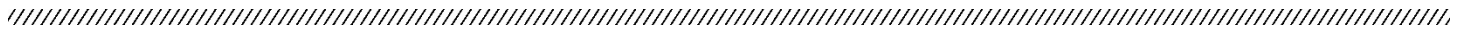


Quarter Two 2021 Report to the Oregon Public Utility Commission & Energy Trust Board of Directors



ENERGY TRUST OF OREGON
August 13, 2021



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A glossary of program descriptions and key terms is available online at www.energytrust.org/reports

I Results at a glance^{1,2,3}

Savings

 = Year-to-date goal  = Annual goal

⚡ Total electric savings



⚡ PGE



⚡ Pacific Power



¹ This document reports gross savings.

² aMW indicates average megawatts, MMTh indicates million therms and MM is million.

³ Energy goals and budget figures reflect an amended 2021 budget approved by Energy Trust's board of directors in May 2021. For this reason, some goals and figures are different than what was reported in Energy Trust's quarter one report.

Total gas savings



NW Natural





Cascade Natural Gas



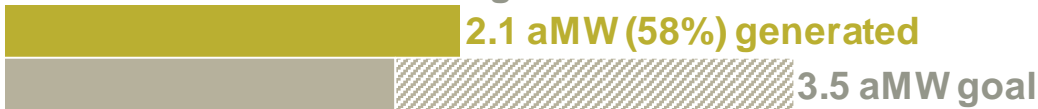
Avista



Generation

 = Year-to-date goal  = Annual goal

Total renewable electric generation



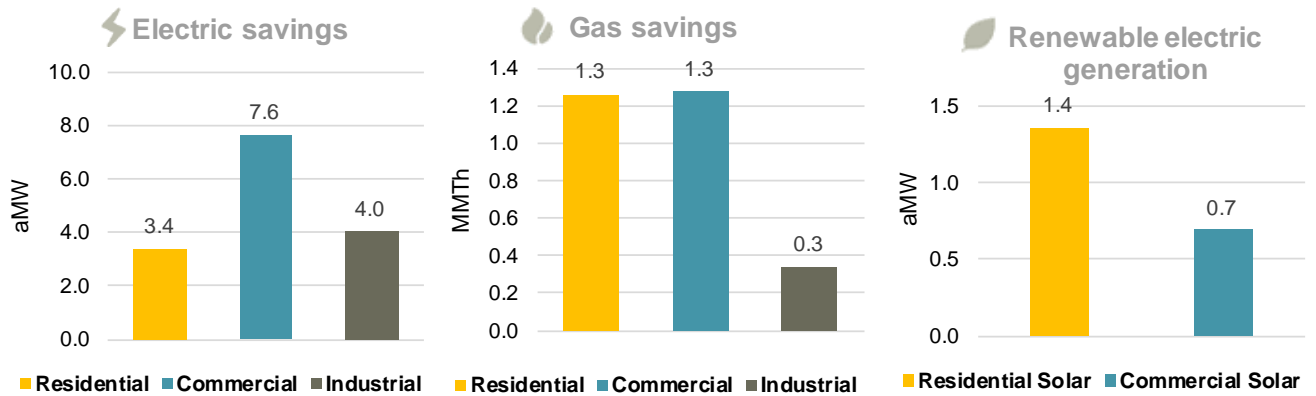
PGE



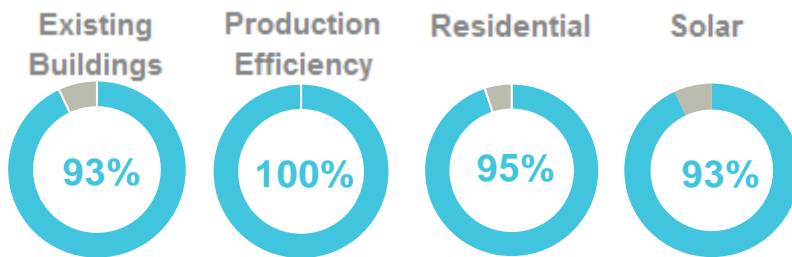
Pacific Power



Savings and generation by sector year-to-date⁴



Customer satisfaction⁵



⁴ Charts may not total due to rounding.

⁵ From April to June 2021, Energy Trust delivered a short web and telephone survey to 343 randomly selected participants in Oregon programs who completed projects between January and March 2021 and received an incentive or discount from Energy Trust. New Buildings participants are surveyed every other year; the most recent survey in 2018 found 98% customer satisfaction.

Oregon public purpose charge expenditures^{6,7}

■ = Year-to-date budget ▨ = Annual budget

\$ Total



\$ Energy Efficiency



\$ Renewable Energy



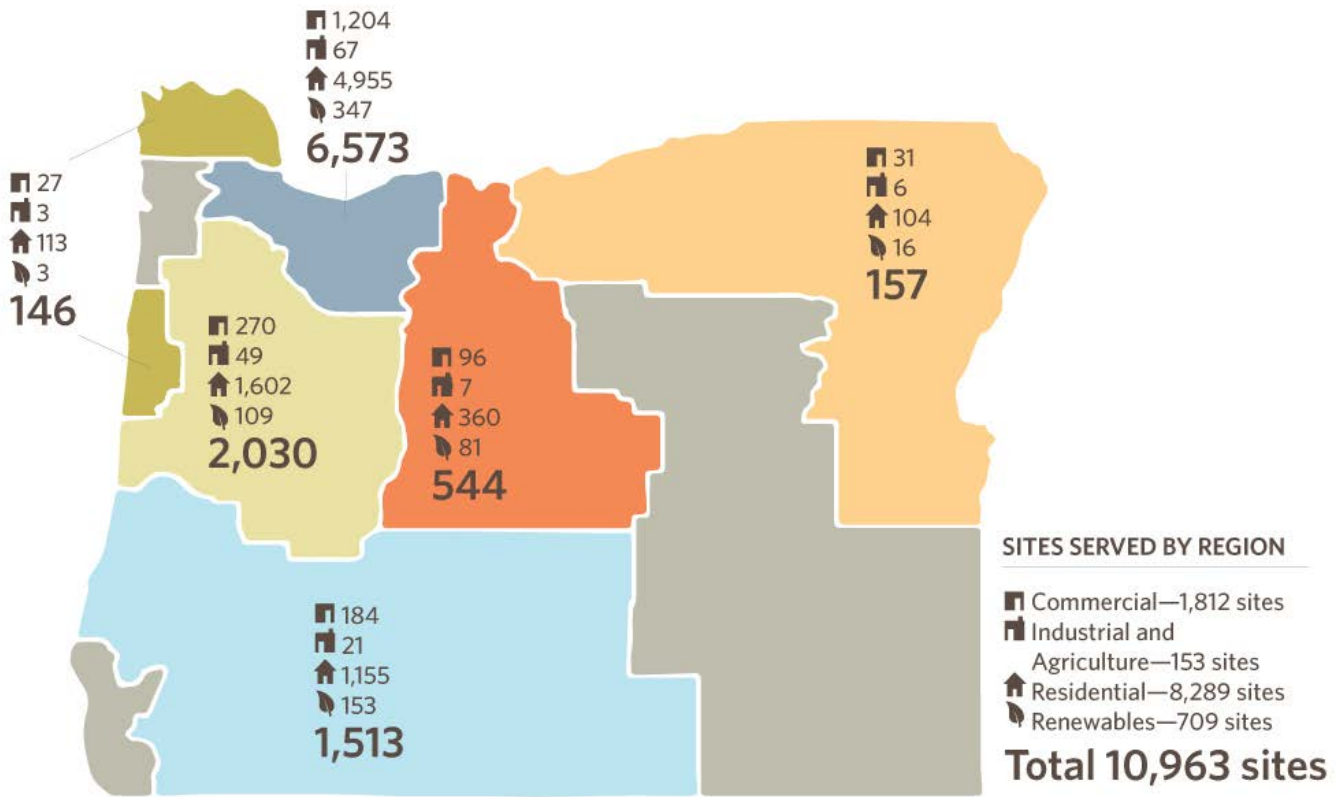
\$ Administrative



⁶ Expenditures include public purpose funds only. Low-income solar grants, Community Solar, NW Natural Washington activity and business development funds are not included. This information is available in the total organization results appendix.

⁷ Administrative costs are different from administrative and program support costs defined by the OPUC's performance measure.

Sites served by region for the quarter⁸



Progress to annual organization goals

This table provides an at-a-glance update on Energy Trust's progress toward 2021 organization goals, established through the 2021 business plan, budget and action plan process with input from advisory councils and approval by the board. These goals reflect the organization's priorities for the year and guide staff decision-making regarding allocation of resources. For more detail on progress to 2021 goals, see Section VI.

Goal	Status
Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic.	On track
Invest in relationships and collaborations with other entities to meet common needs and future objectives.	On track
Enhance operating processes and internal culture to efficiently respond to change.	On track

⁸ This document reports on Energy Trust services to Oregon customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista. Areas in gray are not served by these utilities. Sites served excludes products purchased from distributors and retailers.

II Executive summary

The body of this report includes only activity funded by Oregon electric utility customers of PGE and Pacific Power under state law and by Oregon natural gas customers of NW Natural, Cascade Natural Gas and Avista through regulatory agreements between the OPUC and each natural gas utility. The total organization results appendix reports energy savings, generation, expenditures and revenue for all Energy Trust activity, including activity in NW Natural territory in Southwest Washington, Energy Trust's subcontract to deliver the Oregon Community Solar Program and other activity.

A. Progress to energy efficiency and renewable energy goals

The purpose of the quarter two report is to highlight the organization's mid-year savings and generation; preview expected achievement of year-end goals based on early indicators, such as pipelines and forecasts; and reflect priorities and any needed changes to reach year-end goals.⁹

- At the close of quarter two, Energy Trust expects to meet its annual energy efficiency goals in Portland General Electric and Pacific Power territories and exceed goals in NW Natural, Cascade Natural Gas and Avista territories.
- Electric efficiency improvements completed in quarter two saved 10.4 average megawatts of electricity, **contributing to 15.1 aMW saved year-to-date**. Year-to-date savings account for 32% of the 2021 goal of 47.4 aMW.
- Gas efficiency improvements completed during quarter two saved approximately 1.7 million therms of natural gas, **contributing to 2.9 million therms saved year-to-date**. Year-to-date savings account for 47% of the 2021 goal of 6.1 million therms.
- Renewable energy systems installed during quarter two will generate 1.15 aMW of electricity, **contributing to 2.05 aMW of generation year-to-date**. Year-to-date generation accounts for 58% of the 2021 goal of 3.54 aMW. Renewable energy programs are forecasted to far exceed goals for the year.
- Year-to-date savings and generation achieved represent about **99,000 tons of carbon dioxide** kept out of the atmosphere, the equivalent of removing 21,000 cars from Oregon roads.

15.1

AMW SAVED IN 2021

2.9

MILLION THERMS SAVED IN 2021

2.05

AMW GENERATED IN 2021

B. Notable activities and trends

- Energy Trust is carefully monitoring unusual market conditions and adapting offers to remain relevant and within budget. This is being done through reduced incentive amounts, incentive caps and promotional pauses in certain areas, including for Existing Buildings projects, standard and custom industrial projects and certain residential offers. Staff is also doing more frequent forecasting to inform these decisions.

99,000

TONS OF CO₂ AVOIDED IN 2021

⁹ Each report serves a specific purpose for communicating activities: quarter one reflects efforts to build a pipeline of projects through analyses, studies and outreach to achieve annual savings and generation goals; quarter two highlights the organization's mid-year savings and generation, previews expected achievement of year-end goals based on early indicators and reflects priorities and needed changes to reach year-end goals; quarter three identifies year-to-date savings and generation and previews expected achievement to year-end goals based on indicators such as pipelines and forecasts, with more information available than in quarter two; quarter four reflects Energy Trust's final accomplishments and is delivered as an appendix to the annual report in April of the following year.

- Bonuses offered in 2020 spurred activity when businesses were cautious due to COVID-19 impacts. The activity created an unusually large pipeline of electric efficiency projects for 2021, leaving a smaller portion of budget available for new projects in 2021 than in typical years.
- In May, the board approved an amended 2021 budget that recognized the potential to acquire additional, cost-effective electric savings than originally identified in the approved 2021 budget. It included additional electric utility revenue for the Existing Buildings and Production Efficiency programs and business lighting offers to capture additional electric savings.
- By the end of quarter two, in response to high gas installation activity in the commercial and residential sectors that were in some cases related to 2020 bonus offers, discussions were in place that led to passage of a board resolution in July on spending contingency reserves to sustain gas offers.
- While Energy Trust is forecasted to meet its year-end savings goals, it is falling short of its year-to-date electric goal due to backlogs in project processing and lower participation due to the reduced incentives, especially in lighting.
- Energy Trust is engaging with customers who continue to grapple with uneven effects of the pandemic. Residential customers are showing higher-than-typical interest in home improvement projects as many are still working and spending more time at home. Among commercial customers, project enrollments are up among large grocery stores and new retail stores. Meanwhile, low-income residential customers, small businesses and multifamily property owners continue to be negatively impacted, while others are facing pandemic-related labor and material shortages.
- Energy Trust is helping more customers access solar energy as they look to invest in their homes, become more resilient in the face of wildfires and other extreme weather events and take advantage of a federal solar tax credit. Energy Trust received close to 1,600 solar applications in the first half of 2021, a more than 50% increase compared with the first half of 2020 and twice the volume for the same period in 2019.
- **Energy Trust has been working since fall 2020 to support customers affected by the Labor Day wildfires. In quarter two, staff worked to develop new offers for 2022 for homes and multifamily residences.**
 - Staff will explore incentives that reflect an older building code than current code as the baseline for homes and businesses being rebuilt after the 2020 wildfires. Allowing an older code year for these buildings is allowed under a new state law, and Energy Trust incentives are to encourage building to standards above the current code.
- Staff completed business planning for 2022 in quarter two that included setting organizational goals with input from stakeholders. Goals include achieving savings and generation while helping customers who experience significant energy burden or are impacted by natural disasters; expanding support for community-led initiatives in clean energy; adapting to a changing environment.
- Energy Trust's outreach to news media ahead of June's historic heat wave led to significant news coverage of cooling tips, including in Spanish-language outlets. Combined with other public relations efforts, coverage of Energy Trust offers and information for quarter two was the equivalent to more than \$800,000 in advertising value.



**DEVELOPED OFFERS
TO SUPPORT HOME
REBUILDING
FOLLOWING
WILDFIRES**

- Energy Trust is on track to meet or has already achieved the majority of targets identified in the 2021 Diversity, Equity and Inclusion Operations Plan. These include increasing participation in efficiency programs among residents in areas where more people of color live, helping small and medium commercial businesses and rural businesses save energy and helping more low-income residents install solar panels. For more, see Appendix 2.
- **Starting in June, Energy Trust launched a series of summits to hear from underserved customer and contractor groups to better understand their needs and challenges.** Comments focused on affordable housing availability, the need for workforce development, and issues related to labor shortages and certification challenges faced by diverse companies. This information will inform the development of Energy Trust's 2022 Diversity, Equity and Inclusion Operations Plan.
- Energy Trust is offering incentives for reduced-cost lighting products at more discount retailers and grocery stores and in more towns to reach rural and low-income customers. This has resulted in 60% of retail lighting savings in 2021 coming from these targeted retailers compared to 20% in 2018.
- Staff responded to information requests from legislators, stakeholders and OPUC staff regarding HB 3141, the public purpose charge modernization law, which, among other changes, extends the sunset by 10 years, effectively removes the sunset on energy efficiency by moving its funding into ratemaking processes, expands what qualifies for renewables funding and includes equity metrics for all funds invested by Energy Trust.
- Staff supported the OPUC in developing and hosting a workshop on Energy Trust and energy efficiency, exploring options to serve more lower-income customers. The workshop was part of UM 2114.



**LAUNCHED SUMMIT
SERIES TO HEAR
FROM CUSTOMERS**

C. Updates requested by the OPUC

This section provides information requested by the OPUC in comments provided on Energy Trust's 2021 Budget and 2021-22 Action Plan, plus other information requested by OPUC staff.

Report on efforts to identify new savings sources or delivery approaches for the Residential program:

- Staff continued monitoring performance of a ductless heat pump smart controls research project, which launched in 2020 and explores the energy efficiency benefits and demand response capabilities of Wi-Fi enabled ductless heat pump controls. Study findings will be published in early 2022.
- Staff developed a research roadmap in quarter two to identify and prioritize new technology for study in future research projects based on potential savings opportunities. The roadmap formalizes a process that involves other Energy Trust staff and external partners.
- Staff concluded project enrollment for the Manufactured Home Replacement Pilot and continued work to transition the pilot to a program. As part of that transition, Energy Trust will seek a cost-effectiveness exception from the OPUC due to challenges associated with quantifying non-energy benefits to replacing aging homes. Ongoing wildfire rebuilding efforts and demand for energy-efficient manufactured homes have led to high interest in the pilot.

Provide highlights on work to refine peak modeling capability:

- Staff met with OPUC staff to better understand how guidance coming out of the capacity docket (UM 2011) will influence the development of Integrated Resource

Planning and how Energy Trust should track peak savings. Tracking and reporting on peak savings is part of a 2022 organization goal.

Provide updates on work to implement a supplier diversity tracking system:

- Staff is finalizing a supplier diversity policy statement, which will lay out the rationale for a supplier diversity initiative and guide the creation of a supplier diversity tracking system. The policy statement, expected to be finalized in August, identifies the critical elements of a supplier diversity initiative and establishes new norms and protocols regarding procurement and contracting processes. This new policy is designed to increase contracting and subcontracting with diverse firms. Once the policy is finalized, staff will focus on creating specific requirements for a supplier diversity tracking tool.

Continue to report on complementary funds activities, tracking the status of co-funding opportunities and the outcomes of those arrangements:

- Energy Trust provided nearly \$56,000 in incentives for projects that leveraged funding from Oregon Housing and Community Services for low-income residential customers with Community Action Organization, the community action agency in Washington County. Some activities were delayed due to pandemic-related contractor and supplier shortages.
 - A proposal to continue co-funding with CAO is in development and will be delivered to the OPUC in quarter three.
 - **In quarter two, Energy Trust and PGE staff met with community action agencies in Yamhill, Multnomah, Clackamas and Washington counties and agencies in the mid-Willamette Valley to gauge their interest in co-funded work.**
- Energy Trust anticipates co-developing and co-delivering demonstration projects in support of PGE’s proposed Smart Grid Test Bed Phase II framework. PGE expects to submit a final proposal for OPUC review in quarter three.
- Awards for U.S. Department of Energy Connected Communities grant program were delayed until September. Energy Trust previously participated in grant writing for a PGE-led project focused on the North Portland Smart Grid Test Bed area and would have a role in planning and implementation of the project if awarded.
- Energy Trust is awaiting the outcome of Pacific Power’s demand response request for proposals, issued in quarter one. Staff expects to coordinate with the winning bidders in quarter three on the development of demand response programs.

Update on co-funding with Oregon Housing and Community Services Multi-Family Energy Programs:

- In 2020, Energy Trust began co-funding projects at affordable multifamily housing properties with OHCS with approval from OPUC. The co-funding aims to drive additional savings through increased funding for projects that serve affordable housing and to expand project scopes and benefits for customers. Four projects were supported in quarter two and interest from affordable housing managers is high. Energy Trust will seek continued approval from OPUC for the model.



**WORKED TO
INCREASE CO-
FUNDED PROJECTS
BENEFITTING LOW-
INCOME RESIDENTS**

III Program and operations activity

A. Commercial sector highlights

The commercial sector is comprised of two programs: Existing Buildings and New Buildings. Existing Buildings is delivered by Program Management Contractor TRC and includes multifamily offers. The program offers incentives for energy-efficient improvements in existing commercial buildings of all sizes. The New Buildings program, delivered by Program Management Contractor CLEAResult, supports design and construction of high-performance commercial buildings and major renovations of all sizes and building types. Lighting offers for commercial customers are delivered by Program Delivery Contractor CLEAResult that also serves industrial customers.

- The sector expects to meet or exceed its savings goals for all utilities except Avista.
- Electric and gas savings were driven by custom and prescriptive projects at existing buildings, especially insulation and other prescriptive projects in schools.
- **Energy Trust is engaging customers in highly active markets including large grocery stores, office buildings and retail stores.** New building projects for retail stores had one of the highest quarterly enrollments in program history amid rising consumer optimism at the time.
 - Staff is beginning to see a return to a normal mix of public/private sector projects. Projects at public buildings such as schools and municipal facilities dominated the pipeline in 2020 as facility occupancies were low and private businesses scaled back activity.
- Project enrollments for multifamily housing properties are down compared with previous years as the pandemic limited on-site work. Additionally, some new construction multifamily projects slated for 2022 completion moved to 2023, likely due to labor and material shortages.
- Staff is monitoring a large number of projects that are expected to use a large portion of the gas incentive budget. As a result, gas incentive caps were implemented in June for NW Natural and Avista to manage incentive spending and provide consistency for customers and trade allies across utility territories. (The decision to not implement caps in Cascade Natural Gas territory was made in coordination with that utility.)
- Energy Trust continues to process a large volume of lighting project applications related to its 2020 lighting bonuses. Among commercial customers, the biggest drivers of lighting savings in quarter two were tubular LEDs, exterior LED fixtures and high- and low-bay LEDs.
- Through Strategic Energy Management, Energy Trust helped participants balance energy efficiency with COVID-19 building safety recommendations that may use more energy as business activity started to return to pre-pandemic levels.
- Energy Trust signed a grant agreement with Community Energy Project to fund 16 free cooling workshops for residents of affordable multifamily housing starting in July. Participants will also receive do-it-yourself materials to make their homes cooler and more comfortable.
- Staff continued to work on the New Buildings whole-building cost effectiveness exception in quarter two. Energy Trust is requesting to extend the current exception for another two years to allow development of an alternative, education-based approach to measure-level cost-effectiveness testing.



**ENGAGED
CUSTOMERS IN
GROCERY, RETAIL
AND OTHER HIGHLY
ACTIVE MARKETS**

- Commercial savings from NEEA activities comprised approximately 2% of the sector's year-to-date savings in PGE territory, 3% in Pacific Power territory and less than 1% in NW Natural, Cascade Natural Gas and Avista territories.
 - Electric savings were driven by NEEA's influence on federal standards for fluorescent ballasts and the adoption of the state's commercial energy code.
 - Gas savings were driven by NEEA's condensing rooftop unit program.

B. Industry and agriculture sector highlights

The industrial and agriculture sector provides energy-efficiency solutions for eligible industrial, agricultural and municipal water and wastewater recovery facility customers. It consists of one program, the Production Efficiency program, which provides services and incentives through three primary delivery tracks: standard, custom and energy performance management. Production Efficiency is designed and managed by Energy Trust staff and delivered through Program Delivery Contractors and other market actors. Lighting offers for industrial customers are delivered by Program Delivery Contractor CLEAResult that also serves commercial customers.

- The sector expects to exceed its savings goal for NW Natural, Cascade Natural Gas and Avista territories, come close to goal for Portland General Electric territory but fall short of goal for Pacific Power territory.
- Electric savings were driven by custom, standard and Strategic Energy Management projects.
 - The forecasted year-end electric savings shortfall is due to fewer than expected lighting projects. Lighting incentives were capped at the beginning of the year to help manage the budget, resulting in lower than expected participation. Caps are being kept in place to maintain market stability.
- Gas savings were driven by custom capital projects and standard projects.
- COVID-19 and related market factors continue to impact many industrial and agricultural businesses. Industries such as wood products, food and beverage, high tech, consumer products and nurseries are experiencing high customer demand for goods. In some areas, this is driving more projects (e.g., nurseries and food production); in others, it is reducing participation in Energy Trust programs because customers are too busy to take on projects (e.g., wood products).
- Staff is carefully managing budgets and monitoring program demand in an effort to serve customers throughout the year. As a result of higher than expected gas project activity, gas incentive caps were implemented in June to manage incentive spending in NW Natural and Avista territories. (Electric incentive caps have been in place since quarter one.)
- **Energy Trust's promotion of low-cost operations and maintenance upgrades have been effective at engaging customers who continue to have limited capital budgets.** Along with existing SEM engagements, these upgrades help achieve relatively inexpensive energy savings for the business and Energy Trust while incentive budgets are limited, particularly on the electric side.
- Energy Trust continues to process a large volume of lighting project applications related to its 2020 lighting bonuses. Among commercial customers, the biggest drivers of lighting savings in quarter two were high- and low-bay LEDs and cannabis grow lights.



**PROMOTED LOW-COST
CHANGES TO HELP
BUSINESSES WITH
LIMITED BUDGETS**

- In quarter two, Energy Trust launched a direct installation lighting offer for small and rural businesses, providing no-cost installation to qualifying commercial and industrial businesses.
- Energy Trust helping more customers in the Klamath Basin region complete irrigation projects compared with previous years as water supply challenges there worsen.
- Industrial savings from NEEA activities comprised approximately 4% of the sector's year-to-date savings in PGE territory and 2% in Pacific Power territory.
 - Electric savings were driven by NEEA's influence on federal standards for the electric motor market.
 - Energy Trust does not make investments for gas market transformation in the industrial sector as there are no industrial gas market transformation initiatives.

C. Residential sector highlights

The residential sector provides energy-efficiency solutions for residential customers of single-family homes, manufactured homes and newly constructed homes. The Residential program is delivered through Program Management Contractor CLEAResult and two Program Delivery Contractors CLEAResult and TRC that support retail promotions and EPS™ new construction offers, respectively. Incentives are available for smart thermostats, energy-efficient HVAC and water heating equipment, lighting, appliances, weatherization upgrades, whole-home improvements and new construction. Incentives are also delivered through community-based organizations with the goal of reaching underserved customer groups.



**INSULATION AND
FURNACE BONUSES
HELPED DRIVE
RESIDENTIAL
SAVINGS**

- The sector expects to meet or exceed its savings goals for all utilities.
- Electric savings were driven by lighting, heat pump water heaters, ducted and ductless heat pumps, ceiling insulation, EPS new construction and home energy reports in Pacific Power territory.
- Gas savings were driven by new homes market transformation, a furnace bonus offer, smart thermostats, insulation, windows and EPS new construction projects.
- **As many customers working and spending more time at home look to make improvements, Energy Trust bonuses for insulation and gas furnaces helped further drive projects in quarter two.** Staff also processed a backlog of incentive applications from strong activity in quarter one.
- Staff took steps to manage budget constraints driven by strong demand for HVAC, insulation and windows projects, including ending enhanced incentives for a limited-time fixed-price HVAC promotion for rental properties in June. Staff also paused plans to promote smart thermostats in quarters three and four.
- The new construction market continues to be strong, driven by high demand for housing and low interest rates. Delays due to supply and labor shortages and permit issuing have slowed some projects, but overall the residential construction market is building homes at a higher rate than previously anticipated.
- Savings were recognized for six months of Pacific Power behavior-related home energy reports in quarter two that were 20% more than anticipated. The offer, developed in coordination with Pacific Power and launched in fall 2020, delivers monthly energy use analysis and recommends ways to save energy to customers based on their energy consumption.

- Energy Trust developed a do-it-yourself resource website that includes low- and no-cost tips, product installation guides, maintenance advice and other information on energy-saving products and services. This was in response to feedback from customers interested in DIY, especially as more people are staying home.
- Energy Trust is offering incentives for reduced-cost lighting products at more discount retailers and grocery stores and in more towns to reach rural and low-income customers. This has resulted in 60% of retail lighting savings in 2021 coming from these targeted retailers compared to 20% in 2018.
- In preparation for the state's new residential building code in 2022, Energy Trust finalized development of EPS new construction offers, including updating incentive values for builders and verifiers that will take effect in April 2022.
- Residential savings from NEEA activities comprised approximately 18% of the sector's year-to-date savings in PGE territory, 11% in Pacific Power territory, and less than 0.1% in NW Natural, Cascade Natural Gas and Avista territories.
 - Electric savings were driven by NEEA's ductless heat pump initiative, which aims to accelerate the adoption of ductless heat pumps in electrically heated homes, and NEEA's influence on energy code adoption for single-family and multifamily homes in Oregon.
 - Gas savings were driven by NEEA's work to increase adoption of energy-efficient advanced building practices for single-family homes, and work to develop efficient gas water heating products.

D. Renewable energy sector highlights

The renewable energy sector is comprised of two programs delivered by Energy Trust staff: Solar and Other Renewables. The Solar program offers standard incentives for small-scale distributed systems for residential, business, public sector and nonprofit customers. The program is focused on improving equitable access to solar for lower-income customers and expanding innovative applications of solar that provide greater value to communities or the grid. The Other Renewables program supports renewable energy projects up to 20 megawatts in nameplate capacity that generate electricity using biopower, geothermal, hydropower and community-scale, municipally owned wind technologies. The goal of the program is to support a range of renewable energy technologies and improve market conditions for their development by providing project development assistance incentives and installation incentives.

- The sector expects to exceed its generation goals for PGE and Pacific Power territories.
- Solar applications and project installations continued to be high, driven by a strong residential market for both market-rate incentives and higher Solar Within Reach incentives for income-qualified customers.
 - **Energy Trust received close to 1,600 applications in the first half of 2021, a more than 50% increase compared with the first half of 2020 and twice the volume for the same period in 2019.**
 - Trade allies report this is due to customers focused on investing in their homes while working from home; the federal Investment Tax Credit for solar being extended; federal payments as part of coronavirus relief legislation being awarded; and concerns about resilience driven by wildfires and recent weather events.

1,600

**SOLAR INCENTIVE
APPLICATIONS IN THE
FIRST HALF OF 2021**

- Energy Trust helped more income-qualified customers access solar, providing incentives for 84 Solar Within Reach projects in quarter two compared to 87 installations in all of 2020.
- In response to high demand in Pacific Power territory relative to budget, Energy Trust reduced incentive rates to manage the budget for market-rate residential and Solar Within Reach incentives. Periodically reducing incentives is a standard practice in the Solar program to manage the budget and continue to fund projects throughout the year.
- Energy Trust made its first payments in quarter two for a new commercial solar incentive. The offer, launched in late 2020, is for affordable multifamily properties and nonresidential projects by nonprofits and tribes that benefit underserved communities.
- Energy Trust launched a competitive solicitation process to award incentives for small-scale community solar projects with specific equity goals, allocating \$1.2 million for Portland General Electric projects and \$500,000 for Pacific Power projects.
- **Energy Trust and Sustainable Northwest hosted a virtual energy resilience workshop in June for local governments, connecting city and county staff with resources to help make their communities more resilient and prepare for potential disasters.**
- Staff held stakeholder workshops in Bend and Astoria that looked at using organic materials such as food waste and wastewater solids to produce biogas for electricity generation or renewable natural gas. Attendees included state, city and county officials, NW Natural, waste management businesses, seafood processors, breweries and other business groups.
- Staff committed project development assistance funds to Metro for the design of a post-commercial food waste processing system at the Metro Central Transfer Station. Processed food waste will be converted to biogas at municipal anaerobic digestors to generate additional renewable electricity and potentially renewable natural gas.
- Energy Trust extended its contract with the Farmers Conservation Alliance to operate the Irrigation Modernization Program through April 2022. The West Extension Irrigation District in Northeast Oregon recently enrolled in the program, bringing the total number of enrolled districts to 26.
 - The Walla Walla River and Modoc irrigation districts were awarded technical assistance grants from Oregon Department of Water Resources to support their modernization efforts.
 - The East Fork Irrigation District outside of Hood River completed its modernization strategy, providing an overview of the opportunities and benefits associated with modernizing the district’s water delivery system and enabling the district to apply for federal funding for piping.
- Energy Trust funded a Wallowa Resources report on small-scale distributed hydropower potential in Wallowa County that will be used in upcoming regional energy planning.



**HOSTED A VIRTUAL
ENERGY RESILIENCE
WORKSHOP FOR
LOCAL LEADERS**

E. Internal operations highlights

Energy Trust’s internal operations teams support all program and organizational functions including communications (sharing organizational news, information and milestones, public reporting and public relations); customer service (providing customers with online and phone assistance); general marketing (educating customers and stakeholders through advertising, web content, social media and other marketing efforts); Trade Ally Network management (engaging and

supporting Energy Trust's network of contractors and trade allies statewide); general outreach (providing regional and statewide support to customers, trade allies, partners, utilities, community organizations, local and state governments, and elected officials); IT and operations support (maintaining and improving Energy Trust's technology and infrastructure); and planning and evaluation (estimating costs and savings of efficiency programs, developing long-range savings forecasts and evaluating effectiveness and impact of offers).

Trade Ally Network management:

- Staff supported trade ally outreach and communications about incentive changes for Existing Buildings, Multifamily and Production Efficiency programs and to business lighting offers. This included meetings with key trade allies to resolve concerns.

General outreach and community services:

- Staff met with stakeholders working on rebuilding efforts following the 2020 Alameda Fire and with stakeholders in the Klamath Basin working to address that region's water, energy, economic and environmental challenges.
- Staff supported the Confederated Tribes of the Umatilla Indian Reservation's Climate Adaptation Plan team during the public review process. Staff also began participation on the tribe's FEMA Natural Hazard Mitigation Steering committee.
- Staff attended Affiliated Tribes of Northwest Indians' Mid-Year Convention 2021 and presented on Energy Trust programs including Strategic Energy Management, focusing on Confederated Tribes of the Umatilla Indian Reservation's participation at Wildhorse Resort & Casino and Cayuse Technologies, which it owns.
- Staff worked with Oregon AARP leaders to develop a statewide virtual conference that included a session on Energy Trust's work in natural hazard mitigation planning and critical infrastructure resilience through solar + storage.
- During the 2021 legislative session, staff responded to information requests from legislators, stakeholders and OPUC staff, including for HB 3141. The public purpose charge modernization bill passed by the legislature at the end of June.



**PROMOTED NO-COST
COOLING TIPS AHEAD
OF HISTORIC JUNE
HEAT WAVE**

Communications, general marketing and customer service:

- Media engagement in quarter two resulted in 44 news stories, the equivalent to more than \$800,000 in advertising value. **Proactive content development and public relations prior to June's historic heat wave led to significant coverage of Energy Trust's cooling tips, including in Spanish-language outlets.** Additional stories feature Energy Trust's work with community organizations and agencies, such as Lake County Resources Initiative and Community Action Organization in Washington County.
- Energy Trust's website received 116,488 visits in quarter two, with 93% of visitors identified as new users, which is typical. Top pages were the homepage, residential incentives page, the heating and cooling solutions page and the residential landing page.
 - Traffic was lower than in the previous quarter, reflecting less advertising.
- Energy Trust received more than 3,800 calls to its main customer line in quarter two, a return to pre-pandemic call volumes for the quarter.

IT and operations support:

- Staff made technical improvements to enhance a hybrid working environment including installing audio-visual equipment in conference rooms, increasing

internet bandwidth and establishing a virtual private network for secure remote and in-person work.

- Staff processed 15,155 customer projects in Energy Trust systems, including 12,521 submitted through web applications.
- Energy Trust continues to use DocuSign, introduced in 2019, to speed up processing of transactions and deliver incentives faster to customers. More than 900 customer-facing transactions were completed with electronic signature using DocuSign in quarter two. Usage declined in quarter two compared with quarter one, corresponding with the timing of incentive changes and caps.

Planning and evaluation:

- Staff published seven new Measure Approval Documents (MADs) and approved 596 requests for product versions used to book savings and pay incentives.
- Staff coordinated with NW Natural to support a gas efficiency forecast for NW Natural's territory in Southwest Washington.
- Staff tracked OPUC dockets including the COVID-19 docket, the Distribution System Planning docket and the capacity docket, and coordinated with OPUC and utility staff as appropriate.
- Staff provided support to OPUC as requested on various policy related questions.

IV Revenues and expenditures tables^{10,11,12}

This section reports on revenues and expenditures for Oregon activity funded by Oregon ratepayers under SB 1149, SB 838 and individual gas utility tariffs. The total organization results appendix reports energy savings, generation, expenditures and revenues for all Energy Trust activity, including activity in NW Natural territory in Southwest Washington, Energy Trust's subcontract to deliver the Oregon Community Solar Program and a federal grant to connect people with low and moderate incomes to solar energy.

A. Oregon public purpose charge revenues and expenditures summary

- **Quarter two revenues** totaled \$44.9 million, 2% over what was budgeted.
- **Quarter two expenditures** totaled \$47.9 million, 6% below budget; 59% of expenditures, or \$28.1 million, was for incentives.
- **Electric efficiency expenditures** for the quarter were 6% below budget.
- **Gas efficiency expenditures** for the quarter were 7% above budget.
- **Renewable energy expenditures** for the quarter were 24% below budget.¹³
- **Administrative costs** for the quarter were \$2.1 million, 15% below budget.¹⁴
- **Administrative and program support costs** as defined by the OPUC's performance measure were \$2.78 million.¹⁵ In addition to administrative costs, this figure includes program costs in the following areas: program management, program delivery, program incentives, program payroll and related expenses, outsourced services, planning and evaluation services, customer service management and Trade Ally Network management.

B. Oregon public purpose charge revenues¹⁶

	Source	Q2 actual revenues	Q2 budgeted revenues
	Portland General Electric	\$ 10,287,754	\$ 9,576,525
	PGE Incremental	\$ 11,561,147	\$ 11,323,713
	Pacific Power	\$ 6,507,752	\$ 6,417,701
	Pacific Power Incremental	\$ 8,056,144	\$ 7,973,879
	NW Natural	\$ 6,094,992	\$ 6,267,044
	NW Natural Industrial DSM	\$ 1,076,519	\$ 1,255,855
	Cascade Natural Gas	\$ 726,261	\$ 741,434
	Avista	\$ 610,823	\$ 610,823
	Total	\$ 44,921,392	\$ 44,166,973

¹⁰ Columns may not total due to rounding.

¹¹ Totals may be lower than in previous reports due to reporting changes. Prior to Q3 2020, reports included revenues and expenditures for activities beyond Oregon activity funded by ratepayers.

¹² Budget figures reflect an amended 2021 budget approved by Energy Trust's board of directors in May 2021 and may be different than what was reported in Energy Trust's quarter one report.

¹³ Renewable energy spending was lower than expected largely due to delays with some large Other Renewables projects that delayed incentive payments until later in the year.

¹⁴ Administrative costs were lower than expected due to vacant staff positions and underspending in advertising and professional services.

¹⁵ The performance measure limits administrative and program support costs for the year in relation to annual revenues and year-over-year growth.

¹⁶ Revenues in Table B include public purpose revenue, including incremental electric revenue from SB 838. Incremental revenues are those authorized under SB 838 to support capturing additional cost-effective electric efficiency savings above the amount supported by funding through SB 1149.

C. Oregon public purpose charge expenditures

Source	Q2 actual expenditures	Q2 budgeted expenditures
Portland General Electric	\$ 22,170,055	\$ 25,384,045
Pacific Power	\$ 16,885,081	\$ 17,569,151
NW Natural	\$ 6,251,510	\$ 5,485,553
NW Natural Industrial DSM	\$ 1,033,156	\$ 1,090,309
Cascade Natural Gas	\$ 980,329	\$ 1,081,858
Avista	\$ 578,774	\$ 604,870
Total	\$ 47,898,906	\$ 51,215,786

D. Oregon public purpose charge expenditures by sector and program

	Q2 actual expenditures	Q2 budgeted expenditures	
Commercial	Existing Buildings	\$ 16,232,447	\$ 15,749,512
	New Buildings	\$ 3,901,218	\$ 4,616,698
	NEEA Commercial	\$ 735,922	\$ 736,107
	Commercial total	\$ 20,869,587	\$ 21,102,316
Industrial	Production Efficiency	\$ 6,897,791	\$ 9,270,697
	NEEA Industrial	\$ 5,999	\$ 5,908
	Industrial total	\$ 6,903,791	\$ 9,276,604
Residential	Residential	\$ 12,780,796	\$ 11,660,646
	NEEA Residential	\$ 1,126,573	\$ 1,304,208
	Residential total	\$ 13,907,369	\$ 12,964,854
Energy efficiency total		\$ 41,680,747	\$ 43,343,775
Renewables	Solar	\$ 2,989,080	\$ 3,296,262
	Other Renewables	\$ 1,137,776	\$ 2,107,409
	Renewable generation total	\$ 4,126,856	\$ 5,403,671
Administration		\$ 2,091,303	\$ 2,468,340
Total		\$ 47,898,906	\$ 51,215,786

E. Incentives paid

Qtr	PGE efficiency	Pacific Power efficiency	NW Natural efficiency	Cascade Natural Gas efficiency	Avista efficiency	PGE generation	Pacific Power generation	Total
Q1	\$ 6,914,443	\$ 4,138,851	\$ 3,277,869	\$ 193,997	\$296,602	\$ 1,139,036	\$ 862,628	\$16,823,426
Q2	\$11,262,559	\$ 8,928,197	\$ 4,097,772	\$ 473,876	\$352,966	\$1,800,236	\$1,230,742	\$28,146,348
Total	\$18,177,002	\$13,067,049	\$ 7,375,641	\$ 667,873	\$649,568	\$2,939,272	\$2,093,370	\$44,969,774

V Savings and generation tables^{17,18,19,20}

A. Savings and generation by fuel

	Q2 savings/generation	YTD savings/generation	Annual goal	Percent achieved YTD
Electric savings	10.4 aMW	15.1 aMW	47.4 aMW	32%
Natural gas savings	1,665,672 therms	2,881,769 therms	6,118,162 therms	47%
Electric generation	1.15 aMW	2.05 aMW	3.54 aMW	58%

B. Progress toward annual efficiency goals by utility

	Q2 savings	YTD savings	Annual goal	Percent achieved YTD	Annual IRP target	Percent achieved YTD
Portland General Electric	5.2 aMW	7.8 aMW	26.3 aMW	29%	29.5 aMW	26%
Pacific Power	5.2 aMW	7.3 aMW	21.1 aMW	35%	18.1 aMW	40%
NW Natural	1,409,758 therms	2,441,302 therms	5,092,126 therms	48%	6,030,655 therms	40%
Cascade Natural Gas	183,457 therms	272,735 therms	572,759 therms	48%	563,298 therms	48%
Avista	72,457 therms	167,731 therms	453,277 therms	37%	437,805 therms	38%

C. Electric savings by sector and program

		Q2 savings aMW	YTD savings aMW	Annual goal aMW	Percent achieved YTD
Commercial	Existing Buildings	5.3	6.4	16.7	39%
	New Buildings	0.9	1.0	4.4	23%
	NEEA Commercial	0.1	0.2	1.2	16%
	Commercial total	6.2	7.6	22.3	34%
Industrial	Production Efficiency	1.8	3.9	16.8	23%
	NEEA Industrial	0.1	0.1	0.7	19%
	Industrial total	1.8	4.0	17.5	23%
Residential	Residential	2.1	2.9	5.5	53%
	NEEA Residential	0.3	0.5	2.1	22%
	Residential total	2.4	3.4	7.6	44%
Total electric savings		10.4	15.1	47.4	32%

¹⁷ Columns may not total due to rounding.

¹⁸ Electric savings also include transmission and distribution savings.

¹⁹ Energy Trust reports 100% of generation and capacity for renewable energy installations supported by Energy Trust's cash incentives. While some of these projects have additional sources of funding, Energy Trust enabled project completion.

²⁰ Energy goals reflect an amended 2021 budget approved by Energy Trust's board of directors in May 2021 and may be different than what was reported in Energy Trust's quarter one report.

D. Natural gas savings by sector and program

		Q2 savings therms	YTD savings therms	Annual goal therms	Percent achieved YTD
Commercial	Existing Buildings	703,666	1,161,526	2,072,244	56%
	New Buildings	74,446	115,276	363,531	32%
	NEEA Commercial	-	60	609	10%
Commercial total		778,112	1,276,862	2,436,384	52%
Industrial	Production Efficiency	224,634	341,926	1,362,290	25%
	NEEA Industrial	-	-	-	-
	Industrial total	224,634	341,926	1,362,290	25%
Residential	Residential	662,927	1,262,699	2,317,348	54%
	NEEA Residential	-	282	2,140	13%
	Residential total	662,927	1,262,981	2,319,488	54%
Total natural gas savings		1,665,672	2,881,769	6,118,162	47%

E. Renewable energy generation by utility

	Q2 generation aMW	YTD generation aMW	Annual goal aMW	Percent achieved YTD
Portland General Electric	0.49	0.97	2.25	43%
Pacific Power	0.66	1.08	1.29	84%
Total	1.15	2.05	3.54	58%

F. Renewable energy generation by program

	Q2 generation aMW	YTD generation aMW	Annual goal aMW	achieved YTD
Solar	1.15	2.05	2.94	70%
Other Renewables	-	-	0.60	-
Total generation	1.15	2.05	3.54	58%

G. Incremental utility SB 838 expenditures²¹

Utility	Q2 SB 838 Expenditures	YTD SB 838 Expenditures
Portland General Electric \$	177,644 \$	401,287
Pacific Power \$	281,677 \$	662,866
Total \$	459,320 \$	1,064,153

²¹ Reflects expenditures by Pacific Power and PGE in support of utility activities described in SB 838. Reports detailing these activities are submitted annually to the OPUC.

VI Progress to 2021 organization goals

This section provides updates on Energy Trust’s progress toward meeting its 2021 organization goals, which were set as part of Energy Trust’s 2021 Budget and 2021-2022 Action Plan approved by the board of directors. Updates are provided in quarterly and annual reports. This information represents highlights and is not comprehensive. For more information, see program and operations highlights in this report.

Goal	Status and highlights
<p>1. Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic. Focus on:</p> <ul style="list-style-type: none"> • Continuing to adapt program design to respond to market changes resulting from the recovery related to the COVID-19 pandemic. • Meeting the OPUC metrics for cost-effectiveness, diversity, customer service and innovation. • Targeting savings and generation within specific communities when and where they have the greatest value to the utility grid. 	<p>On track to meet goal:</p> <ul style="list-style-type: none"> • Staff is making incentive adjustments and introducing caps in some areas to support demand and limited resources in areas where the pandemic and recovery are creating high demand. • Targeted efforts are helping increase participation in efficiency programs among residents in areas where more people of color live, small and medium commercial businesses and rural businesses. For more, see Appendix 2. • Energy Trust is supporting NW Natural in the third phase of its target load management work that will use a localized avoided cost value for upgrades that deliver high peak demand reduction. For more, see Appendix 1. • Energy Trust is working with NW Natural and the City of Eugene on a plan to offer increased Energy Trust incentives to NW Natural customers living in the city limits with the goal of reducing carbon emissions from natural gas. NW Natural is developing a filing to submit to the OPUC for approval pending an agreement with the city.
<p>2. Invest in relationships and collaborations with other entities to meet common needs and future objectives. Focus on:</p> <ul style="list-style-type: none"> • Collaborating with workforce organizations to enhance the diversity of our Trade Ally Network. • Resolving funding uncertainties to enable continued delivery of clean energy programs and benefits and identifying other funding sources for complementary initiatives. • Connecting our programs to community planning, housing affordability, economic recovery, resiliency and greenhouse gas reduction efforts. • Collaborating with the Portland Clean Energy Community Benefits Fund and prospective grantees. 	<p>On track to meet goal:</p> <ul style="list-style-type: none"> • Energy Trust is working with trade partners to support and increase Trade Ally enrollment among businesses certified by the state’s Certification Office for Business Inclusion and Diversity (COBID) and COBID-eligible businesses with an emphasis on minority- and women-owned firms. For more, see Appendix 2. • Several community-based organizations provided insight to help a first round of small grants to nonprofit organizations proposing to enhance their programs and services to help connect customers to energy solutions. • Staff is engaging with potential applicants for the Portland Clean Energy Community Benefits Fund ahead of its next funding round in September 2021. This includes supporting applicant inquiries and coordinating with City of Portland staff. • Staff responded to information requests from legislators, stakeholders and OPUC staff

<ul style="list-style-type: none"> • Working with the OPUC and state agencies to support implementation of the state’s energy- and climate-related policies. • Working with mid-stream market actors to retain our ability to deliver affordable, clean energy at volume. 	<p>regarding HB 3141, the public purpose charge modernization law that extends the sunset by 10 years, effectively removes the sunset on energy efficiency by moving its funding into ratemaking processes, expands what qualifies for renewables funding and includes equity metrics for all funds invested by Energy Trust..</p> <ul style="list-style-type: none"> • Staff is supporting community-led efforts in Hood River, Wallowa and Lake counties and elsewhere to achieve energy savings and promote sustainability that prioritize local needs.
<p>3. Enhance operating processes and internal culture to efficiently respond to change. Focus on:</p> <ul style="list-style-type: none"> • Enhancing employee development and growth with an emphasis on intercultural awareness and inclusion. • Improving the efficiency of our budget process. • Continuing policy development and technology adoption to support remote work arrangements and social distancing for staff. • Learning from experience and adapting our organizational structure to support progress in the focus areas identified in the strategic plan. • Furthering our efforts to foster and promote innovation. • Accelerating our use of digital platforms and increased process automation to enhance our customer and contractor experience through increased efficiency. 	<p>On track to meet goal:</p> <ul style="list-style-type: none"> • Energy Trust hosted a tribal culture training to give staff members critical historical, political and cultural context as they work with and develop relationships with tribes across the state. • The Communications and Customer Service group and Energy Programs Operations Team were restructured to meet evolving needs and provide more flexibility in how staff resources are used. <ul style="list-style-type: none"> ○ For CCS, these changes will allow for more focus on community outreach and policy services and closer integration of marketing, communications and customer experience. ○ The program-based Operations Team changes will centralize decision-making and increase standardization in common processes across programs. • Staff completed business planning for 2022. The process included several improvements designed to ensure staff resources can meet core business needs, pursue innovation work and efficiently respond to changing needs. Improvements included: <ul style="list-style-type: none"> ○ Conducting workshops to gather input from the board and advisory councils in shaping 2022 organization goals. ○ Streamlined templates and process for efficiency. ○ Training staff to more accurately estimate time required to complete projects submitted to the business plan.

APPENDIX 1: Total organization results

This appendix provides information on Energy Trust's energy savings and generation results as well as revenue and expenditures for programs beyond those funded by Oregon utility customers of PGE and Pacific Power under state law and by natural gas utility customers of NW Natural, Cascade Natural Gas and Avista through regulatory agreements between the OPUC and each natural gas utility. This includes activity in NW Natural territory in Southwest Washington, Energy Trust's subcontracts to deliver the Oregon Community Solar Program and support PGE's Smart Battery Pilot and expenditures for a grant from the U.S. Department of Energy to increase access to solar energy for low- and moderate-income communities. Energy Trust also receives revenue from investments and spends on business development.

Highlights of this work include:

- Energy Trust continues to support Portland General Electric's Smart Battery Pilot. As of quarter two, 46 solar + storage projects are now capable of being dispatched by PGE to manage demand, provide capacity and strengthen the grid. More than 40 additional households have indicated interest in the pilot or are under construction; 10 incentive reservations for new systems are from income-qualified customers.
 - Customers are now able to request a bid for a battery from one of Energy Trust's solar trade allies and Energy Trust can now pay rebates on behalf of PGE using Energy Trust's existing incentive delivery infrastructure.
 - In quarter three, Energy Trust expects to pay the first round of Smart Battery rebates to solar trade ally contractors on behalf of PGE.
- Capacity in the Oregon Community Solar Program is now full for general-market projects, with three projects currently operational. The program team's focus is now on supporting subscriber enrollment for projects in the first tier of program capacity and supporting project managers interested in applying to remaining capacity available for small and community-led projects. This includes coordinating with the Energy Trust's Solar program in the release of an incentive offer for small-scale community solar projects.
 - Energy Trust staff has begun engagement with OPUC staff and stakeholders to plan for the expansion of the program and the release of a second tier of program capacity. An initial stakeholder workshop was held in June to solicit stakeholder input on potential program modifications. Energy Trust staff will collaborate with OPUC staff and partners to support decision-making on program expansion and begin the implementation of any resulting changes.
- As an initial targeted load management project in Creswell and Cottage Grove wraps up in July 2021, Energy Trust is supporting NW Natural in the third phase. Beginning in August 2021 and lasting one year, that will deliver further increased incentives to its customers in the area based on a localized avoided cost value for upgrades that deliver high peak demand reduction with funding from NW Natural.
 - Targeted load management efforts aim to change how and when customers use energy, focusing on reducing demand during periods of peak energy use and helping utilities avoid disruptive infrastructure upgrades.
 - Previous work with NW Natural offered increased incentives within current cost-effectiveness parameters, along with marketing and outreach to promote the offers.

A. Total organization revenue

Source	Q2 actual revenues	Q2 budgeted revenues
Oregon PPC programs \$	44,921,392 \$	44,166,973
NW Natural Washington \$	1,000,291 \$	1,000,291
Oregon Community Solar Program \$	114,128 \$	141,441
Low- and moderate-income grant \$	2,603 \$	-
NW Natural TLM \$	- \$	-
PGE Smart Battery Pilot \$	18,567 \$	121,157
Revenue from investments \$	45,639 \$	16,910
Total \$	46,102,620 \$	45,446,772

B. Total organization expenditures²²

Source	Q2 actual expenditures	Q2 budgeted expenditures
Oregon PPC programs \$	47,898,906 \$	51,215,786
NW Natural Washington \$	941,612 \$	896,415
Oregon Community Solar Program \$	65,081 \$	75,631
Low- and moderate-income grant \$	1,435 \$	-
NW Natural TLM \$	14,114 \$	142
PGE Smart Battery Pilot \$	13,791 \$	113,851
Business development \$	- \$	-2,572
Total \$	48,934,939 \$	52,299,254

C. Total organization expenditures by activity^{Error! Bookmark not defined.}

	Q2 actual expenditures	Q2 budgeted expenditures
Oregon PPC programs \$	45,807,602 \$	48,747,445
Other		
NW Natural Washington programs \$	900,261 \$	853,477
Oregon Community Solar Program \$	62,364 \$	72,049
Low- and moderate-income grant \$	1,373 \$	-
NW Natural TLM \$	13,424 \$	142
PGE Smart Battery Pilot \$	13,189 \$	107,978
Business development \$	- \$	-2,572
Other Total \$	990,611 \$	1,031,074
Administration \$	2,136,725 \$	2,520,734
Total expenditures \$	48,934,939 \$	52,299,254

²² Following approval of Energy Trust's amended 2021 budget, the difference between budgeted and actual expenses in the first four months of 2021 were distributed evenly throughout the remaining months, creating negative expenditures in some areas.

D. Total organization savings and generation by fuel^{23,24}

	Q2 savings/generation	YTD savings/generation	Annual goal	Percent achieved YTD
Electric savings	10.4 aMW	15.1 aMW	47.4 aMW	32%
Natural gas savings	1,788,632 therms	3,056,900 therms	6,504,842 therms	47%
Electric generation	1.15 aMW	2.05 aMW	3.54 aMW	58%

E. Total organization progress toward annual efficiency goals by utility²⁴

	Q2 savings	YTD savings	Annual goal	Percent achieved YTD	Annual IRP target	Percent achieved YTD
Portland General Electric	5.2 aMW	7.8 aMW	26.3 aMW	29%	29.5 aMW	26%
Pacific Power	5.2 aMW	7.3 aMW	21.1 aMW	35%	18.1 aMW	40%
NW Natural	1,409,758 therms	2,441,302 therms	5,092,126 therms	48%	6,030,655 therms	40%
Cascade Natural Gas	183,457 therms	272,735 therms	572,759 therms	48%	563,298 therms	48%
Avista	72,457 therms	167,731 therms	453,277 therms	37%	437,805 therms	38%
NW Natural Washington	122,960 therms	175,132 therms	386,680 therms	45%	383,476 therms	46%

F. Total organization renewable energy generation by utility

	Q2 generation aMW	YTD generation aMW	Annual goal aMW	Percent achieved YTD
Portland General Electric	0.49	0.97	2.25	43%
Pacific Power	0.66	1.08	1.29	84%
Total	1.15	2.05	3.54	58%

²³ Includes NW Natural savings in Southwest Washington.

²⁴ Energy goals reflect an amended 2021 budget approved by Energy Trust's board of directors in May 2021 and may be different than what was reported in Energy Trust's quarter one report.

APPENDIX 2: Progress toward diversity, equity and inclusion goals

Energy Trust developed 10 diversity, equity and inclusion goals to improve and enhance offers for underserved customers in 2021. Since 2019, Energy Trust has provided progress reports on diversity, equity and inclusion goals twice a year. This appendix reflects activities and progress made from January 2021 through June 2021 unless otherwise noted. Energy Trust identifies underserved customers (people of color, people with low incomes and people in rural areas) based on census tract characteristics.

Highlights of this work include:

- Energy Trust is on track to meet or has already achieved the vast majority of targets identified in the 2021 Diversity, Equity and Inclusion Operations Plan, including increasing participation in efficiency programs among residents in areas where more people of color live, helping small and medium commercial businesses and rural businesses save energy and helping more low-income residents install solar panels.
 - Smart thermostat offers targeted to customers in racially diverse census tracts led to more than half of new residential program participants so far in 2021.
 - Income-qualified customers completed 135 Solar Within Reach projects in the first half of 2021 compared with 86 projects for all of 2020.
 - A new direct-install lighting offer for small, medium and rural business helps them upgrade to more efficient lighting at no cost to the customer.
- Results of a 2020 survey of more than 7,000 residential utility customers released in quarter one confirmed the value of this work. The survey, commissioned by Energy Trust, found people of color, those in rural parts of the state, renters and those with lower incomes are less likely to know about Energy Trust and participate in its programs. The survey oversampled among Black, Asian and Native American communities to ensure adequate representation from all major racial groups.
- In quarter two, Energy Trust launched a series of community summits to hear directly from community leaders, tribal members, contractors, business owners and residents about their experiences and challenges they are facing.
 - The first summit was held in June to hear from residential customers about disparities in the experiences of communities of color and other groups. Attendees shared challenges such as the severe lack of affordable housing and rising housing costs, Energy Trust programs that are not customized to community needs, the lack of training for future contractors of color and Energy Trust incentive offers that are not affordable for customers with low incomes.
 - Following completion of the series, staff will focus on turning the feedback collected into a plan for future community engagement and diversity, equity and inclusion activities in 2022 and beyond.

Goal 1: Increase customer participation in energy efficiency.

Goal 1A: Increase residential participation of people of color.

2021 Target	Progress as of Q2 2021	Status
Achieve 34% participation or 3,500 single-family, small multifamily or manufactured homes projects within census tracts with a large proportion of people of color ²⁵	33% participation or 2,231 new participants from target census tracts	On track to achieve target

- Smart thermostat offers targeted to diverse census tracts led to more than half of the new participants in census tracts with a high proportion of people of color so far in 2021. Targeting involved marketing directly to residents within target census tracts; utilities also helped by identifying customers who had received bill assistance in the past or by targeting offers in non-metro areas.
 - Weatherization and HVAC projects account for most of the rest, helped by the higher Savings Within Reach gas furnace incentive for income-qualified customers and ceiling insulation bonuses.
- Through the Community Partner Funding pathway, launched in 2020, nine community-based organizations around the state are performing in-home energy assessments and coordinating home energy improvements when possible.
 - Community Partner Funding offers a suite of higher incentives delivered to customers via nonprofits and community agencies that serve communities of color, rural customers, customers with low incomes, veterans and/or people experiencing disabilities.

Going forward:

- The Mi Comunidad (My Community) engagement campaign will launch in quarter three, including a webpage that will provide a step-by-step guide to working with Energy Trust in Spanish. It aims to drive participation in gas furnace, heat pump and heat pump water heaters incentive offers in three communities with large populations of Spanish-speakers: Hillsboro, Salem and Woodburn.
- Energy Trust will meet with each active organization enrolled in Community Partner Funding to identify and overcome barriers to participation and collaboratively create a 2022 forecast and budget for each organization.
- Staff across all programs will continue to coordinate regarding community engagement to refine relationship management protocols and explore tools to ensure outreach alignment.
- A direct mail campaign will kick off in early quarter three to promote no-cost offer that provides air and duct sealing and other services for residents of manufactured homes.

Goal 1B: Support participation of small and medium commercial business customers and commercial business customers in rural areas.²⁶

2021 Target	Progress as of Q2 2021	Status
Serve 1,082 small and medium businesses and 54 customers in very rural areas	Served 433 small and medium businesses and 19 customers in very rural areas	On track to achieve target

- The Existing Buildings program is working closely with a network of paid community-based liaisons to support program design, development and outreach. This network, launched in early 2021, is designed to influence and

²⁵ Census tracts identified as racially diverse 5 in Energy Trust's DEI Data Baseline Analysis.

²⁶ Census tracts identified as rural 5 in the DEI Data Baseline Analysis.

accelerate diversity, equity and inclusion initiatives and help the program reach new customers, including customers of color, rural customers and those for whom English is not their first language.

- Progress is considered on track given the increase in project volumes typical in the second half of the year.
- In quarter two, Energy Trust launched a direct install lighting offer, providing no-cost installation to qualifying small businesses and rural businesses. The offer, which is also available to qualifying industrial and agricultural customers, will help meet goals for serving commercial and industrial customers.

Going forward:

- Existing Buildings is developing a small business offer to reduce participation barriers for small businesses while providing opportunities for minority- and women-owned trade ally businesses and those owned by service-disabled veterans. The offer is expected to launch in late 2021 using guidance from the community-based liaisons, a racial equity lens, and community and contractor feedback.
- Energy Trust will continue field staff training and new customer outreach for the business lighting direct install offer, expanding to targeted areas throughout Oregon in the second half of 2021.

Goal 1C: Increase participation of small and medium industrial and agricultural businesses in rural areas.

2021 Target	Progress as of Q2 2021	Status
Serve 67 new small and medium business customers in census tracts outside metro areas ²⁷	Served 22 new small and medium business customers in census tracts outside metro areas	On track to achieve target

- Energy Trust has seen steadily increasing participation in standard industrial projects from targeted outreach to rural customers in the Klamath Basin region, with 14 potential customers in the region. Nearly all are for irrigation incentives.
- Progress is considered on track given the increase in project volumes typical in the second half of the year.
- In quarter two, Energy Trust launched a direct install lighting offer for industrial and agricultural businesses, providing no-cost installation to qualifying small and rural businesses. The offer, which is also available to qualifying commercial customers, will help meet goals for serving commercial and industrial customers.

Going forward:

- Program Delivery Contracts for the industrial and agricultural program will be rebid in 2022, and the goals and structure of the solicitation will be developed by the end of 2021. It will feature increased supplier diversity requirements and other strategies for reaching customers who have not participated in programs in the past.

Goal 2: Increase the adoption of solar projects benefitting low-income customers, rural communities and communities of color.

2021 Targets ²⁸	Progress as of Q2 2021	Status
38% of residential projects (approximately 646) are Solar Within Reach projects or projects in census tracts that are rural and have low- to moderate-income customers and people of color ²⁹	40% of projects (379) are Solar Within Reach projects or projects in census tracts that are rural and have low- to moderate-income customers and people of color	On track to achieve target

²⁷ Census tracts identified as rural 2, 3, 4 or 5 in the DEI Data Baseline Analysis.

²⁸ Solar targets assume Energy Trust will complete about 1,700 residential projects in 2021.

²⁹ Census tracts identified as composite 4 and 5 in the DEI Data Baseline Analysis.

45% of residential projects (approximately 765) are in census tracts with a large proportion of people of color ³⁰	33% of residential projects (313) are in census tracts with a large proportion of people of color	Off track to achieve target
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- Solar Within Reach continues to be a popular offer among customers, who completed 135 projects in the first half of 2021 compared with 86 in 2020. This is in addition to 244 standard residential projects installed in census tracts that are rural and have low- to moderate-income customers and people of color.
 - The Solar Within Reach offer, launched in late 2019 for income-qualified households, provides three to five times the standard residential solar incentive and can cover about half of the cost of a typical solar system.
 - Due to the success of the solar trade ally network in supporting the Solar Within Reach offer through standard marketing activities, the program prioritized supporting those trade allies and shifted incentive funds to maintain incentive rates and manage its budget rather than additional promotional activities.
- Energy Trust has been less successful at enrolling customers in census tracts with larger proportions of people of color in Solar Within Reach projects. Survey results show a majority of participants identify as white.
- Solar participation is largely driven by the availability of local participating trade ally contractors. The addition of a single contractor in Southern Oregon in late 2020 helped increase participation in that part of the state, which was a significant driver in decreasing the percentage of residential participation in census tracts with a large proportion of people of color.

Going forward:

- Energy Trust will award incentives for small-scale community solar installation in quarter three with \$1.5 million in incentives to be spread over as many eligible projects as possible. Funding is for projects that intend enroll in the Oregon Community Solar Program.
 - Projects must meet an equity requirement, either allocating at least 50% of project capacity to customers with low incomes or partnering with a community-based organization to develop and implement an outreach plan to serve customers who have not traditionally benefited from solar incentives.

Goal 3: Increase participation in the Trade Ally Network by minority-owned and women-owned businesses.

2021 Target	Progress as of Q2 2021	Status
Three new women-owned trade allies and six new minority-owned trade allies, a 50% increase	0 new women-owned trade allies and 0 new minority-owned trade allies	Off track to achieve target

- Energy Trust is working with the National Association of Minority Contractors–Oregon, LatinoBuilt and Professional Business Development Group (PBDG) on a contractor development pathway to engage contractors who haven’t worked with Energy Trust in the past and support existing trade allies who have low participation.
 - The pathway is designed to help businesses certified by the state’s Certification Office for Business Inclusion and Diversity (COBID) and COBID-eligible businesses enroll in the Trade Ally Network and complete projects with Energy Trust.
 - The pathway will include one-on-one mentorship, technical training and program training. The group is looking to launch this pathway in quarter three with a goal of having about 10 contractors for the first cohort and at least 80% participation from minority-owned contractors.

³⁰ Census tracts identified as racially diverse 4 and 5 in the DEI Data Baseline Analysis.

- Separately, Energy Trust and PBDG are working on a pathway to help minority-owned trade allies achieve COBID certification, launching in quarter three. PBDG will provide one-on-one certification support at no cost for up to 30 trade allies.

Going forward:

- Energy Trust will meet with contractors and the trade organizations listed above in quarter three to discuss future goals of participating in the Trade Ally Network and how Energy Trust can better support COBID-certified contractors.

Goal 4: Increase the number of projects completed by minority-owned and women-owned trade allies.

2021 Target	Progress as of Q2 2021	Status
1,800 projects completed by minority-owned and women-owned contractors, a 15% increase	760 projects completed by minority-owned and women-owned contractors	Off track to achieve target

- While Energy Trust has focused on enrolling minority- and women-owned contractors in the Trade Ally Network through outreach to and participation in trade organizations, those enrollments have not always translated to projects completed.
- The vast majority of projects completed by minority- and women-owned contractors are residential projects; projects on the commercial side have lagged. The launch of the small business offer from Existing Buildings, which was expected to generate projects that would support this goal, was delayed.

Going forward:

- To help minority- and women-owned trade allies complete more projects, particularly on the commercial side, Energy Trust meet with minority- and women-owned trade allies, focusing on those who have completed few or no projects, to identify barriers and resources that could support their businesses.

Goal 5: Increase the number of contracts with Black-owned, minority-owned and women-owned businesses and improve contract tracking systems to support increased supplier diversity.

2021 Targets	Progress as of Q2 2021	Status
Enter into 25 new contracts with minority-owned or women-owned businesses and 10 new contracts with Black-owned businesses in Oregon, a 20% increase	Entered into 12 new contracts with minority-owned or women-owned businesses, and three of those contracts are with Black-owned businesses	Off track to achieve target
Track number of contracts with community-based organizations to establish a baseline for comparison for future contracting goals	Energy Trust is now tracking the number of community-based organizations it contracts with	On track to achieve target
Establish a system for tracking community-based organizations by March 1, 2021	An initial system has been established	Target achieved

- Energy Trust continues to build its work with minority- and women-owned businesses through its programs and operations, including program management and delivery contracts. This is being done through outreach to businesses and communications to staff who initiate contracts.

- While direct contracts with Energy Trust are not on pace to achieve this goal, outreach is expected to increase in the second half of the year.

Going forward:

- Work is underway to develop a supplier diversity tracking system that will include tracking minority- and women-owned businesses.

Goal 6: Build relationships with community-based organizations.

2021 Targets	Status
Continue to deepen and develop relationships with 50 community-based organizations to better reach and serve more diverse customers	On track to achieve target
Have at least twice-yearly conversations with community-based organization focused on workforce diversity to understand workforce opportunities for energy efficiency and renewable energy	On track to achieve target
Ensure more than half of the community-based organizations' missions are to serve people of color	On track to achieve target

- Energy Trust began working with new organizations in 2021, expanding the list that is tracked for this goal to 59. Several of these new relationships offer new insights into customers and how Energy Trust can more effectively engage them.
- These community-based organizations tend to have missions focused on multiple aspects of diversity, equity and inclusion. More than half (61%) of the organizations tracked for this goal have a focus on serving Black, Indigenous and People of Color customers or community members.
- Staff has deepened relationships with organizations focused on workforce diversity including Professional Business Development Group, National Association of Minority Contractors-Oregon and LatinoBuilt by establishing contracts, holding twice-yearly meetings and recruitment and training events.

Going forward:

- As relationships with many of these organizations deepen, staff will look to move more of these relationships to a stage where Energy Trust and the organization are co-developing activities, offers and engagement approaches.
- Energy Trust is preparing to offer grants that will be made available to nonprofit organizations. Several organizations tracked for this goal provided insight to help shape this offer.
- Many relationships exist with organizations, community service providers, public agencies and others beyond what is tracked for this goal. Staff is working to coordinate and track those broader relationships.

Goal 7: Increase representation of staff identifying as people of color.

2021 Targets	Progress as of Q2 2021	Status
Increase percentage of applicants identifying as people of color by 10%	34% of applicants (71 out of 209) identify as people color, compared with 12% at the start of the year	On track to achieve target
Ensure at least 50% of all new hires identify as people of color	71% of new staff members hired in 2021 identify as people of color; when interns are included in these metrics, 80% of staff and interns hired in 2021 identify as people of color	On track to achieve target

- Following a new recruiting strategy to promote diversity, equity and inclusion, Energy Trust is requiring all hiring panels consider qualified applicants of color throughout the hiring process. It is also inviting members of the Diversity Advisory Council to sit on hiring panels and using a hiring blueprint and scoring card to help make objective hiring decisions, among other changes.
- Energy Trust has partnered with diversity, equity and inclusion consultant Gilmara Vila Nova-Michell to better understand staff needs and opinions to recommend changes that will boost retention of staff of color. As a first step, staff was asked to complete an anonymous survey and invited to attend virtual listening sessions.
- Based on the feedback provided by Gilmara Vila Nova-Michell, Energy Trust is working to build equity and transparency into its career development processes; applying an equity lens to existing promotion guidelines, human resources policies and processes; and developing a new paid collaboration with Workplace Change, a local minority-owned human resources firm.

Going forward:

- Staff leadership will apply an equity lens to any changes to Energy Trust's remote and/or hybrid work policies and practices.
- Energy Trust will evaluate its recruiting strategies on an annual basis.

Goal 8: Determine new ways to track participation among communities of color, low-income households and rural customers.

2021 Targets	Status
Complete report on Data Enhancement Project	On track to achieve target
Conduct contractor/trade ally analysis	On track to achieve target
Explore market research to inform customer engagement (e.g., market and outreach) and differential baselines for developing new offers (e.g., measure development)	On track to achieve target

- Staff focused data enhancement efforts on identifying what data are meaningful to measure and track for program engagements beyond the census tract approach currently used. Research efforts include seeking qualitative insights from focus groups and community partners and evaluating customer-level quantitative metrics from the Customer Insights Study and Fast Feedback Survey reports.

- Energy Trust improved internal reporting dashboards to track enrollment and project activity for minority- and women-owned contractors.
- A cross-functional team including marketing, programs, communications and planning and evaluation staff continues to identify areas for further research aimed at reaching customers of color, low-income customers and rural customers.
- The Existing Buildings program’s community-based liaisons are providing feedback on how to best collect demographic information of business customers, which has historically been a gap in understanding across Energy Trust’s data and analysis efforts.

Going forward:

- Energy Trust will continue to engage stakeholders, the Diversity Advisory Council and community-based organizations to understand what data are valuable and should be collected.

Goal 9: Increase the ability of staff and board to work across cultures and be more inclusive through structural organizational change and continuous staff learning.

2021 Targets	Status
Create a work environment that supports staff who are people of color	On track to achieve target
Ensure 100% of Energy Trust employees attend a training that addresses gaps in organizational readiness	On track to achieve target

- All new hires and anyone participating on an interview panel are asked to take an implicit bias training, and 100% of interview panelists have completed this training prior to assisting in the selection of new Energy Trust staff.
- As part of 2021 training offerings, each full-time staff member has access to LinkedIn Learning as a professional development resource.
- A tribal culture training offered in quarter two was attended by 32% of staff, and there were many requests to have an additional training on this topic in 2021 or 2022. The training gave staff members critical historical, political and cultural context as they work with and develop relationships with tribes across the state.

Going forward:

- Energy Trust will continue to provide diversity, equity and inclusion training opportunities.
- All staff members are required to identify a diversity, equity and inclusion training element in their yearly workplan. Completion of this task will be monitored by management throughout the year.

Goal 10: Increase awareness and understanding of the diversity, equity and inclusion goals and progress.

2021 Targets	Status
Provide progress report in an appendix to Energy Trust’s 2021 Q2 and 2021 Annual Report to the OPUC	On track to achieve target

Ensure efforts to support diversity, equity and inclusion are reflected in organizational communications and public relations

On track
to achieve
target

- Energy Trust continues to publish regular progress reports on diversity, equity and inclusion activities that serve to inform the OPUC, Energy Trust board, staff and external stakeholders on current work and lessons learned.
- Blog posts this year have highlighted utility assistance resources for customers behind on their payments, legislation to lessen energy burdens for low-income customers, the legacy of Black leaders of energy efficiency and environmental justice in honor of Black History Month and finding of a national report on the benefits of energy efficiency for rural communities.
- Energy Trust's 2022 organization goals include addressing the needs of customers who experience significant energy burden and expanding support for community-led approaches to increase access to clean energy.

Going forward:

- As staff works to gather community input to draft future diversity, equity and inclusion activity plans, organizational communications on that process will help promote transparency and ensure future accountability.