

Quarter One 2022 Report to the Oregon Public Utility Commission & Energy Trust Board of Directors

ENERGY TRUST OF OREGON
May 13, 2022

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I Results at a glance^{1,2}

Savings

 = Year-to-date goal  = Annual goal

⚡ Total electric savings



⚡ PGE



⚡ Pacific Power



¹ This document reports gross savings.

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

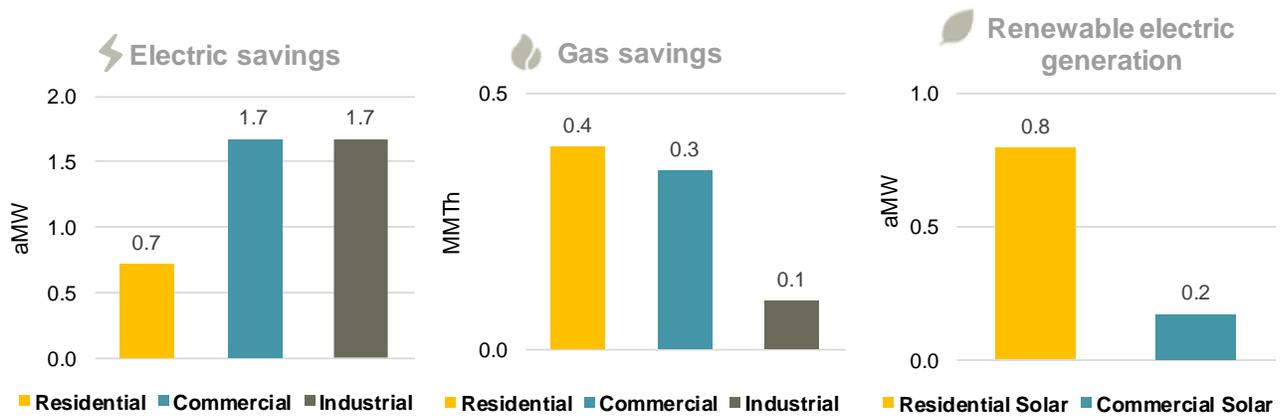


Generation

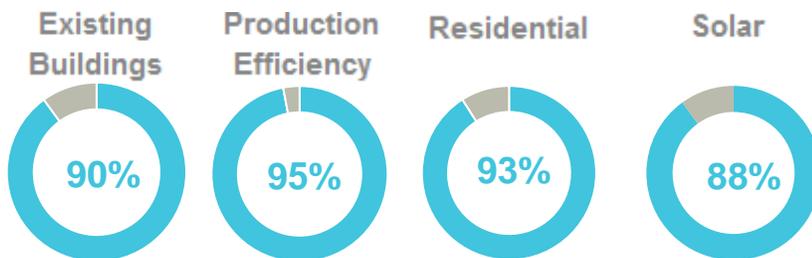
■ = Year-to-date goal ▨ = Annual goal



Savings and generation by sector year-to-date³



Customer satisfaction⁴



³ Charts may not total due to rounding.

⁴ From November 2021 to January 2022, Energy Trust delivered a short web and telephone survey to 421 randomly selected Oregon participants who completed projects between October and December 2021 and received an incentive or discount from Energy Trust. Existing Buildings results include multifamily participants.

Oregon ratepayer-funded expenditures^{5,6}

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

\$ Total



\$ Energy Efficiency



\$ Renewable Energy



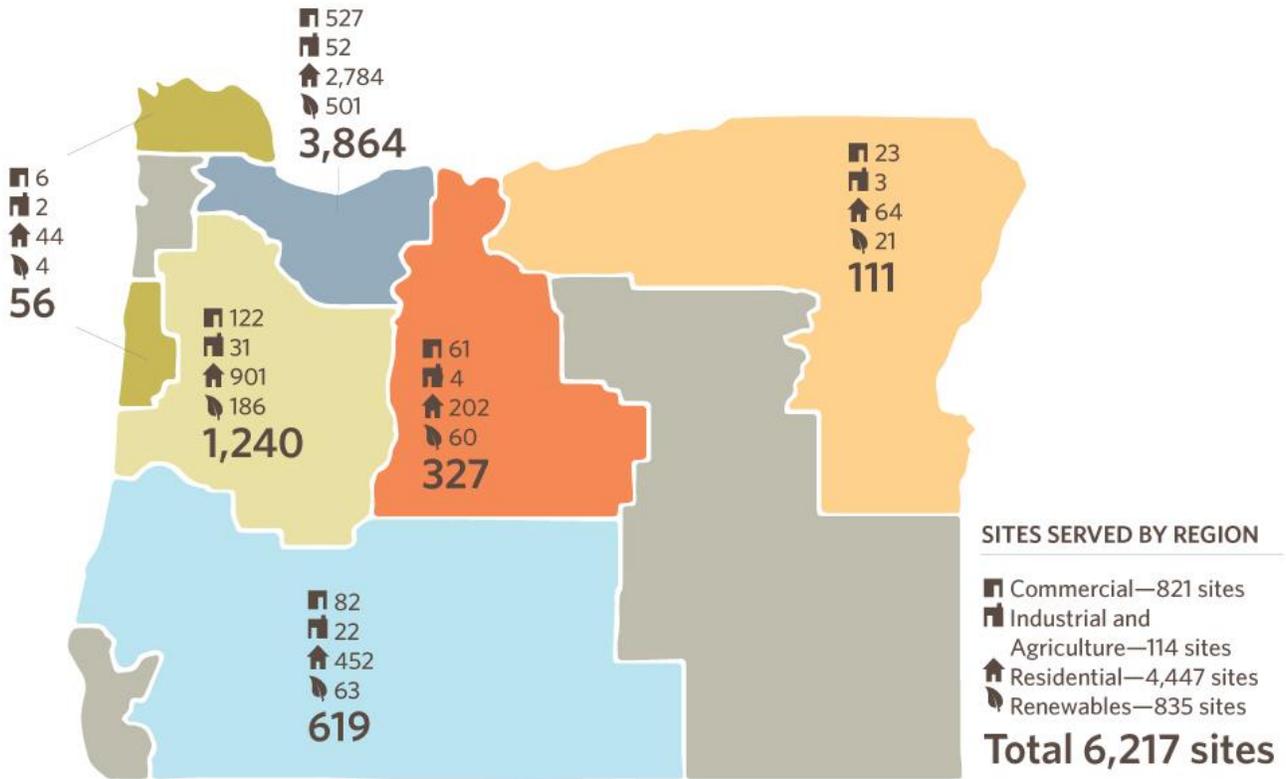
\$ Administrative



⁵ Expenditures include ratepayer 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.

⁶ Administrative costs reported here are different from the administrative and program support costs defined by the OPUC's performance measure.

Sites served by region for the quarter⁷



⁷ 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.

Progress to annual organization goals

This table provides an at-a-glance update on Energy Trust's progress toward 2022 organization goals, which were set as part of Energy Trust's 2022 Budget and 2022-2023 Action Plan and approved by the board of directors. These goals reflect the organization's priorities for the year and guide staff decision-making and day-to-day activities including allocation of resources. For more detail on progress to 2022 goals, see Section VI.

Goal	Status
Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events.	On track, managing
Expand support for community-led approaches to increase access to clean energy.	On track
Create development capabilities that will allow Energy Trust to increase funding to deliver more savings and generation and expand the organization's ability to meet changing customer and utility system needs.	On track
Implement new work strategies to adapt and thrive in a changing environment while supporting staff and managing operating costs.	On track

II Executive summary

The body of this report includes only activity funded by Oregon electric utility customers of PGE and Pacific Power and Oregon natural gas customers of NW Natural, Cascade Natural Gas and Avista under Energy Trust's grant agreement with the OPUC. The total organization results appendix reports energy savings, generation, expenditures and revenue for all Energy Trust activity, including activity in NW Natural service area 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 one report is to reflect efforts to build a pipeline of projects through new initiatives and offers, studies and outreach to achieve annual savings and generation.⁸

- **Energy savings were lower than expected in quarter one** for electric and gas, the result of challenging market conditions. Incentive payments were also lower, contributing to overall underspending for the quarter.
- **Electric efficiency improvements completed in quarter one saved 4.1 average megawatts of electricity.** Year-to-date savings account for 8% of the 2022 goal of 50.6 aMW.
- **Gas efficiency improvements completed in quarter one saved 0.8 million therms of natural gas.** Year-to-date savings account for 12% of the 2022 goal of 7.3 million therms.
- **Renewable energy systems installed in quarter one will generate 0.97 aMW of electricity.** Year-to-date generation accounts for 24% of the 2022 goal of 4.10 aMW.
- **Year-to-date savings and generation achieved represent 17,000 metric tons⁹ of carbon dioxide** kept out of the atmosphere, the equivalent of removing 4,000 cars from Oregon roads.

4.1

AMW SAVED IN 2022

0.8

MILLION THERMS
SAVED IN 2022

0.97

AMW GENERATED IN
2022

B. Notable activities and trends

- Staff responded to market indicators and made program changes to support and motivate customers as they continue to navigate effects of the pandemic, labor and equipment shortages and inflation. Program changes in quarter one intended to boost participation included:
 - Higher Existing Buildings incentives available to small businesses through a new Small Business Trade Ally Network.
 - Introduction of a simplified incentive structure for standard residential solar projects that pays a flat amount rather than an incentive based on system size.

17,000

METRIC TONS OF CO₂
AVOIDED IN 2022

⁸ Each quarterly 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.

⁹ Carbon dioxide avoided is reported in metric tons in this report and going forward. In prior quarterly reports, carbon was reported in short tons.

- Expanding on-bill repayment eligibility to Avista customers with an initial rollout to low- and moderate-income residential customers who qualify for Savings Within Reach incentives.
 - Preparing to increase incentives and launch bonuses in quarter two.
- Existing Buildings **launched the Contractor Development Pathway to support trade ally businesses that are certified by the state’s Certification Office for Business Inclusion and Diversity (COBID) or eligible for certification** and enrolled 11 businesses by the end of quarter one.
- After launching higher incentives for wildfire rebuilding projects, Energy Trust supported 11 new home construction projects by homeowners rebuilding homes that were destroyed by wildfires.
- Energy Trust awarded its first round of Working Together Grants to community-based nonprofit organizations to support community-led activities that will increase awareness of and access to Energy Trust offers.
- Energy Trust enrolled three more community-based organizations in Community Partner Funding, which delivers higher incentives for home energy upgrades to customers via nonprofits and other agencies that serve communities of color, customers with low and moderate incomes, rural communities, veterans and people with disabilities.
- Energy Trust released a request for proposals for delivery of its Production Efficiency program to serve industrial and agricultural customers throughout Oregon starting in 2023. Staff also prepared a request for proposals for management of the Residential program, which was released in early quarter two. Both requests were structured with the goal of increasing diversity within the implementation teams to better serve customers of color, customers in rural areas and those with low and moderate incomes.
- Energy Trust continued to help customers with low and moderate incomes access solar energy, paying \$900,000 in income-qualified Solar Within Reach incentives in quarter one. The organization is on track to meet a new requirement of spending at least 25% of public purpose charge funding to benefit customers with low and moderate incomes, as required in HB 3141.
- Energy Trust staff supported OPUC staff and other stakeholders to begin implementing HB 3141, which took effect Jan. 1, 2022, including holding initial meetings with utilities and ratepayer advocates to increase coordination in the development of Energy Trust’s annual budget and action plans. Energy Trust also began planning for developing program offers for distribution system-connected technologies, as allowed under HB 3141.



**LAUNCHED
CONTRACTOR
DEVELOPMENT
PATHWAY TO
SUPPORT TRADE
ALLIES**

C. Updates requested by the OPUC

This section provides information requested by the OPUC in comments provided on Energy Trust’s 2022 Budget and 2022-23 Action Plan, plus other information requested by OPUC staff.

Identify measures that maximize greenhouse gas reduction impacts for electric and gas utilities based on the time of day and year:

- Staff is working with OPUC staff and consultants at Lawrence Berkeley National Laboratory and Lighthouse Consulting to determine the best approach for tracking and reporting greenhouse gas emissions. Staff plans to use the Northwest Power and Conservation Council’s estimates of marginal emissions by time of day, week, season and year until such data becomes available from utilities.

- The focus so far has been on quantifying carbon reductions from electric efficiency. Carbon production per therm of gas burned is a constant quantity if the alternative is fossil gas; this may change if gas utilities incorporate large quantities of renewable natural gas into their resource plans and portfolios.

Residential measures that have peak impacts:

- Staff is exploring the feasibility of additional applications for extended capacity heat pumps; developing a portable air conditioning measure for implementation with public health organizations; developing a measure for single-family window retrofits that are beyond the traditional cost-effective window replacement measure; and co-funding the direct installation of insulation at no cost to customers in certain circumstances.
- This work is focused on reaching customers who would not otherwise be able to participate in Energy Trust standard offers. This exploration includes identifying potential cost-effectiveness issues.

Development of peak modeling capabilities:

- Staff is continuing to develop a system for creating hourly load shapes for measure savings, largely based on Regional Technical Forum savings shapes, and for incorporating it into the organization’s Project Tracker as a basis for future reporting.

Supplier diversity tracking system:

- Staff finalized requirements for a supplier diversity tracking system, reviewed multiple systems solutions and completed a process to determine whether to buy a solution or build one in-house. Based on the criteria used, the system will be built in-house, and staff has completed an initial system architecture and design. The system is on track to launch in quarter three.
- Staff is revising Energy Trust’s website to reflect the supplier diversity program and enable firms to register for notifications of upcoming contracting opportunities. Trainings are being developed to introduce the program to businesses owned by women and people of color, emerging small businesses and staff to coincide with the scheduled launch of the supplier diversity tracking system.



**FINALIZED 2022
DIVERSITY,
EQUITY AND
INCLUSION
PLAN**

Diversity, equity and inclusion activities:

- Staff **finalized the first iteration of Energy Trust’s 2022 Diversity, Equity and Inclusion Plan** and presented it to the board of directors. The plan is focused on engagement and is a living document that will change to reflect feedback from communities and stakeholders.
- An internal committee was formed to track the organization’s community engagement activities and progress toward reaching goals outlined in the plan.

No/low-cost ductless heat pump pilot for customers with low incomes:

- After receiving approval from the OPUC for a cost-effectiveness exception for a no-cost ductless heat pump pilot at the start of quarter one, staff met with community-based organizations to gather input and begin co-designing the program delivery approach.
- In the first year of the pilot, staff will work with four community-based organizations to serve customers with low incomes navigating high energy burdens with a ductless heat pump installation at no cost to the consumer. The pilot is expected to launch in quarter two.

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.

- Supply chain disruptions and equipment and labor shortages continue to impact timelines for bids, project installation and post-installation verification. In particular, HVAC, window and gas fryer projects are facing delays.
- Customers across all market sectors showed interest in moving forward with larger projects following Existing Buildings' increased incentive limits per site at the start of the year. Limits were lowered in 2021 to help manage the sector's budget.
- Existing Buildings launched the Contractor Development Pathway to support trade ally businesses that are certified by the state's Certification Office for Business Inclusion and Diversity (COBID) or eligible for certification and enrolled 11 businesses by the end of quarter one.
 - The pathway provides participating contractors technical, business and programmatic support tailored to their needs. It is designed to help businesses owned by women and people of color succeed in the clean energy industry.
- Existing Buildings launched a small business offer and selected nine trade allies through a competitive process to serve in the closed Small Business Trade Ally Network. The offer provides small businesses with higher incentives available through these nine trade allies. Outreach staff has focused on providing opportunities for economic wealth and resiliency to businesses that have been historically marginalized.
- Existing Buildings **began enrolling customers in a new Strategic Energy Management offer for providers of affordable multifamily housing** and launched the first all-virtual SEM cohort with seven commercial customers from across the state.
- New Buildings' new project enrollment in quarter one was up 20% compared with quarter one of 2021. The multifamily, office and government sectors had the most project starts.
- New Buildings launched new prescriptive measures in quarter one, including garage ventilation exhaust controls and efficient bath fans. Both were previously available as custom measures; moving to prescriptive offers will allow for greater participation.
- Commercial savings from NEEA activities comprised approximately 6% of the sector's year-to-date savings in PGE service area, 15% in Pacific Power service area, 4% in NW Natural, 9% in Cascade Natural Gas and 30% in Avista service areas.



**BEGAN ENROLLING
AFFORDABLE
HOUSING PROVIDERS
IN SEM OFFER**

- Electric and gas savings were driven by the 2021 Oregon Zero Energy Ready Commercial Code, which went into effect in October 2021.

B. Industrial 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.

- Staff is monitoring conditions that could affect activity in 2022, including continued labor shortages, rising costs and supply chain disruptions. Based on information from Program Delivery Contractors, customers and trade allies, these are barriers to customers and trade allies completing projects.
- To help customers navigate these conditions and boost project activity, Energy Trust prepared to raise the incentive limit from \$40,000 to \$250,000 per site per year for standard track offers and increase incentive levels for some standard track rebates in quarter two. This change will align the annual incentive limit per site across Production Efficiency, Existing Buildings and business lighting.
- Staff made more in-person site visits to custom track customers in recent months and plans to resume in-person incentive check delivery. These visits, which had been an effective outreach strategy prior to the pandemic, are an opportunity to check on planned and future projects and discuss needs with customers.
- Energy Trust **released a request for proposals for delivery of its Production Efficiency program** (excluding lighting offers). It is common practice for Energy Trust to rebid larger contracts, and the process will result in one or two program implementation contracts to provide outreach, engineering and measure development support to serve industrial and agricultural customers throughout Oregon. Staff is scheduled to make a recommendation to the board in July and the contract(s) starts at the beginning of 2023.
 - **One goal of the RFP is to increase diversity within the implementation team** to better serve customers of color and customers in rural areas. Similar to recent RFPs and in line with the new supplier diversity program, Energy Trust will require a minimum of 20% of the value of the contract(s) to be delivered by minority-owned, women-owned, emerging small and service-disabled veteran-owned firms certified by Oregon’s Certification Office for Business Inclusion and Diversity.
- Staff launched a project to increase program participation by engaging with customers Energy Trust has previously underserved to better understand the challenges and needs of industrial and agricultural businesses owned by people of color and women and those located in rural areas. The project also involves



**RELEASED RFP
DESIGNED TO
PROMOTE DIVERSITY**

researching diversity, equity and inclusion initiatives of other industrial and agricultural energy-efficiency programs.

- Staff is developing a prescriptive incentive for small variable frequency drives, a popular energy-saving improvement, to support customers while saving time on customized analysis currently required to calculate savings from this equipment.
- Staff engaged water and water resource recovery facility operators from across the state at the Oregon Association of Water Utilities' annual conference in quarter one, generating potential project leads with dozens of operators and connecting with vendors of new efficiency technologies.
- Industrial savings from NEEA activities comprised approximately 4% of the sector's year-to-date savings in PGE service area and 5% in Pacific Power service area.
 - Electric savings were driven by NEEA's continued 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. Business lighting highlights

Starting in 2021, Energy Trust lighting offers for commercial and industrial customers are delivered by Program Delivery Contractor CLEAResult.

- Staff **made changes in quarter one to drive activity**, including increasing incentive limits to \$250,000 per project or site, removing trade ally and active project limits and increasing specific measure incentives.
 - Supply chain disruptions, labor shortages and incentive limits introduced in 2021 to manage Energy Trust's budget all led to lower participation in 2021 than expected.
 - In quarter one, staff conducted outreach to all active trade allies to make them aware of these changes and re-engaged contractors who did not participate in 2021.
 - Participation increased in quarter one following these program changes, including five large indoor agriculture projects that were submitted.
- Staff made plans to increase incentives on a lighting midstream offer launched in 2021 that gives customers instant incentives at point of purchase with participating distributors across Oregon. The offer is designed to support customers in rural areas who may not have access to a trade ally, customers performing their own product installations and customers who have smaller projects where administrative requirements for the downstream offer is too burdensome.



**ADJUSTED PROGRAM
LIMITS AND
INCENTIVES TO DRIVE
PARTICIPATION**

D. 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 Program Delivery Contractors CLEAResult and TRC that support retail promotions and EPS™ new construction offers. 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.

- In quarter one, Energy Trust **supported 11 new home construction projects by homeowners rebuilding homes that were destroyed by wildfires**. Energy Trust began offering higher incentives for wildfire rebuilding in January. Staff is also coordinating with Oregon’s Building Codes Division and Department of Energy, which are also supporting wildfire rebuilding.
- Energy Trust completed transitioning its Manufactured Home Replacement offer from pilot to permanent offer in quarter one and began outreach to customers and stakeholders.
 - Staff coordinated with stakeholders including ACCESS in Jackson County, Oregon Department of Energy and Oregon Housing and Community Services, which are also offering funding for manufactured home replacements.
- Energy Trust provided \$77,454 in incentives to nonprofits participating in Community Partner Funding in quarter one and enrolled three new partners: Rogue Climate in Southern Oregon, Sustainable Living Center serving Northeast Oregon and Yamhill Community Action Partnership.
 - Community Partner Funding creates new opportunities by delivering higher incentives for home energy upgrades via nonprofits and other agencies providing direct services to customers with low and moderate incomes, communities of color, rural customers, veterans and people with disabilities.
- In preparation to launch a no-cost ductless heat pump pilot in quarter two, staff sought guidance from four community-based organizations to gather input and begin co-designing the program delivery approach to serve customers with low incomes and high energy burdens.
- Ahead of launching bonuses on gas furnace and ceiling insulation in quarter two, staff completed outreach to HVAC and insulation contractors as well as equipment manufacturers to understand supply chain impacts and material cost increases.
- Energy Trust expanded on-bill repayment eligibility to Avista customers after finalizing an agreement with Puget Sound Cooperative Credit Union. The offer will initially target customers with low and moderate incomes who qualify for Savings Within Reach incentives.
 - On-bill repayment, which is available to customers of other utilities, helps make energy-efficiency improvements more accessible for customers by spreading the project cost over time. Bill savings from the customer’s energy-saving upgrade can help offset the additional bill amount from the project loan.
- Energy Trust is working to support energy-efficient new homes in rural areas or designed for buyers with moderate incomes. In 2022, the program will offer bonuses for new EPS™ homes that qualify as affordable, are in rural areas, are built for tribal communities or if the builder or verifier is COBID certified.
- Residential savings from NEEA activities in quarter one will be reported in quarter two.



**SUPPORTED WILDFIRE
REBUILDING WITH
HIGHER INCENTIVES**

E. 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 customers with lower incomes 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.

- Residential solar installations continued to drive the sector's generation with more projects installed in quarter one than any previous first quarter. Activity was higher in PGE service area compared to Pacific Power service area, where incentives are lower to manage demand over the year.
 - Demand for residential solar systems remains high despite higher prices related to supply chain issues. Residential projects are better able to absorb price increases compared to larger solar projects, where activity is more likely to be impacted by equipment cost increases.
- Trade allies report solar projects are moving forward without Energy Trust incentives, especially in Pacific Power service area, a sign that market activity will continue as Energy Trust reduces incentives for standard solar systems to focus on supporting customers with low and moderate incomes and systems with smart technologies that support resilience and grid management.
- Energy Trust introduced a simplified incentive structure for standard residential solar projects at the start of 2022. Eligible projects larger than two kilowatts now receive a flat amount upon installation rather than incentive amounts based on the size of the system. This new structure is simpler for customers, reduces staff time needed for system reviews and sets the stage for additional incentives for qualifying smart inverters and smart batteries planned for later this year.
 - Flat-rate incentives started at \$1,200 for PGE customers and \$900 for Pacific Power customers and will be reduced throughout the year in response to demand.
- Energy Trust paid \$900,000 in Solar Within Reach incentives in quarter one, helping income-qualified customers access solar energy. Staff is working to expand Solar Within Reach to new homes built for buyers with low and moderate incomes and exploring additional offers to better serve these customers.
 - Quarter one spending puts Energy Trust on track to meet the requirement in HB 3141 of spending at least 25% of new 2022 public purpose charge funding to benefit customers experiencing low and moderate incomes. For more information, see Table F on page 21.
- Energy Trust is **supporting development of a community energy plan for Wallowa County in Northeast Oregon**, which will create a roadmap of renewable energy and energy efficiency for the region and identify future



**SUPPORTED
COMMUNITY ENERGY
PLANNING IN
NORTHEAST OREGON**

projects. In the initial stages of the process, staff created a baseline energy consumption profile and provided input that helped inform the energy planning leadership team.

- Energy Trust **paid its first incentive to a small-scale community solar project** in quarter one to a project in Talent, Oregon. It was developed by the nonprofit Solarize Rogue, Oregon Clean Power Cooperative and Oregon Shakespeare Festival. The incentive was awarded through a competitive application process in mid-2021. Energy Trust expects to run a similar incentive process for small-scale equity-focused community solar projects in 2022.
- Energy Trust is supporting installation of a pressure reduction valve hydropower turbine at the City of Beaverton's Sexton Mountain pump station with a \$450,000 incentive. The in-conduit hydropower plant will generate 350,000 kWh of renewable electricity per year to help offset the facility's energy use. This station is designed to expand hydropower capacity as water flows increase over time.
- Energy Trust continues to support irrigation modernization in partnership with Farmers Conservation Alliance. In Central Oregon, the Three Sisters Irrigation District signed a power purchase agreement with Pacific Power for a 300-kW in-conduit hydropower plant, increasing its aggregate installed generation capacity to 1,100 kW. Commercial operation is expected in quarter two.
 - This is the district's third and final hydropower facility, all supported by incentives from Energy Trust. Benefits of this work include energy generation, energy efficiency and water savings that help maintain instream flows and wildlife habitats in Whychus Creek.



**PAID FIRST INCENTIVE
TO A SMALL-SCALE
COMMUNITY SOLAR
PROJECT**

F. 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 business systems (maintaining and improving Energy Trust's technology and business 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 the launch of the Existing Buildings Contractor Development Pathway, which provides participating contractors technical, business and programmatic assistance and is designed to support businesses owned by women and people of color. For more information, see page 11.

General outreach and community services:

- Outreach staff **worked with staff for the cities of Salem, Tigard and Gresham to explore opportunities** for Energy Trust programs to help them achieve newly enacted climate and energy plans and environmental justice and equity provisions.
- Staff signed on to participate in the City of Grants Pass' Sustainability and Energy Action Taskforce and provided information on energy efficiency, conservation education and energy resilience.
- Staff helped rural communities and organizations apply for interns from University of Oregon's Resource Assistance for Rural Environments (RARE) Program to work on energy issues including renewable energy projects and funding opportunities.

Communications, general marketing and customer service:

- Customer calls and emails to Energy Trust in quarter one were down compared to this time last year, reflecting fewer incentive applications and inquiries about processing delays.
- Customer service staff supported communications for several organization projects including request for proposals for program contractors, incentive changes and efforts to clarify fuel-choice language in customer facing materials.
- Public relations work resulted in 31 news stories about Energy Trust in quarter one with a combined publicity value—what it would have cost to purchase the equivalent advertising space and airtime—of \$4.5 million. They included stories on how irrigation modernization can help farmers manage drought, Clackamas County turning waste into energy and the appointment of two new members to Energy Trust's board of directors.

Policy services:

- Under the direction of OPUC staff, Energy Trust led a series of meetings with utilities and ratepayer advocates to increase coordination with utilities in the development of Energy Trust's annual budget and action plans as required by HB 3141.
- Staff briefed new and incumbent legislators on Energy Trust services and benefits and responded to requests for information during the 2022 legislative session.
- Staff worked with Oregon's Department of Energy, Department of Environmental Quality and Housing and Community Services to understand new programs focused on indoor temperature control, resiliency, renewable energy, greenhouse gas emissions and wildfire rebuilding.
- Staff monitored multiple dockets at the OPUC including dockets related to differential ratemaking, expanded intervenor funding, HB 2021-required Clean Energy Plans and natural gas fact finding.

IT and operations systems:

- Staff processed 9,128 customer projects in Energy Trust systems, including 6,609 submitted through web applications.
- Staff continued distributing laptops and other equipment, set up virtual private networks and made security software upgrades for staff working remotely.



**EXPLORED WAYS TO
SUPPORT CITIES'
CLIMATE AND ENERGY
PLANS**

Planning and evaluation:

- Staff published three evaluations and research studies on Energy Trust's website.
- Staff supported the Integrated Resource Plan processes for PGE and NW Natural.
- Staff supported development of a report on Energy Trust's economic impact, scheduled for completion in quarter two.

IV Revenues and expenditures tables¹⁰

This section reports on revenues and expenditures for Oregon activity funded by Oregon ratepayers for energy efficiency and renewable energy under Energy Trust's grant agreement with the Oregon Public Utility Commission. The total organization results appendix reports energy savings, generation, expenditures and revenues for all Energy Trust activity, including activity in NW Natural service area in Southwest Washington, Energy Trust's subcontract to deliver the Oregon Community Solar Program and other activity.

A. Revenues and expenditures summary under OPUC grant agreement

- **Revenues totaled \$60.4 million for quarter one 2022**, 9% above what was budgeted.
- **Expenditures totaled \$33.7 million**, 22% below budget; 37% of expenditures, or \$12.4 million, was for incentives.¹¹
- **Electric efficiency expenditures** were 22% below budget.
- **Gas efficiency expenditures** were 21% below budget.
- **Renewable energy expenditures** were 25% below budget.¹²
- **Administrative costs** were \$3 million, 2% below budget.
- **Administrative and program support costs as defined by the OPUC's performance measure** were \$3.79 million.¹³ In addition to administrative costs, this figure includes program support costs such as travel, conferences, supplies and software.

B. Revenues under OPUC grant agreement¹⁴

Source	Q1 actual revenues	Q1 budgeted revenues
PGE Efficiency \$	23,062,013 \$	23,414,730
PGE Renewables \$	3,292,152 \$	2,491,080
Pacific Power Efficiency \$	16,313,144 \$	15,988,370
Pacific Power Renewables \$	1,948,554 \$	1,708,840
NW Natural \$	11,399,357 \$	11,430,214
NW Natural Industrial DSM \$	1,500,000 \$	-
Cascade Natural Gas \$	1,613,835 \$	1,521,656
Avista \$	1,235,823 \$	1,235,823
Total \$	60,364,878 \$	57,790,713

¹⁰ Columns may not total due to rounding.

¹¹ Spending on incentives was lower than expected in quarter one due to lower than expected project and savings volumes.

¹² Renewable energy expenditures were below budget for quarter one largely due to delayed Other Renewables projects.

¹³ The performance measure limits administrative and program support costs for the year in relation to annual revenues and year-over-year growth.

¹⁴ Revenues in Table B include ratepayer revenue collected for energy-efficiency programs and renewable energy activities collected through the public purpose charge.

C. Expenditures under OPUC grant agreement

Source	Q1 actual expenditures	Q1 budgeted expenditures
Portland General Electric \$	17,772,921 \$	20,912,692
Pacific Power \$	8,972,248 \$	13,593,340
NW Natural \$	5,394,662 \$	5,446,143
NW Natural Industrial DSM \$	660,788 \$	1,344,531
Cascade Natural Gas \$	579,419 \$	1,057,595
Avista \$	311,663 \$	916,252
Total \$	33,691,700 \$	43,270,553

D. Expenditures under OPUC grant agreement by sector and program

	Q1 actual expenditures	Q1 budgeted expenditures
Commercial	Existing Buildings \$	7,778,658 \$
	New Buildings \$	2,460,573 \$
	NEEA Commercial \$	707,574 \$
	Commercial total \$	10,946,805 \$
Industrial	Production Efficiency \$	5,152,908 \$
	NEEA Industrial \$	11,286 \$
	Industrial total \$	5,164,194 \$
Residential	Residential \$	9,917,201 \$
	NEEA Residential \$	1,339,317 \$
	Residential total \$	11,256,519 \$
	Energy efficiency total \$	27,367,518 \$
Renewables	Solar \$	2,830,325 \$
	Other Renewables \$	530,357 \$
	Renewable generation total \$	3,360,682 \$
	Administration \$	2,963,499 \$
	Total \$	33,691,700 \$
		43,270,553

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	\$ 5,240,468	\$ 2,384,863	\$ 2,376,681	\$ 194,359	\$111,549	\$1,603,475	\$ 522,337	\$12,433,732
Total	\$ 5,240,468	\$ 2,384,863	\$ 2,376,681	\$ 194,359	\$111,549	\$1,603,475	\$ 522,337	\$12,433,732

F. Low- and moderate-income renewable energy expenditures¹⁵

	YTD renewable revenues	YTD LMI expenditures	Percent of revenues benefiting LMI customers
Portland General Electric	\$ 3,292,152	\$ 1,169,823	36%
Pacific Power	\$ 1,948,554	\$ 196,312	10%
Total	\$ 5,240,705	\$ 1,366,136	26%

¹⁵ This table reports on a 25% minimum renewables spending requirement for Energy Trust under HB 3141. Revenues are all renewable energy revenues and expenditures are only those that benefit customers with low and moderate incomes.

V Savings and generation tables^{16,17,18,19}

A. Savings and generation by fuel

	Q1 savings/generation	Annual goal	Percent achieved YTD
Electric savings	4.1 aMW	50.6 aMW	8%
Natural gas savings	836,556 therms	7,265,422 therms	12%
Electric generation	0.97 aMW	4.10 aMW	24%

B. Progress toward annual efficiency goals by utility²⁰

	Q1 savings	Annual goal	Percent achieved YTD	Annual IRP target	Percent achieved YTD
Portland General Electric	2.8 aMW	29.0 aMW	9%	24.8 aMW	11%
Pacific Power	1.3 aMW	21.5 aMW	6%	18.7 aMW	7%
NW Natural	705,788 therms	5,853,279 therms	12%	6,062,451 therms	12%
Cascade Natural Gas	67,049 therms	752,829 therms	9%	485,188 therms	14%
Avista	63,720 therms	659,313 therms	10%	447,273 therms	14%

C. Electric savings by sector and program

	Q1 savings aMW	Annual goal aMW	Percent achieved YTD
Commercial	Existing Buildings	1.3	9%
	New Buildings	0.2	4%
	NEEA Commercial	0.1	10%
	Commercial total	1.7	8%
Industrial	Production Efficiency	1.6	9%
	NEEA Industrial	0.1	9%
	Industrial total	1.7	9%
Residential	Residential	0.7	10%
	NEEA Residential	-	-
	Residential total	0.7	6%
	Total electric savings	4.1	8%

¹⁶ Columns may not total due to rounding.

¹⁷ This document reports gross savings.

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 Integrated Resource Plan for Portland General Electric is pending acknowledgement by the OPUC.

D. Natural gas savings by sector and program

		Q1 savings therms	Annual goal therms	Percent achieved YTD
Commercial	Existing Buildings	298,882	2,469,687	12%
	New Buildings	32,224	437,460	7%
	NEEA Commercial	16,787	167,873	10%
Commercial total		347,893	3,075,020	11%
Industrial	Production Efficiency	93,904	1,528,067	6%
	NEEA Industrial	-	-	-
Industrial total		93,904	1,528,067	6%
Residential	Residential	394,759	2,662,335	15%
	NEEA Residential	-	-	-
Residential total		394,759	2,662,335	15%
Total natural gas savings		836,556	7,265,422	12%

E. Renewable energy generation by utility

	Q1 generation aMW	Annual goal aMW	Percent achieved YTD
Portland General Electric	0.63	2.29	27%
Pacific Power	0.34	1.80	19%
Total	0.97	4.10	24%

F. Renewable energy generation by program

	Q1 generation aMW	Annual goal aMW	Percent achieved YTD
Solar	0.97	3.98	24%
Other Renewables	-	0.11	-
Total generation	0.97	4.10	24%

G. Utility-invested efficiency expenditures²¹

Utility	Q1 expenditures
Portland General Electric \$	132,356
Pacific Power \$	102,705
Total \$	235,061

²¹ Reflects utility investments of a portion of efficiency tariff funds. Funds are collected by the utility and are in addition to funds received by Energy Trust. Reports detailing activities funded by these expenditures are submitted annually by the utilities to the OPUC.

VI Progress to 2022 organization goals

This section provides updates on Energy Trust’s progress toward meeting its 2022 organization goals, which were set as part of Energy Trust’s 2022 Budget and 2022-2023 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. Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events. Focus on:</p> <ul style="list-style-type: none"> • offers that better serve customers with high energy burdens and help small businesses reduce energy costs • programs and initiatives to help utilities manage loads during high demand periods • communities recovering from disaster events 	<p>On track to meet goal, managing:</p> <ul style="list-style-type: none"> • Savings for quarter one were lower than expected. Staff is increasing incentives and making other program changes to drive activity. • Energy Trust began offering higher incentives for wildfire rebuilding and supported 11 new home construction projects in quarter one by homeowners rebuilding homes that were destroyed by wildfires. • The residential sector expanded eligibility for on-bill repayment, which helps make energy-efficiency improvements more accessible for customers by spreading the project cost over time. • The residential sector began co-developing with community partners a no-cost ductless heat pump offer aimed at customers with low incomes and high energy burdens.
<p>2. Expand support for community-led approaches to increase access to clean energy. Focus on:</p> <ul style="list-style-type: none"> • partnerships with communities or community-based organizations that represent and serve communities of color, customers with low incomes and rural communities • working with communities and community-based organizations to help shape residential and business offers • leveraging additional funding sources and insights from communities • community energy policy and planning efforts to identify opportunities for collaboration • applying Energy Trust's community engagement guidelines to evaluate opportunities 	<p>On track to meet goal:</p> <ul style="list-style-type: none"> • Energy Trust awarded its first round of Working Together Grants to 13 community-based nonprofit organizations totaling \$125,000. The funds will support community-led activities that increase awareness of and access to Energy Trust offers for customers. Grants are a path for building partnerships and capacity with community-based organizations to serve customers. • Staff helped rural communities and organizations apply for interns from University of Oregon’s Resource Assistance for Rural Environments (RARE) Program to work on energy issues including renewable energy projects and funding opportunities. • Staff worked with the cities of Salem, Tigard and Gresham to explore opportunities for Energy Trust programs to help them achieve their newly enacted climate and energy plans and their environmental justice and equity provisions.
<p>3. Create development capabilities that will allow Energy Trust to increase funding to deliver more savings and generation and expand the organization’s ability to meet changing customer and utility system needs. Focus on:</p>	<p>On track to meet goal:</p> <ul style="list-style-type: none"> • Leadership considered recommendations from an internal project team and decided to create an innovation and development team to coordinate efforts to pursue new funding

<ul style="list-style-type: none"> • building formalized systems, processes and structures to pursue new funding opportunities • relationships with organizations to pursue complementary activities or access other sources of funds • enhancing grid value with the utilities • policy discussions that leverage development efforts • opportunities that improve cost-effectiveness and increase adoption of renewable generation 	<p>opportunities and provide support to the exploration of new ideas within the organization. This team will be established in quarter three.</p> <ul style="list-style-type: none"> • In the meantime, a smaller team will work on creating initial tools and processes to support development activities.
<p>4. Implement new work strategies to adapt and thrive in a changing environment while supporting staff and managing operating costs. Focus on:</p> <ul style="list-style-type: none"> • a more inclusive, flexible, accessible and supportive work culture that celebrates diversity • developing organizational awareness of social justice issues • developing a culture and environment that enables the organization to retain and compete for talent • adapting to changing business conditions • tools to manage administrative costs 	<p>On track to meet goal:</p> <ul style="list-style-type: none"> • Staff finalized plans for the Learning Lab, a six-month project to test new tools and methods to improve and support team functioning, engagement and communications in a hybrid work environment. • Improving teams' ability to work remotely and embracing hybrid work will enable the organization to break down geographical barriers when recruiting and help the organization recruit and retain staff who are seeking flexibility. • Energy Trust launched an adaptive leadership training to help managers learn to embrace change and support their staff through complex changes.

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 its core electric and gas efficiency and renewable energy programs under Energy Trust's grant agreement with the Oregon Public Utility Commission. This includes activity in NW Natural service area 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 money on business development.

Highlights of this work for quarter one include:

- Energy Trust is in the third and final phase of a three-year targeted load management pilot with NW Natural in Creswell and Cottage Grove. During this phase, Energy Trust is providing increased incentives (above what is available statewide) by incorporating a localized avoided cost value on measures that deliver high peak demand reduction. Energy Trust completed two rounds of targeted marketing including direct mail, email, social media and increased outreach to drive participation.
 - 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 and costly infrastructure upgrades.
 - So far residential project install rates are much higher in the targeted area compared with historical activity in the area.
- Energy Trust and partners at the African American Alliance for Homeownership, Verde and four other community-based organizations were awarded \$200,000 from the National Renewable Energy Laboratory in quarter one for a 15-month project to recruit and train a network of solar ambassadors from communities of color. These community-based solar advocates will increase access to solar by building awareness within their networks and building connections to the solar industry with the goal of helping their neighbors access solar energy. Contracting work completed in quarter one and the team kicked off planning work.
- The expansion of the Oregon Community Solar Program to include 80 megawatts of capacity has enabled a new cohort of projects to move forward. Energy Trust's community solar team is supporting this next tier of the program with an emphasis on increasing residential customer participation and creating new pathways for community-led projects to participate.
- Energy Trust is entering its second full year as implementation partner for PGE's Smart Battery Pilot. Due to supply chain delays, battery storage system installations have been slower than anticipated, causing delays in paying rebates to trade ally contractors. In 2022, campaigns to increase adoption are expected to increase the number of projects completed.
- Energy Trust applied to the Oregon Office of Emergency Management for the FEMA Hazard Mitigation Grant Program. If the grant is awarded, Energy Trust will conduct a three-year planning effort with at least a dozen communities to identify locations for as many as 100 microgrid projects that could help key community facilities stay on during power outages.

A. Total organization revenue

Source	Q1 actual revenues	Q1 budgeted revenues
Oregon ratepayer-funded programs	\$ 60,364,878	\$ 57,790,713
NW Natural Washington	\$ 1,050,291	\$ -
Oregon Community Solar Program	\$ 120,386	\$ 118,395
Low- and moderate-income grant	\$ 459	\$ -
NW Natural TLM	\$ -	\$ 214,732
PGE Smart Battery Pilot	\$ 23,068	\$ 125,489
Revenue from investments	\$ 42,663	\$ 52,000
Business development	\$ -	\$ -
Total	\$ 61,601,745	\$ 58,301,329

B. Total organization expenditures

Source	Q1 actual expenditures	Q1 budgeted expenditures
Oregon ratepayer-funded programs	\$ 33,691,700	\$ 43,270,553
NW Natural Washington	\$ 551,364	\$ 596,547
Oregon Community Solar Program	\$ 83,155	\$ 97,301
Low- and moderate-income grant	\$ -181	\$ -
NW Natural TLM	\$ 59,166	\$ 178,841
PGE Smart Battery Pilot	\$ 23,179	\$ 118,462
FEMA	\$ 3,328	\$ -
NREL	\$ 15,184	\$ -
Business development	\$ 3,555	\$ -
Total	\$ 34,430,450	\$ 44,261,703

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

	Q1 actual expenditures	Q1 budgeted expenditures
Oregon ratepayer-funded programs	\$ 30,728,201	\$ 40,232,469
Other		
NW Natural Washington programs	\$ 502,867	\$ 554,662
Oregon Community Solar Program	\$ 75,841	\$ 90,469
Low- and moderate-income grant	\$ -166	\$ -
NW Natural TLM	\$ 53,962	\$ 166,284
PGE Smart Battery Pilot	\$ 21,140	\$ 110,144
FEMA	\$ 3,035	\$ -
NREL	\$ 13,848	\$ -
Business development	\$ 3,555	\$ -
Other Total	\$ 674,083	\$ 921,560
Administration	\$ 3,028,167	\$ 3,107,674
Total expenditures	\$ 34,430,450	\$ 44,261,703

D. Total organization savings and generation by fuel²²

	Q1 savings/generation	Annual goal	Percent achieved YTD
Electric savings	4.1 aMW	50.6 aMW	8%
Natural gas savings	874,062 therms	7,584,144 therms	12%
Electric generation	0.97 aMW	4.10 aMW	24%

E. Total organization progress toward annual efficiency goals by utility²³

	Q1 savings	Annual goal	Percent achieved YTD	Annual IRP target	Percent achieved YTD
Portland General Electric	2.8 aMW	29.0 aMW	9%	24.8 aMW	11%
Pacific Power	1.3 aMW	21.5 aMW	6%	18.7 aMW	7%
NW Natural	705,788 therms	5,853,279 therms	12%	6,062,451 therms	12%
Cascade Natural Gas	67,049 therms	752,829 therms	9%	485,188 therms	14%
Avista	63,720 therms	659,313 therms	10%	447,273 therms	14%
NW Natural Washington	37,505 therms	318,722 therms	12%	354,000 therms	11%

F. Total organization renewable energy generation by utility

	Q1 generation aMW	Annual goal aMW	Percent achieved YTD
Portland General Electric	0.63	2.29	27%
Pacific Power	0.34	1.80	19%
Total	0.97	4.10	24%

²² Includes NW Natural savings in Southwest Washington.

²³ Integrated Resource Plan for Portland General Electric is pending acknowledgement by the OPUC.