and
- whether an electric customer has agreed to the transfer of its proprietary customer information as a result of its participation in an efficiency program, and the term during which Energy Trust has the right to see it, if applicable.

## 4. Contracts

A. Except for contracts that concern personnel matters, and contract provisions containing Participant Information, contracts to which Energy Trust is a party may be made publicly available, subject to Section 4.B below. For purposes of this policy, the term "contract" does not mean program application materials or incentive project funding agreements.

B. If a contract specifically identifies as confidential sensitive business records or financial or commercial information that is not customarily provided to business

competitors, Energy Trust will not publicly disclose such information unless required by judicial order or audit. However, Energy Trust may publicly disclose all other non-Participant Information in the contract.

C. Subject to judicial order and/or audit requirements, Energy Trust will not disclose information submitted in response to requests for proposals or other solicitations.

**5. Audit**

Energy Trust will afford auditors full access to Pparticipant Iinformation for purposes of audit.

**6. Resolving issues**

In the event the OPUC requests from Energy Trust information that is protected by this policy, Energy Trust will follow the procedure specified in section 3.c of the Grant Agreement between Energy Trust and the OPUC (available at https://energytrust.org/wp-content/uploads/2016/10/grant_agreement.pdfhttps://www.energytrust.org/wp-content/uploads/2016/11/grant_agreement.pdf).

# CLEAN

# 4.17.000-P
# Policy on Information Submitted by Utilities, Program Participants, Contractors and Bidders

| History | | | |
|---|---|---|---|
| **Source** | **Date** | **Action/Notes** | **Next Review Date** |
| Policy Committee | 05/24/04 | Review and discussion | 08/24/2004 |
| Policy Committee | 08/24/04 | Reviewed for board action | 09/09/2004 |
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| Board | 07/31/14 | Amended (R707) | 07/2017 |
| Board | 09/27/17 | Amended (R816) | 10/2020 |
| | | | |

**Purpose:** Energy Trust and its contractors acquire information from utilities, program participants and others. This document establishes Energy Trust policy on collection, use and disclosure of information about program participants, that is, information obtained from Energy Trust program participants that refers specifically to the participant by name, address, or other personally identifiable characteristics. This information may include not just data from program participants, but also information from Energy Trust survey respondents and others. This policy also addresses disclosure of contracts and bid information. The policy does not restrict the use of information that made publicly available by sources other than Energy Trust.

## 1. Energy Trust will inform participants of this policy

Participants in Energy Trust programs will be notified of this policy by appropriate means (e.g., on program application forms, the Energy Trust website and oral communications). Energy Trust and its contractors will offer participants a copy of this policy.

## 2. Energy Trust protects information provided by utilities

Utilities provide Energy Trust with information that refers to specific energy consumers on condition that this information is treated confidentially. This information is covered by Oregon Public Utility Commission administrative rules, OAR 860-086-000, et seq., and "information transfer agreements" negotiated with each funding utility. Energy Trust will not afford access to this information to anyone who has not signed a confidentiality agreement consistent with the applicable administrative rules and information transfer agreements. If Energy Trust obtains written, oral (documented electronically or in writing), or electronic consent from an Energy Trust program participant, information relating to such participant is no longer subject to utility confidentiality agreements, and instead is governed by section 3 of this policy.

Energy Trust uses specific procedures, systems and tools to safeguard this information against inappropriate use or disclosure, and provides regular training to employees and contractors in governing policy and procedures, data collection, storage, use, retention and disposal of this information. For further information, see https://www.energytrust.org/privacy-policy/.

## 3. Energy Trust use of Participant Information

A. Definition of Participant Information: "Participant Information" means information obtained from program participants, participants in surveys and other Energy Trust initiatives, which refers specifically to the participant by name, address, or other personally identifiable characteristics. "Participant Information" does not include information that is made publicly available by sources other than Energy Trust, or information that a program participant has consented to allow disclosure.

B. Use of Participant Information for Energy Trust Purposes. Energy Trust will use Participant Information only for Energy Trust purposes. For more detail about how Energy Trust uses Participant Information, see the Energy Trust Privacy Policy, https://www.energytrust.org/privacy-policy/. These purposes include activities involved in providing energy-saving or renewable energy services to program participants, program design, program delivery, program evaluation, energy use analysis, and other activities. Energy Trust will not provide Participant Information to

any other entity without express participant consent, or as provided in sections 3.C-E and 3.G-H, below. Energy Trust will share Participant Information with third parties only in a manner consistent with this policy. Energy Trust does not sell Participant Information.

C. Protection of Participant Information by Third Parties. Energy Trust may provide Participant Information to Energy Trust contractors who agree in writing to protect such information consistent with this policy. Contractors will consult with their Energy Trust contract manager if in doubt whether disclosure would be appropriate.

D. Collaborative analysis. Energy Trust analyzes Participant Information and aggregates it with other information to plan, evaluate and report on Energy Trust programs. If consistent with section 3 of this policy and if the shared data do not reveal Participant Information, Energy Trust may share such aggregated information with third-parties, recognizing that these organizations may utilize their own information disclosure policies and requirements.

E. Using Participant Information in Energy Trust communications materials. Before using Participant Information in case studies, brochures, press releases, advertisements, marketing or other publicity material, Energy Trust and/or its contractors will obtain express consent from the relevant participants. This express consent will refer specifically to use of Participant Information in marketing materials. Aggregated, non-identifiable Participant Data may be used without participant consent.

F. Retention and Destruction of Participant Information. Energy Trust retains Participant Information for only as long as it is needed to meet the purposes stated in Section 3.B. of this policy (https://www.energytrust.org/privacy-policy/), or as required by law or regulation. When Participant Information is no longer needed for such purposes, Energy Trust will securely delete and/or destroy such information.

G. Information provided to government entities

(1) Energy Trust will not report residential program Participant Information to government entities.

(2) For non-residential programs, Energy Trust may include the following information in reports to the Bonneville Power Administration, the Oregon legislature, the Oregon Public Utility Commission (“OPUC”) and other government agencies as necessary to meet Energy Trust responsibilities and regulatory requirements:

- participant name
- site address
- general description of type of energy saving or renewable project or activity implemented (e.g., lighting, HVAC, solar)
- Energy Trust services or incentive payments provided to the participant
- energy saved or generated as a result of Energy Trust services or incentives.

(3) Before providing Participant Information other than as specified in this section 3.G, Energy Trust will obtain express participant consent or, in the case of information requested by the OPUC, use the procedure specified in Section 6, below.

H. Information provided to utilities. Energy Trust will provide Participant Information to utilities as specified in OAR 860-086-000, which, as of September 2012, consisted of

- name;
- service address (including apartment, unit, or suite number);
- meter number and other point-of-delivery identification numbers;
- information about efficiency program participation, such as measures installed since the inception of the efficiency programs; and
- whether an electric customer has agreed to the transfer of its proprietary customer information as a result of its participation in an efficiency program, and the term during which Energy Trust has the right to see it, if applicable.

## 4. Contracts

A. Except for contracts that concern personnel matters, and contract provisions containing Participant Information, contracts to which Energy Trust is a party may be made publicly available, subject to Section 4.B below. For purposes of this policy, the term "contract" does not mean program application materials or incentive project funding agreements.

B. If a contract specifically identifies as confidential sensitive business records or financial or commercial information that is not customarily provided to business competitors, Energy Trust will not publicly disclose such information unless required by judicial order or audit. However, Energy Trust may publicly disclose all other non-Participant Information in the contract.

C. Subject to judicial order and/or audit requirements, Energy Trust will not disclose information submitted in response to requests for proposals or other solicitations.

## 5. Audit

Energy Trust will afford auditors full access to Participant Information for purposes of audit.

## 6. Resolving issues

In the event the OPUC requests from Energy Trust information that is protected by this policy, Energy Trust will follow the procedure specified in section 3.c of the Grant Agreement between Energy Trust and the OPUC (available at https://energytrust.org/wp-content/uploads/2016/10/grant_agreement.pdf).

# Tab 2

# Proposed Board Notetaking Changes for 2021

December 11, 2020

## Reason for Proposed Changes

Energy Trust staff takes notes at all meetings of the Energy Trust Board of Directors. Currently board notes include comprehensive, detailed write-ups of all presentations, board discussions and committee reports. This level of detail produces many pages of notes per meeting, requiring approximately 100 hours a year in staff time to produce, review, edit and proof notes—equivalent to $9,500 per year in staffing costs.

More condensed notes would reduce the staff time needed for notetaking, editing and proofreading while delivering similar value to stakeholders and the public and freeing up staff time for other high-priority work. All changes would be implemented in 2021.

## Proposed Changes

**Board members would receive:**

- Succinct notes included in board meeting packets
- Recorded Zoom meetings sent via email

**Publicly available notes would include:**

- Succinct notes posted on Energy Trust's website
- Recorded Zoom meetings available upon request (Zoom meeting recordings would not be posted on Energy Trust's website)

**Process changes:**

- The below content changes would require notetakers to capture less detail, which would allow notetaking duties to be shared among staff already attending board meetings and eliminate the need for an additional designated notetaker
- Notetaking duties would be assigned in advance to staff already planning to attend the meeting

**Content changes:**

- Include one-sentence summaries of the president's report, executive director's report, public comment and all presentations
- Rather than capturing board discussion, capture only board direction, decisions and next steps in a bulleted list
- Condense committee report notes to meeting topics only (committee meeting notes are typically included in the packet)
- Exclude staff attendance list
- Leave resolutions and policy attachments intact

Below is a sample of succinct meeting notes from the board's May 2020 meeting using this new model plus original notes from the May 2020 meeting for comparison.

# Board Meeting Minutes—178th Meeting (Succinct Version)

May 20, 2020

**Board members present**: Erik Andersson, Susan Brodahl, Melissa Cribbins, Ernesto Fonseca, Lindsey Hardy, Eric Hayes, Elee Jen, Alexia Kelly, Mark Kendall, Henry Lorenzen, Alan Meyer, Anne Root, Roland Risser, Letha Tawney (OPUC ex officio), Janine Benner (Oregon Department of Energy special advisor)

**Board members absent**: None

**Others attending**: Anna Kim (OPUC), Lisa McGarity (Avista), Jason Klotz (Portland General Electric), Rick Hodges (NW Natural), Ali Shei (City of Portland)

## Business Meeting

Melissa Cribbins called the meeting to order at 9:33 a.m.

## General Public Comments

There were no public comments.

*There was no public comment at this meeting. If there were, it would be summarized in one sentence such as: "Jane Doe, company, expressed concerns about Energy Trust's [specify] process or offer."*

## 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:

- February 25, 2020 Board Learning Session Minutes
- April 7, 2020 Board Orientation Minutes
- April 8, 2020 Board Minutes

| | |
|---|---|
| Moved by: Eric Hayes | Seconded by: Mark Kendall |
| Vote: In favor: 10 | Abstained: 0 |
| Opposed: 0 | |

## President's Report (Melissa Cribbins)

Melissa Cribbins invited board members to provide updates on how the coronavirus is affecting their communities.

Ernesto Fonseca joined the meeting at 9:49 a.m.

## Executive Director's Report (Michael Colgrove)

Michael Colgrove and Peter West shared information about Energy Trust's ongoing response to the coronavirus and new savings projections reflecting its impact.

- The board expressed support for pursuing battery incentives in the future if Oregon Public Utility Commission were to allow it as part of Energy Trust's scope and noted other states have allowed this through valuation of peak demand.
- ***Next steps: (if any)***

## Committee and Council Reports

Melissa Cribbins left the meeting at 10:52 a.m. Henry Lorenzen directed the meeting.

***Audit Committee:*** new accounting processes, engaging Moss Adams for a 401(k) audit.

***Compensation Committee:*** changes to Energy Trust's retirement plan resulting from the Secure Act, performance management process for 2019.

***Evaluation Committee:*** extended capacity heat pump study, thermostat optimization pilot.

***Finance Committee:*** Energy Trust's net assets and reserves, impacts from the coronavirus.

- Regarding net assets and reserves, the board was not in favor of spending down funds at this time and recommended continued monitoring of net assets and reserves.

***Policy Committee:*** appointment of Rick Hodges to the Conservation Advisory Council, Paycheck Protection Program loan, retiring the Lost Opportunity Policy (see below).

***Strategic Planning Committee:*** implementation of the 2020-2024 Strategic Plan and tracking metrics.

***Conservation Advisory Council:*** updates from utilities and council members on their organizations' and businesses' coronavirus responses.

***Diversity Advisory Council:*** survey results on prioritizing meeting topics, revising the council's charter.

***Renewable Energy Advisory Council:*** member organizations' coronavirus response, Oregon Community Solar and Portland Clean Energy Fund.

# Resolution 911
# Retiring the Lost Opportunities Policy

May 20, 2020

**RESOLUTION 911**
**RETIRING THE LOST OPPORTUNITIES POLICY**

**WHEREAS:**

1. **The Lost Opportunities Policy, attached as Attachment 1, was originally adopted by the board in 2002 to document the board's interest in providing guidance to Energy Trust to identify lost opportunities in the design of its energy efficiency programs. Lost opportunities are situations in which an opportunity to implement an efficient solution will**

**be lost if not done when new equipment is selected and new facilities are constructed – while also taking advantage of opportunities to maximize efficiency by retrofitting functioning equipment near or at the end of useful life with more efficient equipment and optimizing the efficient operation of new equipment;**

2. **Beginning in 2008, with the passage of SB 838, Energy Trust is funded and is directed to capture all cost-effective energy efficiency savings, whether resulting from lost opportunities or not. As a result, the Lost Opportunities Policy is not a significant lens for program design.**
3. **The Lost Opportunities Policy was reviewed by the Policy Committee in April 2020 as part of the Committee's regular cycle of policy reviews;**
4. **Policy Committee members discussed whether the policy is still helpful guidance, given that the direction identified are incorporated into Energy Trust operations. Members believe that the policy is superfluous and, as a result, suggest that it be retired; and**
5. **The Policy Committee supports the suggested policy retirement and recommends approval by the full board.**

**It is therefore RESOLVED that the Board of Directors hereby approves retirement of the Lost Opportunities Policy.**

Moved by: Henry Lorenzen Seconded by: Roland Risser
Vote: In favor: 13 Abstained: 0
Opposed:0

# ATTACHMENT 1 (Proposed for Retirement)

# 4.04.000-P Lost Opportunities Policy

| History | | | |
|---|---|---|---|
| **Source** | **Date** | **Action/Notes** | **Next Review Date** |
| Board Decision | February 27, 2002 | Approved (R85) | February 2005 |
| Policy Committee | March 5, 2005 | No change | February 2008 |
| Policy Committee | March 18, 2008 | No change | March 2011 |
| Policy Committee | March 8, 2011 | No change | March 2014 |
| Board Decision | April 5, 2017 | Approved (R799) | April 2020 |
| Board Decision | May 20, 2020 | Retired | |

**Purpose:**
Provide guidance to Energy Trust efficiency programs to avoid lost opportunities – situations in which an opportunity to implement an efficient solution will be lost if not done when new equipment is selected and new facilities are constructed – while also taking advantage of opportunities to maximize efficiency by retrofitting functioning equipment near or at the end of useful life with more efficient equipment and optimizing the efficient operation of new equipment.

**Background:**
Lost opportunities can occur if efficiency is not built in at times when new equipment is being selected and new facilities are constructed. At these times, efficiency features can be installed that are impractical or much more costly to install at other times. For example, it may not be cost-effective to throw away a working air conditioner simply to replace it with a more efficient unit. However, when that air conditioner fails or is nearing failure, it may be cost-effective to pay for the incremental cost of purchasing the most efficient possible new unit instead of a standard new unit.

Energy Trust may set up specialized programs and incentives to work with designers, developers, vendors and customers to assure that high-efficiency equipment and designs are selected and installed during these events.

The question is how to balance between lost opportunities, "retrofit" and operational program offerings. Retrofit offerings encourage customers to replace or augment working equipment with more efficient equipment. Operational offerings help customers run equipment to meet their needs in the most efficient manner. While there are situations where Energy Trust can increase emphasis on lost opportunities, there are not enough of these opportunities to achieve Energy Trust's efficiency goals. Furthermore, equity considerations argue that programs should be made available for some customers who rarely make capital investments on their own (e.g., small commercial customers and some public entities). Finally, given the high levels of Oregon building codes and national equipment standards, some lost opportunity savings are more expensive per kWh than some retrofit savings.

**Policy:**

- Energy Trust should avoid lost opportunities and focus appropriate amounts of its budget and program design efforts in that direction.
- This should be considered in the context of other issues and values that influence implementation decisions.
- Energy Trust should encourage comprehensive treatment of an end-use where this is practical to avoid creating lost opportunities by doing half the job.
- Financial resources should also be reserved for retrofit and operational program offerings, especially where these are low cost or serve customers who would not otherwise be served.
- Work with partners who have special resources to efficiently capture lost opportunities, e.g., Northwest Alliance, Consortium for Energy Efficiency, Oregon Department of Energy.

## **Strategic Plan Presentation** (Hannah Cruz)

Hannah Cruz presented a new strategic planning dashboard that will be used to track progress toward the five focus areas in Energy Trust's 2020-2024 Strategic Plan.

- The board said distinctly quantifiable metrics are preferable to the extent possible.
- The board commented that focus area one about savings and generation appeared to be underrepresented within the metrics and asked staff to ensure enough focus on core work.
- The board recommended quantitative measurement for focus area four.
- The board expressed overall approval for the dashboard.
- ***Next steps: (if any)***

## **Lunch Break**

The board took a break for lunch at 12:14 p.m. and reconvened at 12:45 p.m.

## **2019 DEI Operations Report** (Tyrone Henry)

Tyrone Henry presented an update on progress toward Energy Trust's diversity, equity and inclusion goals in 2019.

Henry Lorenzen left the meeting at 2:16 p.m. and returned at 2:54 p.m.

Roland Risser left the meeting at 3:00 p.m. and returned at 3:17 p.m.

Ernesto Fonseca left the meeting at 3:49 p.m.

Janine Benner left the meeting at 4:08 p.m.

Susan Brodahl left the meeting at 4:18 p.m.

- The board encouraged continuing funding for institutional capacity for delivery partners.
- The board expressed concern about using the Portland metro area as basis for cultural and ethnic diversity while leaving rurality of staff unaddressed.
- ***Next steps: (if any)***

## Adjourn

The meeting adjourned at 4:28 p.m. The next regular meeting of the Energy Trust Board of Directors will be held Wednesday, July 15, 2020. The location is to be announced.

_____ ____/____/____

Signed: Mark Kendall, Secretary Date

# Board Meeting Minutes—178th Meeting (Original Version)

May 20, 2020

**Board members present**: Erik Andersson, Susan Brodahl, Melissa Cribbins, Ernesto Fonseca, Lindsey Hardy, Eric Hayes, Elee Jen, Alexia Kelly, Mark Kendall, Henry Lorenzen, Alan Meyer, Anne Root, Roland Risser, Letha Tawney (OPUC ex officio), Janine Benner (Oregon Department of Energy special advisor)

**Board members absent**: None

**Staff attending**: Michael Colgrove, Cheryle Easton, Wendy Bredemeyer, Amber Cole, Betsy Kauffman, Debbie Menashe, Emily Findley, Fred Gordon, Hannah Cruz, Jay Ward, Pati Presnail, Spencer Moersfelder, Julianne Thacher, Abby Spegman, Alina Lambert, Amanda Sales, Ivy Draughon, Alex Novie, Alina Lambert, Cameron Star, Greg Stokes, Lizzie Rubado, Sarah Castor, Amanda Potter, David McClelland, Karen Chase, Thad Roth, Matt Getchell, Tyrone Henry, Ryan Crews, Kate Wellington, Kenji Spielman, Adam Bartini, Brigid Gormley, Kelley Ellmer, Scott Leonard, Steve Lacey, Peter West

**Others attending**: Anna Kim (OPUC), Lisa McGarity (Avista), Jason Klotz (Portland General Electric), Rick Hodges (NW Natural), Ali Shei (City of Portland)

## Business Meeting

Melissa Cribbins called the meeting to order at 9:33 a.m. and reminded the board consent agenda items can be changed to regular agenda items at any time.

## General Public Comments

There were no public comments.

## 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:

- February 25, 2020 Board Learning Session Minutes
- April 7, 2020 Board Orientation Minutes
- April 8, 2020 Board Minutes

Moved by: Eric Hayes Seconded by: Mark Kendall
Vote: In favor: 10 Abstained: 0

Opposed: 0

## President's Report (Melissa Cribbins)

Melissa Cribbins invited board members to provide updates on how the coronavirus is affecting their communities.

Ernesto Fonseca joined the call at 9:49 a.m.

## **Executive Director's Report** (Michael Colgrove)

Michael Colgrove and Peter West shared information about Energy Trust's ongoing response to the coronavirus and new savings projections reflecting its impact. Staff reviewed early savings and generation estimates, which include efforts to mitigate impact on programs. The early estimates predict reaching 77% of electric goal and 91-107% of gas goal, which is partially due to a very large gas project; renewable energy generation is currently on track.

The board asked which sector was most impacted on the electric side. Staff said it is commercial and that attributed mainly to closures mandated by distancing protocols. The board asked if there has been interest in new energy-efficiency technologies because of the coronavirus and efforts to improve indoor air quality. Staff said no overall trends have emerged across the state. The board and staff discussed opportunities to support battery technology. While batteries are not eligible for Energy Trust incentives, they can be included as part of an eligible system and staff is pursuing work with Portland General Electric that may address this. The board expressed support for pursuing battery incentives in the future if Oregon Public Utility Commission were to allow it as part of Energy Trust's scope and noted other states have allowed this through valuation of peak demand.

Staff reviewed immediate and near-term program changes in response to the coronavirus. Immediate changes include program adjustments to allow incentive payments to continue, such as implementing direct deposit payments and pivoting program offerings to accommodate distancing protocols. The residential program is working to emphasize no- and low-cost offerings and expanding income-qualified offerings. Near-term business program changes include rolling out bonuses, expanding direct-install options and increasing lighting incentives.

Longer-term strategies include programs making more significant adjustments to incentives and trainings and promotions on the residential and commercial side. Staff shared that according to a recent study by Esource, most utilities expect the coronavirus to impact energy savings by an average of at least 10-20% or more.

The board said it appreciated this national perspective, noting some good things are coming from this. For example, the normalization of virtual channels could help drive Strategic Energy Management participation in more remote communities. The board encouraged Energy Trust to unleash the creative side of staff and allow them to accept new processes.

## **Committee Reports**

Melissa Cribbins left the call at 10:52 a.m. and handed the meeting to Henry Lorenzen.

***Audit Committee (Anne Root)***

The committee recently discussed new accounting processes for the coming year. It also signed a letter to engage Moss Adams for a 401(k) audit that will begin May 18 and be delivered July 15. The committee will meet after that to review the findings.

***Compensation Committee (Roland Risser)***

The committee discussed changes to Energy Trust's retirement plan resulting from the Secure Act, which include changes to the ability to make hardship withdrawals without penalty and authorizing loan deferrals. There was a brief look at preliminary results of the plans fund showing no problems with performance. The committee discussed the performance management process for 2019 where members saw how plan participants performed and were rated for last year.

***Evaluation Committee (Lindsey Hardy)***
The committee reviewed an extended capacity heat pump study. A metering study that looked at a couple homes showed promising results. A billing analysis of a larger sample comparing the extended capacity model to other heat pump styles suggested there do appear to be savings over lower capacity heat pumps.

The committee also discussed a thermostat optimization pilot looking at demand response capability connecting to smart thermostats, which is done through an add-on to the device that allows it to save more energy. The board expressed approval for looking at increasing the number of supported thermostat options.

***Finance Committee (Susan Brodahl)***
The committee engaged the full board in a discussion about Energy Trust's net assets and reserves and its tolerance for risk in light of impacts from the coronavirus. The committee explained that Energy Trust has not yet seen a decrease in net assets since there is a delay and financials are still reflecting revenue from the heating season. In the event of a significant reduction in revenue later in the year, the committee wanted the board to be prepared to utilize reserve funding. The committee presented funding reserves year-over-year since 2018 and invited the board to provide feedback on risk tolerance for deploying net assets and spending down reserves in the event of significantly reduced revenue.

The board and staff engaged in a larger discussion about the purpose of reserves and how much is truly available since a portion of the assets are intended to cover incentive reservations and commitments and loan obligations. The board asked to what extent existing assets would allow the organization to cover liabilities and how reserves could be spent down given that the organization is not expected to use the full amount of this year's incentive budget. Staff said proactively spending them down would require utilities to make a tariff adjustment mid-year, which most utilities would be reluctant to do. The emergency contingency is for any catastrophic emergency such as an earthquake or natural disaster that would impact operations.

The board discussed the impact of utility tariffs on the energy burden of low-income households and how Energy Trust could be uniquely positioned to focus public purpose dollars in low-income communities. The OPUC's ability to differentiate rates by income is very limited, but Energy Trust may be able to deploy funds in a more targeted fashion to address this burden. Some utilities are already presenting rate cases this year. Staff recommended waiting to see what the resulting pressure will be on ratepayers.

The board asked if there has been any planning around how reductions in incentive spending compares with the potential reduction in revenue. Energy Trust is expecting lower expenditures than budgeted, but it is unknown what revenues will be. Staff said if the organization needs more money than it budgeted for, it would come out of the reserve account and that the use of reserves is already built into the process.

The board discussed what should be done if revenues were much lower than expected but expenditures haven't gone down. and what should happen if there are excess funds and an opportunity to help communities in trouble.

Staff said many of the strategies shared in the previous presentation are ways of distributing funding to vulnerable communities such as: accelerating access to low-income offerings; and updating criteria for income-qualified offers to expand access. Programs are using lessons learned from the last economic

recession to guide this work. The board said there is an opportunity to think about helping small business customers recover.

The board concluded it should continue to asses financial risk going forward, but there is not a catastrophic situation yet. Signposts indicating further action would be actual funding receipts, discussions with utility partners and any discrepancies that may arise, and regional and national sources of information that show what utilities are seeing. So far, the organization has not seen any drop off in revenue directly correlated to the coronavirus response, which is partly attributed to the delay.

The board indicated it is not in favor of spending down funds proactively at this time and is comfortable with ways staff has determined to adapt that are already built into the process. However, it acknowledged this discussion raised an important issue and has made it aware of the need to continue tracking closely and take careful consideration.

Melissa Cribbins returned to the meeting at 12:10 p.m.

***Policy Committee (Henry Lorenzen)***
The committee approved the appointment of Rick Hodges, manager of energy-efficiency programs at NW Natural, to the Conservation Advisory Council. Hodges will replace Holly Braun, who has served for many years on the council. The board discussed whether there was a policy of giving recognition to departing advisory council members. While there is no set policy, staff can provide a certificate of recognition when deemed appropriate. The board suggested creating a recognition cadence to acknowledge periodic milestones for long-serving members.

The council considered the option of applying for a Paycheck Protection Program loan but decided not to. The council reviewed a policy dated from 2002 called the Lost Opportunity Policy, which is no longer being used and found to be redundant with staff's current approach to acquiring energy efficiency. It recommended retiring the policy. Committee members also continued work on a conflict of interest policy and who it should apply to.

# Resolution 911
# Retiring the Lost Opportunities Policy
May 20, 2020

**RESOLUTION 911**
**RETIRING THE LOST OPPORTUNITIES POLICY**

**WHEREAS:**

6. **The Lost Opportunities Policy, attached as Attachment 1, was originally adopted by the board in 2002 to document the board's interest in providing guidance to Energy Trust to identify lost opportunities in the design of its energy efficiency programs. Lost opportunities are situations in which an opportunity to implement an efficient solution will be lost if not done when new equipment is selected and new facilities are constructed – while also taking advantage of opportunities to maximize efficiency by retrofitting functioning equipment near or at the end of useful life with more efficient equipment and optimizing the efficient operation of new equipment;**

7. **Beginning in 2008, with the passage of SB 838, Energy Trust is funded and is directed to capture all cost-effective energy efficiency savings, whether resulting from lost opportunities or not. As a result, the Lost Opportunities Policy is not a significant lens for program design.**

8. **The Lost Opportunities Policy was reviewed by the Policy Committee in April 2020 as part of the Committee's regular cycle of policy reviews;**

9. **Policy Committee members discussed whether the policy is still helpful guidance, given that the direction identified are incorporated into Energy Trust operations. Members believe that the policy is superfluous and, as a result, suggest that it be retired; and**

10. **The Policy Committee supports the suggested policy retirement and recommends approval by the full board.**

**It is therefore RESOLVED that the Board of Directors hereby approves retirement of the Lost Opportunities Policy.**

Moved by: Henry Lorenzen Seconded by: Roland Risser
Vote: In favor: 13 Abstained: 0
Opposed:0

# ATTACHMENT 1 (Proposed for Retirement)

# 4.04.000-P Lost Opportunities Policy

| History | | | |
|---|---|---|---|
| **Source** | **Date** | **Action/Notes** | **Next Review Date** |
| Board Decision | February 27, 2002 | Approved (R85) | February 2005 |
| Policy Committee | March 5, 2005 | No change | February 2008 |
| Policy Committee | March 18, 2008 | No change | March 2011 |
| Policy Committee | March 8, 2011 | No change | March 2014 |
| Board Decision | April 5, 2017 | Approved (R799) | April 2020 |
| Board Decision | May 20, 2020 | Retired | |

**Purpose:**
Provide guidance to Energy Trust efficiency programs to avoid lost opportunities – situations in which an opportunity to implement an efficient solution will be lost if not done when new equipment is selected and new facilities are constructed – while also taking advantage of opportunities to maximize efficiency by retrofitting functioning equipment near or at the end of useful life with more efficient equipment and optimizing the efficient operation of new equipment.

**Background:**

Lost opportunities can occur if efficiency is not built in at times when new equipment is being selected and new facilities are constructed. At these times, efficiency features can be installed that are impractical or much more costly to install at other times. For example, it may not be cost-effective to throw away a working air conditioner simply to replace it with a more efficient unit. However, when that air conditioner fails or is nearing failure, it may be cost-effective to pay for the incremental cost of purchasing the most efficient possible new unit instead of a standard new unit.

Energy Trust may set up specialized programs and incentives to work with designers, developers, vendors and customers to assure that high-efficiency equipment and designs are selected and installed during these events.

The question is how to balance between lost opportunities, "retrofit" and operational program offerings. Retrofit offerings encourage customers to replace or augment working equipment with more efficient equipment. Operational offerings help customers run equipment to meet their needs in the most efficient manner. While there are situations where Energy Trust can increase emphasis on lost opportunities, there are not enough of these opportunities to achieve Energy Trust's efficiency goals. Furthermore, equity considerations argue that programs should be made available for some customers who rarely make capital investments on their own (e.g., small commercial customers and some public entities). Finally, given the high levels of Oregon building codes and national equipment standards, some lost opportunity savings are more expensive per kWh than some retrofit savings.

**Policy:**

- Energy Trust should avoid lost opportunities and focus appropriate amounts of its budget and program design efforts in that direction.
- This should be considered in the context of other issues and values that influence implementation decisions.
- Energy Trust should encourage comprehensive treatment of an end-use where this is practical to avoid creating lost opportunities by doing half the job.
- Financial resources should also be reserved for retrofit and operational program offerings, especially where these are low cost or serve customers who would not otherwise be served.
- Work with partners who have special resources to efficiently capture lost opportunities, e.g., Northwest Alliance, Consortium for Energy Efficiency, Oregon Department of Energy.

***Strategic Planning Committee (Mark Kendall)***

The committee is currently engaged in transitioning to implementation of the plan and tracking metrics. It recently reviewed a wire frame of a tracking dashboard and narrowed down the structure which will be presented as a proposal.

***Conservation Advisory Council (Lindsey Hardy, Elee Jen, Alan Meyer)***

The council last meeting featured updates from utilities and council members on their organizations' and businesses' coronavirus responses. The meeting was very well attended due to its virtual format. All five utilities reported suspending disconnects; Portland General Electric and Pacific Power are starting to see a minor overall decrease in usage and have seen businesses shutting down.

***Diversity Advisory Council (Mark Kendall)***

The council held a retreat in March, which generated many ideas about opportunities and topics for discussion at future meetings. It reviewed the results of a recent survey to prioritize topics and discussed ways to revise the council's charter. Members shared how each was experiencing the coronavirus in their community.

The board asked to what extend the action items focused on issues related to methodology to reach priority audiences through community-based organizations. It cautioned that work should focus on practical strategies to achieve equitable product delivery. Staff mentioned a few examples of how being able to leverage these relationships is already helping achieve results. Staff can leverage relationships quickly when something comes up, such as providing help overcoming a language barrier in order to serve a customer.

***Renewable Energy Advisory Council (Susan Brodahl, Alexia Kelly)***
The most recent meeting took the same format as the Conservation Advisory Council, with members providing updates about their organizations' coronavirus response. Members heard about the City of Portland's emergency operations and updated budget, while the Community Solar program continues to move forward and Portland Clean Energy Fund is moving forward with somewhat impacted revenues.

## **Strategic Plan Presentation** (Hannah Cruz)

Hannah Cruz offered a summary of Energy Trust's most recent strategic plan, which concluded at the end of 2019. This plan was Energy Trust's fourth strategic plan and contained energy and operations goals with strategies to achieve them in the five-year period. Staff reviewed the goals outlined in the plan and provided context on how it was originally created with input from staff and board. Staff reviewed highlights from all years of the plan using results from a dashboard tool used to track progress on various metrics. Notably, at the end of 2019, Energy Trust exceeded all three energy goals around savings and generation and embarked on a learning pathway to determine how to better serve diverse customer groups to expand participation.

Staff then presented the new strategic planning dashboard that will be used to track progress toward the five focus areas in Energy Trust's 2020-2024 Strategic Plan. The dashboard has a new format than the one used previously. Board member Mark Kendall reviewed the process of crafting this plan and introduced the new dashboard tool, which is part of the implementation phase that will allow reporting on progress in the focus areas without duplicating quarterly reporting work.

The focus areas will be tracked using metrics that are either a measurable quantity or a distinct deliverable, which are each intended to create an outcome. Targets will also be used as mileposts to track the progress toward a metric. Staff briefly reviewed the 13 metrics and their targets, highlighting one metric from each focus area.

The board discussed its role in providing feedback on metrics and targets and with what level of detail it should respond to the content with questions and comments. The strategic planning committee invited further engagement of other board members who are interested in more detail about the process of developing the metrics. The board discussed whether some targets are sufficiently robust to measure progress; staff provided context that each metric was developed using methodology supported by relevant subject matter experts on staff.

The board noted one particularly sensitive target is around the diversity of the board of directors, suggesting that metric should have more opportunity for comment by the full board. Staff clarified that this target was about the future establishment of a metric, and staff and board discussed the pathway to create it and who should be consulted. Committee members invited input from the board on what role it would like to play in development and noted there are many ways that could happen.

The committee will come back to the board with the proposed process once one is established. The board reflected on the role of committees and the need to strike a balance between delegation of a robust workload and the need for a full board discussion for certain topics.

The board said distinctly quantifiable metrics are preferable to the extent possible. The board commented that focus area one about savings and generation appeared to be underrepresented within the metrics and asked staff to ensure enough focus on core work.

Staff presented the dashboard design and format for using it to track progress. Each dashboard page corresponds to a focus area and includes opportunities to enter responses, previous quarter highlights and ways to look ahead. The full board will receive an update annually each May.

The board expressed overall approval for the dashboard. It asked how the organization will operationalize the fourth metric, which refers to maximizing public purpose charge funding through forming partnerships. Staff is proposing to measure total energy savings from projects that leveraged additional funding from a partnership. The board and staff discussed why a more qualitative metric was chosen for focus area three, the outcome being a set of interviews with organizations and entities that are leveraging Energy Trust's expertise. The board recommended considering a more numeric measurement for this focus area in the future.

## Lunch Break

The board took a break for lunch at 12:14 p.m. and reconvened at 12:45 p.m.

## Annual Results

The board agreed to postpone this topic to the next meeting.

## 2019 DEI Operations Report (Tyrone Henry)

Tyrone Henry presented an update on progress toward Energy Trust's diversity, equity and inclusion goals in 2019. Highlights included the launch of the full Diversity Advisory Council, the adoption of diversity metrics from the Oregon Public Utility Commission and progress toward the 10 goals of the Diversity, Equity and Inclusion Operations Plan. Staff reviewed the goals and presented details on progress achieved for each one in 2019.

Henry Lorenzen left the meeting at 2:16 p.m. and returned at 2:54 p.m.; Roland Risser left the meeting at 3:00 p.m. and returned at 3:17 p.m.

Regarding the goal for increasing residential participation, the board asked staff if there were any surprises from the success of forming partnerships with community-based organizations. Staff said since the barrier to entry is high for many customers, the level of support needed varies dramatically, which requires bringing in other partners in some cases.

The board asked if formal funding agreements existed with some delivery partners. There are agreements in some cases, such as a contract with Community Energy Project and a memorandum of understanding with Verde. The board encouraged continuing this type of funding for institutional capacity support to complement incentive dollars, noting these organizations are making good use of the capacity funding provided.

Regarding the goal for increasing commercial participation, the board asked what definition is being used for very rural and small and medium business categories. Small and medium businesses are

defined as less than 100,000 kWh or 3,500 therms of usage per year. Very rural communities were identified using the U.S. Department of Agriculture definition that is based on access to services. The board appreciated learning about the importance of long-term relationships to this goal and recommended leveraging new infrastructure emerging as a result of coronavirus relief efforts to reach businesses.

Regarding the goal for increasing industrial participation, the board asked if outreach staff has learned any new ways to engage smaller manufacturers and producers and whether new marketing approaches are being considered. Outreach staff is joining forces with the custom program delivery contractor in Southern Oregon and will often team up on calls and engage in information sharing. Outreach staff is also making community connections with relevant professional groups, attending meetings and getting to know key players. The board appreciated the participation in Willamette Valley, particularly in the winery sector that is being impacted by changes to the restaurant supply chain.

On the goal for increasing participation in renewable energy, the board and staff discussed the use of penetration rate as a measurement for this goal. Staff explained this is based on distribution of projects in the most diverse census tracts and that this goal is meant to make distribution among service territory more representative. The goal was set as a percentage rather than a project or savings count because project volume was uncertain while creating the goal due to the loss of the state tax credit around that time.

On the goal for diverse recruitment and hiring, the board asked if there was any concern about bias in implementing a new process of collecting demographic information from applicants. Staff said during the intake process, demographic information is not directly linked to candidates during pre-screening. The board mentioned some concern about using the Portland metro area as basis for cultural and ethnic diversity while leaving rurality of staff unaddressed.

The board asked if staff is considering any alternatives to the Intercultural Effectiveness Survey to measure the goal of increasing cultural responsiveness within the organization. Staff said most of these tools are subjective and don't have a number output.

Ernesto Fonseca left the meeting at 3:49 p.m.; Janine Benner left the meeting at 4:08 p.m.; Susan Brodahl left the meeting at 4:18 p.m.

## Adjourn

The meeting adjourned at 4:28 p.m.

**The next regular meeting of the Energy Trust Board of Directors** will be held Wednesday, July 15, 2020. The location is to be announced.

_____ ____/____/____

Signed: Mark Kendall, Secretary Date

# PINK PAPER

# Resolution 924

**Authorize Changes to Board Meeting Minutes Notetaking Approach**

December 11, 2020

## Recommendation

Authorize changes to the approach and level of detail in notetaking for board meeting minutes as described below and beginning in 2021.

**RESOLUTION 924**
**AUTHORIZING CHANGES TO BOARD MEETING MINUTES NOTETAKING APPROACH**

**WHEREAS:**

1. **Energy Trust and its board of directors operate in a transparent manner, with board meetings open to the public and minutes made publicly available.**

2. **Currently, Energy Trust staff take notes at all meetings of the Energy Trust Board of Directors in a manner that is comprehensive and includes detailed write-ups of all presentations, board discussions and committee reports.**

3. **This level of detail produces many pages of notes per meeting, requiring approximately 100 hours a year in staff time to produce, review, edit and proof notes—equivalent to $9,500 per year in staffing costs.**

4. **Energy Trust's business planning process identified potential staffing resource efficiency gains by employing a more succinct notetaking approach for board meeting minutes, thereby freeing up more staff time for other and high-priority tasks.**

5. **More condensed notes would reduce the staff time needed for notetaking, editing and proofreading while still providing transparency and delivering similar value to stakeholders and the public.**

6. **Beginning in January 2021, board members would receive Board members would receive more succinct notes included in board meeting packets along with links to recorded Zoom meetings sent via email**

7. **Also beginning in January 2021, publicly available board notes would include succinct notes posted on Energy Trust's website. Recorded Zoom meetings would be available upon request to the public.**

**IT IS THEREFORE RESOLVED: That Energy Trust of Oregon, Inc., Board of Directors approves and authorizes a more succinct approach to board meeting**

**notetaking, including providing Zoom meeting recordings to board members and upon request to the public, consistent with the parameters described in Energy Trust's staff presentation on December 11, 2020.**

| | | |
|---|---|---|
| Moved by: | | Seconded by: |
| Vote: | In favor: | Abstained: |
| | Opposed: | |

# Tab 3

# Audit Committee Meeting Notes

November 9, 2020

**Board members present**: Anne Root, Chair, Henry Lorenzen, Mark Kendall, Melissa Cribbins, ex-officio, Karen Ward, outside expert

**Staff attending:** Pati Presnail, Michael Colgrove, Steve Lacey, Cheryle Easton, Michelle Spampinato

## 2020 Financial Audit Engagement Kickoff

Ashley Osten and Jennifer Price of Moss Adams presented information about the upcoming financial audit. The audit will begin with interim field work on December 7, field work in February, a draft report in March and final report in time for the April 15 report filing with the OPUC.

The audit is designed to determine the financial statements fairly represent the financial condition of the organization. The engagement includes a review of internal controls, performing analytical procedures, and substantive procedures over account balances, vouching supporting documentation, reviewing representations by attorneys and management, and examining objective evidence.

The auditors will speak with key management staff, other employees and the audit committee chair. Part of the interview is inquiring about the ethics reporting, if employees know who to speak with if they ever suspected fraud. The committee asked further questions about the ethics hotline, whether the auditors see reports, if they believe it is effective. Jennifer Price mentioned the revenue recognition is always a fraud risk and they do perform significant testing of revenue for this reason. Lastly, the auditors always have a surprise audit step, which they have not decided yet.

The committee asked questions about cost allocations, expressing interest in how staff time is allocated to programs versus administration and special activities. The auditors explained they do look at control procedure documentation including allocations to support the statements. Pati Presnail explained the time keeping system. Henry Lorenzen asked how staff time is tracked when staff members attend advisory meetings, which Pati Presnail explained is in service to core work–program staff presenting program information or listening to a meeting to learn about what needs to be implemented in programs. This is consistent with federal guidelines. Ashley Osten told the committee a time study or deep analysis of allocations would be a separate engagement with the auditors. Pati Presnail reminded the committee we completed a management review last year, which focused solely on time keeping and cost allocation. That report was shared with Moss Adams and the audit committee. It is available on the website.

Anne Root mentioned we may seek federal grants in the future and inquired if we are ready. Ashley Osten said Moss Adams provided a federal grant readiness gap analysis for Energy Trust in 2017. Most of the requirements are met. Pati Presnail added we have a few accounting policies to change, such as the capitalization policy, and may need to formalize an EEO policy, if required by a particular grant.

Henry Lorenzen asked if a management report was produced last year. Ashley Osten said yes, it is a document called communications with those charged with governance, which was sent to the committee as part of the conclusion of last year's audit. She further explained that last year the auditors did not have any best practice recommendations to include in the communication, which may be what Henry Lorenzen was expecting to see. In past years there have been recommendations. Mark Kendall confirmed that he's observed staff do a good job following up on those when they are made. Henry Lorenzen asked if the oral report to management during the exit interview gets documented and conveyed to the audit committee. Ashley Osten said if what was said to management was material it would be included in the communications with those charged with governance letter.

Anne Root asked if the auditors review categories of expense and how this is verified. Ashley Osten explained that through the PMC confirmation process, 60-75% of incentives are confirmed. This is done as an attestation by the PMC who manages incentives on Energy Trust behalf (not through individual confirmation letters). She also explained the purpose of analysis, sampling, and control testing to gain assurance on classifications. Henry Lorenzen asked what is meant by analysis. She explained it is year over year comparisons and ratios, for example by looking at the dollar amount typically classified as management and general administration.

The auditors and committee discussed the effect of COVID-19 on internal controls. Ashley Osten said the auditors will have additional testing to perform because staff are working from home, and the overall strain that these work arrangements are placing on internal control structures, for example ensuring that signatures are collected securely and consistently. Mark Kendall asked if there would be additional procedures for electronic payment since there is an increase in the number of electronic payments since COVID-19. Ashley Osten said they've been testing electronic payments and will continue to do so, and with an increase in volume there will be an increase in the sample.

Moss Adams used this time in the meeting to alert the committee to upcoming accounting standard changes.

Because of COVID-19, new standards for accounting of leases have been extended to 2022. At Energy Trust, this impacts accounting for the office space lease. Moss Adams will work with management after the next audit to ensure compliance.

Cloud computing development costs goes into effect in 2021. This new standard mirrors the existing standard for capitalizing software developed for internal use, which governed software loaded on company computers, but not on what was traditionally a service bureau.

Jennifer Price told the committee that Moss Adams sends out a news bulletin and encouraged audit committee members to sign up for the service from the company website. A link is in the presentation.

With this, the audit committee meeting ended.

**The next meeting of the Audit Committee is scheduled for March 2021.**

# Tab 4

# Compensation Committee Meeting

October 22, 2020

**Board members present:** Roland Risser (committee chair), Eric Hayes

**Board members absent:** Susan Brodahl, Mark Kendall

**Staff and others attending:** Michael Colgrove, Amanda Sales, Cheryle Easton, Debbie Menashe, Tonya Hirte (The Principal), Ryan Christianson (Cable Hill Partners), Jeff Gates (Cable Hill Partners), Kendra Gulley (Cable Hill Partners)

## Retirement Plan Update

Jeff Gates provided a quarterly performance update and explained that equities and fixed income are performing well due to investments in the technology industry. However, small value is down significantly and not performing well year to date. Jeff Gates explained that most of Energy Trust's funds in the portfolio are scoring well on the investment scorecard (ranging from 7-10 in score). However, Cable Hill is suggesting replacing the DFA Emerging Markets fund, which has scored at 5 consistently and is therefore subject to replacement in accordance with the Investment Policy. Cable Hill and The Principal will replace DFA Emerging Markets with the Fidelity Emerging Markets Index, which is scoring 10. Fidelity Emerging Markets Index fund is a high scoring, low cost fund and a viable option for to replace the DFA Emerging Market Funds Eric Hayes asked if there is still a good mix of value funds in the plan, and Ryan Christianson from Cable Hill Partners confirmed that the switch proposed retains a similar mix for staff.

Tonya Hirte with The Principal updated the committee on plan participation for quarter three. She stated we have 94.6% plan participation (compared to 71.8% in the industry), our average deferral is 9.8% (compared to 7.5% in the industry) and minimal loans. She stated our overall account value is $20,203,373. Eric Hayes asked The Principal to remove the highly compensated employees (HCEs) from the statistics to show how well the plan is running without HCEs. Tonya Hirte agreed to look at The Principal's available reporting functions to respond to this request and will follow up with information. Tonya Hirte then explained the total participation in the RetireView model function is 106 participants and few employees have selected out of the default RetireView model option. Eric Hayes asked if people can select different investment risk levels annually and she confirmed they can switch it at any time.

## 401(k) Investment Options – Request from Energy Trust Staff

Cable Hill Partners presented on its Environmental, Social and Governance (ESG) investing findings as a follow-up from the last quarterly meeting. Jeff Gates presented on each dimension of ESG funds as background for the discussion. Ryan Christianson presented the prisonfreefunds.org website, which screens investment options through various investment lenses such as fossil fuels, prison industry, deforestation, gender equity, etc., and provides a score based on a fund's investments as compared to each and all of these screens. Eric Hayes suggested Energy Trust present these screening results and share them with staff so they can make their own informed investment decisions. The group discussed the importance of ensuring both compliance with the investment policy and providing good information about investing, including with respect to ESG considerations. The committee then discussed how to access and get information from the prisonfreefunds.org website, which has limitations including requiring the use of funds ticker identifiers that may not be easily accessible. Members asked that staff

discuss the quality of the tool further with Cable Hill and The Principal. The committee will continue a discussion of this topic at the next quarterly meeting with a follow up on the tool.

## 2021 Benefit Renewal

Amanda Sales presented on Energy Trust's 2021 benefit renewal process. She stated Energy Trust's medical plan renewal rate came back at 34% this year due to higher than usual utilization of the plan. Amanda Sales stated that to mitigate the increase, Energy Trust looked at a number of options: adopting a self-insured model, adjusting current plan structures and options under PacificSource's network or moving to an HMO option. Energy Trust decided to continue with PacificSource but adjust network offerings. This stability provides a way to control costs and maintain consistency in healthcare for staff during COVID-19. She explained Energy Trust has added another network called the Pathfinder (at a 13.3% increase) to the already existing Voyager network offered through PacificSource. She said in addition Energy Trust has adjusted the contribution model of the Voyager PPO plan, moved the high deductible health plan option over to the Pathfinder network and has negotiated a midyear decrease in premiums if the utilization rate drastically changes in the coming years. Committee members expressed appreciation for staff's work on benefit renewal, especially in these circumstances

**Meeting adjourned at approximately 3:30 p.m. The next meeting of the committee will be scheduled for January or February 2021.**

# Tab 5

# Impact Evaluation of the 2018 Existing Buildings Program

## Energy Trust of Oregon

July 21, 2020

SAFER, SMARTER, GREENER

# 0 EXECUTIVE SUMMARY

Energy Trust of Oregon (Energy Trust) hired DNV GL to complete an impact evaluation of Energy Trust's 2018 Existing Buildings program. This report presents the methods, results, and findings of the evaluation. The goal of the evaluation was to improve savings estimates and enhance the Existing Buildings program's effectiveness in delivering savings to customers.

## 0.1 Program overview

The Existing Buildings program began in March 2004 and is implemented by a program management contractor. ICF International has been the PMC since January 1, 2013. The program has four main tracks: Custom, Lighting (including standard, direct-install, and street lighting measures), Standard (prescriptive), and Strategic Energy Management (SEM).

## 0.2 Savings claimed

Table 0-1 shows the gross claimed program savings by track and fuel included in the program tracking data provided to DNV GL. The values shown are the site-level "working" savings listed in the data provided. These savings do not include adjustments for prior realization rates, net-to-gross, or transmission and distribution.

**Table 0-1: Claimed energy savings by fuel and track**

| Program Track | Unique Measure Lines | Claimed Electric Savings (kWh) | % of kWh Grand Total | Claimed Gas Savings (therms) | % of therms Grand Total |
|---|---|---|---|---|---|
| Lighting | 8,174 | 94,101,812 | 65% | 0 | 0% |
| Standard | 1,445 | 19,607,223 | 14% | 741,222 | 41% |
| Custom | 164 | 15,497,910 | 11% | 509,471 | 28% |
| **Capital Subtotal** | **9,783** | **129,206,945** | **90%** | **1,250,694** | **69%** |
| Strategic Energy Management | 291 | 14,569,986 | 10% | 563,678 | 31% |
| **Grand Total** | **10,074** | **143,776,931** | **100%** | **1,814,372** | **100%** |

## 0.3 Evaluation results

Table 0-2 shows the evaluated savings by fuel and track. Table 0-3 provides the final program and track-level realization rates achieved. Table 0-4 provides a summary of the results for each track and primary sampling domain. The table shows the unweighted minimum, mean, and max realization rates (RR) for each track and domain.

**Table 0-2: Evaluated energy savings by fuel and track**

| Program Track | Evaluated Electricity Savings (kWh) 2018 | Evaluated Gas Savings (therms) 2018 |
|---|---|---|
| Lighting | 102,469,850 | |
| Standard | 18,406,915 | 592,493 |
| Custom | 13,783,641 | 323,463 |
| **Capital Measures Only** | **134,660,406** | **915,956** |
| Strategic Energy Management | 13,326,261 | 524,496 |
| **Grand Total** | **147,986,667** | **1,440,452** |

**Table 0-3: Program realization rates by fuel and track**

| Program Track | Electricity Realization Rates 2018 | Gas Realization Rates 2018 |
|---|---|---|
| Lighting | 109% | |
| Standard | 94% | 80% |
| Custom | 89% | 63% |
| **Capital Measures Only** | **104%** | **73%** |
| Strategic Energy Management | 91% | 93% |
| **Existing Buildings Program** | **103%** | **79%** |

**Table 0-4: Track and domain realization rate summaries, unweighted**

| Track / Primary sampling domain | Electric Results | | | | Gas Results | | | |
|---|---|---|---|---|---|---|---|---|
| | Evaluation Results | Min RR | Mean RR | Max RR | Evaluation Results | Min RR | Mean RR | Max RR |
| **Lighting** | **27** | **4%** | **109%** | **488%** | | | | |
| Direct Install | 15 | 4% | 94% | 293% | | | | |
| Standard Lighting | 12 | 67% | 129% | 488% | | | | |
| **Standard** | **35** | **12%** | **84%** | **199%** | **35** | **0%** | **128%** | **473%** |
| Boiler | | | | | 17 | 40% | 76% | 144% |
| Others | 20 | 12% | 78% | 199% | 16 | 0% | 186% | 473% |
| Refrigeration | 15 | 18% | 93% | 110% | 2 | 100% | 100% | 100% |
| **Custom** | **26** | **2%** | **79%** | **140%** | **20** | **-130%** | **61%** | **165%** |
| Custom | 26 | 2% | 79% | 140% | 20 | -130% | 61% | 165% |
| **Strategic Energy Management** | **20** | **0%** | **82%** | **245%** | **29** | **0%** | **76%** | **289%** |
| Year1 | 13 | 0% | 84% | 130% | 20 | 0% | 87% | 289% |
| Year2+ | 7 | 0% | 79% | 245% | 9 | 0% | 53% | 231% |

## 0.4 Historic capital measure performance

Table 0-5, Figure 1 and Figure 2 show historic program performance for capital measure tracks: lighting, standard, and custom. The table and charts do not include the SEM track, which was added to the Existing Buildings program impact evaluations in 2015.

**Table 0-5: Historic program performance, excluding SEM**

| Program Year | Verified Electric Savings (MWh) | Electric Realization Rate | Verified Gas Savings (therms) | Gas Realization Rate |
|---|---|---|---|---|
| 2008 | 41,887 | 99% | 746,564 | 87% |
| 2009 | 63,537 | 85% | 705,644 | 75% |
| 2010 | 91,884 | 107% | 1,486,729 | 86% |
| 2011 | 98,776 | 91% | 2,148,020 | 101% |
| 2012 | 86,911 | 95% | 1,174,676 | 79% |
| 2013 | 79,612 | 88% | 911,922 | 67% |
| 2014 | 82,699 | 81% | 973,143 | 72% |
| 2015 | 94,992 | 96% | 1,061,316 | 79% |
| 2016 | 104,962 | 92% | 1,228,416 | 87% |
| 2017 | 119,002 | 95% | 1,515,434 | 90% |
| 2018 | 134,660 | 104% | 915,956 | 73% |

**Figure 1: Historic Non-SEM program electric savings and realization rates**

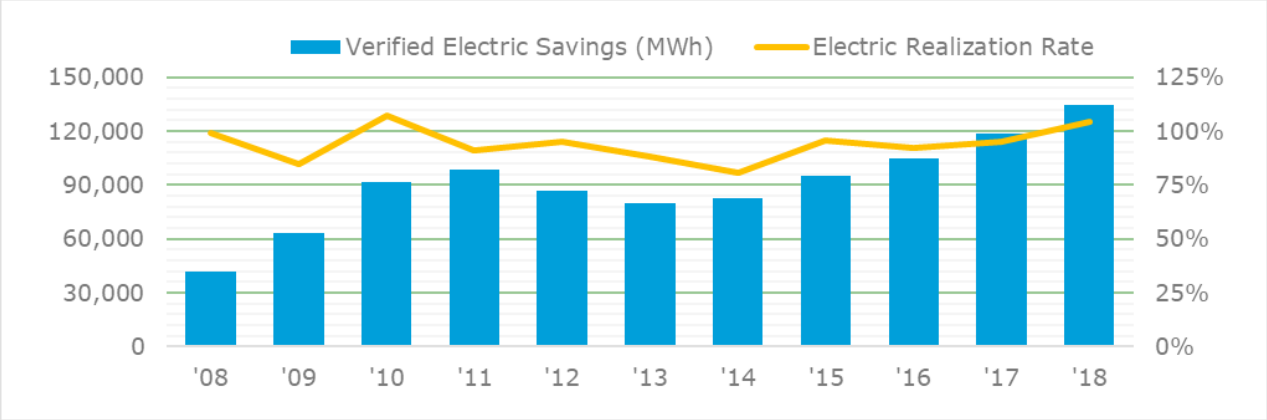
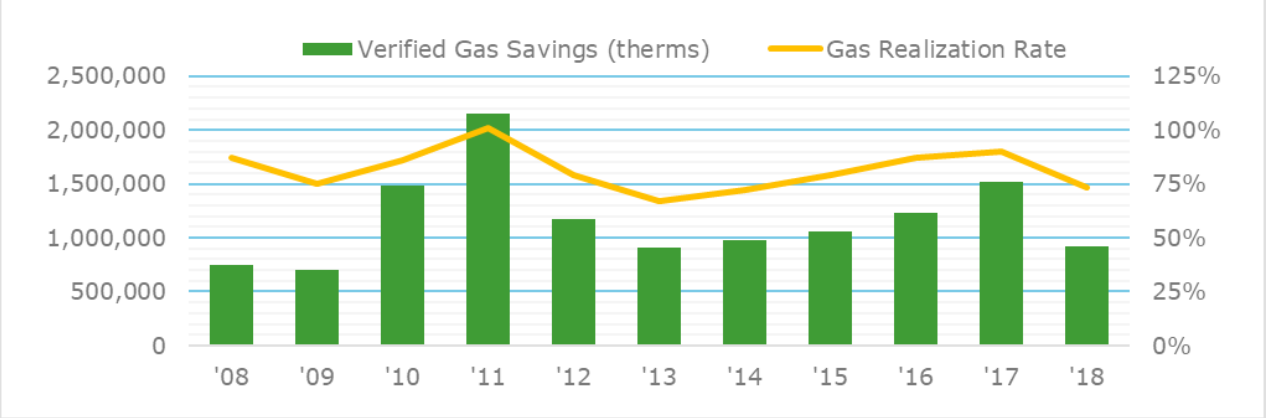



**Figure 2: Historic Non-SEM program gas savings and realization rates**



## 0.5 Historic SEM performance

Table 0-6, Figure 3 and Figure 4 show historic SEM performance over time.

**Table 0-6: Historic SEM program performance**

| Program Year | Verified Electric Savings (MWh) | Electric Realization Rate | Verified Gas Savings (Therms) | Gas Realization Rate |
|---|---|---|---|---|
| 2012 | 7,351 | 139% | -18,452 | -15% |
| 2013 | 8,988 | 103% | 174,390 | 47% |
| 2014 | 11,514 | 89% | 690,639 | 160% |
| 2015 | 9,217 | 89% | 446,946 | 83% |
| 2016 | 9,039 | 92% | 546,458 | 113% |
| 2017 | 5,540 | 92% | 137,968 | 66% |
| 2018 | 13,326 | 91% | 524,496 | 93% |

**Figure 3: Historic SEM program electric savings and realization rates**

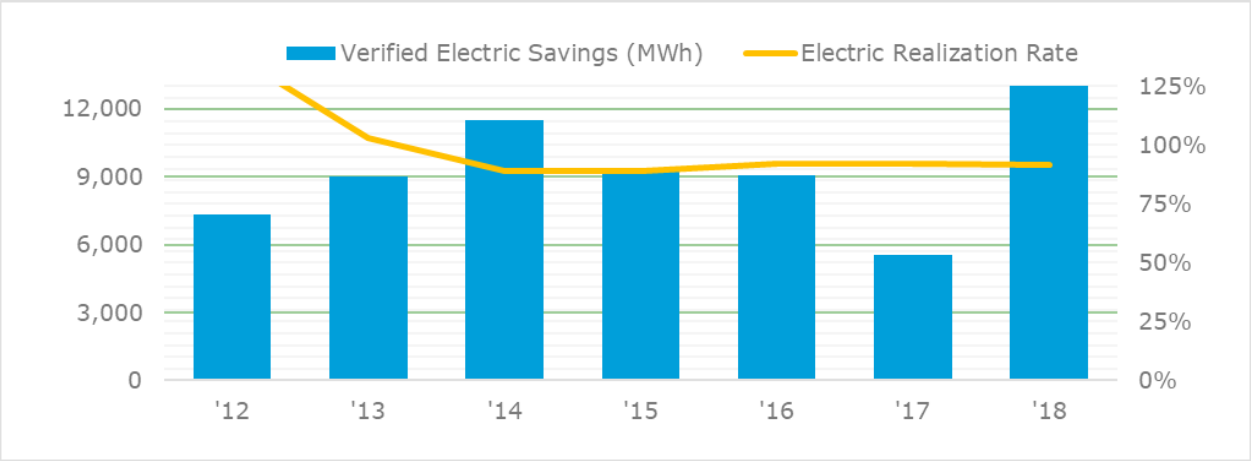
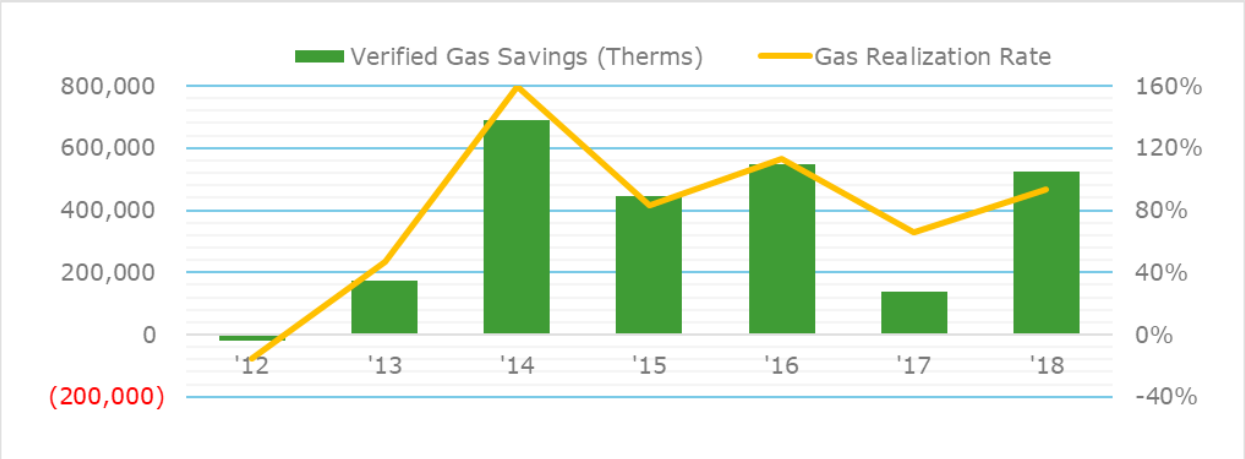



**Figure 4: Historic SEM program gas savings and realization rates**



## 0.6 Evaluation findings and recommendations

This section provides key findings and recommendations resulting from this study. Additional findings are presented within each track-specific section.

### 0.6.1 Lighting track recommendations

**Finding** – Deemed savings values for Direct Install lighting projects tend to over-estimate the actual hours of operation, which works to lower the realization rate. However, due largely to the under-estimated savings for a single site's controls measure (see row 13 in Table 3-6), our evaluation found an overall GRR of 116% for DI projects. All DI measures assume 3,600 hours/year of operation per the regional mix from 2014 CBSA[1] data regardless of business type or market.

- **Recommendation** – We suggest a review of Measure Approval Document (MAD) 18.3, Small Commercial Direct Install for 2018, to ensure the assumptions in the program are still reasonable.

### 0.6.2 Standard track recommendations

DNV GL found standard measure savings claims to be sufficiently documented and well supported. We have identified opportunities for improvement in the measure approval documents and program processes. DNV GL believes these changes will increase the transparency, accuracy, and reliability of Energy Trust's standard track savings claims. Additional measure-specific recommendations are found in the standard track section of this report.

**Finding** - For the 2018 evaluation, DNV GL reviewed most of the MADs associated with the evaluated measures. As with the MADs we reviewed for previous program years, the evaluation team continues to find that the MADs do not provide sufficient transparency and traceability to support reliable savings estimates.

- **Recommendation** – DNV GL understands that Energy Trust has been updating the format and content of these documents over time. While creating, maintaining, and updating prescriptive measure assumption documentation is a time-consuming process without a perfect solution, DNV GL recommends that Energy Trust continue to explore opportunities to improve the transparency, content, and application of its prescriptive measure supporting documentation system.

**Finding** – Some assumptions in the MAD may be too general and did not include transparent methodology/reasoning for them, considering cases we have observed. Examples include: a tanked water heater measure using building-type weighted average savings without providing weights, and no definition of the two climate-zones used for packaged terminal heat pumps (PTHP).

- **Recommendation –** Energy Trust should continue to regularly update its MADs and improve documentation of the assumptions used in measure development. Energy should consider transitioning from a system with supporting documentation stored on internal servers to one that makes the methodologies, assumptions, and values used readily available to the public on the Energy Trust website.

### 0.6.3 Custom track recommendations

Overall, the evaluation found the custom project models developed by the program to be robust. DNV GL identified the following opportunities for improvement in model development that should increase the accuracy of individual project estimates.

[1] Commercial Building Stock Assessment

**Finding** – Evaluating savings based on Trane Trace simulation models continues to be more challenging than other methodologies. There were multiple cases for which the evaluation could not replicate the savings estimates using the models provided. Additionally, the Trane Trace models are more challenging to evaluate due to the required measure-by-measure modeling structure and difference between software versions.

- **Recommendation** – The PMC should keep the final models within their database and a record of the software version used to estimate final savings. This should save the time and budget needed to identify and locate the final models used for the project. DNV GL first made this recommendation in the program year 2017 (PY2017) impact evaluation report and believes it was implemented during PY2019.
- **Recommendation** – DNV GL also recommends that Energy Trust implement the following modeling order for multi-measure simulation models; the baseline model first, followed by equipment replacement measures, then the revised operating schedule measures and finally, the control changes. This approach ensures that the baseline used represents the pre-project operation and individual measure savings are estimated over its previous operating condition. Increasing consistency in the modeling methods used will increase the reliability of program savings over time.

**Finding** – Program models continue to estimate savings that suggest a significant reduction in annual consumption; in some cases the claimed savings are as high as 70% of the baseline energy usage. DNV GL analyzed the actual change in facility consumption using the same regression methodology used for the Strategic Energy Management (SEM) evaluation. In some cases, the savings were found to exist. In other cases, the savings did not materialize.

- **Recommendation** – DNV GL continues to suggest that Energy Trust complete additional review of simulation inputs for sites expecting savings greater than 20% of consumption. DNV GL did not identify any evidence of further review such as discussions between ATACs and the PMC during this evaluation.
- **Recommendation** – Energy Trust should consider adjusting program implementation to complete the post installation verification (PIV) 3 to 4 months after project completion. This delay will allow the PIV process to also review post-installation consumption and assess if the significant reduction expected has materialized. If the reduction has not materialized, the PMC would have the opportunity to adjust the final savings claimed. This change would require adjustments to the incentive payment process. It may also adjust the calendar date by which such projects must be completed in order to achieve PIV before the end of the program year.

### 0.6.4 Strategic Energy Management recommendations

Overall, the evaluation found the SEM program to be achieving over 90% of the energy savings claimed. The program is well documented with each site savings claim supported by an individual site model. DNV GL identified the following opportunities for improvement in the program that should increase the reliability of claimed savings and help mitigate the evaluation risk.

**Finding** – The Strategic Energy Management program has become a more complicated program over time, which has increased the cost to evaluate the program. The increase in complication is primarily driven by the increase in monitoring, tracking, and reporting (MTR) tools used to estimate program savings. There are now multiple tools and versions of those tools used by the program. As a result, the information supporting each savings claim is located in a different place within each tool.

- **Recommendation** – DNV GL recommends that Energy Trust continue its efforts to create simplified and consistent MTR tools for program participants to use. DNV GL recommends the creation of a "Non-Routine Events" (NRE) log within the MTR tool that documents all capital projects (both those in the baseline and those during program years), any weather adjustments made, and any other NREs that are accounted for in the model (including baseline adjustments). The log should state how the NRE is accounted for in the savings calculation.

**Finding** – The SEM program is inconsistent in its treatment of campus facilities with central heating and/or cooling plants. For one campus, the program summed the measured savings (positive and negative) before adjusting for capital projects. For a different campus, the program used building-specific models and only summed savings after projects with negative incremental savings had been adjusted to zero. The impact of this difference becomes important when facility changes, especially program-claimed capital measures, installed in one building change the load seen at the central plant.

- **Recommendation** – Energy Trust should make one savings claim for campus participants with a central plant. The savings claim should be calculated by combining all building specific models and associated capital projects before determining if incremental savings have been achieved in the program year. Energy Trust should stop the practice of claiming savings for only the campus buildings that show positive incremental savings.

**Finding** – The site-specific realization rate for eight gas sites is below 5%. Seven of these eight sites achieved a site realization rate of 0%. Four of these seven 2018 sites were set to 0% by the evaluation team due to lack of engagement by the participant in the program. However, the total claimed savings across these sites was only 6,771 therms, ranging from 68 therms to 3,692 therms. DNV GL believes that the value of these savings does not support the cost of acquisition, cost of tracking and reporting, and the cost to evaluate.

- **Recommendation** – DNV GL continues to recommend that Energy Trust set a minimum threshold for savings claims from sites. If sites do not achieve the threshold for savings claims, then the incremental cumulative savings should not be claimed until a future program year when the savings are above the threshold. DNV GL recommends considering a threshold that prevents claiming savings below 1,000 therms. In PY2018, 73 of the 164 (44.5%) savings claims were below 1,000 therms, but represented only 4% of the gas savings claimed. Energy Trust could also consider a minimum threshold based on the percent reduction of consumption measured before capital project or other non-routine adjustments are made. DNV GL believes this change would reduce the number of claims associated with disengaged participants and improve savings reliability by ensuring the small changes in consumption persist over multiple years before being claimed.
- **Recommendation** – DNV GL also recommends that all participants consuming less than 50,000 therms per year be modeled using a standard heating degree day (HDD)-only baseline regression with the reference temperature optimized for model fit. There should be exceptions for critical non-weather independent variables. This change should increase the independence of the baseline regressions used, reduce the cost to evaluate, and better manage the program's evaluation risk.

# Memo

**To:** Board of Directors

**From:** Wendy Gibson, Sr. Program Manager – Existing Buildings
Kathleen Belkhayat, Program Manager – Commercial Energy Performance Management
Sarah Castor, Program Manager – Evaluation & Engineering

**cc:**

**Date:** November 12, 2020

**Re:** Staff Response to the Existing Buildings Program 2018 Impact Evaluation

The 2018 Existing Buildings program impact evaluation covered the program's four tracks: Custom, Lighting, Standard and Strategic Energy Management (SEM). The evaluation found that the program is doing a good job of estimating savings for electric measures in all tracks, with an overall electric realization rate of 103%. Estimating gas savings proved more challenging, especially for Standard and Custom gas projects, and the overall realization rate was 79% for gas savings. SEM, where the gas realization rate tends to vary more by year than other tracks, performed well in 2018, achieving a 93% realization rate.

The Existing Buildings program has clarified rules around participation of projects on transport gas accounts and other rate schedules not eligible for Energy Trust participation; in order to receive an incentive offer, the project must transfer the account to an eligible rate schedule. The program plans to institute more checks on savings estimates for Custom track projects that claim to save more 20% of total building consumption, and to require parametric runs for building simulation models. The program also plans to explore ways to only claim SEM savings when SEM participants are engaged. In 2021, the program will begin developing a new performance tracking tool platform for SEM, which will make it easier for the program to aggregate and analyze models and understand the correlation between actions and energy savings.

Energy Trust is committed to regularly updating the savings estimates and documentation for its standard measures, as recommended by the evaluator. Since 2018, the program has updated measures for tanked water heaters and packaged terminal heat pumps, as suggested in the evaluation, along with many others.

With the transition of Existing Buildings program management and Commercial & Industrial Lighting program delivery in 2021, the program will be doing a broader review of its implementation and identifying additional ways to improve its estimation of savings.

# PINK PAPER

# MEMO

Date: November 13, 2020
To: Board of Directors
From: Dan Rubado, Evaluation Project Manager
Peter Schaffer, Planning Project Manager
Alex Novie, Measure Development Manager
Subject: Staff Response to Market Transformation Study of Thermostat Optimization Services

The market transformation assessment completed by Apex Analytics in August 2020 concluded that Energy Trust and the broader utility industry helped create a market for residential smart thermostat optimization services in the US and had a material influence on their development, trajectory, and scale. Thermostat optimization algorithms are software services for existing thermostats that help customers deepen their energy savings beyond the level of savings achieved by the thermostat alone. These services are deployed by manufacturers on an opt-in basis and make automated adjustments to customers' setpoints and schedules. Apex surveyed three top companies providing optimization services in the US: Google Nest, ecobee, and Resideo. Energy Trust has worked with these firms at various levels of engagement on program design, implementation, and evaluation since 2017.

This research established that Energy Trust enabled optimization services by driving broad adoption of smart thermostats in Oregon. For nearly eight years, Energy Trust has supported the installation of smart thermostats, through pilot studies, marketing, and cash incentives. This support helped build the device base of Google Nest and ecobee thermostats. In addition, Energy Trust and the utility industry's pilot studies, financial support, and involvement with thermostat optimization services influenced manufacturers business plans. Google Nest and ecobee's optimization services are both now offered free of charge to all US customers. Resideo continues to operate their service using a program administrator model where Energy Trust pays a fee per participating device—thus there is currently no market transformation rationale for Resideo.

Energy Trust interpreted these findings as justification to claim market transformation energy savings for Google Nest and ecobee thermostat optimization services for the entire base of installed devices in its service territory for a limited time. The market transformation savings for thermostat optimization services are a function of per-device savings by season (e.g., heating or cooling), opt-in rates, and the size of the applicable thermostat device base. For per-device savings values and opt-in rates, Energy Trust's Residential team at CLEAResult leveraged recent evaluations of Google Nest and ecobee optimization services.[1,2] Energy Trust is claiming only cooling season market transformation savings for ecobee devices in 2020 as the available research only assessed cooling savings. Energy Trust may include heating savings for market transformation claims for applicable ecobee devices in future years if they are proven out. Energy Trust's Residential team estimated the current installed device base in Energy Trust service

[1] Demand Side Analytics. 2019. Eco+ Thermostat Optimization Pilot. Retrieved on 11/13/2020 from: https://www.ecobee.com/assets/static/eco-EMV-Executive-Summary-20e4e62c30a41ae00d7c430c24335532.pdf.

[2] Apex Analytics and Demand Side Analytics. 2017. Energy Trust of Oregon Nest Seasonal Savings Pilot Evaluation. Retrieved on 11/13/2020 from: https://www.energytrust.org/wp-content/uploads/2017/12/Energy-Trust-of-Oregon-Nest-Seasonal-Savers-Pilot-Evaluation-FINAL-wSR.pdf.

territory and the projected growth of installed thermostats over several years, using data from manufacturers and third-party market forecasts. The estimated number of devices that will continue to opt-in to optimization services informed the applicable number of devices for market transformation savings claims each year.

Apex's qualitative study did not establish how much the utility industry accelerated the roll-out of Google Nest and ecobee optimization services, or the duration of any market transformation savings claims. Energy Trust and its stakeholders, including its Board Evaluation Committee and the Northwest Energy Efficiency Alliance, agreed that three years would be a reasonable time horizon, given that Energy Trust worked with Google Nest to deliver thermostat optimization savings over a three-year period. Energy Trust will claim market transformation savings from 2020 to 2022 in three separate batches as follows:

- The 2020 market transformation savings claim will be based on the total number of applicable Google Nest and ecobee thermostats installed in Energy Trust's service territory expected to opt-in. Energy Trust's Residential Program will claim 2.6 million kWh and 610,000 therms of market transformation savings in 2020 with a three-year measure life.
- The 2021 market transformation savings claim will be limited to newly installed thermostats that do not go through the program only. Since optimization savings will be baked into the deemed savings of program incentivized thermostats starting in 2021[3], program devices must be removed from the count of new thermostats to avoid double counting savings. The Residential program expects to claim 220,000 kWh and 82,000 therms of savings in 2021 with a two-year measure life.
- The 2022 market transformation savings claim will also be limited to newly installed, non-program thermostats only. The Residential program expects to claim 280,000 kWh and 88,000 therms of savings in 2022 with a one-year measure life. Thus, all market transformation savings claims for Google Nest and ecobee devices will be contained within the three-year period from 2020-2022.

The table below shows the first-year market transformation savings that Energy Trust plans to claim each year by manufacturer, heating or cooling season, and the estimated number of applicable devices.

| Year | Manufacturer | Season | Estimated Applicable Devices | kWh Savings | Therm Savings |
|---|---|---|---|---|---|
| 2020 | Google Nest | Heating | 41,190 | 1,718,300 | 609,900 |
| | | Cooling | 33,030 | 135,400 | 0 |
| | ecobee | Cooling | 19,290 | 771,700 | 0 |
| | ***2020 Savings sub-total*** | | | ***2,625,400*** | ***609,900*** |
| 2021 | Google Nest | Heating | 5,650 | 186,400 | 82,200 |
| | | Cooling | 4,450 | 18,200 | 0 |
| | ecobee | Cooling | 420 | 16,700 | 0 |
| | ***2021 Savings sub-total*** | | | ***221,300*** | ***82,200*** |
| 2022 | Google Nest | Heating | 6,040 | 247,600 | 87,900 |
| | | Cooling | 4,760 | 9,200 | 0 |
| | ecobee | Cooling | 510 | 20,500 | 0 |
| | ***2022 Savings sub-total*** | | | ***277,300*** | ***87,900*** |
| **Total First Year Savings 2020 - 2022** | | | | **3,124,000** | **779,900** |

[3] Beginning in 2021, Energy Trust will incorporate thermostat optimization savings as part of the deemed savings value for each incentivized Google Nest and ecobee thermostat. The market transformation claims for 2021 and 2022 will be net of any devices incentivized by Energy Trust during those years. Energy Trust will continue to pay for the optimization of Resideo thermostats on a per device basis each year.

| | |
|---|---|
| **To:** | Dan Rubado, Phil Degens, Energy Trust of Oregon |
| **From:** | Noah Lieb, Joe Van Clock, Scott Dimetrosky, Apex Analytics |
| **Subject:** | Market Transformation for Smart Thermostat Optimization Services |
| **Date:** | August 20, 2020 |

## Introduction

Energy Trust commissioned Apex Analytics to conduct a qualitative assessment to determine program administrator and Energy Trust market transformation influence related to smart thermostat optimization services. This memo details the research objectives and methodology, provides background to this research and to the different optimization services, and summarized the key findings, conclusions, and recommendations.

## Research Objectives

The primary goal of this research was to qualitatively assess the market transformation influence of the utility industry, and Energy Trust, on the trajectory, development, and scale of smart thermostat optimization services. A secondary objective was to estimate participant direct effects of optimization service savings attributable to Energy Trust's thermostat incentive programs. Although primarily focused on Google Nest's Seasonal Savings service, Energy Trust also wanted to investigate their influence on ecobee's eco+ service and Resideo's Connected Savings service. In addition to this overarching research goal, this research was conducted to address the following questions:

- Did the utility industry influence the trajectory, development, and scale of optimization services?
- Would Nest have rolled out, and later expanded optimization services to all customers, without early research and support from program administrators? Did that support affect the timing of activities in this market?
- Will the manufacturers continue offering these services into the future?
- How are thermostat optimization and demand response services interrelated?
- What are the incremental optimization savings Energy Trust can claim from the participant direct effects of their smart thermostat programs?

## Approach

Our approach to the research objectives includes two primary aspects, assessing the non-participant market transformation effects (qualitative) and the participant direct effects (quantitative). These two research elements are described separately below.

## Assessment of Non-Participant Market Transformation Effects

Apex conducted five in-depth interviews for this assessment with the three primary smart thermostat manufacturers that provide thermostat optimization services (Nest, Resideo, ecobee). Apex worked closely with Energy Trust staff to determine which staff within the smart thermostat manufacturers might provide the most insight into Energy Trust's role. In general, staff selected for interviews had direct knowledge of business decisions made regarding the optimization service, had been with the company and focused on either the business development or product development since launch of the service, and have deep understanding with utility industry partnerships.

Apex drafted an interview guide with interview questions for each manufacturer. We used the interview guide as a framework for structured, in-depth interviews with representatives from each manufacturer. We customized interview questions for each manufacturer, since each has had a different trajectory in the optimization market, and each had varying levels of involvement with Energy Trust.

Apex relied primarily on the findings from the in-depth interviews with supplemental review of archived emails, communications, marketing materials, or feedback from market actors (primarily other evaluation firms or program administrator programs involved in smart thermostat research). Apex then used the collective findings to assess whether, and to what extent, the utility industry (and Energy Trust) influenced the evolution of the optimization services, the timing of their adoption, the magnitude of the programs and their expansion, and associated transformative elements of Energy Trust's involvement in these efforts.

## Quantifying Participant Direct Effects

As noted above, one of the objectives of this memo is to determine Energy Trust's influence broadly across the thermostat optimization market for customers outside of any program participation. Another objective is to quantify the direct effects of Energy Trust's program activity in the thermostat optimization space. Energy Trust has provided retail, online, and direct-to-consumer incentives and offers for smart thermostats in residential settings since 2015. Apex identified and calculated the direct relationship between a smart thermostat hardware incentive and any resulting optimization service savings in the future that would fall outside of program optimization service savings claims (therefore directed at Nest and ecobee thermostats). Apex summarized attribution (free-ridership), participant opt-out rates, and calculated the participant direct effect estimate for Energy Trust's various program offerings specific to each of the thermostats (Equation 1). This participant direct effect estimate looks at the number of smart thermostats installed with the influence of Energy Trust incentives and the future optimization savings that those efforts make possible. This analysis applies the known optimization service opt-out rates and does not incorporate any estimate from the qualitative non-participant market transformation component described above.

Equation 1. Participant Direct Effect Calculation

$$\boldsymbol{Participant\ Direct\ Effect} = (\#\ \boldsymbol{of\ thermostats} \times \boldsymbol{gross\ per\ thermostat\ savings} \times \boldsymbol{NTG} \times \boldsymbol{opt-in\ rate})$$

## Study Background

Thermostat optimization (TO) algorithms are software services that manufacturers deploy on existing smart thermostats to achieve additional energy savings above and beyond the base level of savings associated with smart thermostat devices. To accomplish this, these algorithms scan user schedules for inefficiencies and make automatic setpoint adjustments, driving deeper setbacks during times when occupants are least likely to notice (e.g. away or asleep). Energy Trust has supported various optimization services over the past several years. This includes funding a large-scale implementation of Google Nest's Seasonal Savings service in Oregon since a pilot study in 2016/2017 and recently completing a pilot study of Resideo's Connected Savings service. [4] These services now comprise a large amount of residential energy savings, although they are only claimed for a single year at a time. Additionally, Energy Trust has enabled broad adoption of smart thermostats, generally, through pilots, marketing, and cash incentives for nearly eight years.

Smart thermostat manufacturers have two primary business models for optimization services: offer the service embedded as a feature bundled with the thermostat natively (native model), or as a service through program administrator partnerships, to monetize the service via program administrator-based programs (program administrator model). Table 1 shows the approaches each of the three major manufacturers took in the development of their optimization services and how those approaches have evolved over time.

**Table 1: Thermostat Manufacturer Approaches to Optimization Services**

| Manufacturer | Initial Approach | Current Approach |
|---|---|---|
| **ecobee** | Native Model | Native Model |
| **Google Nest** | Program Administrator Model | Native Model |
| **Resideo** | Program Administrator Model | Program Administrator Model |

Given the market developments noted above, there is a great deal of uncertainty around the relative influence of program administrator partners supporting thermostat optimization programs. Specifically, Energy Trust and the utility industry contributed to the expansion of Google Nest's Seasonal Savings service and Resideo's Connected Savings service. It is unclear how much these services would have expanded (or been developed in the first place) in the absence of utility industry support.

Furthermore, the existence, functioning, and savings associated with the optimization services are tied directly to the installation of these thermostats. In other words, without a smart thermostat there can't be any optimization, so Energy Trust is (and will continue to

[4] Nest SS study link, Resideo study link

be) directly responsible for optimization savings for thermostats installed as a result of their programs and the effect may carry into the future. This participant related "direct effect" is independent of any role Energy Trust may have had in development of the optimization services.

Energy Trust commissioned this assessment of market transformation influence on optimization services to assess whether Energy Trust is justified in claiming non-participant-based market transformation savings from thermostat optimization services and to estimate the participant "direct effects" of the smart thermostat incentives on optimization savings. The assessment also includes a summary of the direct effects savings resulting from Energy Trust's smart thermostat programs.

## Platform Background

A brief overview of the three primary optimization platforms provides context to the initial development, decisions around business model choices, relationships between the services. The three optimization platforms designed their services around two business models. The two business models have unique considerations, benefits, and costs associated with different attributes, as reviewed below in Table 1. As optimization services evolved, some of these attributes associated with each model may not have been clear at the outset from the earlier offerings of the optimization service, and only realized after experience within the market.

Table 2. Optimization Service Attributes and Business Model Comparisons

| Attribute | Advantages / Disadvantage | Native | Program Administrator |
|---|---|---|---|
| Reach of service | Advantage | Broader reach, to all potential customers. Benefits accrue to customers (direct) and program administrators (indirect). | Partnership may increase awareness and uptake. |
| | Disadvantage | Unknown whether reach of service may have been constrained w/out first having had program administrator pilots paving path. | Limited reach only to program administrator partners that have the ability to claim additional savings. |
| Monetization / revenue | Advantage | Avoids program administrator engagement costs (contracting, admin, legal, outreach, data); add customer value, native savings offers potential marketing benefits (longer-term). | Direct revenue stream. |
| | Disadvantage | Limited monetization (short-term) | Program administrator engagement costs (contracting, admin, legal, outreach, data, marketing – often contractually required to market service in collaboration with PAs). |
| Enrollment | Benefits | Easier, light touch, single click opt-in/out. | Connect with receptive customers through program admin, early adopters. |
| | Costs | N/A | Historically greater challenges, terms and conditions, adds "friction" |
| Awareness of optimization service features and benefits | Benefits | Not limited to program administrator partners, so broader awareness possible (long-term). | Awareness raised through program administrator partnerships, additional marketing through programs. |
| | Costs | Requires establishing awareness outside of any utility partnership model, marketing, outreach internally, no partnerships. | Limited to program administrator partners. |
| Trust | Benefits | Through customer engagement, brand recognition. | Through brand recognition and program administrator engagement, program efforts, 3rd party verification of savings via utility evaluation. |
| | Costs | Requires funding 3rd party verification of savings, trust requires longer-term brand engagement. | Some customers do not and will not trust program administrators. |

Nest was the first entrant into the optimization market, piloting and beta testing the service in 2012.[5] According to Nest staff, the optimization concept was framed as a program administrator-funded service, though there was some debate as to whether the potential revenue stream would be sufficient to justify the resources to develop it or if Nest should pursue a native model. At that time, Nest staff believed the latter option had the potential to save more energy, but a program administrator model would help fund the development

[5] Google Nest, April 2013, Seasonal Savings White Paper, available online at https://storage.googleapis.com/nest-public-downloads/seasonal_savings_white_paper.pdf

costs. In addition, program administrator partners would help raise awareness, increase early adopter uptake, and provide additional validation to the performance of optimization services. Importantly, for a tech startup like Nest (at the time, not affiliated with Google), identifying an alternate revenue stream for this service showed promise. Ultimately, Nest made the decision to roll out the Seasonal Savings service as a program administrator cosponsor approach.

After several years of offering the service and Google's acquisition of Nest, the larger company determined that providing optimization as a service via the program administrator model was hard to justify due to increasing costs. These costs included complex program administrator contracting, the resource costs to market and sell it to utilities, and the regulatory and evaluation requirements. Collectively, these costs meant that Google Nest was ultimately losing money on Seasonal Savings. With at most 20 deployments in any given year – Google Nest determined the service was no longer worth the limited revenue. For Google Nest, the "bureaucracy of program administrator-driven energy efficiency" helped drive the stake in the heart of the program administrator partnered optimization service. Faced with the decision to either shut down the service or take a native approach, Google Nest opted to roll it out universally to all Nest users.[6]

Resideo's Connected Savings optimization service originated as more manual, user-driven service by Earth Networks in 2012. Earth Networks recognized value in managing household energy load based on their knowledge of thermostats, HVAC systems, and weather. Earth Networks could offer a hardware agnostic service with the goal of monetizing the service through program administrators' energy efficiency budgets and interest in identifying new opportunities for energy savings. Earth Networks developed the tools to inform customers on how to drive savings, using a modelling and forecasting process, but it was still up to the customer to adjust their setpoint preferences. Eventually, as Earth Networks evolved into Whisker Labs and later into Resideo, this service transitioned from user-driven to thermostat automated via the Connected Savings service (in 2016). Regardless of the approach, the program administrator model has always been Resideo's targeted client for this service. According to Resideo, the program administrator model offered the "carrot" of robust energy savings and early pilot testing helped validate the optimization service.

ecobee was the last entrant into the thermostat optimization service market rolling out their eco+ service in 2019. Previously, ecobee had only indirectly participated via other third-party optimization services (which included Resideo) because of an open API policy. ecobee developed eco+ with a customer-centric approach (as a native feature) yet recognized that they were building the eco+ business model in contrast to the business models offered by other optimization services already in the market. ecobee's goal was to package multiple advanced thermostat features to provide intelligence, help users save money on energy, and help bring value to differentiate their thermostat products. Another factor was to continue to provide grid services, allowing compatibility with existing DR services and therefore any platform to perform DR on the thermostats. ecobee views the bundled thermostat features – energy efficiency in the form of optimization, demand response, time of use together, as one consumer facing experience. This approach allowed their value proposition to be both program administrator/grid and customer focused. The goal was to

[6] Google Nest, June 2020, https://blog.google/products/google-nest/seasonal-savings-nest-thermostat/

have higher customer engagement in the service – therefore increased impact both with customer bill savings and participation in utility BYOT programs and TOU rates.

## Findings: Non-Participant (Market Transformation) Influence

Whether the utility industry (and program administrators) influenced thermostat optimization services is not strictly a binary question but involves varying levels of influence across different components of the market lifecycle. To determine influence, we have to ask whether program administrator engagement affected the timing, trajectory, evolution, and scale of the optimization service. These market transformation factors are based off of NEEA's market transformation approach, which defines key points of a market adoption model.[7] These distinctions are important aspects of gauging market transformation influence, and can be addressed by asking more pointed questions:

- **Timing:** Without program administrator engagement, would optimization services still have been developed and rolled out under the same time horizon?
- **Trajectory**: Without program administrator engagement, would optimization service uptake still have moved at the same rate along the adoption curve?
- **Evolution**: Without program administrator engagement, would optimization services still have saved the same amount of energy per home?
- **Scale**: Without program administrator engagement, would optimization services still have reached the same number of households?

Apex organized each of these market transformation factors according to the respective thermostat manufacturer. A summary of the program administrator market transformation factors by manufacturer are listed Table 2 and described in greater detail with supporting evidence below. We assigned any influence as "direct" for the manufacturers that have partnered with program administrators (Nest, Resideo) and as "indirect" for those not having partnered (ecobee).[8]

**Table 3. Summary Program Administrator Market Transformation Influence Factors by Thermostat**

| MT Influence Factor | Ecobee | Nest | Resideo |
|---|---|---|---|
| Timing | Indirect | None | None |
| Trajectory (rate of adoption) | Indirect, shifted adoption curve | Direct, shifted adoption curve | Direct, shifted adoption curve |
| Evolution | Yes, moderate | No | Yes, moderate |

[7] Van Clock, J, Moran, D, Steinhoff, C. August 2018, ACEEE Summer Study, Building a Foundation on Moving Ground: Five Easy Steps to a Market Transformation Baseline, available online at https://www.aceee.org/files/proceedings/2018/index.html#/paper/event-data/p234

[8] This distinction does not indicate the degree of influence nor does it relate to the quantification of participant direct effects.

| | | | |
|---|---|---|---|
| Scale (maximum potential adoption) | Indeterminate | Indeterminate | Indeterminate |
| Marginal ETO influence | Average | Average | Average |
| Evidence for MT influence | Yes, indirect | Yes, direct | Yes, direct |

We then summarized the manufacturer remarks regarding each of the market transformation elements, as detailed in Table 3 below.

**Table 4. Detailed Program Administrator Market Transformation Influence Factors by Thermostat**

| Factor | ecobee | Nest | Resideo |
|---|---|---|---|
| **Timing** | Reasonable to assume earlier pilots may have influenced the timing for development and launching of eco+. PA support in general has played important role and allowed ecobee investment in these services. | Nest had already developed the service and conducted in-house beta testing. Noted that without PA support may not have rolled out service, so did have some effect on timing. | Similar to Nest, Resideo (Earth Networks) had developed the service and conducted in-house beta testing. No effect on timing. |
| **Trajectory** | Because ecobee was last entrant into market, their service evolved based on market outlook and experience of others. Reasonable to assume pilots influenced the trajectory for eco+, especially as it concerns business model and go to market strategy. | PAs had a role in validating savings, large scale randomized controlled trial pilots across different climates. While Nest believed market evolved naturally, PA contribution played a role in trajectory. If PAs were not partners – unsure if Nest would have still offered it and deployed it for free. Traction, and PAs, leading the charge – MA, CA, ETO – helped keep service alive; if market had shrunk, would have shut it down. | Quicker to monetize with consumers via program administrator model. PA model shifted adoption curve. |
| **Evolution** | Limited evidence pointing to PA influencing the optimization algorithm and resulting per home savings. Could be marginal indirect influence based on previous studies but highly uncertain. | No evidence to indicate program administrator influenced the optimization algorithm and resulting per home savings. Could be marginal indirect influence based on pilot studies but highly uncertain. | Energy Trust study helped target winter optimization strategy (nighttime setbacks), but direct PA influence was small. |
| **Scale** | If service is native, then will achieve greater enrollment, translating into higher EE savings. Even if longer-term PA model didn't make business sense, it did influence scale. Continued support for EE incentives and the need to buoy EE savings to qualify for those incentives did play a part in the decision to build in these features natively. | Indeterminate. Uncertain whether service would have achieved greater saturation without PA model. | Energy Trust is helping the most w/ conversion rates; Resideo now has the technology to offer simplified participant entry, using a one-click in app participant opt-in feature. With this level of simplicity, the conversion rate is expected to quintuple. Energy Trust is the first to pilot this approach. |

*Note "PA" in this table refer to Program Administrators. We use this abbreviation to limit table space.*

- *Would Nest have rolled out, and later expanded optimization services to all customers, without early research and support from program administrators? Did that support affect the timing of activities in this market?*

Google Nest reported that, had program administrators not been interested in thermostat optimization, it is doubtful they would have initially offered it natively and deployed it for free. As noted above, Google Nest stated that they originally weighed the decision to roll-out the optimization service natively to all thermostats or to monetize it and offer it as a program administrator-driven program. At that time (2012), the service existed and had already been beta tested and validated via a white paper. The unknowns at that time were customer awareness and perceptions of the service, what the enrollment opt-in rates would be, and how this service would perform under different demographic groups, regions, HVAC systems, and household types. Google Nest chose the program administrator partner model and continued down that path for eight years.

Program administrator support did not affect the timing for the development and release of Nests Seasonal Savings though it likely had an impact on the trajectory of this service. The program administrator contribution to optimization services included increasing ratepayer awareness of the thermostats and optimization services, process and impact evaluations to inform the satisfaction and user issues of the services and validate energy savings, while adding in another element of trusted voice to lend credence of the offering. There is a lot of value in the momentum gained from numerous program administrator programs. This momentum translates into a shifted adoption curve, though it is unclear to what extent. From Google Nest's business development aspect, program administrator involvement was not the end goal, they recognized that the service was priced cheaply and not going to be a profit center. The goal was to allow a refinement of the service over time, mostly driven by program administrators. Even with 3rd party evaluation playing a significant role in validating the optimization service, there were still plenty of program administrators unwilling to participate and Google Nest did not see a bump in enrollment as a result.

Though not directly related to Google Nests decision to pursue the program administrator model, evidence from our interviews with ecobee and Resideo help provide perspective on the evolution of the optimization service market. According to Resideo, program administrators are the sole path to monetization for optimization services. Resideo has stated that the value in partnering with program administrators versus natively offering the service bundled in thermostats includes adding credibility, increased awareness, and establishing a market that may not have been ready to widely adopt without program administrator support.

ecobee viewed the optimization market as constrained by a limited number of pilots, therefore lacked sufficient trajectory to continue as a stand-alone offering. Yet, ecobee also believes some credit should go towards those utilities investing in pilots, of which Energy Trust was an early adopter, which helped pave the way for broader adoption of optimization services. This influence, particularly for Energy Trust for the Oregon region, included their resources for implementation and evaluation of this service (e.g., time, research, support). Therefore, the validation of the optimization services through utility opportunities served as a critical piece for ecobee's justification to invest in these services; as ecobee noted, "broadly, without question, because these opportunities were there, we could invest in

them, and offer the service as an out of box feature – [program administrator] influence is the reason they are here."

Yet, ecobee also noted that while the business model for program administrator optimization services had challenges and limited uptake, the optimization as a service has prevailed. According to ecobee, even though all stakeholders received some benefits from this model (customer, program administrator, and service providers), the program administrator model involved too much customer and program administrator "friction". This friction included contracting, legal, terms and conditions, and a challenging opt-in process. ecobee's solution was to offer an out of the box service, where the customer can engage with the suite of energy features with limited decision points, resulting in very high participation and higher engagement with the service.

- *Will smart thermostat manufacturers continue offering optimization services into the future? For how long?*

Nest indicated it will continue to move forward with their native features offering the optimization to all of their users, outside of any program administrator model. The Resideo strategy is unchanged and will continue offering the Connected Savings as a program administrator partnership model for the foreseeable future. Resideo still believes that program administrators remain the sole path to monetization for the optimization service. Resideo believes there are still benefits to working with Energy Trust and program administrators – the service will remain independently quantifiable, with direct attribution, while delivering benefits that customers can turn on and program administrators only pay for the savings they are generating. ecobee will continue to offer this service as a native offering of their thermostats for the foreseeable future. A critical feature for ecobee is for the customer to retain control. If programs could offer a more holistic and customer centric approach, allowing users to select comfort preferences, with easier opt-outs, and a flexible platform, then ecobee believes that they would still consider looking at partnering with program administrators for future efforts.

- *Is there any evidence to support Energy Trust having differentiated influence over the trajectory and evolution of optimization services market?*

Assessing market transformation influence across program administrators is complex and fraught with uncertainty and trying to isolate individual program administrator influence is even more challenging. Recognizing this difficulty, NEEA does not differentiate program administrator specific influence relative to the overall utility industry. Yet, our interviews revealed several notable aspects of Energy Trust's influence in the evolution of the optimization services. As an example, according to Resideo, after more than six years of pilots and partnerships, the 2018 Energy Trust pilot revealed the potential for larger setbacks during winter nights.[9] Additionally, an upcoming Energy Trust initiative will allow easier one-step enrollment, with the expectation to move to much higher conversion rates.

[9] Apex Analytics, February, 2020, Energy Trust of Oregon Resideo Thermostat Optimization Pilot Report, available online at https://www.energytrust.org/wp-content/uploads/2020/04/Energy-Trust-of-Oregon-Resideo-Pilot-Final-Report-wSR-Final.pdf

Google Nest staff gave Energy Trust's Seasonal Savings pilot study high marks as the best of its kind and offered the report as evidence to numerous other partners.[10] Staff indicated that this study was the most robust example to demonstrate the Seasonal Savings, with design, evaluation, and validation of the savings. According to Google Nest, Energy Trust's study had a positive impact on validating savings and the use of runtime-based evaluation. The results of this study showed robust savings and was one of the earlier independent validations of this service. This study paved the way for partnerships with skeptical program administrators playing a significant role to "push them over the hump" and sign on to partner. What is unclear is how many pilots may have signed up as a result of these findings.

The ecobee interview did not provide any indication that Energy Trust had any differentiated influence, relative to the trajectory and evolution of the thermostat optimization services.

### 〉 *How are thermostat optimization and demand response services interrelated?*

All manufacturers indicated that demand response (DR) services will continue to be offered and not contingent on their optimization services. For Google Nest, DR is all about program administrators, yet they are now more interested in letting third parties run the DR programs – Google has found that running DR is not a high profit business (at least relative to Google profitability "scale"). Resideo indicated they will continue to support program administrator DR programs as well. Resideo believes you have to have both optimization and DR from a program administrator perspective. With regulated utilities, even if the smart thermostat has native DR features (i.e., opting into the service includes a DR component as well), market actors will still need to enroll customers and comply with regulatory requirements. For ecobee, their eco+ service is a suite of customer-centric services (energy efficiency, TOU and DR together, as one consumer facing experience) providing intelligence to save customer money on energy. The foundation of the eco+ suite is to bring this value directly to the customer while also providing grid services, including compatibility with existing DR programs. The eco+ DR component will allow any utility or DRMS service to administer DR on the thermostats, based on an open API environment. Therefore, utilities or their third-party administrator, will continue to be able to control and dispatch their DR services independently of the optimization service.

## Document Review

Apex staff's review of email communication, white papers, and previous evaluation studies did not identify any supporting evidence for market transformation influence. Even though our document review did not show evidence of explicit discussion of influence from Energy Trust or other program administrators, we cannot use the lack of evidence as an indicator for not having any market transformation influence. We believe program administrator influence may have still occurred even if it wasn't discussed explicitly in emails about project management, in white papers or evaluation reports. Our documentation review found the following for each of these different sources:

[10] Apex Analytics and Demand Side Analytics, November 2017, Energy Trust of Oregon Nest Thermostat Seasonal Savings Pilot Evaluation, available online at https://www.energytrust.org/wp-content/uploads/2017/12/Energy-Trust-of-Oregon-Nest-Seasonal-Savers-Pilot-Evaluation-FINAL-wSR.pdf

- **Emails**: email correspondence between Apex, Google Nest, Resideo, and Energy Trust included topics such as project management, logistics, implementation clarification, pilot/program/implementation descriptions, but did not include any discussion of the role program administers were playing or related influence on the optimization service.
- **White papers**: Apex reviewed white papers from each of the three manufacturers, which detailed findings from their beta testing or initial program administrator pilots of this service. Similar to the emails, these white papers provided information on the methods used to evaluate the service along with energy savings findings but did not include any discussion of the role program administrators were playing nor related influence on the thermostat optimization service.
- **Evaluation Reports**: Apex reviewed several optimization evaluation reports (including our own). These evaluation reports did not include any discussion of the role program administrators were playing nor related influence on the optimization service. A summary of the evaluation reports reviewed is included in Appendix A: List of Evaluation Reports.

## Findings: Direct Participant Effects

As noted above, Energy Trust can claim optimization service savings from both historical and future installations of smart thermostats attributable to their programs. Recent conversations with other administrators indicate they are planning on taking a similar approach, stacking TRM-based optimization savings on top of the thermostat hardware savings. To estimate the savings from participant direct effects, we compiled the following input assumptions:

- **Thermostats:** For optimization savings associated with historical program activity, Energy Trust provided a total count of program incentivized smart thermostats from 2015 through June 2020.
- **Free-ridership**: Energy Trust provided the historical free-ridership rate for smart thermostats, which applies only to the "self-install" category only.[11] For historical installations, we relied on the historical annual free-ridership rate. For future installations, to simplify the direct effect calculation, we recommend adopting a 39% free-ridership rate going forward, to be updated based on future research. The direct effect calculation relies on the complement of the freeridership percentage, which is the net-to-gross (NTG) ratio, or [1- free-ridership].
- **Effective Opt-in rate**: Derived from Google Nest participation rates based on Seasonal Savings Impacts in Oregon: Winter 2018/19 memo.[12] This effective rate reflects the percentage of units qualified for optimization savings and opting-in to the service. The ecobee white paper did not report opt-in rates, so we assigned Google Nest rates for this analysis.[13]

[11] Energy Trust assumes, consistent with direct install programs throughout the country, that direct install households would not have installed the thermostat in the absence of the free install (therefore zero freeridership).

[12] Google Nest, April 2020, Seasonal Savings Impacts in Oregon: Winter 2018/19

[13] Demand Side Analytics, November 2019, eco+ Thermostat Optimization Pilot, available online at https://www.ecobee.com/wp-content/uploads/2020/02/eco-EMV-Executive-Summary.pdf

- **Per unit savings**: Gas furnace and heat pump savings based on Google Nest paper from 2018/2019 Seasonal Savings program.[14] Google Nest electric furnace savings derived from gas furnace therm savings converted to kWh (assuming 87% gas furnace efficiency and 100% electric furnace efficiency). The ecobee electric savings were based on the ecobee white paper, which did not report HVAC type nor gas therm savings.[15]

A summary of the participant direct effect assumptions for thermostat installations are shown in Table 5 below.

**Table 5. Participant Direct Effect Assumptions for Future Thermostat Installations**

| Delivery Type | Thermostat | HVAC type | Opt-in Rate | NTG | kWh | Therms |
|---|---|---|---|---|---|---|
| Self-install | Google Nest | Gas furnace | 61% | 61% | 11.4 | 14.3 |
| Self-install | Google Nest | Heat pump | 61% | 61% | 88 | 0 |
| Self-install | Google Nest | Electric furnace | 61% | 61% | 327 | 0 |
| Self-install | ecobee | All | 61% | 61% | 40 | N/A |
| Direct-install | Google Nest | Gas furnace | 61% | 100% | 11.4 | 14.3 |
| Direct-install | Google Nest | Heat pump | 61% | 100% | 88 | 0 |
| Direct-install | Google Nest | Electric furnace | 61% | 100% | 327 | 0 |
| Direct-install | ecobee | All | 61% | 100% | 40 | N/A |

Apex relied on the same assumptions for our projected thermostat savings estimates from historical thermostat installations, which are summarized in Table 6 below. The only difference for the historical installation analysis was the use of annual free-ridership rates rather than the 39% used in Table 5.16 The total savings in Table 6 reflects the net annual savings from thermostat optimization services for those thermostats installed through one of Energy Trusts programs.

**Table 6. Participant Direct Effect Savings for Historical Thermostat Installations**

| Delivery Type | Thermostat | HVAC type | Total Net Annual kWh | Total Net Annual Therms |
|---|---|---|---|---|
| Self-install | Google Nest | Gas furnace | 50,972 | 63,939 |
| Self-install | Google Nest | Heat pump | 12,442 | - |
| Self-install | Google Nest | Electric furnace | 229,761 | - |
| Self-install | ecobee | All | 43,290 | N/A |
| Direct-install | Google Nest | Gas furnace | 16,843 | 21,127 |
| Direct-install | Google Nest | Heat pump | 68,818 | - |
| Direct-install | Google Nest | Electric furnace | 175,233 | - |
| Direct-install | ecobee | All | 73,590 | N/A |

[14] Google Nest, April 2020, Seasonal Savings Impacts in Oregon: Winter 2018/19

[15] Demand Side Analytics, November 2019, eco+ Thermostat Optimization Pilot, available online at https://www.ecobee.com/wp-content/uploads/2020/02/eco-EMV-Executive-Summary.pdf

[16] Annual freeridership rates based on Opinion Dynamics, Fast Feedback 22019 report, May 2020, available online at https://www.energytrust.org/wp-content/uploads/2020/05/Fast-Feedback-2019-End-of-Year-Report-Final.pdf

## Conclusions and Recommendations

There is a clear and unambiguous argument that program administrators, Energy Trust included, can include smart thermostat optimization savings from thermostats incentivized and attributable to their thermostat programs. These participant direct effect savings are readily quantifiable, are based on previously evaluated metrics, and have the support of other jurisdictions following the same approach. There remains some uncertainty around these estimates, including whether the opt-in rates will remain constant, if and how savings may persist,[17] and how the services, since they are software based, will evolve. This latter point is especially relevant with the service being native to the thermostats, as any future thermostat savings estimates will be based on one estimate for the hardware and one for the software features. Therefore, isolating the stand-alone impacts of the thermostat relative to the service in the future will not be possible for Google Nest and ecobee (not Resideo).

**Recommendation:** For future smart thermostat incentive programs, Energy Trust should claim the incremental optimization service savings consistent with Table 5 summary metrics reported above for ecobee and Nest thermostat installations. For historical smart thermostat incentive programs, Energy Trust should claim the total optimization service savings consistent with summary estimates reported above in Table 6, again, for ecobee and Nest thermostats. Keeping the optimization savings distinct from thermostat savings will ensure a more product agnostic approach. Smart thermostat manufacturers like Resideo, or third-party optimization services like Uplight, who are continuing to offer stand-alone optimization as a program, will therefore receive equal opportunity as Google Nest and ecobee. At this time, there is no need to distinguish Resideo optimization impacts because Resideo plans on continuing to offer this service as a stand-alone feature.

While less clear cut than participant direct effects, and certainly less easily quantifiable, interviews with Google Nest, ecobee, and Resideo point to anecdotal evidence that program administrators influenced the trajectory and, only marginally, the evolution of the optimization services. The timing for development and rollout into market for optimization services were likely not impacted by program administrators, with the exception of Google Nest, who noted they may not have released their service without program administrator support. Also indeterminate was whether the program administrator business model resulted in a lower maximum adoption level than would have resulted from a full native-model distribution of the service.

**Recommendation**: Energy Trust should consider claiming market transformation influence from their participation and support in this market. Our interviews provided evidence for the increased adoption in optimization services resulting from program administrator influence. The easy part of this effort has been verifying influence, the more challenging aspect remains: to translate the influence on adoption into a defendable quantifiable estimate of market transformation-based savings.

[17] Savings persistence, with the potential for a multi-year stream of savings, extends the benefits of optimization services. See Navigant Consulting, March 2019, ComEd CY2018 Seasonal Savings Cooling Season Impact Evaluation Report, https://s3.amazonaws.com/ilsag/ComEd_CY2018_Nest_SS_Cooling_Season_Impact_Evaluation_Report_Draft_2018-03-13.pdf

## Appendix A: List of Evaluation Reports


Apex Analytics, November 2017, Energy Trust of Oregon Nest Thermostat Seasonal Savings Pilot Evaluation, https://www.energytrust.org/wp-content/uploads/2017/12/Energy-Trust-of-Oregon-Nest-Seasonal-Savers-Pilot-Evaluation-FINAL-wSR.pdf

Apex Analytics, February 2020, Energy Trust of Oregon Resideo Thermostat Optimization Pilot, https://www.energytrust.org/wp-content/uploads/2020/04/Energy-Trust-of-Oregon-Resideo-Pilot-Final-Report-wSR-Final.pdf

EMI, April 2019, Thermostat Optimization Evaluation, https://www.etcc-ca.com/reports/thermostat-optimization-evaluation

Frontier Energy, July 2019, Evaluation, Measurement & Verification of CPS Energy's FY 2019 DSM Programs https://www.sanantonio.gov/Portals/0/Files/Sustainability/STEP/CPS-FY2019.pdf

MA DOER, July 2015, Nest Seasonal Savings Massachusetts Department of Energy Resources Impact Evaluation, https://www.mcecleanenergy.org/wp-content/uploads/2016/08/MCE-AL-17-E-Seasonal-Savings-Pilot.pdf

Navigant, May 2018, ComEd Seasonal Savings Impact Evaluation Report, https://s3.amazonaws.com/ilsag/ComEd_PY9_Nest_Seasonal_Savings_Impact_Evaluation_Report_Draft_2018-05-16.pdf

Navigant, February 2019, ComEd and Nicor Gas Connected Savings Heating Season Pilot Impact Evaluation Report, https://s3.amazonaws.com/ilsag/ComEd_and_Nicor_CY2018_Connected_Savings_Heating_Season_Impact_Eval_Report_Draft_2018-02-21.pdf

# Tab 6

# Finance Committee Meeting Notes`

November 16, 2020

**Board members present**: Susan Brodahl, Chair, Anne Root, Henry Lorenzen, Roland Risser, Melissa Cribbins, ex-officio

**Staff attending:** Pati Presnail, Steve Lacey, Peter West, Amanda Sales, Debbie Menashe, Amber Cole, Michael Colgrove, Cheryle Easton, Karin Murray

## **Budget Update** (Presenter)

- **OPUC Staffing Memo**
  - Staff and board discussed journey to understanding the level of underserved market and marketing effectiveness.
- **Update on Revenue Conservations (**Steve Lacey)
  - Discussed final conversations with Avista and they adjusted revenue increases to
- **Update on Goals and Incentives (**Peter West)
  - **D**iscussed the increase in lighting savings, timing of larger projects shifted numbers into 2021
- **Staffing conversation, update on benefits, history on merit** (Amanda Sales)
  - Discussed initial increase to benefits were at 35% and through negotiation with carrier able to propose more cost-effective way to provide same level of care with reduction in cost to carrier and ET.
  - Reduced merit pool from 5% to 3% to support reducing administrative costs.

## **September Financials** (Pati Presnail)

- Numbers continue to hold strong. Utilities have not determined how their uncollected revenues will if at all impact Energy Trust.

**The next meeting of the Finance Committee is scheduled for December 4, 2020 2:00-3:30 p.m.**

# PINK PAPER

# September 2020 Financial Statements

**Revenue**

We continue to monitor utility revenue carefully. Through October, utility revenue is within 1% of budget.

Revenue trends are being discussed with utilities in context of the 2021-22 budget. We have not heard any signals from utilities lately to indicate revenues are in jeopardy.

September:

| | Sept Last Year | actual v LY | Actual - Month of Sept | actual v bud | Sept Budget | Sept YTD - Actual | Sept YTD - Budget | actual v bud |
|---|---|---|---|---|---|---|---|---|
| PPC 1149 | 2,427,815 | 8% | 2,610,913 | 7% | 2,433,969 | 22,850,059 | 23,221,819 | -2% |
| Rev 838 | 4,109,689 | -1% | 4,060,119 | 9% | 3,711,477 | 36,474,260 | 37,318,466 | -2% |
| PPC Renewables | 700,541 | 8% | 756,501 | 8% | 701,795 | 6,602,435 | 6,665,079 | -1% |
| PGE Total | 7,238,045 | 3% | 7,427,534 | 8% | 6,847,241 | 65,926,754 | 67,205,364 | -2% |
| PPC 1149 | 1,790,536 | 5% | 1,885,338 | 8% | 1,738,336 | 16,228,275 | 16,089,489 | 1% |
| Rev 838 | 2,761,256 | 5% | 2,896,077 | 4% | 2,773,867 | 24,682,803 | 25,245,001 | -2% |
| PPC Renewables | 507,981 | 7% | 545,167 | 11% | 491,625 | 4,683,360 | 4,575,019 | 2% |
| PAC Total | 5,059,774 | 5% | 5,326,583 | 6% | 5,003,828 | 45,594,438 | 45,909,509 | -1% |
| NWN | 658,684 | -5% | 628,589 | 7% | 588,415 | 19,349,662 | 19,636,690 | -1% |
| CNG | 80,172 | 31% | 104,857 | 46% | 71,850 | 2,444,289 | 2,241,578 | 9% |
| Avista | 174,323 | -1% | 172,774 | 0% | 172,774 | 1,554,969 | 1,554,966 | 0% |
| NWN Washington | - | | - | | | 1,701,522 | 1,704,188 | 0% |
| Total Utility Revenue | 13,210,997 | ▲ 3.4% | 13,660,337 | ▲ 7.7% | 12,684,108 | 136,571,634 | 138,252,295 | -1.2% |

October:

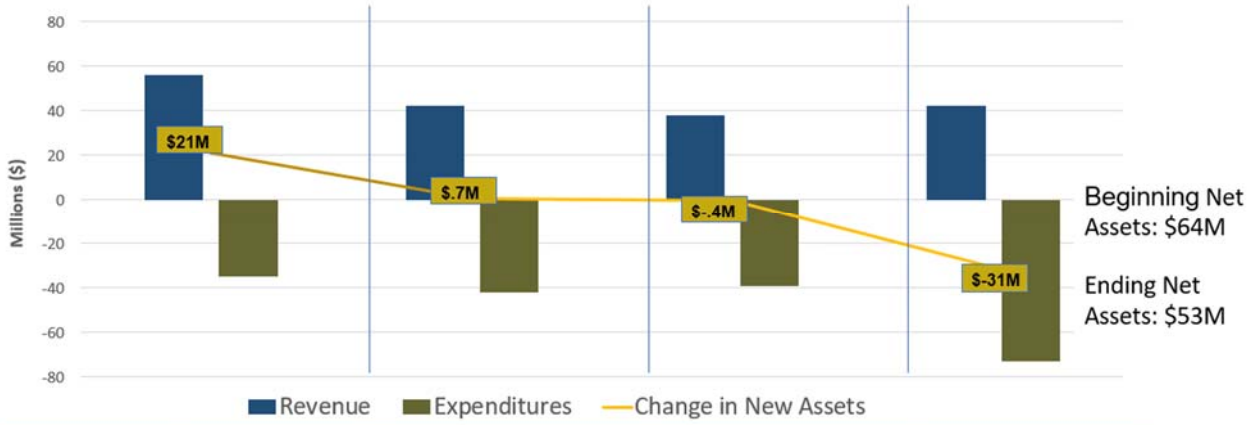
| | Oct. Last Year | actual v LY | Actual - Month of Oct. | actual v bud | Oct Budget | Oct YTD - Actual | Oct YTD - Budget | actual v bud |
|---|---|---|---|---|---|---|---|---|
| PPC 1149 | 2,484,554 | 6% | 2,624,922 | 5% | 2,490,852 | 25,474,982 | 25,712,671 | -1% |
| Rev 838 | 4,074,113 | 0% | 4,059,181 | 10% | 3,679,349 | 40,533,442 | 40,997,815 | -1% |
| PPC Renewables | 719,019 | 6% | 761,933 | 6% | 720,306 | 7,364,368 | 7,385,385 | 0% |
| PGE Total | 7,277,687 | 2% | 7,446,037 | 8% | 6,890,507 | 73,372,791 | 74,095,871 | -1% |
| PPC 1149 | 1,728,623 | 3% | 1,774,228 | 6% | 1,678,227 | 18,002,503 | 17,767,716 | 1% |
| Rev 838 | 2,597,051 | 4% | 2,692,544 | 3% | 2,608,911 | 27,375,347 | 27,853,912 | -2% |
| PPC Renewables | 487,007 | 5% | 510,582 | 8% | 471,326 | 5,193,942 | 5,046,345 | 3% |
| PAC Total | 4,812,680 | 3% | 4,977,354 | 5% | 4,758,464 | 50,571,792 | 50,667,973 | 0% |
| NWN | 2,185,621 | -7% | 2,036,632 | -1% | 2,052,034 | 21,386,294 | 21,688,724 | -1% |
| CNG | 142,810 | -19% | 115,782 | -10% | 127,988 | 2,560,071 | 2,369,566 | 8% |
| Avista | 174,323 | -1% | 172,774 | 0% | 172,774 | 1,727,743 | 1,727,740 | 0% |
| NWN Washington | 930,921 | -9% | 850,761 | 0% | 852,094 | 2,552,283 | 2,556,282 | 0% |
| Total Utility Revenue | 15,524,041 | ▲ 0.5% | 15,599,341 | ▲ 5.0% | 14,853,861 | 152,170,974 | 153,106,156 | -1% |

## Net Assets

**Seasonal Changes:** Net Assets are reaching the typical seasonal peak. This is because revenues are somewhat higher than average during heating season, whereas incentive expenditures are lowest in the early part of the year, peaking in December.

The following chart based on the 2020 Reforecast illustrates the ebb and flow across the 4 quarters. The gold line is tracing the change in net assets each quarter showing increases in Q1 and Q2, neutral in Q3, and a reduction in Q4 resulting from the large increase in incentive expenditure.

Together with the comparison to where net assets were expected to land according to our budget provides the needed context to understand whether net asset levels are appropriate and why. Further work will continue in establishing ranges and benchmarks.




| | Q1 | Q2 | Q3 | Q4 |
|---|---|---|---|---|
| Revenue | $56M | $42M | $38M | $42M |
| Expenditures | $-35M | -42M | -39M | $-73M |
| Change | $21M | $.7 | $-.4M | -$31M |
| Ending Net Assets | $85M | $86M | $85M | $53M |

**Net Assets, continued**

Net assets are $7.0 million higher than budget for this point in the year. This will be taken into account in the reforecast of 2020, and in the case of efficiency programs, will be presented as potential offset to 2021 revenue requirements.

**By Funding Source:** Net Assets by Funding Source

Net Assets for the Year, as of September 2020

| | Actual | | | | Budget | Comparisons | |
|---|---|---|---|---|---|---|---|
| Funding Source | Beginning of Year Net Assets | Current Year Net Income | Distributed Investment Income | Ending Net Assets at end of this period | Budgeted Net Assets at end of this period | Difference from Budget | Difference due to Beginning Net Assets |
| PGE | 17,012,201 | 6,285,501 | 125,953 | 23,423,654 | 23,243,081 | 180,573 | (2,021,134) |
| PacificPower | 11,192,320 | 2,489,092 | 77,721 | 13,759,133 | 11,632,351 | 2,126,782 | 2,254,036 |
| NWN - Industrial | 984,268 | (133,996) | 5,732 | 856,004 | 989,260 | (133,256) | 204,997 |
| NWN | 3,702,232 | 2,832,828 | 31,988 | 6,567,048 | 6,558,606 | 8,442 | 662,432 |
| Cascade Natural Gas | 1,134,247 | 949,019 | 10,053 | 2,093,319 | 1,250,062 | 843,257 | 225,871 |
| Avista Gas | 243,667 | 559,245 | 3,270 | 806,183 | 474,569 | 331,613 | 202,611 |
| OPUC Efficiency | 34,268,936 | 12,981,689 | 254,717 | 47,505,342 | 44,147,929 | 3,357,413 | 1,528,814 |
| PGE | 12,524,040 | 1,574,231 | 83,184 | 14,181,455 | 12,550,006 | 1,631,450 | 245,261 |
| PacificPower | 6,570,938 | 350,052 | 42,157 | 6,963,147 | 5,326,206 | 1,636,940 | 400,573 |
| OPUC Renewables | 19,094,978 | 1,924,283 | 125,341 | 21,144,602 | 17,876,212 | 3,268,390 | 645,834 |
| Washington | 417,192 | 359,939 | 3,732 | 780,864 | 335,711 | 445,152 | 182,851 |
| LMI | - | 212 | 1 | 212 | - | 212 | - |
| Community Solar | 109,104 | 161,474 | 1,186 | 271,765 | 309,363 | (37,598) | (49,942) |
| PGE Storage | - | 3,234 | 10 | 3,244 | - | 3,244 | - |
| Development | 19,219 | (7,562) | 96 | 11,754 | 19,576 | (7,822) | (140) |
| Total Other Net Assets | 545,516 | 517,298 | 5,025 | 1,067,839 | 664,650 | 403,189 | 132,770 |
| Craft3 Loans | 2,300,000 | | | 2,300,000 | 2,300,000 | - | - |
| Operational Contingency | 2,852,208 | | 63,443 | 2,915,651 | 2,922,611 | (6,960) | 42,869 |
| Emergency Contingency | 5,000,000 | | | 5,000,000 | 5,000,000 | - | - |
| Total Contingency | 10,152,208 | - | 63,443 | 10,215,651 | 10,222,611 | (6,960) | 42,869 |
| Investment Income | | 448,527 | (448,527) | | | - | |
| Total Net Assets | 64,061,637 | 15,871,796 | - | 79,933,434 | 72,911,401 | 7,022,032 | 2,350,286 |

## Contingent Liabilities

Energy Trust commits program reserves and expected revenue to fund future efficiency and renewable projects and other agreements. Each of these commitments is contingent on the project being completed according to the milestones established in the agreement. Once a project is complete, the commitment becomes a liability and is paid as quickly as possible from the then-available program reserves.

Current reserves plus future revenue ensure funds are available when commitments come due. Controls prevent over committing against future revenue.

Contingent liabilities as of October 1, 2020 are as follows:

| | |
|---|---|
| Efficiency Incentive commitments to be paid in the future | 56,500,000 |
| Renewables Incentive commitments to be paid in the future | 13,200,000 |
| Estimated In-force contracts for delivery and operations, to be paid in the future | 61,749,442 |
| **Total contingent liabilities for future commitments** | 131,449,442 |

## OPUC Financial Performance Measures

The two OPUC financial performance measures deal with administrative and program support (as defined by OPUC) and staffing cost (Employee Salaries and Fringe Benefits). We are operating well within the administrative and program support measure, at 6.6% of revenue and an 8.9% increase year over year.

We have discussed staffing cost status to date- the overage in a combination of underspending in 2019, and 2020 being an extraordinary year in many ways including vacation time being underutilized, resulting in an unusually high vacation liability balance.

| | | | |
|---|---|---|---|
| Administrative and Program Support | less than 8% of revenue | 6.6% | ok |
| | less than 10% increase over prior year | 8.9% | ok |
| Employee Salaries and Fringe | less than 9% increase over prior year | 9.9% | above |

| Details | YTD 2020 | YTD 2019 | Y/Y Change |
|---|---|---|---|
| Revenue | 134,870,112 | 140,870,790 | |
| Administrative and Program Support | 8,962,116 | 8,230,684 | 8.9% |
| Percent of Revenue | 6.6% | 5.8% | |
| | | | |
| Employee Salaries and Fringe Benefits | 11,165,680 | 10,157,704 | 9.9% |

## Expenses

Year-to-date spending through September is 5.2% below budget ($6.7M). Incentives are tracking 2.3% below budget. Oher line items such as program delivery contractors and professional services are below budget. We anticipate that some of these variances are timing, but others such as evaluations and professional services will persist and potentially increase due to COVID-19 shutdown.

| | Year to Date | | |
|---|---|---|---|
| Total Expenditure | Actual | Budget | Budget Variance |
| Incentives | 58,550,344 | 59,909,508 | (1,359,164) |
| Program Delivery Contractors | 42,330,821 | 43,603,921 | (1,273,101) |
| Employee Salaries & Fringe Benefits | 11,604,503 | 11,694,246 | (89,744) |
| Agency Contractor Services | 1,121,645 | 1,295,908 | (174,263) |
| Planning and Evaluation Services | 1,998,824 | 2,634,036 | (635,212) |
| Advertising and Marketing Services | 2,258,246 | 2,486,288 | (228,042) |
| Other Professional Services | 1,927,409 | 4,291,580 | (2,364,171) |
| Travel, Meetings, Trainings & Conferences | 81,177 | 434,314 | (353,137) |
| Dues, Licenses and Fees | 122,814 | 208,548 | (85,734) |
| Software and Hardware | 459,296 | 486,657 | (27,360) |
| Depreciation & Amortization | 189,780 | 193,183 | (3,402) |
| Office Rent and Equipment | 799,450 | 855,325 | (55,874) |
| Materials Postage and Telephone | 67,498 | 113,437 | (45,939) |
| Miscellaneous Expenses | 33,931 | 4,475 | 29,456 |
| **Expenditures** | **121,545,737** | **128,211,426** | **(6,665,688)** |

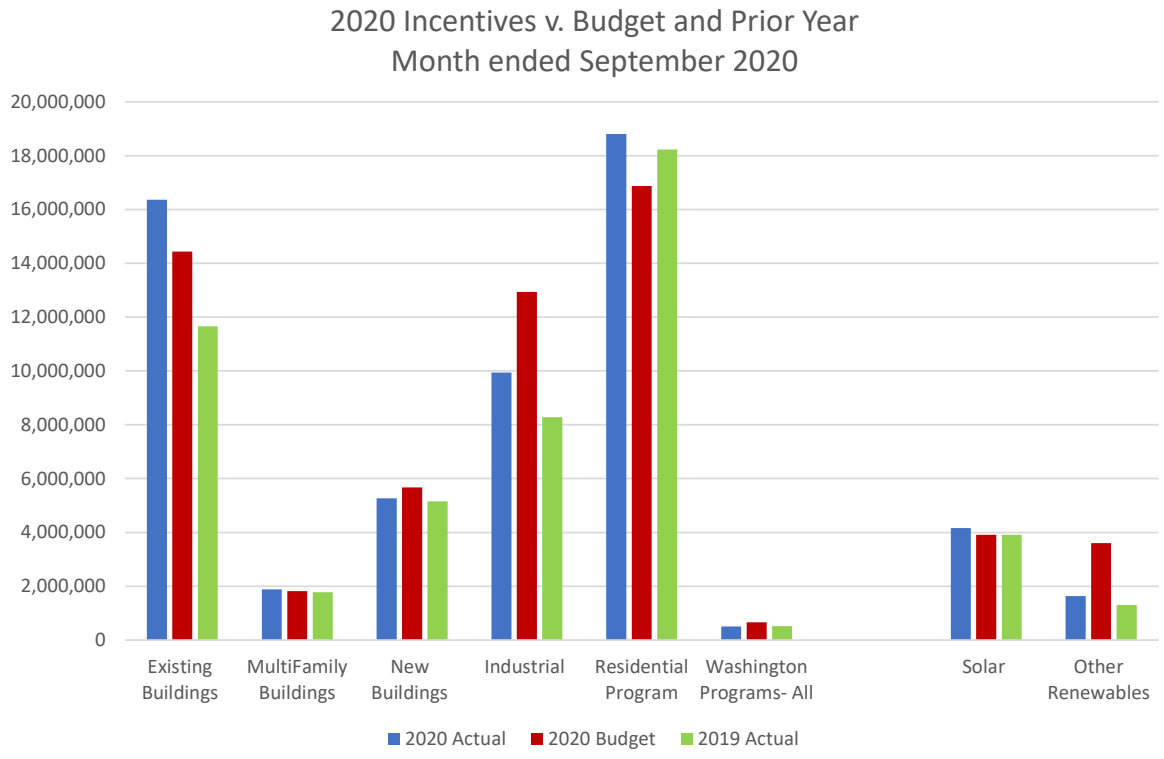
## Incentives Detail

Incentives so far this year are slightly below budget with an overall variance of 2.3% under.

Efficiency programs are 1% above budget and 15.7% above prior year, at this point in the year. Incentives have a very sharp seasonality, with 40% of all incentives recorded in the last month of the year. We attempt to model the budget seasonality accordingly.

Other renewables large projects are not moving as quickly as anticipated due to economic conditions.

| Incentives to Date | 2020 Actual | 2020 Budget | Variance from Budget | Percent Variance | 2019 Actual |
|---|---|---|---|---|---|
| Existing Buildings | 16,360,253 | 14,429,491 | 1,930,762 | 13% | 11,655,212 |
| MultiFamily Buildings | 1,881,293 | 1,823,278 | 58,015 | 3% | 1,781,467 |
| New Buildings | 5,274,208 | 5,672,428 | (398,220) | -7% | 5,154,089 |
| Industry and Agriculture | 9,937,103 | 12,935,250 | (2,998,147) | -23% | 8,283,992 |
| Residential Program | 18,801,663 | 16,869,831 | 1,931,832 | 11% | 18,223,497 |
| Washington Programs- All | 504,139 | 657,849 | (153,710) | -23% | 519,026 |
| Efficiency Incentives | 52,758,659 | 52,388,127 | 370,532 | 1% | 45,617,283 |
| Solar | 4,158,430 | 3,915,300 | 243,130 | 6% | 3,909,440 |
| Other Renewables | 1,633,255 | 3,606,081 | (1,972,826) | -55% | 1,305,643 |
| Total Incentives | 58,550,344 | 59,909,507 | (1,359,164) | -2.3% | 50,832,366 |

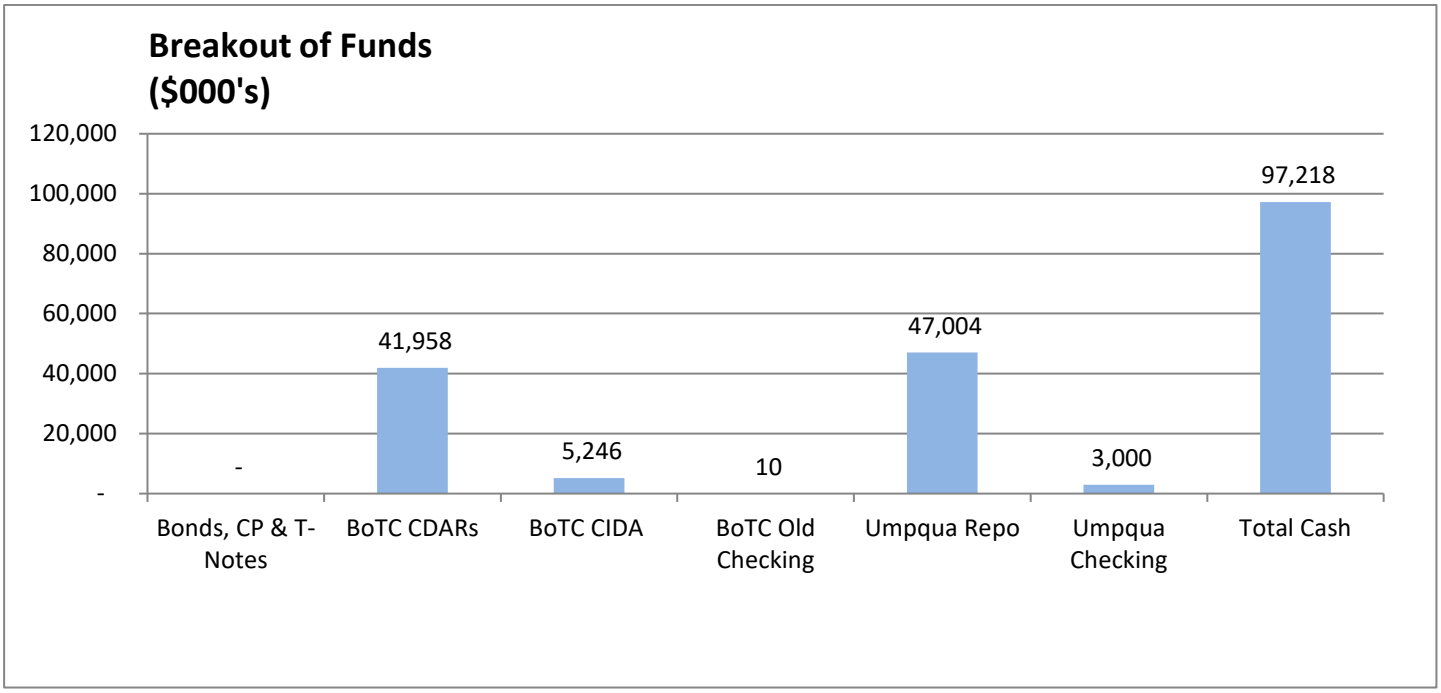


## Cash and Investment Status

The graphs below show the type of investments we hold and the institutions where our funds are held. As expected for this time of year, cash levels continue to increase. There were no new reinvested funds in CDAR investments this month. The last of our corporate bond holdings matured in March, and converted to cash.

We expect to continue to invest in CDAR's (a bundle of FDIC insured CD's) with maturities of 13 to 26 weeks. New CD's are returning much lower rates: .15% for 13 week and .20% for 26 week CD's, compared to last year where the average was near 1.4%. This decrease is due to Federal Reserve stimulus decisions.

The column "Umpqua Repo" represents the operating cash balances at Umpqua Bank that are parked in an overnight repurchase account, which is backed by Umpqua Bank.




The average maturity in 2020 through September is 28 days, and the average return is 0.24% As mentioned above, the average return for the year is expected to drop as current holdings mature.

Energy Trust of Oregon
Balance Sheet
For the Period Ending September 2020

| | September | August | December | One Year Ago September | One month change | Year to date change | 12 month change |
|---|---|---|---|---|---|---|---|
| Cash | 51,051,989 | 44,357,493 | 45,339,145 | 34,140,961 | 6,694,496 | 5,712,844 | 16,911,029 |
| Investments | 41,965,710 | 41,959,350 | 51,078,975 | 65,703,843 | 6,360 | (9,113,265) | (23,738,133) |
| Accounts Receivable | 122,479 | 134,725 | 253,398 | 255,984 | (12,245) | (130,918) | (133,505) |
| Prepaid | 652,362 | 790,970 | 392,897 | 665,800 | (138,608) | 259,465 | (13,438) |
| Advances to Vendors | 2,251,833 | 2,942,553 | 2,094,555 | 2,459,149 | (690,720) | 157,278 | (207,316) |
| Current Assets | 96,044,374 | 90,185,090 | 99,158,970 | 103,225,737 | 5,859,283 | (3,114,596) | (7,181,363) |
| | | | | | | | |
| Fixed Assets | 5,785,644 | 5,785,644 | 5,601,847 | 5,296,982 | - | 183,798 | 488,662 |
| Depreciation | (5,002,135) | (4,974,725) | (4,812,355) | (4,760,635) | (27,409) | (189,780) | (241,500) |
| Net Fixed Assets | 783,509 | 810,919 | 789,492 | 536,347 | (27,409) | (5,983) | 247,162 |
| | | | | | | | |
| Other Assets | 2,195,817 | 2,197,794 | 2,169,653 | 2,006,811 | (1,977) | 26,164 | 189,006 |
| | | | | | | | |
| **Assets** | **99,023,700** | **93,193,803** | **102,118,115** | **105,768,895** | **5,829,897** | **(3,094,415)** | **(6,745,195)** |
| | | | | | | | |
| Accounts Payable and Accruals | 15,502,149 | 7,422,680 | 34,510,901 | 10,218,338 | 8,079,469 | (19,008,752) | 5,283,811 |
| Salaries, Taxes, & Benefits Payable | 1,170,216 | 1,024,192 | 1,036,938 | 800,198 | 146,023 | 133,277 | 370,018 |
| Current Liabilities | 16,672,364 | 8,446,872 | 35,547,839 | 11,018,535 | 8,225,492 | (18,875,475) | 5,653,829 |
| | | | | | | | |
| Long Term Liabilities | 2,417,902 | 2,443,413 | 2,508,638 | 2,408,840 | (25,511) | (90,737) | 9,062 |
| | | | | | | | |
| **Liabilities** | **19,090,266** | **10,890,285** | **38,056,477** | **13,427,376** | **(25,511)** | **(90,737)** | **9,062** |
| | | | | | | | |
| **Net Assets** | **79,933,434** | **82,303,517** | **64,061,637** | **92,341,514** | **(2,370,084)** | **15,871,796** | **(12,408,080)** |
| | | | | | | | |
| **Liabilities and Net Assets** | **99,023,700** | **93,193,803** | **102,118,115** | **105,768,890** | **5,829,897** | **(3,094,415)** | **(6,745,190)** |

Energy Trust Of Oregon
Statement of Net Assets
Actual As of Period Ending September 2020

| | Actual | | | | Budget | Comparisons | |
|---|---|---|---|---|---|---|---|
| **Funding Source** | **Beginning of Year Net Assets** | **Current Year Net Income** | **Distributed Investment Income** | **Ending Net Assets at end of this period** | **Budgeted Net Assets at end of this period** | **Difference from Budget** | **Difference due to Beginning Net Assets** |
| PGE | 17,012,201 | 6,285,501 | 125,953 | 23,423,654 | 23,243,081 | 180,573 | (2,021,134) |
| PacificPower | 11,192,320 | 2,489,092 | 77,721 | 13,759,133 | 11,632,351 | 2,126,782 | 2,254,036 |
| NWN - Industrial | 984,268 | (133,996) | 5,732 | 856,004 | 989,260 | (133,256) | 204,997 |
| NWN | 3,702,232 | 2,832,828 | 31,988 | 6,567,048 | 6,558,606 | 8,442 | 662,432 |
| Cascade Natural Gas | 1,134,247 | 949,019 | 10,053 | 2,093,319 | 1,250,062 | 843,257 | 225,871 |
| Avista Gas | 243,667 | 559,245 | 3,270 | 806,183 | 474,569 | 331,613 | 202,611 |
| OPUC Efficiency | 34,268,936 | 12,981,689 | 254,717 | 47,505,342 | 44,147,929 | 3,357,413 | 1,528,814 |
| PGE | 12,524,040 | 1,574,231 | 83,184 | 14,181,455 | 12,550,006 | 1,631,450 | 245,261 |
| PacificPower | 6,570,938 | 350,052 | 42,157 | 6,963,147 | 5,326,206 | 1,636,940 | 400,573 |
| OPUC Renewables | 19,094,978 | 1,924,283 | 125,341 | 21,144,602 | 17,876,212 | 3,268,390 | 645,834 |
| | | | | | | | |
| Washington | 417,192 | 359,939 | 3,732 | 780,864 | 335,711 | 445,152 | 182,851 |
| LMI | - | 212 | 1 | 212 | - | 212 | - |
| Community Solar | 109,104 | 161,474 | 1,186 | 271,765 | 309,363 | (37,598) | (49,942) |
| PGE Storage | - | 3,234 | 10 | 3,244 | - | 3,244 | - |
| Development | 19,219 | (7,562) | 96 | 11,754 | 19,576 | (7,822) | (140) |
| Total Other Net Assets | 545,516 | 517,298 | 5,025 | 1,067,839 | 664,650 | 403,189 | 132,770 |
| | | | | | | | |
| Craft3 Loans | 2,300,000 | | | 2,300,000 | 2,300,000 | - | - |
| Operational Contingency | 2,852,208 | | 63,443 | 2,915,651 | 2,922,611 | (6,960) | 42,869 |
| Emergency Contingency | 5,000,000 | | | 5,000,000 | 5,000,000 | - | - |
| Total Contingency | 10,152,208 | - | 63,443 | 10,215,651 | 10,222,611 | (6,960) | 42,869 |
| Investment Income | | 448,527 | (448,527) | | | - | |
| Total Net Assets | 64,061,637 | 15,871,796 | - | 79,933,434 | 72,911,401 | 7,022,032 | 2,350,286 |

**Energy Trust of Oregon**
**Income Statement - Actual and YTD Budget Comparison**
For the Period Ending September 2020
Total Company and All Funding Sources

| | Period to Date | | | Year to Date | | | Full Year |
|---|---|---|---|---|---|---|---|
| | Actual | Budget | Budget Variance | Actual | Budget | Budget Variance | Budget |
| Revenue from Utilities | 13,660,337 | 12,684,108 | 976,228 | 136,571,634 | 138,252,296 | (1,680,662) | 179,926,067 |
| Contract Revenue | 50,260 | 45,905 | 4,355 | 387,806 | 409,181 | (21,375) | 546,896 |
| Grant Revenue | | | - | 9,567 | | 9,567 | |
| Investment Income | 17,797 | 83,333 | (65,537) | 448,527 | 750,000 | (301,473) | 1,000,000 |
| **Revenue** | **13,728,393** | **12,813,347** | **915,046** | **137,417,534** | **139,411,476** | **(1,993,942)** | **181,472,963** |
| | | | | | | | |
| Incentives | 8,805,154 | 8,580,945 | 224,209 | 58,550,344 | 59,909,508 | (1,359,164) | 113,220,092 |
| Program Delivery Contractors | 4,793,319 | 4,785,515 | 7,804 | 42,330,821 | 43,603,921 | (1,273,101) | 58,123,983 |
| Employee Salaries & Fringe Benefits | 1,296,485 | 1,326,847 | (30,362) | 11,604,503 | 11,694,246 | (89,744) | 15,685,787 |
| Agency Contractor Services | 152,741 | 144,962 | 7,779 | 1,121,645 | 1,295,908 | (174,263) | 1,730,794 |
| Planning and Evaluation Services | 274,862 | 292,671 | (17,809) | 1,998,824 | 2,634,036 | (635,212) | 3,512,048 |
| Advertising and Marketing Services | 399,669 | 275,365 | 124,303 | 2,258,246 | 2,486,288 | (228,042) | 3,309,550 |
| Other Professional Services | 187,103 | 544,537 | (357,434) | 1,927,409 | 4,291,580 | (2,364,171) | 5,907,948 |
| Travel, Meetings, Trainings & Conferences | 4,177 | 51,482 | (47,304) | 81,177 | 434,314 | (353,137) | 573,760 |
| Dues, Licenses and Fees | 19,787 | 19,972 | (185) | 122,814 | 208,548 | (85,734) | 280,501 |
| Software and Hardware | 48,324 | 52,121 | (3,797) | 459,296 | 486,657 | (27,360) | 638,721 |
| Depreciation & Amortization | 27,409 | 26,673 | 736 | 189,780 | 193,183 | (3,402) | 273,112 |
| Office Rent and Equipment | 84,553 | 95,036 | (10,483) | 799,450 | 855,325 | (55,874) | 1,140,433 |
| Materials Postage and Telephone | 4,894 | 12,604 | (7,710) | 67,498 | 113,437 | (45,939) | 154,050 |
| Miscellaneous Expenses | 0 | 292 | (292) | 33,931 | 4,475 | 29,456 | 5,350 |
| **Expenditures** | **16,098,477** | **16,209,022** | **(110,546)** | **121,545,737** | **128,211,426** | **(6,665,688)** | **204,556,129** |
| | | | | | | | |
| **Net Income** | **(2,370,084)** | **(3,395,676)** | **1,025,592** | **15,871,796** | **11,200,050** | **4,671,746** | **(23,083,166)** |

# Total Expenditures Programs By Funding Source
# Actual For the Year to Date Period Ending September 2020

| | All Funding Sources | PGE | PacificPower | NWN - Industrial | NWN | Cascade Natural Gas | Avista Gas |
|---|---|---|---|---|---|---|---|
| Existing Buildings | 30,290,765 | 14,053,152 | 11,580,603 | 1,572,730 | 2,427,323 | 431,621 | 225,336 |
| Multi-Family | 6,486,690 | 3,935,375 | 1,419,528 | 4,021 | 1,000,857 | 75,817 | 51,092 |
| New Buildings | 11,525,776 | 6,924,589 | 3,149,504 | 21,516 | 1,248,617 | 129,673 | 51,877 |
| NEEA Commercial | 2,543,909 | 1,336,656 | 1,008,355 | | 144,838 | 36,896 | 17,165 |
| Commercial Sector | 50,847,140 | 26,249,772 | 17,157,989 | 1,598,267 | 4,821,634 | 674,006 | 345,470 |
| | | | | | | | |
| Industry and Agriculture | 22,060,019 | 10,876,359 | 9,439,840 | 1,323,453 | 251,945 | 149,570 | 18,851 |
| NEEA - Industrial | 62,736 | 35,760 | 26,977 | | | | |
| Industry and Agriculture Sector | 22,122,755 | 10,912,119 | 9,466,817 | 1,323,453 | 251,945 | 149,570 | 18,851 |
| | | | | | | | |
| Residential | 34,351,594 | 14,391,970 | 10,676,948 | | 8,163,304 | 546,305 | 573,067 |
| NEEA Residential | 3,281,139 | 1,484,958 | 1,120,232 | | 492,226 | 125,389 | 58,334 |
| Residential Sector | 37,632,734 | 15,876,928 | 11,797,180 | | 8,655,531 | 671,693 | 631,402 |
| | | | | | | | |
| **OPUC Efficiency** | **110,602,628** | **53,038,819** | **38,421,986** | **2,921,720** | **13,729,110** | **1,495,270** | **995,724** |
| | | | | | | | |
| Solar | 6,571,368 | 3,757,703 | 2,813,665 | | | | |
| Other Renewables | 2,790,143 | 1,270,501 | 1,519,642 | | | | |
| **OPUC Renewables** | **9,361,512** | **5,028,204** | **4,333,308** | | | | |
| | | | | | | | |
| **OPUC Programs** | **119,964,140** | **58,067,023** | **42,755,294** | **2,921,720** | **13,729,110** | **1,495,270** | **995,724** |
| | | | | | | | |
| Washington | 1,341,583 | | | | | | |
| Community Solar | 218,709 | | | | | | |
| PGE Storage | 4,388 | | | | | | |
| LMI | 9,355 | | | | | | |
| Development | 7,562 | | | | | | |
| **Total Company** | **121,545,737** | **58,067,023** | **42,755,294** | **2,921,720** | **13,729,110** | **1,495,270** | **995,724** |

OPUC Financial Performance Measures
For the Year to Date Period Ending September 2020

| | | | |
|---|---|---|---|
| Administrative and Program Support | less than 8% of revenue | 6.6% | ok |
| | less than 10% increase over prior year | 8.9% | ok |
| Employee Salaries and Fringe | less than 9% increase over prior year | 9.9% | above |

| Details | YTD 2020 | YTD 2019 | Y/Y Change |
|---|---|---|---|
| Revenue | 134,870,112 | 140,870,790 | |
| Administrative and Program Support | 8,962,116 | 8,230,684 | 8.9% |
| Percent of Revenue | 6.6% | 5.8% | |
| | | | |
| Employee Salaries and Fringe Benefits | 11,165,680 | 10,157,704 | 9.9% |

| | 2020 | | | 2019 | | |
|---|---|---|---|---|---|---|
| | PUC Grant Funded Total | Program Costs | Administrative and Program Support | PUC Grant Funded Total | Program Costs | Administrative and Program Support |
| Incentives | 58,046,205 | 58,046,205 | - | 50,313,340 | 50,313,340 | - |
| Program Delivery Subcontracts | 41,857,380 | 41,857,380 | - | 44,007,154 | 44,007,154 | - |
| Employee Salaries & Fringe Benefits | 11,165,680 | 5,368,915 | 5,796,765 | 10,157,704 | 5,084,271 | 5,073,433 |
| Agency Contractor Services | 1,105,825 | 632,374 | 473,451 | 1,006,379 | 390,506 | 615,873 |
| Planning and Evaluation Services | 1,972,395 | 1,936,674 | 35,721 | 1,615,641 | 1,623,742 | (8,101) |
| Advertising and Marketing Services | 2,247,178 | 1,428,113 | 819,065 | 1,840,406 | 1,096,282 | 744,124 |
| Other Professional Services | 1,896,786 | 1,432,340 | 464,446 | 2,096,419 | 1,608,293 | 488,127 |
| Travel, Meetings, Trainings & Conferences | 79,060 | | 56,835 | 264,777 | | 149,919 |
| Dues, Licenses and Fees | 92,814 | | 42,266 | 122,771 | | 63,856 |
| Software and Hardware | 451,535 | | 229,813 | 255,805 | | 134,831 |
| Depreciation & Amortization | 183,017 | | 183,017 | 157,625 | | 157,280 |
| Office Rent and Equipment | 767,995 | | 767,995 | 733,840 | | 733,579 |
| Materials Postage and Telephone | 64,774 | | 60,072 | 77,115 | | 73,742 |
| Miscellaneous Expenses | 33,496 | | 32,670 | 6,364 | | 3,550 |
| TOTAL FUNCTIONAL EXPENSE | 119,964,140 | 110,702,001 | 8,962,116 | 112,655,810 | 104,123,587 | 8,230,684 |
| | | | | | | |
| OPUC Grant / Utility Funded Revenue | | | 134,870,112 | | | 140,870,790 |

Complete List of Contracts Grouped by Size

Contracts in effect on September 30, 2020, including those contracts executed for 2020 and beyond and excluding contracts completed prior to this date

| Grouping by Contract Size | Dollars | Number of Contracts | Distribution of Dollars | Distribution of Count |
|---|---|---|---|---|
| Over $500k | $ 160,660,770 | 32 | 90% | 14% |
| From $400k to $500k | $ 6,827,536 | 15 | 4% | 6% |
| Under $400k | $ 11,581,802 | 185 | 6% | 80% |
| **TOTAL** | **$ 179,070,108** | **232** | | |

| Grouping by Contract Size | Contract Amount | Contractor | Description | Program | Start | End |
|---|---|---|---|---|---|---|
| Over $500k | 42,866,366 | Northwest Energy Efficiency Alliance | NEEA Funding Agreement | Energy Efficiency | 1/1/2020 | 8/1/2025 |
| Over $500k | 33,662,505 | Northwest Energy Efficiency Alliance | Regional EE Initiative Agmt | Energy Efficiency | 1/1/2015 | 9/15/2022 |
| Over $500k | 13,829,830 | ICF Resources, LLC | 2020 BE PMC | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 11,343,292 | G&I VII Five Oak Owner LLC | Office Lease - 421 SW Oak | Administration | 11/21/2011 | 12/31/2025 |
| Over $500k | 9,006,920 | CLEAResult Consulting Inc | 2020 Residential PMC | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 5,985,758 | CLEAResult Consulting Inc | 2020 NBE PMC | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 4,687,993 | TRC Environmental Corporation | 2020 MF PMC | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 3,405,000 | Sunway 3, LLC | Prologis PV installation | Renewable Energy | 9/30/2008 | 9/30/2028 |
| Over $500k | 3,000,000 | City of Salem | Biogas Project - Willow Lake | Renewable Energy | 9/4/2018 | 9/4/2038 |
| Over $500k | 3,000,000 | Clean Water Services | Project Funding Agreement | Renewable Energy | 11/25/2014 | 11/25/2039 |
| Over $500k | 2,835,321 | Energy 350 Inc | PE PDC 2020 | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 2,224,092 | TRC Engineers Inc. | 2020 EPS New Const PDC | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 2,200,254 | Cascade Energy, Inc. | PE PDC 2020 | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 2,081,000 | Northwest Power & Conservation Council | Regional Technical Forum Agrmt | Energy Efficiency | 1/1/2020 | 12/31/2024 |
| Over $500k | 2,051,027 | Evergreen Consulting Group, LLC | PE Lighting PDC 2020 | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 1,855,600 | Cascade Energy, Inc. | PE PDC 2020 | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 1,800,000 | Water Environment Services, A Dept. of Clackamas County | Bio Water Cogeneration System | Renewable Energy | 11/15/2019 | 9/30/2041 |
| Over $500k | 1,550,000 | Oregon Institute of Technology | Geothermal Resource Funding | Renewable Energy | 9/11/2012 | 9/11/2032 |
| Over $500k | 1,546,161 | RHT Energy Inc. | PE PDC 2020 | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 1,436,261 | CLEAResult Consulting Inc | 2020 Retail PDC | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Over $500k | 1,100,000 | Coates Kokes Inc | 2020 Media Buying Agreement | Communications | 1/1/2020 | 12/31/2020 |
| Over $500k | 1,000,000 | Craft3 | Manufactured Home Pilot Loan | Energy Efficiency | 9/20/2018 | 9/20/2033 |
| Over $500k | 1,000,000 | Farm Power Misty Meadows LLC | Misty Meadows Biogas Facility | Renewable Energy | 10/25/2012 | 10/25/2027 |
| Over $500k | 1,000,000 | Farmers Conservation Alliance | Irrigation Modernization | Renewable Energy | 4/1/2019 | 3/31/2021 |
| Over $500k | 1,000,000 | Three Sisters Irrigation District | TSID Hydro | Renewable Energy | 4/25/2012 | 9/30/2032 |
| Over $500k | 900,000 | Farmers Irrigation District | FID - Plant 2 Hydro | Renewable Energy | 4/1/2014 | 4/1/2034 |
| Over $500k | 865,000 | Three Sisters Irrigation District | Mckenize Reservoir Irrigation | Renewable Energy | 3/18/2019 | 3/17/2039 |
| Over $500k | 850,000 | Klamath Falls Solar 2 LLC | PV Project Funding Agreement | Renewable Energy | 7/11/2016 | 7/10/2041 |
| Over $500k | 740,000 | TRC Environmental Corporation | 2020 BE Transition Agreement | Energy Efficiency | 10/1/2020 | 12/31/2020 |
| Over $500k | 690,000 | Open Energy Efficiency, Inc. | Automated Meter Data Analysis | Energy Efficiency | 1/1/2018 | 12/31/2020 |
| Over $500k | 608,390 | CLEAResult Consulting Inc | 2020 PDC Lighting Transition | Energy Efficiency | 10/1/2020 | 12/31/2020 |
| Over $500k | 540,000 | The Cadmus Group LLC | 2018-19 PE Impact Evaluation | Energy Efficiency | 1/28/2020 | 2/1/2021 |
| From $400k to $500k | 500,000 | Craft3 | Loan Agreement | Energy Efficiency | 1/1/2018 | 12/31/2027 |
| From $400k to $500k | 499,999 | Colehour & Cohen | PR Comm & Event Management | Communications | 1/1/2019 | 2/1/2021 |
| From $400k to $500k | 499,000 | Energy Assurance Company | Solar Verifier | Renewable Energy | 11/15/2018 | 10/14/2020 |
| From $400k to $500k | 490,000 | Old Mill Solar, LLC | Project Funding Agmt Bly, OR | Renewable Energy | 5/29/2015 | 5/28/2030 |
| From $400k to $500k | 459,172 | Clean Power Research, LLC | PowerClerk License | Renewable Energy | 7/1/2017 | 5/31/2021 |
| From $400k to $500k | 450,000 | City of Medford | 750kW Combined Heat & Power | Renewable Energy | 10/20/2011 | 10/20/2031 |
| From $400k to $500k | 450,000 | City of Pendleton | Pendleton Microturbines | Renewable Energy | 4/20/2012 | 4/20/2032 |

| Grouping by Contract Size | Contract Amount | Contractor | Description | Program | Start | End |
|---|---|---|---|---|---|---|
| From $400k to $500k | 450,000 | Deschutes Valley Water District | Opal Springs Hydro Project | Renewable Energy | 1/1/2018 | 4/1/2040 |
| From $400k to $500k | 449,520 | CLEAResult Consulting Inc | 2020 Residential PMC-PILOTS | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| From $400k to $500k | 441,660 | RES - Ag FGO LLC | Biogas Manure Digester Project | Renewable Energy | 10/27/2010 | 10/27/2025 |
| From $400k to $500k | 441,660 | RES - Ag FGO LLC | Biogas Manure Digester - FGO | Renewable Energy | 10/27/2010 | 10/27/2025 |
| From $400k to $500k | 436,525 | Balanced Energy Solutions LLC | New Homes QA Inspections | Energy Efficiency | 4/27/2015 | 12/31/2020 |
| From $400k to $500k | 435,000 | Digital Mark Group LLC | Digital Marketing Agreement | Communications | 1/1/2020 | 12/31/2020 |
| From $400k to $500k | 425,000 | Colehour & Cohen | My Home Advertising Campaign | Communications | 5/31/2019 | 5/31/2021 |
| From $400k to $500k | 400,000 | Three Sisters Irrigation District | TSID Funding Agreement | Renewable Energy | 1/1/2018 | 12/31/2038 |
| Under $400k | 382,000 | The Cadmus Group LLC | NB 2018_19 Impact Evaluation | Energy Efficiency | 9/14/2020 | 12/31/2021 |
| Under $400k | 355,412 | SunE Solar XVI Lessor, LLC | BVT Sexton Mtn PV | Renewable Energy | 5/15/2014 | 12/31/2034 |
| Under $400k | 350,000 | CIty of Gresham | City of Gresham Cogen 2 | Renewable Energy | 4/9/2014 | 7/9/2034 |
| Under $400k | 328,300 | ADM Associates, Inc. | 2020 Customer Insight Study | Joint Programs | 12/17/2019 | 12/31/2020 |
| Under $400k | 300,000 | Craft3 | Loan Agreement | Energy Efficiency | 6/1/2014 | 6/20/2025 |
| Under $400k | 270,876 | ICF Resources, LLC | 2020 BE NWN WA PMC | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Under $400k | 260,600 | ThinkShout, Inc. | Web Development & Design | Administration | 1/1/2020 | 12/31/2020 |
| Under $400k | 250,999 | CLEAResult Consulting Inc | 2020 Residential PMC - WA | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Under $400k | 242,000 | Prophix. Inc | Budget Tools Cloud Services | Administration | 9/27/2019 | 6/1/2021 |
| Under $400k | 228,900 | OMBU Inc | New Interactive Forms | Administration | 4/2/2018 | 12/31/2020 |
| Under $400k | 215,648 | CLEAResult Consulting Inc | 2020 Residential PMC-CustSvc | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Under $400k | 207,500 | American Microgrid Solutions LLC | RE Feasability Analysis | Renewable Energy | 11/18/2019 | 11/17/2020 |
| Under $400k | 200,000 | Alternative Energy Systems Consulting, Inc. | PE Technical Review Assistance | Energy Efficiency | 5/8/2019 | 4/30/2021 |
| Under $400k | 200,000 | Pivotal Energy Solutions LLC | Software Product Support | Energy Efficiency | 1/1/2020 | 12/31/2021 |
| Under $400k | 198,042 | ICF Resources, LLC | 2020 DE DSM PMC | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Under $400k | 189,500 | Pollinate Inc | Web Forms Development Services | Communications | 1/1/2017 | 12/31/2020 |
| Under $400k | 189,264 | TRC Engineers Inc. | 2020 EPS New Const PDC-WA | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Under $400k | 180,000 | Microsoft Corporation | Cloud System/Disaster Recovery | Administration | 10/9/2017 | 12/31/2020 |
| Under $400k | 177,910 | TRC Engineers Inc. | 2020 EPS New Const-Grid Harmon | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Under $400k | 170,000 | The Cadmus Group LLC | Site Speciific Impact Evals | Energy Efficiency | 2/8/2019 | 12/31/2021 |
| Under $400k | 156,780 | Paladin Risk Management, Ltd | Cert Tracking & License Svc | Administration | 9/1/2015 | 10/1/2020 |
| Under $400k | 156,393 | CTX Businss Solutions Inc | Copier Purchase & Maintenance | Administration | 1/27/2015 | 1/1/2021 |
| Under $400k | 153,500 | DocuMart of Portland | Blanket PO for Printing | Communications | 1/1/2013 | 12/31/2020 |
| Under $400k | 150,000 | Verde | DHP Installation Program | Energy Efficiency | 1/31/2020 | 12/31/2020 |
| Under $400k | 143,000 | City of Astoria | Bear Creek Funding Agreement | Renewable Energy | 3/24/2014 | 3/24/2034 |
| Under $400k | 140,000 | Kevala, Inc. | Targeted Load Management | Renewable Energy | 12/20/2019 | 12/31/2020 |
| Under $400k | 125,063 | St. Joseph the Worker Coporate Internship Program Inc | Community Partner Agreement | Administration | 9/15/2016 | 9/1/2021 |
| Under $400k | 124,750 | Magneto Advertising, LLC | B2B My Business Campaign | Communications | 11/8/2019 | 9/30/2020 |
| Under $400k | 122,000 | Cadeo Group LLC | Lighting Market Research | Energy Efficiency | 5/1/2020 | 12/31/2020 |
| Under $400k | 120,194 | Carahsoft Technology Corporation | DocuSign Master Agreement | Communications | 1/31/2018 | 1/30/2022 |
| Under $400k | 110,640 | Oregon Solar Energy Industries Association | Solar soft costs install price | Renewable Energy | 12/21/2018 | 6/30/2021 |
| Under $400k | 107,615 | Encore Business Solutions (USA) | GP Annual Enhancement | Administration | 9/14/2011 | 8/31/2021 |
| Under $400k | 100,760 | Prophix. Inc | Budget Tools Master Agreement | Administration | 9/27/2019 | 9/26/2021 |
| Under $400k | 100,000 | Nu Way Printing | Blanket PO for Printing | Communications | 1/1/2013 | 12/31/2020 |
| Under $400k | 100,000 | Ekotrop, Inc. | ModelingSoftware for NC | Energy Efficiency | 1/21/2020 | 12/31/2020 |
| Under $400k | 100,000 | New Buildings Institute | GridOptimalBuildings Intiative | Renewable Energy | 12/1/2019 | 12/31/2021 |
| Under $400k | 99,620 | Archive Systems Inc | Record Management Services | Administration | 1/1/2011 | 12/31/2020 |
| Under $400k | 99,300 | Earth Advantage, Inc. | Decrease REA to EA | Energy Efficiency | 11/1/2018 | 12/31/2020 |
| Under $400k | 95,920 | Wallowa Resources Community Solutions Inc | Renewables Field Outreach | Renewable Energy | 3/1/2020 | 2/28/2022 |
| Under $400k | 93,960 | CDW Direct, LLC | Microsoft DynamicsCRM Licenses | Administration | 6/1/2019 | 3/31/2021 |
| Under $400k | 92,500 | 3Point Brand Management | Branded Promotional Giveaways | Communications | 1/16/2018 | 12/31/2020 |
| Under $400k | 91,375 | Solar Oregon | Solar Education & Outreach | Renewable Energy | 12/15/2019 | 10/31/2021 |

| Grouping by Contract Size | Contract Amount | Contractor | Description | Program | Start | End |
|---|---|---|---|---|---|---|
| Under $400k | 91,000 | ADM Associates, Inc. | Fast Feedback | Joint Programs | 4/16/2020 | 6/30/2021 |
| Under $400k | 90,000 | Craft3 | NON-EEAST OBR Svc Agrmt | Renewable Energy | 1/1/2018 | 12/31/2020 |
| Under $400k | 86,329 | Dell Marketing LP. | Blanket Purchase Order | Administration | 4/1/2020 | 12/31/2020 |
| Under $400k | 85,700 | CLEAResult Consulting Inc | Call CenterServices Comm Solar | Administration | 8/1/2019 | 3/4/2022 |
| Under $400k | 84,750 | Kendrick Business Services LLC | Small Business Financial Dev | Renewable Energy | 8/1/2018 | 6/30/2021 |
| Under $400k | 83,540 | E Source Companies LLC | Measure Insights Database | Communications | 9/12/2019 | 12/31/2020 |
| Under $400k | 83,000 | Apex Analytics LLC | ResidentialPayPerformance P4P | Joint Programs | 8/1/2019 | 4/30/2022 |
| Under $400k | 80,000 | Wallowa County | Project Funding Agreement | Renewable Energy | 4/1/2018 | 3/31/2038 |
| Under $400k | 78,000 | Brown Printing Inc | Blanket PO for Printing | Communications | 1/1/2013 | 12/31/2020 |
| Under $400k | 75,000 | Hood River County | Hood River County Letter Agree | Renewable Energy | 8/28/2020 | 3/31/2021 |
| Under $400k | 75,000 | SPS of Oregon Inc | Project Funding Agreement | Renewable Energy | 10/15/2015 | 10/31/2036 |
| Under $400k | 74,837 | Airespring Inc | T1 Connectivity Services | Administration | 12/22/2016 | 1/15/2021 |
| Under $400k | 74,688 | Allstream Business US Inc | Internet Services | Administration | 9/22/2017 | 8/1/2021 |
| Under $400k | 74,000 | Clean Power Research, LLC | WattPlan Software | Renewable Energy | 11/17/2017 | 5/31/2021 |
| Under $400k | 72,845 | Structured Communications Systems, Inc. | ShoreTel Phone System Install | Joint Programs | 1/1/2017 | 12/31/2020 |
| Under $400k | 72,000 | Faraday Inc | Software Services Subscription | Renewable Energy | 1/15/2019 | 12/14/2020 |
| Under $400k | 71,000 | Magneto Advertising, LLC | Research Marketing Plan Devel | Communications | 12/1/2019 | 10/31/2020 |
| Under $400k | 70,142 | Battele Memorial Institute | PNNIL Services Agreement | Energy Efficiency | 5/9/2019 | 11/30/2020 |
| Under $400k | 66,000 | Opinion Dynamics Corporation | Evaluation MHR Pilot | Energy Efficiency | 5/1/2017 | 12/31/2021 |
| Under $400k | 65,100 | The Cadmus Group LLC | Smart Thermostat Savings | Joint Programs | 12/1/2010 | 8/31/2021 |
| Under $400k | 65,000 | Farmers Conservation Alliance | Grant Agreement Irrigation Mod | Renewable Energy | 8/12/2020 | 3/30/2021 |
| Under $400k | 60,000 | Tri-Met | 2020_21 Transit Agreement | Administration | 9/1/2020 | 8/31/2021 |
| Under $400k | 60,000 | Site Capture LLC | SiteCapture Subscription | Renewable Energy | 2/1/2018 | 1/31/2021 |
| Under $400k | 55,990 | Fine Solutions, LLC | Great Plains Support | Administration | 11/1/2014 | 4/30/2021 |
| Under $400k | 55,000 | Craft3 | SWR Loan Origination/Loss Fund | Energy Efficiency | 1/1/2018 | 12/31/2020 |
| Under $400k | 54,650 | FMYI, INC | Subscription Agreement | Energy Efficiency | 4/25/2016 | 2/1/2021 |
| Under $400k | 53,280 | Sheepscot Creative LLC | Creative Services & Media | Communications | 1/1/2019 | 12/31/2020 |
| Under $400k | 53,016 | TRC Engineers Inc. | 2020 EPS New Const - Solar | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Under $400k | 50,000 | CDW Direct, LLC | Blanket PO | Administration | 1/1/2020 | 12/31/2020 |
| Under $400k | 50,000 | Printable Promotions | Promotional Materials | Communications | 4/13/2017 | 12/31/2020 |
| Under $400k | 50,000 | Stevens Integrated Solutions Inc | Blanket PO for Printing | Communications | 1/1/2013 | 12/31/2020 |
| Under $400k | 50,000 | Northwest Energy Efficiency Alliance | SmartThermostatPerformance | Energy Efficiency | 9/15/2019 | 9/14/2021 |
| Under $400k | 49,956 | Ameresco, Inc. | Professional Services | Energy Efficiency | 4/1/2020 | 12/31/2020 |
| Under $400k | 49,920 | The Coraggio Group, Inc. | Decision Rights Consulting | Administration | 5/25/2020 | 12/31/2020 |
| Under $400k | 48,998 | The Iris Group | Writers Communications Pool | Communications | 3/1/2020 | 2/28/2022 |
| Under $400k | 48,840 | Glumac Inc | NB Net Zero Fellowship | Energy Efficiency | 1/31/2020 | 2/25/2021 |
| Under $400k | 46,626 | Oregon Solar Energy Fund | Solar Education Training | Renewable Energy | 3/10/2020 | 1/31/2021 |
| Under $400k | 46,500 | Pacific Office Furnishings | Blanket PO-Cube Adjustments | Administration | 1/1/2019 | 12/31/2020 |
| Under $400k | 45,500 | Portland General Electric | Verfi Assistance D1X Mega Proj | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Under $400k | 41,450 | Sarah Noll Wilson, Inc | Intensive Manager Training | Administration | 2/15/2020 | 1/31/2021 |
| Under $400k | 40,595 | The Cadmus Group LLC | PE SEM Reporting | Energy Efficiency | 8/17/2020 | 1/31/2021 |
| Under $400k | 39,500 | Clean Energy States Alliance | MOU 20-2021 | Renewable Energy | 7/1/2020 | 6/30/2021 |
| Under $400k | 37,960 | Coates Kokes Inc | Creative Media PA | Communications | 1/1/2019 | 12/31/2020 |
| Under $400k | 35,929 | R.S. Wallace Construction | Office Construction | Administration | 10/1/2018 | 12/31/2020 |
| Under $400k | 35,000 | Cadeo Group LLC | Comm Boiler Characterization | Energy Efficiency | 10/1/2020 | 3/15/2021 |
| Under $400k | 35,000 | INCA Energy Efficiency, LLC | Intel Mega Projects Eval | Energy Efficiency | 8/1/2019 | 7/1/2021 |
| Under $400k | 35,000 | Lake County Resources Initiative | LCRI Support to ET Solar | Renewable Energy | 4/15/2020 | 12/31/2020 |
| Under $400k | 34,900 | Integral Group Inc. | TAS Mod 3 Intel Mega Project | Energy Efficiency | 3/20/2020 | 12/31/2020 |
| Under $400k | 33,500 | Oregon Solar Energy Industries Association | SolarTechicalTraining Recruit | Renewable Energy | 9/15/2019 | 10/31/2020 |
| Under $400k | 32,796 | Siteimprove Inc | Web Governance and Monitoring | Administration | 1/27/2017 | 10/31/2020 |

| Grouping by Contract Size | Contract Amount | Contractor | Description | Program | Start | End |
|---|---|---|---|---|---|---|
| Under $400k | 32,500 | Happy Cup Coffee LLC | Blanket PO-Coffee | Administration | 1/1/2019 | 12/31/2020 |
| Under $400k | 32,000 | Figure 8 Consulting LLC | IES Cultural Reponsive Test | Administration | 4/15/2019 | 12/31/2020 |
| Under $400k | 31,875 | Empress Rules LLC | DEI Training & Consulting | Joint Programs | 9/1/2019 | 12/31/2020 |
| Under $400k | 30,751 | Jason Quigley Photography LLC | Professional Services Agmt | Communications | 12/1/2015 | 12/31/2021 |
| Under $400k | 30,000 | American Council for and Energy Efficient Economy | Research Letter Agreement | Energy Efficiency | 1/1/2020 | 3/31/2021 |
| Under $400k | 30,000 | INCA Energy Efficiency, LLC | Red Rock Evaluation | Energy Efficiency | 6/10/2018 | 7/10/2021 |
| Under $400k | 29,900 | The Cadmus Group LLC | Industrial Load Shape Research | Energy Efficiency | 9/10/2020 | 1/31/2021 |
| Under $400k | 27,650 | CSG Professional Services, Inc. | Power BI Training & Services | Administration | 10/22/2019 | 10/21/2020 |
| Under $400k | 27,500 | Community Energy Project, Inc. | Funding CEP Cooling Workshops | Energy Efficiency | 7/1/2020 | 12/31/2020 |
| Under $400k | 25,000 | Rose City Moving & Storage | Blanket PO Cube Moving | Administration | 1/1/2019 | 12/31/2020 |
| Under $400k | 25,000 | Sustainable Northwest | Community Engagement Outreach | Communications | 5/1/2020 | 3/31/2021 |
| Under $400k | 25,000 | University of Oregon | UO SRML 2020 Sponsorship | Renewable Energy | 2/5/2020 | 3/8/2021 |
| Under $400k | 24,125 | Robert Migliori | 42kW wind energy system | Renewable Energy | 4/11/2007 | 1/31/2024 |
| Under $400k | 24,000 | Bridgetown Printing Company | NWN Bill Inserts 2020 | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Under $400k | 24,000 | DNV GL Energy Services USA Inc | Large/Complex EB Impact Eval | Energy Efficiency | 9/1/2020 | 1/31/2021 |
| Under $400k | 22,840 | Rogue Climate | Solarize Campaign | Renewable Energy | 1/1/2020 | 8/31/2021 |
| Under $400k | 22,212 | Wallowa Resources Stewardship Center LLC | Enterprise, OR Lease Agreement | Communications | 11/1/2013 | 9/1/2021 |
| Under $400k | 22,000 | Elephants Catering | Blanket PO-Food Catering | Administration | 1/1/2019 | 12/31/2020 |
| Under $400k | 21,235 | Mammoth HR | HR Strategy Resource Services | Administration | 12/1/2019 | 12/1/2020 |
| Under $400k | 20,000 | The Benson Hotel | Rate Agreement for Board | Administration | 1/1/2020 | 12/31/2020 |
| Under $400k | 20,000 | Michaels Energy, Inc. | Large NB Impact Evaluation | Energy Efficiency | 8/1/2018 | 11/30/2020 |
| Under $400k | 19,562 | D&B | D&B | Administration | 3/31/2005 | 3/30/2021 |
| Under $400k | 18,000 | DNV GL Energy Services USA Inc | CSEM Evaluation Consultants | Energy Efficiency | 10/1/2020 | 6/30/2021 |
| Under $400k | 17,643 | CTX Businss Solutions Inc | Small Printer Maintenance | Administration | 4/1/2012 | 3/30/2021 |
| Under $400k | 17,102 | MetaSkills Consulting Group | 360 Manager CompetencyFeedback | Administration | 2/12/2020 | 12/31/2020 |
| Under $400k | 17,000 | Infogroup Inc | Data License & Service Agmt | Joint Programs | 2/4/2020 | 4/1/2021 |
| Under $400k | 16,500 | Evergreen Economics | Sampling & Weighting Training | Energy Efficiency | 9/1/2020 | 1/31/2021 |
| Under $400k | 15,780 | Pantheon Systems, Inc | Website Hosting Services | Communications | 5/1/2019 | 4/30/2021 |
| Under $400k | 15,000 | Bullard Smith Jernstedt Wilson Corporation | Legal Services | Administration | 3/8/2017 | 3/18/2021 |
| Under $400k | 15,000 | Jackson Lewis P.C | Engagement Agreement | Administration | 4/20/2020 | 12/31/2020 |
| Under $400k | 15,000 | Rouj Energy Analytics, LLC | CSEM Evaluation Consultants | Energy Efficiency | 10/1/2020 | 6/30/2021 |
| Under $400k | 15,000 | The Cadmus Group LLC | CSEM Evaluation Consultants | Energy Efficiency | 10/1/2020 | 6/30/2021 |
| Under $400k | 13,650 | Moss Adams LLP | 2019 401K Audit | Administration | 1/1/2020 | 12/31/2020 |
| Under $400k | 13,150 | Warren Griffin | Griffin Wind Project | Renewable Energy | 10/1/2005 | 10/1/2020 |
| Under $400k | 12,500 | ABM Parking Services | Board Parking reimbursement | Administration | 4/1/2019 | 12/31/2020 |
| Under $400k | 12,500 | Bruner Strategies, LLC | 2020 ED Review | Administration | 7/1/2020 | 6/30/2021 |
| Under $400k | 12,500 | Bullard Smith Jernstedt Wilson Corporation | 401k Retirement Plan | Administration | 9/19/2017 | 12/31/2020 |
| Under $400k | 12,290 | Floor Solutions LLC | Carpet Cleaning Services | Administration | 1/1/2019 | 12/31/2020 |
| Under $400k | 12,000 | Oregon Institute of Technology | Off Grid Solar Irrigation | Renewable Energy | 3/15/2020 | 9/30/2020 |
| Under $400k | 11,900 | Flossin Media RMS, | Advertising Agreement | Communications | 4/20/2020 | 12/31/2020 |
| Under $400k | 10,779 | Convert Insights Inc | Convert Online Optimization | Communications | 10/22/2018 | 10/15/2020 |
| Under $400k | 10,000 | Fisher & Phillips, LLP | Legal Consulting Services | Administration | 9/22/2020 | 12/31/2020 |
| Under $400k | 10,000 | Lisa Greenfield LLC | Employment Law Consulting | Administration | 1/1/2019 | 12/31/2020 |
| Under $400k | 10,000 | Sarah Noll Wilson, Inc | Rentention Strategy | Administration | 9/1/2020 | 9/1/2021 |
| Under $400k | 10,000 | Sheraton Portland Airport Hotel | Trade Ally Forum Venue | Joint Programs | 2/25/2020 | 11/15/2020 |
| Under $400k | 9,748 | Sam Tenney Photography | Photography Services | Communications | 3/9/2017 | 3/30/2022 |
| Under $400k | 9,500 | Boedigheimer Enterprises Inc | Compensation Analysis | Administration | 5/25/2019 | 12/31/2020 |
| Under $400k | 9,500 | HMI Oregon Dealership, Inc. | Blanket PO-Storage | Administration | 1/1/2019 | 12/31/2020 |
| Under $400k | 9,500 | IZO Public Relations | Fall Campaign 2020 | Communications | 9/1/2020 | 11/30/2020 |
| Under $400k | 9,500 | Illume Advising, LLC | Customer Insight Report Review | Energy Efficiency | 7/22/9202 | 12/31/2020 |

| Grouping by Contract Size | Contract Amount | Contractor | Description | Program | Start | End |
|---|---|---|---|---|---|---|
| Under $400k | 8,600 | Demand Side Analytics, LLC | TheromstatOpitmizationStudy OR | Energy Efficiency | 10/10/2019 | 6/4/2021 |
| Under $400k | 8,313 | Stillwater Energy LLC | OPUC DEI Rural Outreach Wksh | Communications | 10/1/2020 | 11/30/2020 |
| Under $400k | 8,145 | Sarah Noll Wilson, Inc | Coaching Purposes | Administration | 5/4/2020 | 5/4/2021 |
| Under $400k | 8,100 | LinkedIn Corporation | Webinar Learning | Administration | 1/7/2020 | 1/21/2021 |
| Under $400k | 8,000 | City of Portland Bureau of Planning & Sustainability | 2020 Fix it Fair Sponsorship | Communications | 1/1/2020 | 12/31/2020 |
| Under $400k | 8,000 | ICF Resources, LLC | Solar Contractor Conference | Renewable Energy | 9/8/2020 | 11/30/2020 |
| Under $400k | 7,850 | Susan Vogt Communications | Writers Communications Pool | Communications | 3/1/2020 | 2/28/2022 |
| Under $400k | 7,500 | Northwest Earth Institute | Sponsorship Agreement | Energy Efficiency | 8/1/2020 | 12/31/2020 |
| Under $400k | 7,497 | Jim Craven Photography | Photography Services | Communications | 4/17/2017 | 4/30/2022 |
| Under $400k | 7,125 | Northwest Energy Efficiency Council | BOC Webinar Sponsorship | Energy Efficiency | 1/1/2020 | 12/31/2020 |
| Under $400k | 7,085 | Theresa M. Hagerty | Writers & Communications Pool | Communications | 3/1/2020 | 2/28/2022 |
| Under $400k | 6,625 | Dscout, Inc | RES Digital Data Focus Group | Energy Efficiency | 10/1/2020 | 12/31/2020 |
| Under $400k | 6,291 | HVAC Inc | HVAC Annual Maintenance | Administration | 9/16/2013 | 7/15/2021 |
| Under $400k | 6,240 | Sarah Noll Wilson, Inc | Gilmara Coaching | Administration | 9/1/2020 | 12/31/2020 |
| Under $400k | 6,000 | Momentum Procurement Group, Inc | Blanket PO Office Supply | Administration | 9/10/2020 | 9/10/2021 |
| Under $400k | 5,800 | Moss Adams LLP | 990 Tax Return | Administration | 7/23/2020 | 12/31/2020 |
| Under $400k | 5,220 | Trailview Partners, LLC | EducationalWebinarSubscription | Administration | 11/20/2019 | 11/19/2020 |
| Under $400k | 5,000 | Allied Media Projects | Implicit Bias Training | Administration | 9/1/2020 | 11/15/2020 |
| Under $400k | 5,000 | Cheryl Roberts | DAC Stipened Agreement | Administration | 9/17/2019 | 12/31/2022 |
| Under $400k | 5,000 | Community Energy Project, Inc. | DAC Stipened Agreement | Administration | 4/20/2020 | 12/31/2022 |
| Under $400k | 5,000 | Dolores Martinez | DAC Stipened Agreement | Administration | 2/18/2020 | 12/31/2022 |
| Under $400k | 5,000 | Indika Sugathadasa | DAC Stipenend Agreement | Administration | 2/18/2020 | 12/31/2022 |
| Under $400k | 5,000 | Kaeti Namba | DAC Stipened Agreement | Administration | 9/17/2019 | 12/31/2022 |
| Under $400k | 5,000 | Miller Nash LLP | Blanket PO General Services | Administration | 10/1/2018 | 12/31/2020 |
| Under $400k | 5,000 | Moss Adams LLP | Consulting Tax Advice | Administration | 1/1/2020 | 12/31/2020 |
| Under $400k | 5,000 | Oswaldo Beral Lopez | DAC Stipenend Agreement | Administration | 9/17/2019 | 12/31/2022 |
| Under $400k | 5,000 | Shane Christopher Davis | DAC Stipenend Agreement | Administration | 2/18/2020 | 12/31/2022 |
| Under $400k | 5,000 | Sherry Tran | DAC Stipened Agreement | Administration | 9/18/2020 | 12/31/2022 |
| Under $400k | 5,000 | Susan Badger-Jones | DAC Stipened Agreement | Administration | 4/15/2020 | 12/31/2022 |
| Under $400k | 5,000 | Veronica Lizette Silva | DAC Stipened Agreement | Administration | 4/20/2020 | 12/31/2022 |
| Under $400k | 5,000 | NAMC Oregon | 2020 Membership Sponsorship | Communications | 1/1/2020 | 12/31/2020 |
| Under $400k | 4,680 | Kathleen T Whitty | Writers & Communications Pool | Communications | 3/1/2020 | 2/28/2022 |
| Under $400k | 4,000 | Leave Solutions | FMLA Administration | Administration | 10/1/2018 | 7/1/2021 |
| Under $400k | 3,600 | Strage Concepts LLC | Eastern OR Storage Unit | Administration | 5/30/2019 | 3/30/2021 |
| Under $400k | 3,600 | Energy 350 LLC | Professional Services | Joint Programs | 5/1/2020 | 12/31/2020 |
| Under $400k | 3,200 | Wynde Consulting | Professional Services | Administration | 6/17/2020 | 6/18/2022 |
| Under $400k | 3,000 | Portland Leadership Foundation | EML Internship 2020 | Administration | 1/1/2020 | 12/31/2020 |
| Under $400k | 3,000 | Magneto Advertising, LLC | Creative Media Pool | Communications | 1/1/2019 | 12/31/2020 |
| Under $400k | 2,430 | Bonneville Environmental Foundation | Bonneville REC WRC purchase | Administration | 10/31/2019 | 10/31/2020 |
| Under $400k | 2,430 | Bonneville Environmental Foundation | 2020_21 WREC REC | Administration | 10/15/2020 | 10/15/2021 |
| Under $400k | 2,300 | Colehour & Cohen | Marketing & Creative Services | Communications | 1/1/2019 | 12/31/2020 |
| Under $400k | 747 | Lighthouse Services, Inc. | Compliance Hotline | Administration | 5/1/2017 | 3/15/2021 |
| Under $400k | 75 | OBL Media LLC | Professional Services | Communications | 6/25/2020 | 6/26/2022 |
| **TOTAL** | **179,070,108** | | | | | |

**R00407**

**Energy Trust of Oregon**
**Contract Status Summary Report**

Report Date: 10/22/2020

For contracts with costs through: 10/1/2020

| CONTRACTOR | Description | City | EST COST | Actual TTD | Remaining | Start | End |
|---|---|---|---|---|---|---|---|
| **Communications** | | | | | | | |
| | | **Communications Total:** | **3,902,691** | **2,934,009** | **968,682** | | |
| **Administration** | | | | | | | |
| | | **Administration Total:** | **14,296,456** | **7,918,281** | **6,378,175** | | |
| **Energy Efficiency** | | | | | | | |
| Northwest Energy Efficiency Alliance | NEEA Funding Agreement | Portland | 42,866,366 | 7,771,316 | 35,095,050 | 1/1/2020 | 8/1/2025 |
| Northwest Energy Efficiency Alliance | Regional EE Initiative Agmt | Portland | 33,662,505 | 33,569,081 | 93,424 | 1/1/2015 | 9/15/2022 |
| ICF Resources, LLC | 2020 BE PMC | Fairfax | 13,829,830 | 9,567,988 | 4,261,842 | 1/1/2020 | 12/31/2020 |
| CLEAResult Consulting Inc | 2020 Residential PMC | Austin | 9,006,920 | 6,729,167 | 2,277,753 | 1/1/2020 | 12/31/2020 |
| CLEAResult Consulting Inc | 2020 NBE PMC | Austin | 5,985,758 | 4,503,516 | 1,482,242 | 1/1/2020 | 12/31/2020 |
| TRC Environmental Corporation | 2020 MF PMC | Windsor | 4,687,993 | 3,456,665 | 1,231,328 | 1/1/2020 | 12/31/2020 |
| Energy 350 Inc | PE PDC 2020 | Portland | 2,835,321 | 1,984,049 | 851,272 | 1/1/2020 | 12/31/2020 |
| TRC Engineers Inc. | 2020 EPS New Const PDC | Irvine | 2,224,092 | 1,508,633 | 715,459 | 1/1/2020 | 12/31/2020 |
| Cascade Energy, Inc. | PE PDC 2020 | Walla Walla | 2,200,254 | 1,712,488 | 487,766 | 1/1/2020 | 12/31/2020 |
| Northwest Power & Conservation Council | Regional Technical Forum Agrmt | Portland | 2,081,000 | 336,829 | 1,744,171 | 1/1/2020 | 12/31/2024 |
| Evergreen Consulting Group, LLC | PE Lighting PDC 2020 | Tigard | 2,051,027 | 1,509,450 | 541,577 | 1/1/2020 | 12/31/2020 |
| Cascade Energy, Inc. | PE PDC 2020 | Walla Walla | 1,855,600 | 1,471,002 | 384,598 | 1/1/2020 | 12/31/2020 |
| RHT Energy Inc. | PE PDC 2020 | Medford | 1,546,161 | 1,147,690 | 398,471 | 1/1/2020 | 12/31/2020 |
| CLEAResult Consulting Inc | 2020 Retail PDC | Austin | 1,436,261 | 1,055,861 | 380,400 | 1/1/2020 | 12/31/2020 |
| Craft3 | Manufactured Home Pilot Loan | Portland | 1,000,000 | 0 | 1,000,000 | 9/20/2018 | 9/20/2033 |
| TRC Environmental Corporation | 2020 BE Transition Agreement | Windsor | 740,000 | 0 | 740,000 | 10/1/2020 | 12/31/2020 |
| Open Energy Efficiency, Inc. | Automated Meter Data Analysis | Mill Valley | 690,000 | 606,550 | 83,450 | 1/1/2018 | 12/31/2020 |
| CLEAResult Consulting Inc | 2020 PDC Lighting Transition | Austin | 608,390 | 0 | 608,390 | 10/1/2020 | 12/31/2020 |
| The Cadmus Group LLC | 2018-19 PE Impact Evaluation | Portland | 540,000 | 418,952 | 121,048 | 1/28/2020 | 2/1/2021 |
| Craft3 | Loan Agreement | Portland | 500,000 | 500,000 | 0 | 1/1/2018 | 12/31/2027 |
| CLEAResult Consulting Inc | 2020 Residential PMC-PILOTS | Austin | 449,520 | 229,825 | 219,695 | 1/1/2020 | 12/31/2020 |
| Balanced Energy Solutions LLC | New Homes QA Inspections | Portland | 436,525 | 256,882 | 179,643 | 4/27/2015 | 12/31/2020 |
| The Cadmus Group LLC | NB 2018_19 Impact Evaluation | Portland | 382,000 | 7,169 | 374,832 | 9/14/2020 | 12/31/2021 |
| Craft3 | Loan Agreement | Portland | 300,000 | 300,000 | 0 | 6/1/2014 | 6/20/2025 |
| ICF Resources, LLC | 2020 BE NWN WA PMC | Fairfax | 270,876 | 171,768 | 99,108 | 1/1/2020 | 12/31/2020 |
| CLEAResult Consulting Inc | 2020 Residential PMC - WA | Austin | 250,999 | 181,544 | 69,455 | 1/1/2020 | 12/31/2020 |
| CLEAResult Consulting Inc | 2020 Residential PMC-CustSvc | Austin | 215,648 | 133,416 | 82,232 | 1/1/2020 | 12/31/2020 |
| Alternative Energy Systems Consulting, Inc. | PE Technical Review Assistance | Carlsbad | 200,000 | 89,836 | 110,164 | 5/8/2019 | 4/30/2021 |
| Pivotal Energy Solutions LLC | Software Product Support | Gilbert | 200,000 | 75,686 | 124,314 | 1/1/2020 | 12/31/2021 |
| ICF Resources, LLC | 2020 DE DSM PMC | Fairfax | 198,042 | 86,326 | 111,716 | 1/1/2020 | 12/31/2020 |
| TRC Engineers Inc. | 2020 EPS New Const PDC-WA | Irvine | 189,264 | 99,856 | 89,408 | 1/1/2020 | 12/31/2020 |
| TRC Engineers Inc. | 2020 EPS New Const-Grid Harmon | Irvine | 177,910 | 93,730 | 84,180 | 1/1/2020 | 12/31/2020 |
| The Cadmus Group LLC | Site Speciific Impact Evals | Portland | 170,000 | 24,467 | 145,533 | 2/8/2019 | 12/31/2021 |
| Verde | DHP Installation Program | Portland | 150,000 | 43,783 | 106,217 | 1/31/2020 | 12/31/2020 |
| Cadeo Group LLC | Lighting Market Research | Washington | 122,000 | 71,314 | 50,686 | 5/1/2020 | 12/31/2020 |
| Ekotrop, Inc. | ModelingSoftware for NC | Boston | 100,000 | 51,955 | 48,045 | 1/21/2020 | 12/31/2020 |
| Earth Advantage, Inc. | Decrease REA to EA | Portland | 99,300 | 56,575 | 42,725 | 11/1/2018 | 12/31/2020 |
| Battele Memorial Institute | PNNIL Services Agreement | | 70,142 | 70,142 | 0 | 5/9/2019 | 11/30/2020 |

| CONTRACTOR | Description | City | EST COST | Actual TTD | Remaining | Start | End |
|---|---|---|---|---|---|---|---|
| Opinion Dynamics Corporation | Evaluation MHR Pilot | Waltham | 66,000 | 65,404 | 596 | 5/1/2017 | 12/31/2021 |
| Craft3 | SWR Loan Origination/Loss Fund | Portland | 55,000 | 18,661 | 36,339 | 1/1/2018 | 12/31/2020 |
| FMYI, INC | Subscription Agreement | Portland | 54,650 | 54,650 | 0 | 4/25/2016 | 2/1/2021 |
| TRC Engineers Inc. | 2020 EPS New Const - Solar | Irvine | 53,016 | 32,414 | 20,602 | 1/1/2020 | 12/31/2020 |
| Northwest Energy Efficiency Alliance | SmartThermostatPerformance | Portland | 50,000 | 50,000 | 0 | 9/15/2019 | 9/14/2021 |
| Ameresco, Inc. | Professional Services | | 49,956 | 18,607 | 31,350 | 4/1/2020 | 12/31/2020 |
| Glumac Inc | NB Net Zero Fellowship | Portland | 48,840 | 8,170 | 40,670 | 1/31/2020 | 2/25/2021 |
| Portland General Electric | Verfi Assistance D1X Mega Proj | Portland | 45,500 | 8,450 | 37,050 | 1/1/2020 | 12/31/2020 |
| The Cadmus Group LLC | PE SEM Reporting | Portland | 40,595 | 5,834 | 34,762 | 8/17/2020 | 1/31/2021 |
| Cadeo Group LLC | Comm Boiler Characterization | Washington | 35,000 | 0 | 35,000 | 10/1/2020 | 3/15/2021 |
| INCA Energy Efficiency, LLC | Intel Mega Projects Eval | Grinnell | 35,000 | 26,862 | 8,139 | 8/1/2019 | 7/1/2021 |
| Integral Group Inc. | TAS Mod 3 Intel Mega Project | Oakland | 34,900 | 23,200 | 11,700 | 3/20/2020 | 12/31/2020 |
| American Council for and Energy Efficient Economy | Research Letter Agreement | Washington | 30,000 | 30,000 | 0 | 1/1/2020 | 3/31/2021 |
| INCA Energy Efficiency, LLC | Red Rock Evaluation | Grinnell | 30,000 | 5,575 | 24,425 | 6/10/2018 | 7/10/2021 |
| The Cadmus Group LLC | Industrial Load Shape Research | Portland | 29,900 | 1,806 | 28,094 | 9/10/2020 | 1/31/2021 |
| Community Energy Project, Inc. | Funding CEP Cooling Workshops | Portland | 27,500 | 18,000 | 9,500 | 7/1/2020 | 12/31/2020 |
| Bridgetown Printing Company | NWN Bill Inserts 2020 | Portland | 24,000 | 18,029 | 5,971 | 1/1/2020 | 12/31/2020 |
| DNV GL Energy Services USA Inc | Large/Complex EB Impact Eval | Oakland | 24,000 | 3,688 | 20,313 | 9/1/2020 | 1/31/2021 |
| Michaels Energy, Inc. | Large NB Impact Evaluation | La Crosse | 20,000 | 19,993 | 7 | 8/1/2018 | 11/30/2020 |
| DNV GL Energy Services USA Inc | CSEM Evaluation Consultants | Oakland | 18,000 | 0 | 18,000 | 10/1/2020 | 6/30/2021 |
| Evergreen Economics | Sampling & Weighting Training | Portland | 16,500 | 0 | 16,500 | 9/1/2020 | 1/31/2021 |
| Rouj Energy Analytics, LLC | CSEM Evaluation Consultants | | 15,000 | 0 | 15,000 | 10/1/2020 | 6/30/2021 |
| The Cadmus Group LLC | CSEM Evaluation Consultants | Portland | 15,000 | 0 | 15,000 | 10/1/2020 | 6/30/2021 |
| Illume Advising, LLC | Customer Insight Report Review | Verona | 9,500 | 7,770 | 1,730 | 7/22/9202 | 12/31/2020 |
| Demand Side Analystics, LLC | TheromstatOpitmizationStudy OR | Woodstock | 8,600 | 0 | 8,600 | 10/10/2019 | 6/4/2021 |
| Northwest Earth Institute | Sponsorship Agreement | Portland | 7,500 | 7,500 | 0 | 8/1/2020 | 12/31/2020 |
| Northwest Energy Efficiency Council | BOC Webinar Sponsorship | Seattle | 7,125 | 7,125 | 0 | 1/1/2020 | 12/31/2020 |
| Dscout, Inc | RES Digital Data Focus Group | | 6,625 | 6,625 | 0 | 10/1/2020 | 12/31/2020 |
| | **Energy Efficiency Total:** | | **135,187,411** | **80,331,874** | **54,855,537** | | |
| **Joint Programs** | | | | | | | |
| ADM Associates, Inc. | 2020 Customer Insight Study | Seattle | 328,300 | 318,716 | 9,584 | 12/17/2019 | 12/31/2020 |
| ADM Associates, Inc. | Fast Feedback | Seattle | 91,000 | 73,901 | 17,099 | 4/16/2020 | 6/30/2021 |
| Apex Analytics LLC | ResidentialPayPerformance P4P | Boulder | 83,000 | 22,413 | 60,588 | 8/1/2019 | 4/30/2022 |
| Structured Communications Systems, Inc. | ShoreTel Phone System Install | Clackamas | 72,845 | 69,466 | 3,379 | 1/1/2017 | 12/31/2020 |
| The Cadmus Group LLC | Smart Thermostat Savings | Portland | 65,100 | 9,994 | 55,107 | 12/1/2010 | 8/31/2021 |
| Empress Rules LLC | DEI Training & Consulting | | 31,875 | 31,500 | 375 | 9/1/2019 | 12/31/2020 |
| Infogroup Inc | Data License & Service Agmt | Papillion | 17,000 | 8,500 | 8,500 | 2/4/2020 | 4/1/2021 |
| Sheraton Portland Airport Hotel | Trade Ally Forum Venue | Portland | 10,000 | 500 | 9,500 | 2/25/2020 | 11/15/2020 |
| Energy 350 LLC | Professional Services | Portland | 3,600 | 346 | 3,254 | 5/1/2020 | 12/31/2020 |
| | **Joint Programs Total:** | | **702,720** | **535,336** | **167,384** | | |
| **Renewable Energy** | | | | | | | |
| Sunway 3, LLC | Prologis PV installation | Portland | 3,405,000 | 3,261,044 | 143,956 | 9/30/2008 | 9/30/2028 |
| City of Salem | Biogas Project - Willow Lake | Salem | 3,000,000 | 500,000 | 2,500,000 | 9/4/2018 | 9/4/2038 |
| Clean Water Services | Project Funding Agreement | Hillsboro | 3,000,000 | 2,013,106 | 986,894 | 11/25/2014 | 11/25/2039 |
| Water Environment Services, A Dept. of Clackamas County | Bio Water Cogeneration System | Clackamas | 1,800,000 | 0 | 1,800,000 | 11/15/2019 | 9/30/2041 |
| Oregon Institute of Technology | Geothermal Resource Funding | Klamath Falls | 1,550,000 | 1,550,000 | 0 | 9/11/2012 | 9/11/2032 |
| Farm Power Misty Meadows LLC | Misty Meadows Biogas Facility | Mount Vernon | 1,000,000 | 1,000,000 | 0 | 10/25/2012 | 10/25/2027 |

| CONTRACTOR | Description | City | EST COST | Actual TTD | Remaining | Start | End |
|---|---|---|---|---|---|---|---|
| Farmers Conservation Alliance | Irrigation Modernization | Hood River | 1,000,000 | 773,412 | 226,588 | 4/1/2019 | 3/31/2021 |
| Three Sisters Irrigation District | TSID Hydro | Sisters | 1,000,000 | 1,000,000 | 0 | 4/25/2012 | 9/30/2032 |
| Farmers Irrigation District | FID - Plant 2 Hydro | Hood River | 900,000 | 900,000 | 0 | 4/1/2014 | 4/1/2034 |
| Three Sisters Irrigation District | Mckenize Reservoir Irrigation | Sisters | 865,000 | 0 | 865,000 | 3/18/2019 | 3/17/2039 |
| Klamath Falls Solar 2 LLC | PV Project Funding Agreement | San Mateo | 850,000 | 382,500 | 467,500 | 7/11/2016 | 7/10/2041 |
| Energy Assurance Company | Solar Verifier | Milwaukie | 499,000 | 453,810 | 45,190 | 11/15/2018 | 10/14/2020 |
| Old Mill Solar, LLC | Project Funding Agmt Bly, OR | Lake Oswego | 490,000 | 490,000 | 0 | 5/29/2015 | 5/28/2030 |
| Clean Power Research, LLC | PowerClerk License | Napa | 459,172 | 459,172 | 0 | 7/1/2017 | 5/31/2021 |
| City of Medford | 750kW Combined Heat & Power | Medford | 450,000 | 450,000 | 0 | 10/20/2011 | 10/20/2031 |
| City of Pendleton | Pendleton Microturbines | Pendleton | 450,000 | 150,000 | 300,000 | 4/20/2012 | 4/20/2032 |
| Deschutes Valley Water District | Opal Springs Hydro Project | Madras | 450,000 | 225,000 | 225,000 | 1/1/2018 | 4/1/2040 |
| RES - Ag FGO LLC | Biogas Manure Digester Project | Washington | 441,660 | 441,660 | 0 | 10/27/2010 | 10/27/2025 |
| RES - Ag FGO LLC | Biogas Manure Digester - FGO | Washington | 441,660 | 438,660 | 3,000 | 10/27/2010 | 10/27/2025 |
| Three Sisters Irrigation District | TSID Funding Agreement | Sisters | 400,000 | 400,000 | 0 | 1/1/2018 | 12/31/2038 |
| SunE Solar XVI Lessor, LLC | BVT Sexton Mtn PV | Bethesda | 355,412 | 355,412 | 0 | 5/15/2014 | 12/31/2034 |
| CIty of Gresham | City of Gresham Cogen 2 | Gresham | 350,000 | 334,523 | 15,477 | 4/9/2014 | 7/9/2034 |
| American Microgrid Solutions LLC | RE Feasability Analysis | Easton | 207,500 | 197,800 | 9,700 | 11/18/2019 | 11/17/2020 |
| City of Astoria | Bear Creek Funding Agreement | Astoria | 143,000 | 143,000 | 0 | 3/24/2014 | 3/24/2034 |
| Kevala, Inc. | Targeted Load Management | San Francisco | 140,000 | 105,000 | 35,000 | 12/20/2019 | 12/31/2020 |
| Oregon Solar Energy Industries Association | Solar soft costs install price | Portland | 110,640 | 60,870 | 49,770 | 12/21/2018 | 6/30/2021 |
| New Buildings Institute | GridOptimalBuildings Intiative | White Salmon | 100,000 | 50,000 | 50,000 | 12/1/2019 | 12/31/2021 |
| Wallowa Resources Community Solutions Inc | Renewables Field Outreach | Enterprise | 95,920 | 55,270 | 40,650 | 3/1/2020 | 2/28/2022 |
| Solar Oregon | Solar Education & Outreach | Portland | 91,375 | 31,755 | 59,620 | 12/15/2019 | 10/31/2021 |
| Craft3 | NON-EEAST OBR Svc Agrmt | Portland | 90,000 | 82,500 | 7,500 | 1/1/2018 | 12/31/2020 |
| Kendrick Business Services LLC | Small Business Financial Dev | Albany | 84,750 | 53,754 | 30,996 | 8/1/2018 | 6/30/2021 |
| Wallowa County | Project Funding Agreement | Enterprise | 80,000 | 80,000 | 0 | 4/1/2018 | 3/31/2038 |
| Hood River County | Hood River County Letter Agree | | 75,000 | 0 | 75,000 | 8/28/2020 | 3/31/2021 |
| SPS of Oregon Inc | Project Funding Agreement | Wallowa | 75,000 | 74,513 | 488 | 10/15/2015 | 10/31/2036 |
| Clean Power Research, LLC | WattPlan Software | Napa | 74,000 | 74,000 | 0 | 11/17/2017 | 5/31/2021 |
| Faraday Inc | Software Services Subscription | Burlington | 72,000 | 54,000 | 18,000 | 1/15/2019 | 12/14/2020 |
| Farmers Conservation Alliance | Grant Agreement Irrigation Mod | Hood River | 65,000 | 16,250 | 48,750 | 8/12/2020 | 3/30/2021 |
| Site Capture LLC | SiteCapture Subscription | Austin | 60,000 | 52,500 | 7,500 | 2/1/2018 | 1/31/2021 |
| Oregon Solar Energy Fund | Solar Education Training | Portland | 46,626 | 7,914 | 38,712 | 3/10/2020 | 1/31/2021 |
| Clean Energy States Alliance | MOU 20-2021 | Montpelier | 39,500 | 39,500 | 0 | 7/1/2020 | 6/30/2021 |
| Lake County Resources Initiative | LCRI Support to ET Solar | Lakeview | 35,000 | 9,925 | 25,075 | 4/15/2020 | 12/31/2020 |
| Oregon Solar Energy Industries Association | SolarTechicalTraining Recruit | Portland | 33,500 | 33,000 | 500 | 9/15/2019 | 10/31/2020 |
| University of Oregon | UO SRML 2020 Sponsorship | Eugene | 25,000 | 24,999 | 1 | 2/5/2020 | 3/8/2021 |
| Robert Migliori | 42kW wind energy system | Newberg | 24,125 | 24,125 | 0 | 4/11/2007 | 1/31/2024 |
| Rogue Climate | Solarize Campaign | | 22,840 | 7,000 | 15,840 | 1/1/2020 | 8/31/2021 |
| Warren Griffin | Griffin Wind Project | Salem | 13,150 | 9,255 | 3,895 | 10/1/2005 | 10/1/2020 |
| Oregon Institute of Technology | Off Grid Solar Irrigation | Klamath Falls | 12,000 | 0 | 12,000 | 3/15/2020 | 9/30/2020 |
| ICF Resources, LLC | Solar Contractor Conference | Fairfax | 8,000 | 0 | 8,000 | 9/8/2020 | 11/30/2020 |
| | **Renewable Energy Total:** | | **24,980,830** | **16,865,226** | **8,115,604** | | |
| | **Grand Total:** | | **179,070,108** | **108,584,727** | **70,485,381** | | |
| | **Contracts without Incentives Total:** | | **155,587,601** | **92,838,159** | **62,749,442** | | |
| | **Renewable Energy Incentive Total:** | | **23,482,507** | **15,746,568** | **7,735,939** | | |
| | **Energy Efficiency Incentive Total:** | | **0** | **0** | **0** | | |

# Tab 7

# Policy Committee Meeting Notes

November 6, 2020

**Board members present:** Henry Lorenzen (committee chair), Susan Brodahl, Eric Hayes, Alan Meyer, Anne Root, Letha Tawney

**Staff attending:** Shelly Carlton, Amber Cole, Michael Colgrove, Hannah Cruz, Cheryle Easton, Fred Gordon, Scott Leonard, Debbie Menashe, Pati Presnail, Julianne Thacher, Peter West, Mark Wyman

## Policies Reviewed

### 1. Economic Development Policy 4.18.000-P

The Economic Development Policy was originally adopted by the board in 2004 in response to requests from economic development entities around the state. The purpose of the policy was to serve as a description of Energy Trust and as a tool for use by economic development entities to attract businesses to Oregon.

Energy Trust staff proposed small content revisions to the current policy, but also suggested another option: The second option proposed would be to consider further revisions to the policy to reflect Energy Trust's current strategic plan focus area #3 to "support energy-related policy initiatives, objectives and complementary programs led by local, state, regional and federal governments."

Committee members discussed the policy and mentioned some interest in giving further consideration to some adjustments. Committee members suggested that staff connect with board member Eric Anderson who is president of SEDCOR and who has some comments and thoughts on this policy language. Debbie Menashe will follow up with Eric Anderson. Committee members expressed concern that any changes to the policy language are consistent with Energy Trust's mission and grant agreement. Staff appreciated the comments and will come back to the committee after talking with Eric Anderson with some suggested revisions, keeping in mind the committee discussions.

### 2. Information Provided by Program Participants, Contractors and Bidders 4.17.000-P

Staff presented the Participant Information policy, up for routine, three-year review. In 2017, this policy underwent review for legal compliance with data privacy counsel and consultant, Julie Glover of 6 Degrees. For this year's review, Energy Trust staff again examined the policy for consistency with current operations and practice, privacy requirements and regulations and made no recommendation for substantive changes. A small number of editorial changes were recommended. Committee members reviewed the policy changes and suggested one small subsection reference correction only. Committee members unanimously approved moving the policy, with the revisions included, forward to the full board for approval at its next full board meeting. Members also approved moving the policy forward for approval through the board's consent agenda.

### 3. Upcoming Policy Reviews

Staff explained to the committee there are four additional board policies up for regular review: **Program Approval Process, Corporate Governance Guidelines, Above Market Costs Methodology, and the Diversity, Equity and Inclusion Policy** (up for its last one-year review). Staff updated the committee on the status of each of these policies and will come back to the committee at future meetings with policy revision recommendations. Committee members expressed appreciation for the information.

## New Funding Opportunity Presentations

The Policy Committee adopted a process for consideration of new funding opportunities in 2018 (the "New Funding Opportunities Process").Two new opportunities emerged for staff and were presented to the committee in accordance with the New Funding Opportunities Process: (1) a new opportunity for work with Pacific Power on an electric vehicle-ready program for new homes and (2) a new opportunity to participate in a team to apply for a federal grant opportunity from U.S. Department of

Energy for a “Connected Communities, initiative to promote energy efficient equipment for buildings that are grid connected. Mark Wyman presented information to the committee on both opportunities. Committee members expressed interest and support for both, noting how aligned they were with Energy Trust programs and how they both offered smart grid connection opportunities.

The electric vehicle-ready program will be pursued as part of Energy Trust’s new homes program. Staff expects to return to the committee when more information about the process federal grant work is known, including necessary finance group implications and any requests to use business development funds for the grant application process. Staff will also arrange for committee updates on each of these opportunities going forward.

## Board Presentation Previews

Staff previewed presentations for contract proposals authorizing funding in excess of the executive director’s signing authority: (1) proposal for approval of a contract amendment with Colehour and Cohen (“C+C”) for public relations and communications services and (2) proposal for approval of an advertising media buying contract for both traditional and digital advertising media. Committee members offered suggestions for the board presentations which were appreciated by staff and will be incorporated into the presentations for the board in December.

## Updates

Henry Lorenzen updated the committee on the board ad hoc committees on board structure and roles and responsibility, explaining that responses to a request for proposals for consulting support had been received and was under review.

**The meeting adjourned at approximately 11:30 a.m. The next Policy Committee meeting will be in January 2021.**

# Tab 8

# Strategic Planning Committee Meeting

November 2, 2020

**Board members present:** Mark Kendall (committee chair), Ruchi Sadhir (for Janine Benner), Lindsey Hardy, Roland Risser

**Board members absent:** Melissa Cribbins, Letha Tawney

**Staff attending:** Michael Colgrove, Hannah Cruz, Cheryle Easton, Fred Gordon, Debbie Menashe, Spencer Moersfelder, Lizzie Rubado, Greg Stokes

## Board Ad Hoc DEI Committee Update (Mark Kendall)

Mark Kendall provided an update on the newest ad hoc committee for the board of directors. The ad hoc diversity, equity and inclusion committee (DEI committee) met in October and discussed the actions and explorations for the committee. Among them, the committee will revisit what the board's business case is for diversity, equity and inclusion and help establish metrics to measure and track progress in the board's DEI commitment and journey. The metrics component has a direct connection to the Strategic Planning Committee. The DEI committee will engage this committee when it is ready to start developing metrics that can be tracked in the Strategic Plan Dashboard.

The committee discussed how to document the board DEI metrics and targets in the interim. The committee decided to maintain in the dashboard the metric statement as "progress toward establishing metrics for board diversity and cultural competency" and to revise the target statement to "Adopt metric(s) based on a proposal by the Ad Hoc DEI Committee with input from the Diversity Advisory Council. Until metrics are established, receive annual updates from the Ad Hoc DEI Committee on board DEI activities and progress to setting metrics, targets and milestones." Mark Kendall will raise with the DEI committee whether to provide updates more frequently than annual.

## Q3 2020 Dashboard Presentation and Review

Staff reviewed with the committee the Q3 2020 Dashboard, the first time the dashboard has been utilized for tracking on the plan's progress indicators. The dashboard is the primary plan management tool for the committee. Committee members discussed how to use the dashboard and clarified that it is a committee resource. Staff will populate the dashboard for the committee three times a year: in quarters one, three and four. In quarter 2, the committee will prepare for the public presentation to the board in May of each year. Consideration will be given to how the strategic plan presentation aligns with the annual report presentation to the board at the same meeting. Strategic plan progress will also be reflected in the Annual Report to the OPUC and Board of Directors, completed in April of each year.

Staff presented on metrics and targets in each of the five focus areas that have reportable information, including brief narrative on what occurred and what staff will work on next. Updates were not given on targets with an annual milestone. Those updates will be given in quarter two of each year. The committee agreed the information provided was at the right level detail and acknowledged more information is reported on in other places, like quarterly reports to the OPUC.

In focus area one (engaging all customers), the committee discussed how staff time on innovative projects will be tracked and reported. The committee agreed to use the staff time planned and allocated through the business planning process, which means actual hours dedicated may not match planned hours. The committee noted this is still valuable information and shows how Energy Trust is looking forward.

In focus area two (supporting utilities), the committee appreciated seeing the Targeted Load Management milestones and noted it is development detail the board would otherwise not see for this emerging area of work.

In focus area three (informing policymakers), staff described early thinking on the level of detail to be tracking in supporting policymakers and implementers; in particular, involvement with state agencies. Staff involvement can range from responding to individual data requests, to consulting on drafts rules, to participation in a public process. The committee asked when stakeholder interviews would be held, with whom and what information would be asked for during them. Staff will work more on this tracking and interview approach and provide an update to the committee at the quarter one meeting.

In focus area four (delivering multiple benefits), the committee noted it looks forward to seeing staff's proposed targets for percentage of total energy savings or generation resulting from leveraging other funding, and partnerships with community-based organizations. Staff shared that an update and draft approach to developing these remaining two metrics will be provided at the committee's quarter one meeting.

In focus area five (adapting to change), the board DEI metric changes discussed at the beginning of the meeting will be made to the next iteration of the dashboard. The committee reflected on the importance of the four metrics in this focus area.

Focus area descriptions here are shorthand. Complete descriptions at www.energytrust.org/strategicplan.

**Meeting adjourned at approximately 2:30 p.m. The next meeting for the committee will be scheduled for January or February 2021.**

# Tab 9

# Conservation Advisory Council Meeting Notes

November 18, 2020

**Attending from the council:**

Jeff Bissonnette, NW Energy Coalition
Warren Cook, Oregon Department of Energy
Kari Greer, Pacific Power
Tim Hendricks, representing Building Owners and Managers Association
Rick Hodges, NW Natural
Tina Jayaweera, NW Power and Conversation Council
Anna Kim, Oregon Public Utility Commission
Jess Kincaid, Bonneville Power Administration (for Dave Moody)
Jason Klotz, Portland General Electric
Keith Kueny, Community Action Partnership of Oregon
Lisa McGarity, Avista
Mark Rehley, Northwest Energy Efficiency Alliance (for Julia Harper)

**Attending from Energy Trust:**

Hannah Cruz
Peter West
Marshall Johnson
Jeni Hall
Elizabeth Fox
Debbie Menashe
Julianne Thacher
Mana Haeri
Andy Griguhn
Kate Wellington
Ben Cartwright
Alex Novie
Thad Roth
Amber Cole
Amanda Davidowitz
Matt Getchell
Ryan Crews
Steve Lacey
Derek Olson
Shelly Carlton
Fred Gordon
Betsy Kauffman
Amanda Sales
Jay Ward
Allison Burns
Tyrone Henry
Amanda Zuniga
Quinn Cherf
Scott Leonard
Sue Fletcher
Spencer Moersfelder
Peter Schaffer
Karen Chase
Melanie Bissonnette
Oliver Kesting
Jay Olson
Jackie Goss
Amanda Potter
Naomi Cole
Eric Van Orden
Karen Chase
Mark Wyman
Adam Bartini

**Others attending:**

Elee Jen, Energy Trust board
Alan Meyer, Energy Trust board
Lindsey Hardy, Energy Trust board
Silvia Tanner, Multnomah County Office of Sustainability
Heather Moline, NW Energy Coalition
Jake Wise, PGE
Cristian Salgado, PGE
Ryan Bottesini
Don Jones, Pacific Power
Samuel Patrick, Citizens Utility Board
Charity Spires, Pacific Power
Aaron Frechette, Cascade Energy
Tamara Falls, PGE
Joe Marcotte, TRC
Misti Nelmes, CLEAResult

Dave Backen, Backen Consulting
Whitney Miller, CLEAResult
Jenny Sorich, CLEAResult
Amy Burke, Bonneville Power Administration
Patrick Murphy, CLEAResult
Cindy Strecker, CLEAResult
Tina Brooks, Pacific Power
John Molnar, Roger Machinery Company
Dan Elliott, Oregon Housing and Community Services
Adam Shick, CLEAResult
Kate Hawley, TRC
Carrie Ng, Small Business Utility Advocates
Cathy Chappell, TRC
Shelley Beaulieu, TRC
Kirsten Svaren, TRC
Scott Scheuneman, RHT Energy

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**1. Welcome**

Hannah Cruz, senior communications manager, convened the meeting at 1:31 p.m. over Zoom. The agenda, notes and presentation materials are available at www.energytrust.org/about/public-meetings/conservation-advisory-council-meetings.

Hannah Cruz announced Energy Trust's Peter West will retire in early 2021 and thanked him for his leadership and dedication. Peter West credited the cooperative work of many groups and stakeholders in Oregon for the progress made in energy efficiency. A national recruiting effort will start in a few weeks for a new director of energy programs. Council members will be sent a survey in the next few weeks and will be asked for input on the position description.

Hannah Cruz introduced Jeff Bissonnette from NW Energy Coalition as a new member of the council and announced Keith Kueny would be leaving the council after taking a job out of state.

**2. Residential Incentives for Low-Income Utility Customers**

*Topic summary*

Marshall Johnson, program manager in the residential team, gave a presentation on how Energy Trust serves customers with low incomes and works with other groups that do so, including Oregon Housing and Community Services, community action agencies and programs funded by utility ratepayers.

Marshall Johnson gave brief descriptions of Energy Trust's initiatives to serve low- to moderate-income residential customers, which include low- and no-cost equipment offers; Savings Within Reach enhanced incentives and financing; single-family rental incentives; fixed price promotions; free manufactured home services; and a manufactured home replacement pilot. Energy Trust also co-funds projects with community organizations to reach customers with low incomes. Co-funding must align with Energy Trust's cost-effectiveness guidelines. An example of this is a pilot with the community action agency in Washington County to fund weatherization upgrades for low-income residents. This led to a new offer, Community Partner Funding, in which community-based organizations can access higher incentives to help their customers install energy-saving improvements.

*Discussion*

Council members said they were happy to see co-funding efforts paying off (Keith Keuny) and congratulated Energy Trust for achieving this work within the framework for its programs (Warren Cook).

Heather Moline of NW Energy Coalition said it's important for Energy Trust to make this information easy to understand for groups outside the energy industry. Members asked how Energy Trust helps groups that aren't in the industry become more familiar with energy efficiency (Lisa McGarity). Marshall Johnson gave examples of how Energy Trust works with

African American Alliance For Homeownership to train and mentor a home auditor to work with its existing client base, and collaborates with Verde on marketing materials for a ductless heat pump offer in Northeast Portland.

Jake Wise from PGE asked for details on Community Partner Funding attribution. Marshall Johnson explained Energy Trust and Oregon Housing and Community Services coordinate to ensure savings are not double counted.

*Next steps*
None.

The council took a five-minute break.

**3. 2021 Budget Update**
*Topic summary*
Peter West presented an update on Energy Trust's 2021 budget and action plan. The draft budget was presented to the council and the public at an October workshop. Among the feedback and written public comments received, there was support for thoughtful and proactive community engagement; outreach and inclusive co-creation; responding to the COVID-19 pandemic and wildfires in ways that support small businesses, help communities rebuild and leverage other funding; residential and renewable energy program action plans; coordination with utilities; diversity, equity and inclusion activities; and cost management and transparency. The OPUC also gave recommendations on the draft budget, including that Energy Trust focus on residential offers with peak impacts; develop peak modeling capability; include cost-effectiveness exception costs in future budgets; implement supplier diversity tracking; plan to align staffing with outreach goals; and keep administrative costs in 2022 below 8% of revenues.

Based on this information and other factors, Energy Trust made changes to its draft budget, including decreasing lighting incentives to manage demand driven by spring 2020 bonuses. The bonuses were part of Energy Trust's response to the COVID-19 pandemic. The bonuses have ended, and Energy Trust has paused accepting new applications for lighting incentives until mid-January. Peter West then presented cost and savings changes made to the draft budget.

*Discussion*
None.

*Next steps*
The final proposed budget will be posted online December 3 and the board will consider it for adoption December 11.

**4. Organizational Response to Rebuilding Efforts Due to Labor Day Wildfires**
*Topic summary*
Sue Fletcher and Karen Chase from Energy Trust's outreach team gave an update on Energy Trust's response to wildfires in Oregon that started this summer. The fires and loss of homes and businesses were unimaginable; the displacement and loss are traumatizing and disproportionately affect vulnerable people. Customers, trade allies, community partners and even Energy Trust staff were directly affected. Household hazardous waste clean-up is largely done, but ash and debris clean-up could take up to 18 months. Most rebuilding will likely happen in 2022 and beyond.

While not an expert or leader on this issue, Energy Trust can be a technical and financial resource for each community rebuilding and retrofitting homes and businesses. So far, impacted communities are focused on emergency response and housing, but some have reached out to

Energy Trust, including about its manufactured home replacement pilot. Scott Leonard, who manages the residential new construction program, described Energy Trust's immediate actions, including addressing marketing and customer service issues and forming an internal project team. Energy Trust is participating in local and state forums, conducting outreach to impacted communities and is one of several organizations helping to fund a housing recovery specialist position at the Housing Authority of Jackson County.

Mark Wyman, who manages residential pilots and new products, described potential offers and approaches, including replacing manufactured homes under Energy Trust's current pilot; modifying program designs to accommodate more owners/buildings and more construction; aligning baselines with state code for new construction rebuilding; supporting resiliency measures like solar and energy storage; targeting incentives; and supporting community-wide planning efforts. These fires give rationale for Energy Trust to provide a custom approach to match the challenges people are facing and may again in the future.

*Discussion*
Carrie Ng of Small Business Utility Advocates asked about assistance programs for small businesses affected by the fires. Karen Chase said each community is approaching commercial sector support differently.

*Next steps*
None.

**5. 2021 Industrial Sector Standard Track RFP and Technical Review RFQ**
*Topic summary*
Amanda Potter and Adam Bartini from the industrial sector previewed a request for proposals (RFP) for the standard track and request for qualifications (RFQ) for technical review that will be issued in 2021. They also gave background on how the Production Efficiency program is run, what of customers it serves and the incentive offers provided.

The standard track delivers electric and gas prescriptive and calculated energy efficiency projects. Goals for the RFP include achieving cost-effective energy savings targets; broadening the Trade Ally Network; equitably serving customers across Energy Trust territory; and developing new efficiency measures. Bidders should have experience in industrial energy efficiency, implementation, trade ally management and measure development. Scoring will prioritize pricing and energy savings, followed by diversity, equity and inclusion qualifications, implementation strategy and contracting plan. These are similar criteria to what was used to score this year's Existing Buildings and business lighting RPF.

For the technical review RFQ, Energy Trust seeks an energy-efficiency engineering contractor to perform technical reviews of studies, incentive offers and project verifications. Technical reviews ensure program requirements are met and verifies energy savings. Bidders should have experience in industrial energy efficiency, project management and with some systems or technologies used.

Draft plans were presented, and details could change.

*Discussion*
Jake Wise from PGE asked Energy Trust is doing to help support diverse firms. Amanda Potter said there will be new outreach efforts, including a webinar in January for potential bidders.

Members asked what lessons from the recent Existing Buildings and business lighting RFP are being applied here (Anna Kim). Amanda Potter noted several things: understanding the market

needs time to develop teams; requiring a Certification Office for Business Inclusion and Diversity (COBID) application instead of certification; having a member of the Diversity Advisory Council and Energy Trust's diversity, equity and inclusion lead serve on the scoring committee; and increasing the minimum DEI subcontracting percentage.

Hannah Cruz asked why bidders for the technical review RFQ requirement must have experience with some but not all systems or technologies. Adam Bartini said that's because Energy Trust deals with so many different systems. Members suggested requiring experience with certain systems (Lisa McGarity, Anna Kim). Staff will consider this suggestion.

*Next steps*
None.

**6. Residential Non-energy Benefits Research**
*Topic summary*
Mark Wyman and Jeni Hall presented research on non-energy benefits of energy efficiency and renewable energy projects at residential sites, in an effort to understand other quantifiable benefits from distributed energy resource technologies for new homes beyond energy savings and generation. The research found non-energy benefits included better health and fewer missed days at work; it also showed benefits related to energy resilience and reduced energy burden.

*Discussion*
Don Jones at Pacific Power noted similar research happening in Washington, and that in the future, explicit annual reporting on non-energy benefits might be helpful. Energy Trust already tracks quantifiable non-energy benefits.

Members asked if the health benefits, which were reported for low-income utility customers, may translate to other types of customers and if electric vehicles come with timers for chargers (Lisa McGarity). The health benefits likely do apply to other customer groups but that existing research is limited. Electric vehicles can be programmed to start and stop charging at certain times.

*Next steps*
Energy Trust will coordinate with the OPUC on non-energy benefits and incorporate values into energy-efficiency measure approval documents as they come up for renewal.

**7. Adjournment**
The meeting adjourned at 4:52 p.m. The next meeting will be in February 2021.

# Tab 10

# Diversity Advisory Council Meeting Notes

November 17, 2020

**Attending from the council:**
Oswaldo Bernal, OBL Media, LLC
Charity Fain, Community Energy Project
Kheoshi Owens, Empress Rules
Cheryl Roberts, African American Alliance for Homeownership
Susan Badger-Jones, special projects consultant
Indika Sugathadasa, PDX HIVE
Vero Silva, Rogue Climate
Shane Davis, City of Portland

**Attending from Energy Trust:**
Michael Colgrove
Amanda Potter
Steve Lacey
Steve Clark
Debbie Menashe
Tyrone Henry
Shelly Carlton
Kate Wellington
Hannah Cruz
Sue Fletcher
Julianne Thacher
Quinn Cherf
Amanda Sales
MacKenzie Kurtzner
Wendy Bredemeyer
Mayra Aparicio
Tyrone Henry
Lenora Deslandes
Matt Getchell
Dan Rubado
Scott Leonard
Alex Novie
Samuel Birru
Elizabeth Fox
Juliana Hairston
Chris Holloway
Gina Saraswati
Kelly Ellmer
Abby Spegman
Diamante Jamison
Alina Lambert
Eric Braddock
Ashley Bartels
Ryan Crews
Cheryle Easton
Caryn Appler
Kenji Spielman
Thad Roth
Jeni Hall
Kyle Petrocine
Mark Wyman
Adam Bartini
Kati Harper
Alma Pinto
Allison Burns
Kirsten Svaren
Karen Chase
Dave Moldal

**Others attending:**
Elee Jen, Energy Trust board
Eric Hayes, Energy Trust board
Mark Kendall, Energy Trust board
Anna Kim, Oregon Public Utility Commission
Tracie Tran, Cascade Energy
Tina Brooks, Pacific Power
Shelley Beaulieu, TRC
Beth Glynn, Cascade Energy
James Donnelly, Elevate Energy
Heather Moline, NW Energy Coalition
Whitney Miller, CLEAResult
Angel Swanson, ICF

## 1. Welcome

Tyrone Henry, diversity, equity and inclusion lead, convened the meeting at 9:06 a.m. The agenda, notes and presentation materials are available on Energy Trust's website at https://www.energytrust.org/about/public-meetings/diversity-advisory-council-meetings/.

Tyrone Henry read a quote from Maya Angelou: ""We all should know that diversity makes for a rich tapestry, and we must understand that all the threads of the tapestry are equal in value no matter what their color." Council members reflected on what she meant. Diversity, equity and inclusion work isn't about achieving goals but developing relationships with people who are different than you and being willing to put yourself on the line for others (Kheoshi Owens).

**2. DEI Operations Plan Update**

*Topic summary*

Debbie Menashe, director of legal and human resources, presented the final 2021 Diversity, Equity and Inclusion Operations Plan. Members saw a draft of the plan in July and their feedback was reflected in the final plan. Debbie Menashe reviewed the 10 goals for 2021 to improve customer and contractor participation and continue to make Energy Trust a more inclusive place. Tyrone Henry reviewed next steps for new Existing Buildings and lighting contracts that consider diversity, equity and inclusion, and reviewed progress on promoting contractor diversity.

*Discussion*

Council members asked about the use of the term minority in the operations plan and if that was needed. Minority is an outdated term that is not inclusive and increasingly being abandoned because of its connotations with white supremacy (Kheoshi Owens and Vero Silva). Tyrone Henry said the term is in keeping with Oregon's Certification Office for Business Inclusion and Diversity (COBID) and government procurement terms. Members said the procurement process is unfair because it requires certification (Kheoshi Owens) and noted that ethnic groups have diversity within them but often get put into one box (Oswaldo Bernal).

*Next steps*

Tyrone Henry will invite council members to a meeting with COBID officials to discuss terms.

**3. DEI Data Enhancement Project Update**

*Topic summary*

Shelly Carlton, senior marketing manager, presented findings of Energy Trust's recent Customer Insights Study, explaining better data is needed to measure progress to goals. This was a large survey of residential and multifamily customers in Oregon to assess awareness, barriers and motivations for program participants. This year's survey oversampled to ensure enough people of color and people with low incomes were represented in the responses. The survey found aided awareness is low in those two groups. Use of contractors is fairly low but varies significantly by race and income. Customers are concerned about energy bills and comfort; willingness to pay more for environmentally-friendly products varies.

*Discussion*

Council members said they were not surprised by the findings. The fundamental issue with serving low-income communities is it's never going to be cost effective under the current system and how cost-effectiveness is calculated (Charity Fain). The cost-effectiveness requirement assumes customers have to pay into the system to access the incentive. Structural change at the OPUC or legislative level is needed (Charity Fain). Michael Colgrove, Energy Trust's executive director, noted staff can't advocate for such a change. Council members are not restricted, however, and there are nonprofits working on this issue (Charity Fain).

Eric Hayes, a board member attending the council meeting, agreed he was not surprised by the results. Low-income people have learned to do it themselves, he said, and the “green” product has to be the most affordable to appeal to them. In the Zoom chat, council members discussed how some people see energy efficiency as a luxury and are focused on more immediate concerns (Shane Davis). Low-income people do care about energy efficiency and are most impacted by climate change; what they lack is access, and that’s where programs designed to remove barriers is needed (Charity Fain).

*Next steps*
Shelly Carlton asked for a council member to read the draft report for readability and suggest improvements for the next survey.

**4. Energy Trust Response to Wildfires**
*Topic summary*
Sue Fletcher and Karen Chase, Energy Trust’s outreach staff members, gave an update on Energy Trust’s response to wildfires in Oregon that started over the summer. The fires and loss of homes and businesses were unimaginable; the displacement and loss are traumatizing and disproportionately affects vulnerable people. Customers, trade allies, community partners and even Energy Trust staff were directly affected. Household hazardous waste clean-up is largely done, but ash and debris clean-up could take up to 18 months. Most rebuilding will likely happen in 2022 and beyond.

While not an expert or leader on this topic, Energy Trust can be a resource in rebuilding and retrofitting homes and businesses. So far, impacted communities are focused on emergency response and housing, but some have reached out to Energy Trust, including about its manufactured home replacement pilot. Scott Leonard, who manages the residential new construction program, described Energy Trust’s immediate actions, including addressing marketing and customer service issues and forming an internal project team. Energy Trust is participating in local and state forums, conducting outreach to impacted communities and is one of several organizations helping to fund a housing recovery specialist position at the Housing Authority of Jackson County.

Mark Wyman, who manages residential pilots and new products, described potential offers and approaches, including replacing manufactured homes under the current pilot; modifying program designs to accommodate more owners/buildings and more construction; aligning baselines with state code for new construction rebuilding; supporting resiliency measures like solar and energy storage; targeting incentives; and supporting community-wide planning efforts. He called this a “wake-up call” to provide a custom approach to match the challenges people are facing and may again in the future.

*Discussion*
Council members noted that in Southern Oregon, many groups are working together to meet immediate needs and plan ahead. There is a perception that some people were scared off and don’t want to come back, but that's not the case (Vero Silva). Tyrone Henry complimented Vero Silva for her commitment to her community through this time.

*Next steps*
None.

**5. Industrial Sector RFP and RFQ**
*Topic summary*
Amanda Potter and Adam Bartini from the industrial sector previewed a request for proposals (RFP) for the standard track and request for qualifications (RFQ) for technical review that will be

issued in 2021. They also gave background on how the Production Efficiency program is run, what sorts of customers it serves and what it offers.

The standard track delivers electric and gas prescriptive and calculated energy efficiency projects. Goals for the RFP include achieving cost-effective energy savings targets; broadening the Trade Ally Network; equitably serving customers across Energy Trust territory; and developing new efficiency measures. Bidders should have experience in industrial energy efficiency, implementation, trade ally management and measure development. Scoring will prioritize pricing and energy savings, followed by diversity, equity and inclusion qualifications, implementation strategy and contracting plan. These are similar criteria to what was used to score this year's Existing Buildings and business lighting RPF.

For the technical review RFQ, Energy Trust seeks an energy-efficiency engineering contractor to perform technical reviews of studies, incentive offers and project verifications. Technical reviews ensure program requirements are met and verifies energy savings. Bidders should have experience in industrial energy efficiency, project management and with some systems or technologies used.

Draft plans were presented, and details could change.

*Discussion*
Council members asked how less experienced firms gain experience to be considered for contracts (Kheoshi Owens) and whether such firms will decide to not apply when they see the requirements (Oswaldo Bernal). Tyrone Henry said Energy Trust encourages firms to do mentoring and teaming on bids.

Members asked what the qualifications are for community-based organizations (CBOs) to be involved in bids, suggesting the Portland Clean Energy Community Benefits Fund had a good criterion that could be an example for Energy Trust (Charity Fain). Amanda Potter said staff is open to feedback. Tyrone Henry suggested CBOs qualify for COBID status and encouraged council members to advocate for that.

Council members also asked about diversity in subcontracting, including whether disaggregated data on employee race could be required (Kheoshi Owens) and how to ensure subcontractors who help scoring get the proper share on contract spending (Charity Fain). Amanda Potter noted new contracts for Existing Buildings and business lighting require tracking of spending in this way.

*Next steps*
Staff will ask for a council member to be on the scoring committee for the standard track RFP.

**6. Announcements**
Michael Colgrove said staff is putting finishing touches on the 2021 budget and will send slides to council members for review soon. The budget has changed since the budget workshop in October based on public comment and feedback, including from council members.

Mark Kendall from Energy Trust's board gave an update on board's DEI Ad Hoc Committee, which was formed to better understand diversity, equity and inclusion and how to measure the organization's progress. The committee is changing its approach based on feedback, and council members were invited to join the committee.

Kheoshi Owens said she is working with Equitable Giving Circle to raise money for housing needs in BIPOC communities, with the goal of paying rent/mortgage costs for a year. She asked

for matching funds, noting that she is suffering, her community is suffering and everyone needs to step up. More information at www.equitablegivingcircle.org.

Tyrone Henry announced Energy Trust's next Diversity Thursday event on Dec. 3 will feature a panel discussion on the LGBTQ community, and invited council members to attend.

Chris Holloway from Energy Trust's program marketing team said Energy Trust is looking to expand its contract pool of writing professionals and hopes to diversify the pool with new voices and life experiences to help reach customers who haven't connected with Energy Trust in the past.

Charity Fain announced Community Energy Project is looking to hire a climate justice associate to work on policy issues and asked council members to spread the word.

**7. Adjournment**

The meeting adjourned at 11:31 a.m. The next meeting is scheduled for January 19, 2021, from 9:00 a.m. to 11:30 a.m.

# Tab 11

# Renewable Energy Advisory Council Meeting Notes

October 14, 2020

**Attending from the council:**

Anna Kim, Oregon Public Utility Commission
April Snell, Oregon Water Resources Congress
Brikky King, All Pacific Mortgage
Jaimes Valdez, Portland Clean Energy Benefits Fund
Josh Halley, Portland General Electric
Les Perkins, Farmers Irrigation District
Oriana Magnera, Verde
Josh Peterson, University of Oregon Solar Radiation Monitoring Lab
Raphaela Hsu-Flanders, Bonneville Environmental Foundation
John Cornwell, Oregon Department of Energy
Max Greene, Renewable NW
Suzanne Leta, SunPower

**Attending from Energy Trust:**

Betsy Kauffman
Dave McClelland
Lizzie Rubado
Ryan Cook
Matt Getchell
Joshua Reed
Dave Moldal
Alina Lambert
Samuel G. Birru
Jeni Hall
Elizabeth Fox
Jay Ward
Quinn Cherf
Robert Wyllie
Shayna Choulet
Sue Fletcher
Gina Saraswati
Peter West

**Others attending:**

Angela Crowley-Koch, Oregon Solar Energy Industries Association
Jim Purekal, SunPower Corp.
Marissa Johnson, Twende solar
Ray Sanchez-Pescador, Solarize Rogue
Kacia Brockman, Oregon Public Utility Commission
Frank Vignola, Oregon Solar Radiation Monitoring Lab
Zach Sippel, Bonneville Environmental Foundation
Nate Larsen, PacifiCorp
Susan Brodahl, Energy Trust board member

## 1. Welcome, Introductions and Announcements

Dave McClelland, senior program manager in the renewables sector, convened the meeting at 12:10 p.m. on Zoom. The agenda, notes and presentation materials are available on Energy Trust's website at https://www.energytrust.org/about/public-meetings/renewable-energy-advisory-council-meetings/.

## 2. Community Solar Incentives

*Topic summary*

The Solar program proposes to offer a new installation incentive for community solar projects smaller than 360 kW-AC. The objective is to support the installation of smaller community-driven

projects that provide opportunities for participation to underserved customers and/or provide additional benefits for low-income customers. Staff seeks feedback on how best to prioritize incentive funding and a fair and effective application process to distribute these funds.

The three types of proposed application processes proposed by staff are open solicitation, standard incentive and competitive solicitation. The open solicitation structure requires negotiation to find an appropriate incentive for each project. This structure may present more challenges and would work best with a lower demand for projects. The standard incentive approach is similar to the solar incentives delivered by Energy Trust; funds are provided upfront and outlined to project managers ahead of time with incentives adjusted over time. A competitive solicitation structure could vary; Energy Trust would review all applications concurrently and have a predetermined scoring metric to allocate funds.

Energy Trust's policy states a portion of a project's Renewable Energy Certificates must be attributed to Energy Trust if an incentivized project is 360 kW-AC or larger. In contrast, the Oregon Community Solar program requires retiring Renewable Energy Certificates on behalf of participants. These conflicting policies mean the Solar program can only provide Community Solar installation incentives for projects smaller than 360 kW-AC. The Community Solar Program does allow project managers to aggregate systems together as a single project, but if the combined size of the solar arrays exceeds 360 kW the program would not consider the combined project to be a small project. The Solar program will need to determine how to treat aggregated projects for incentive eligibility.

*Discussion*
Members asked for clarification on the five projects enrolled in the community solar development assistance program and the reasoning they are not yet pre-certified within the community solar program (Suzanne Leta). Staff said projects typically apply for funding at an earlier stage than program pre-certification. Three projects received development assistance and may not ultimately request pre-certification.

Members suggested it would be beneficial for project managers to be allowed to submit multiple applications that in aggregate exceed the 360 kW-AC limit. For example, a community college or a multifamily housing project could have multiple sites and provide subscriptions for low-income customers with the aggregate exceeding 360 kW-AC (Suzanne Leta). Members recommended considering how the Renewable Energy Certificate Policy applies to Community Solar incentives and asked whether it would be feasible to increase the maximum project size for these incentives (Jaimes Valdez, Raphaela Hsu-Sanders). Project financing is more difficult on a smaller scale (Oriana Magnera).

Ray Sanchez-Pescador, a nonprofit project manager, suggested funds be made available for interconnection costs as often this is the highest financial risk to a small project. Allowing incentives to cover costs posed by utilities for required system upgrades or studies would allow projects to overcome barriers (Jaimes Valdez).

Josh Halley, a program manager at Portland General Electric, inquired about the cost difference for administering a competitive incentive process versus a first come first serve process. PGE's Renewable Development Fund uses a competitive process. Staff said a competitive process is more time-intensive than a standard offer. Angela Crowley-Koch with Oregon Solar Energy Industries Association said simplicity is valued due to the Community Solar Program being complex, and there is space for projects in the carve-out. Members expressed that incentives

should be structured to allow volume but also allow room for unique projects to advance technology (Brikky King).

Members suggested prioritizing incentives for community-based organizations with a track record of serving people of color and that are building projects that prioritize leadership instead of just partnering. Co-ops allow more opportunities for outreach to lower-income and rural communities. Projects need to empower work situations, hire people within the area, prioritize entrepreneurial venture and growth within the industry (Brikky King). Adding specificity to the language of the incentive offer that prioritized nonprofits dedicated to serving low-income and Black, Indigenous and people of color was encouraged by members (Raphaela Hsu-Flanders).

Frank Vignola of Oregon Solar Radiation Monitoring Lab suggested Energy Trust needs to work with people who have vested interests and guide project managers through the process due to experience in the process. The Oregon Public Utility Commission is considering a proposal to allow community solar projects to conduct low-income recruitment and enrollment after becoming certified and operational due to challenges in low-income recruitment within the program.

Members suggested incentives should start as soon as possible for small projects and that Energy Trust should look for a way to support projects larger than 360 kW-AC (Oriana Mangnera, Jaimes Valdez).

Members voted during the meeting that their top two priorities for incentive design are simplicity for the applicants and providing incentives that reflect the unique costs and benefits of specific projects. Members also voted that Energy Trust should prioritize incentives for nonprofit and public projects. Regarding how these should be prioritized, most voted for providing additional benefits to low-income customers and projects with specific outreach to people of color or other underserved customers. Many members projected that demand would exceed available funds, others were uncertain.

*Next steps*
Staff will return at November's Renewable Advisory Council meeting with an update on next steps.

**3. Adjourn**
The meeting adjourned at 12:58 p.m.

# Tab 12

# Resolution 925
## BOARD AD HOC COMMITTEE APPOINTMENTS
December 11, 2020

**RESOLUTION R925**
**BOARD AD HOC COMMITTEE APPOINTMENTS**

WHEREAS:

1. **Energy Trust of Oregon, Inc. Board of Directors are authorized to appoint by resolution committees to carry out the Board's business.**

2. **The Directors listed below have volunteered to serve on the Ad hoc board committees as described below to consider and provide information to the full board on certain board governance issues involving roles and responsibilities and the structure of the board and its committees.**

It is therefore RESOLVED:

1. **This resolution is adopted by the board at its December 11, 2020, meeting.**

2. **That the Board of Directors hereby appoints the following directors to the following committees for terms that will continue until a subsequent resolution changing committee appointments is adopted:**

| Ad hoc Committee on Board Roles and Responsibilities |
|---|
| Roland Risser, Chair |
| Alan Meyer |
| Elee Jen |
| Eric Hayes |
| Mark Kendall |
| Melissa Cribbins (ex officio) |
| Letha Tawney OPUC (ex officio) |
| Cheryle Easton, staff liaison |
| **Ad hoc Committee on Board Governance and Structure** |
| Henry Lorenzen, Chair |
| Alan Meyer |
| Anne Root |
| Eric Hayes |
| Ernesto Fonseca |
| Susan Brodahl |
| Letha Tawney OPUC *(*ex officio*)* |
| Melissa Cribbins *(*ex officio*)* |
| Cheryle Easton, staff liaison |

Moved by: Seconded by:

Vote: In favor: Abstained: 0

Opposed: 0

# Tab 13

# Board Decision R926

**Adopt 2021 Budget, 2022 Projection and 2021-2022 Action Plan**

December 11, 2020

## Summary

To adopt the Energy Trust 2021 Annual Budget, 2022 Annual Budget Projection and 2021-2022 Action Plan.

## Background

- The Energy Trust grant agreement with the Oregon Public Utility Commission requires Energy Trust to update its two-year action plan annually and describe the activities the organization will undertake to accomplish over the coming two years.
- This update occurs each year in connection with the preparation and finalization of the following year's budget.
- The 2021-2022 Action Plan outlines activities Energy Trust will undertake in 2021 and 2022 to achieve its strategic and annual goals.
- This 2021 Annual Budget and 2021-2022 Action Plan reflect revenues, expenditures and activities for all funding sources.

## Discussion

- The Draft 2021 Annual Budget and 2022 Projections (the draft budget) and the Draft 2021-2022 Action Plan (the action plan) were presented to and discussed by the board and stakeholders at the public budget workshop held October 14, 2020.
- The draft budget and action plan were each posted on the Energy Trust website on October 7, 2020. A recording of Executive Director Michael Colgrove's budget workshop presentation was posted on the Energy Trust website on October 19, 2020.
- The Finance Committee reviewed the draft budget and the action plan on October 7, 2020.
- The Conservation and Renewable Energy Advisory Councils were presented action plan highlights at their respective meetings in September. They, along with the Diversity Advisory Council, reviewed and discussed budget details at the public budget workshop in October. They received an update summarizing budget changes and stakeholder feedback at meetings on November 17 and 18, 2020.
- Oregon Public Utility Commission staff was briefed on the draft budget and action plan on September 24, 2020.
- OPUC commissioners hosted a public workshop on November 12, 2020 where the draft budget and action plan were presented and discussed.
- Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista were engaged by Energy Trust in budget concept development starting in August. Utility representatives reviewed and discussed draft budget and action plan information through subsequent individual coordination meetings and through their representatives' attendance at a number of Conservation and Renewable Energy Advisory Council presentations, beginning late September and continuing through early November.
- Public comments were due October 28, 2020 and were received from the Oregon Public Utility Commission, PGE, NW Natural, Avista and a variety of other stakeholders.
- The board heard public comment and discussed the final proposed budget and action plan at its meeting on December 11, 2020.

## Recommendation

Staff recommends adoption of the Energy Trust 2021 Budget, 2022 Projection and 2021-2022 Action Plan.

**RESOLUTION 926**
**ADOPT 2021 BUDGET, 2022 PROJECTION AND 2021-2022 ACTION PLAN**

**BE IT RESOLVED that Energy Trust of Oregon, Inc. Board of Directors approves the Energy Trust 2021 Budget, 2022 Projection and 2021-2022 Action Plan as presented to the board at its meeting on December 11, 2020.**

Moved by: Seconded by:
Vote: In favor: 0 Abstained: 0
Opposed: 0

# Tab 14

# Board Decision R927

**Authorizing the executive director to approve a contract amendment for public relations and communications services**

December 11, 2020

## Summary

The proposed resolution authorizes the executive director to a sign an amendment to an existing contract with Colehour and Cohen (C+C) to conduct public relations (PR) and communications on behalf of Energy Trust which would authorize expenditure under the contract to exceed $500,000. With a 2021 contract amendment of $380,000, the total amount of Energy Trust's PR contract with C+C will exceed $500,000, the maximum amount authorized for signature by the executive director without board approval. The resolution authorizes the executive director to sign an amendment to the contract which authorize expenditure under the contract up to $879,999, consistent with the board-approved 2021 budget.

Since 2019, Energy Trust has worked with C+C to drive program participation and build awareness among eligible customers and stakeholders. Contracting with C+C since 2019 has resulted in approximately $2.4 million in media value from articles in print, broadcast and online media outlets. This contract allows Energy Trust to leverage external PR expertise, relationships, and multicultural and diversity, equity and inclusion experience and use limited staff resources on other high-priority work. C+C was selected pursuant to a competitive bid process conducted in 2018.

In 2021, Energy Trust will conduct a competitive request for proposals for PR services to be delivered in 2022 and 2023.

## Background

PR is an important marketing and communications strategy for Energy Trust to drive program participation and build awareness with customers and stakeholders. Through PR, Energy Trust seeks to reach and inform residential, commercial and industrial customers, renewable energy project developers and stakeholders such as contractors, business associations, cities and counties, local elected officials, community-based organizations, clean energy industry organizations and reporters and publishers around the state.

PR activities include earned media (media relations; press releases; promotion of customer success stories, project highlights, program news and promotions; and relationships with reporters), paid media (articles authored by Energy Trust), social media on Energy Trust accounts, and events that garner media coverage and attendance by stakeholders and potential participants (such as customer ribbon cuttings).

Energy Trust investments in PR are made to achieve organizational goals. Because awareness is a first step in participation, PR helps fill the top of the marketing funnel and primes customers to turn to Energy Trust when they are ready to invest in clean energy. PR also helps build credibility that Energy Trust is a neutral, expert source of information and support. Credibility is key to collaborating with communities and community-based organizations to reach underserved customers, such as customers of color, customers with

low-to-moderate incomes and customers in rural areas. Working in concert with outreach, advertising and other marketing activities, PR is an effective strategy to achieve these goals. Staff selected C+C following a competitive request for proposals in 2018. After receiving responses from 10 PR agencies and interviewing the four highest-scoring candidates, staff selected C+C based on competitive costs, expertise in clean energy and in Oregon, demonstrated experience working with nonprofits and public agencies, a strong multicultural team with a record of success engaging communities of color and rural communities, and online strategy expertise. With offices in Portland, Seattle and Boston, C+C has an organizational diversity, equity and inclusion commitment; 19% of C+C staff identify as Black, Latinx, Asian or multi-racial, and 22% of directors and 29% of senior staff identify as non-white.

C+C's 2021 scope of work includes strategy, planning and execution of proactive and reactive media relations; integrating PR into marketing campaigns; media training for spokespeople; social media; events management for some renewable energy customer events; communications consulting; and reporting on media activity and value.
C+C's experience and expertise in clean energy on a national and local scale includes work with Northwest Energy Efficiency Alliance, the U.S. Environmental Protection Agency and the U.S. Department of Energy.

C+C's approach to diversity, equity and inclusion aligns well with Energy Trust's diversity, equity and inclusion and program participation goals. The agency's multicultural team is integrated into all of C+C's work and ensures that every PR or marketing campaign resonates across language and culture. C+C approaches multicultural communications through transcreation, which goes beyond literal translation and considers both language and cultural context to deliver effective, culturally responsive and equitable PR and marketing campaigns to multicultural communities.

With nearly two years of experience supporting Energy Trust on PR and familiarity with and connection to Energy Trust's residential marketing activities through a separate residential advertising contract, C+C is well positioned to continue to help Energy Trust achieve its PR and organizational goals.

## Contract Benefits and Results

With C+C's guidance and services, Energy Trust has advanced to a more comprehensive and consistent PR approach. Energy Trust has transitioned from executing press releases and events to a more dynamic approach to PR, including:

- Integration with marketing and advertising campaigns, which amplifies the impact of all marketing and communications efforts and ensures customers experience consistent and complementary messages in the market
- Improved coordination among organizational and program PR efforts
- More customized and targeted stories and pitches
- Transcreated Spanish content
- New investments in building relationships with reporters
- Taking advantage of new paid PR opportunities, such as articles authorized by Energy Trust
- A more robust and cohesive social media strategy that engages customers and stakeholders
- New strategies such as leveraging social media influencers
- More focus on stories that reflect underserved communities
- Robust annual planning and efficient reporting of results

Energy Trust achieved a total of $2.4 million in media value as a result of a $499,999 contract investment in 2019 and 2020. We quantify PR results in terms of media value, the dollars it would have cost to purchase equivalent advertising space or airtime. However, these dollars don't adequately capture important qualitative outcomes that are unique to PR, such as positive sentiment and credibility that comes from reaching customers through channels they trust and turn to for information.

**In 2019, the first year of Energy Trust's contract with C+C, PR efforts resulted in 237 news articles that represent a media value of $880,000**. High-impact PR efforts included:

- A Tumalo Irrigation District Irrigation Modernization Project media event with Sen. Jeff Merkley, which advanced relationships with potential funders of irrigation projects, highlighted modernization opportunities and resources for other irrigation districts, and garnered media coverage worth $130,000 from *OPB, The Bulletin* and more.
- English and Spanish media outreach to promote Woodburn School District's net zero Success Alternative High School and Energy Trust's 2018 annual results, leading to stories in the *Woodburn Independent* and on a local Spanish radio station and website, *La Campeona Fuego*.
- A ribbon-cutting event for the largest multifamily solar project installed in Milwaukie that garnered coverage from *OPB, Business Tribune, KGW, Clackamas Review* and more.
- An interview with *Wired* magazine for an article about making homes more energy-efficient and smart, resulting in a quote from Energy Trust staff about smart thermostats and national exposure.

**Thus far in 2020, despite the media's focus on COVID-19 and other news topics, Energy Trust and C+C achieved 93 articles that represent a media value of $1.5 million through quarter three**. PR also supported the programs' ability to pivot quickly in response to COVID-19 and other events. High-impact PR efforts included:

- Connecting Energy Trust's programs and expertise with topics of high interest, including *Oregonian* articles on managing electric bills and promoting appliance rebates during COVID-19 ($317,000 value), indoor air quality tips during wildfires ($335,000) and low-cost tips for working from home ($90,000). These articles demonstrate how PR strategies can be applied flexibly to connect to topics of interest to customers and stakeholders.
- Developing a new www.energytrust.org/kids webpage featuring energy-related educational content as a resource for parents and children shifting to remote learning.
- Executing a new strategy to leverage a social media influencer with a robust local social media network to promote Energy Saver Kits. Influencer posts included videos of opening an Energy Saver Kit and installing products.
- Transcreating a Spanish press release about new Diversity Advisory Council members, resulting in coverage in *La Cameona Fuego*.
- Promotion of a hydropower project with the City of Hillsboro early in quarter four, which demonstrated community collaboration with the city and PGE and resulted in more than a dozen stories by *KGW, Portland Business Journal, Hillsboro News-Times* and numerous trade publications.

In 2019, 21% of all media coverage featured stories about communities of color, low-income customers or rural communities; this has increased to 27% through quarter three of 2020. Also in 2020, C+C helped Energy Trust deliver its first ever Spanish language media training for two program management contractor staff and developed key messages in Spanish.

Based on learnings in 2020, Energy Trust plans to expand PR in 2021 as a strategy to achieve organizational goals and engage stakeholders by investing $380,000 in program and organizational PR. This includes more investment in social media as an increasingly important PR channel; further work with C+C's multicultural team to develop cross-cultural and culturally specific media strategies; and developing and rolling out a social media micro-influencer approach to reach communities of color and rural communities.

## Discussion

- Staff recommends board approval for the executive director to sign an amendment to Energy Trust's current contract with C+C to continue to conduct public relations (PR) and communications on behalf of Energy Trust through. The recommended amendment would extend the current contract's term for one year and authorize an additional $380,000 in expenditures, bringing the total amount authorized under the contract to $879,000, an amount requiring board approval.
- This contract will allow Energy Trust to continue working with C+C to drive program participation and build awareness among customers and stakeholders. C+C brings the expertise and skills needed to help the organization reach, serve and engage customers to achieve organizational goals, especially communities of color, customers with low incomes and rural communities.
- In 2021, C+C will deliver strategy, planning and execution of proactive and reactive media relations; integration of PR into marketing campaigns; media training for spokespeople; social media; events management for some renewable energy customer events; communications consulting; and reporting on media activity and value.

## Recommendation

Authorize the executive director to execute an amendment to Energy Trust's contract with C+C for PR and communications services authorizing additional expenditures of up to $380,000, an amount that would authorize total contract expenditures C+C for PR services to exceed $500,000.

**RESOLUTION 927**
**AUTHORIZING AN AMENDMENT TO A CONTRACT WITH COLEHOUR AND COHEN**

**WHEREAS:**

1. **Contracting for public relations and communications services allows Energy Trust staff to leverage industry expertise to raise customer and stakeholder awareness of Energy Trust, promote programs and services, and respond to media interest in the organization.**
2. **There is a connection between public relations activities and improved customer and stakeholder awareness of incentive offers and the benefits of Energy Trust delivering energy efficiency and renewable energy programs.**
3. **Continuing to work with an established public relations agency allows Energy Trust to leverage external PR and communications expertise, relationships and multicultural and diversity, equity and inclusion experience and use limited staff resources on other high-priority work.**

**It is therefore RESOLVED, that the board of directors of Energy Trust of Oregon, Inc. authorizes the executive director to:**

- **Sign an amendment to the existing and current contract with C+C for public relations and communications services with terms and conditions that include, but are not limited to, the following:**
    - **Authorizing additional payments for 2021 of up to $350,000, which would bring the total authorized payments under the contract to be $879,999 for delivery of PR and communications services on behalf of Energy Trust and payable to C+C under contract terms and conditions;**
    - **providing for a contract term to cover PR and communications services through 2021;**
    - **providing for reporting on results and media value; and**
    - **other terms and conditions to ensure C+C services are designed and executed to further Energy Trust's PR and communications strategy.**

Moved by: Seconded by:

Vote: In favor: Abstained:

Opposed: [list name(s) and, if requested, reason for "no" vote]

# PINK PAPER

# Board Decision

**Authorizing the executive director to approve a contract exceeding $500,000 for purchase of advertising through Grady Britton**

December 11, 2020

## Summary

The proposed resolution authorizes the executive director to a sign a contract with Grady Britton, a full-service marketing firm located in Portland, for comprehensive advertising and media buying services for traditional and digital advertising on behalf of Energy Trust in 2021. The aggregate cost of the advertising that Grady Britton will purchase on our behalf will exceed $500,000, the maximum amount authorized for signature by the executive director without board approval.

The resolution authorizes the executive director to sign a two-year contract, authorizing up to $1.5 million for the first year, consistent with the final proposed 2021 budget for advertising and media buying services. The amount of the first-year contract budget that is expected to flow through to media outlets is $1,320,000, leaving $180,000 to Grady Britton for advertising and media buying services in 2021. The second-year contract budget would be determined consistent with Energy Trust's 2022 advertising planning and approved through the 2022 budget process. The proposed contract would also authorize the possibility of an additional one-year extension depending on satisfactory contract performance. Staff would return to the board in 2022 for discussion and make a recommendation on any extension.

## Background

Advertising is used to raise awareness of Energy Trust offerings and motivate customers to act. Advertising reaches customers in all Energy Trust service territories. In recent years, we have worked to reach more communities of color and rural communities. Over the last two years we have placed advertising in Spanish-language radio, TV, and online mediums. Our creative development has included transcreation for communities of color. This means that during the development of creative content (images/illustration, copy, music choices, etc.) for the advertising, cultural differences are considered and incorporated into the final product.

Energy Trust's media buy includes general awareness, business (covering commercial and industrial), and residential campaigns. In addition, there are industrial, agricultural and renewable program ads placed throughout the year. Some measure- and offer-specific advertising is purchased by program management contractors. Together, this advertising helps customers along the journey to program participation.

Energy Trust's advertising budget continues to be between one and two percent of the annual budget, which is lower than average, based on business and marketing industry research. The budget allocated for advertising each year is determined through the annual planning and budget process, which establishes our organizational goals and our savings and generation targets for the year. The budget generally ranges between $300,000 and $500,000 each, for general awareness, business, and residential advertising.

## Contract Benefits

In 2019 and 2020, advertising was purchased by two separate media-buying agencies; one for digital (which remained under $500,000 in 2020) and one for traditional media such as radio and print. The proposed contract for 2021 is comprehensive, meaning we will have one contract to purchase both digital and traditional media. We believe that having a comprehensive media-buying contract is a benefit to ratepayers, and Grady Britton's proposal for comprehensive media-buying was compelling and cost-competitive.
Grady Britton was selected through an RFQ process by a committee of Energy Trust staff to enter into a contract to purchase media on behalf of Energy Trust in 2021-2022. Sixteen submissions were reviewed, and several agencies rose to the top based on their approach to working with clients and reaching diverse audience, their reporting, and their pricing. Based on pricing and reporting capabilities, the field was narrowed to agencies that could provide comprehensive media buying.

Grady Britton stood out as an agency that has deep experience reaching rural audiences and communities of color, with clients that align with our values. They also have a competitive cost structure, providing extensive reporting on comprehensive media buying for slightly more than Energy Trust paid for traditional media buying services alone in 2020. ($180,000 projected in 2021 as opposed to $166,000 paid in 2020) After going through multiple contracting scenarios, the team identified their proposal as the lowest-cost option.
Grady Britton is a certified woman-owned business and a certified B Corp Corporation. Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. Grady Britton has annual DEI education and training goals and has evolved its recruiting in recent years to achieve an inclusive and equitable culture.

The mix of advertising proposed for Energy Trust by Grady Britton will change over time to take advantage of new media channels and ensure we are reaching all customers, achieving goals and maintaining visibility in all parts of the service territory. Having one contract that includes all advertising mediums will allow Energy Trust to make decisions in real time and take advantage of changes in media consumption. It will also provide reporting that combines all advertising mediums, with suggestions for adjustments based on performance and audience preference.

For example, the latest national media reports indicate that TV news viewing increased significantly in 2020, in particular among the underserved audiences we wish to reach. Among Black and Hispanic audiences, TV news consumption has increased by 58% and 66%, respectively, whereas time spent on TV news only increased by 47% among white audiences. Having one contract that crosses media types allows us to respond quickly to this type of shift in media consumption and change our investments throughout the year, without contract implications.

Contracting with Grady Britton means:

- New thinking from an advertising and media buyer that has worked in communities across Oregon for 46 years, on campaigns like SmokeFree Oregon and the rebrand of Clean Energy Works Oregon to Enhabit. As part of their work with other clients, such as Oregon Health Authority, Oregon Coast Aquarium, and Clean Water Services (Hillsboro), Grady Britton has built strong relationships with media in communities of color and rural communities. These relationships will help Energy Trust reach populations identified in our DEI initiative.
- Strategic advertising plans that cross all advertising mediums and are reviewed and approved by internal staff before any purchase is made.

- Reporting that covers the reach of the campaign, engagement and suggestions for improvements on a weekly basis.
- An approach to rural areas of the state that includes a mix of data tools and research into local media opportunities that could include events or partnering with a local brand.

## Discussion

- Staff proposes to contract with Grady Britton in 2021-2022 to purchase space on TV, radio, print, outdoor and non-programmatic online media at a budget of up to $1.5 million, which would be comprised of up to $180,000 payable to Grady Britton for advertising purchasing services and the remainder payable through Grady Britton to advertising providers. This contract combines what was previously two separate contracts totaling $1,565,000 to purchase traditional and digital media, so the total year over year reduction is $65,000. The proposed contract amount in 2021 is consistent with the advertising budget amount proposed for approval through the 2021 budget process.
- This contract will allow Energy Trust to leverage Grady Britton experience building rapport with local media and securing added-value such as local event sponsorships and additional media placement on behalf of its client base. Grady Britton works closely with culturally diverse creative and media firms to purchase advertising in diverse media outlets.
- Grady Britton has successfully managed statewide media buying for similar clients. Using a mix of digital advertising, they were able to achieve a .45% click-through rate for the Oregon's Health Insurance Marketplace.
- Advertising regularly brings significant visitors to our website, and in 2020, the purchase of traditional and digital media brought tens of thousands of visits to Energy Trust web pages via the three main advertising campaigns. The web site is where customers learn about incentives and what next steps to take toward an energy-savings project.
- Grady Britton will do this work for a cap of $180,000 for the year. This rate is the lowest of the rates proposed by other media-buying companies during the 2020 RFP. Grady Britton generally does not receive a commission from media companies, and if a commission is ever received, it will be passed through to Energy Trust in the form of added value.
- Grady Britton will purchase media in the appropriate markets and targeted to the audiences specified by Energy Trust staff and ensure that all advertisements are delivered to the appropriate media outlets. Expanded focus will be placed on reaching underserved customers in 2021, including communities of color, rural and low- and moderate-income customers. For this, Grady Britton will partner with media strategy firms and media outlets that are within those communities.
- Deliverables for this contract will include media market analysis, media placement plans, added-value that aligns with Energy Trust goals and PR strategy, media buy detail that includes an explanation of strategy, any channel exclusions and reasoning, affidavits of placement from media outlets, and post-analysis and reporting that includes media bonus reports.

## Recommendation

Authorize the executive director to sign a contract for up to $1.5 million for media buying services and purchase of broadcast radio, TV, print, outdoor, programmatic digital media and search engine advertising in 2021, and for the same services in 2022 for an amount approved through the 2022 budget process.

**RESOLUTION 928**
**AUTHORIZING A CONTRACT WITH GRADY BRITTON FOR ADVERTISING PURCHASES AND PURCHASING SERVICES**

**WHEREAS:**

1. **Media buying at Energy Trust allows programs to advertise in print, radio, TV, outdoor and online, creating program awareness, and promoting services, programs, and products.**
2. **Advertising is how participating customers often hear of us, and there is a clear connection between advertising and customer awareness and engagement, leading to savings and generation.**
3. **Using a full-service marketing firm with professional advertising and media buyer capabilities brings media buying expertise and networks and allows Energy Trust staff more time to focus on the goal of reaching more customers, and evaluate the meaning behind reports to develop future strategies.**
4. **Using a professional advertising and media buyer allows Energy Trust to take advantage of added-value that works in collaboration with PR goals and promotes Energy Trust across mediums.**
5. **Grady Britton, a full-service marketing firm with extensive media buying expertise, brings deep experience reaching rural audiences and communities of color and presented a competitive cost structure for their services.**

**It is therefore RESOLVED, that the board of directors of Energy Trust of Oregon, Inc. authorizes the executive director to:**

- **Sign a contract with Grady Britton for advertising purchasing services with terms and conditions that include, but are not limited to, the following:**
    - **Authorizing payments of up to a total of $1.5 million for the purchase and reporting of broadcast radio, TV, print and online media on behalf of Energy Trust, which includes up to $180,000 of the total authorized contract amount payable to Grady Britton for Energy Trust advertising purchasing services;**
    - **providing for a contract term to cover advertising and media buying services through 2021 and 2022, and provisions to consider a possible one-year extension through 2023 based on achieving certain extension criteria and extension approval by the Energy Trust board of directors;**
    - **providing for weekly and campaign-end reporting on purchased media reach and copy; and**
    - **other terms and conditions to ensure Grady Britton services and media purchases are designed and executed to further Energy Trust's advertising strategy.**

Moved by: Seconded by:

Vote: In favor: Abstained:

Opposed: [list name(s) and, if requested, reason for "no" vote]