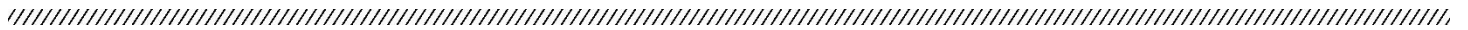


Quarter Two 2022 Report to the Oregon Public Utility Commission & Energy Trust Board of Directors



ENERGY TRUST OF OREGON
August 15, 2022

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

I Executive summary¹

A. Progress to organizational goals

Energy Trust's 2022 organizational goals, established through the 2022 business plan, budget and action plan process with input from stakeholders and approval by the board of directors, reflect the organization's priorities for the year and guide staff decision-making regarding allocation of resources.



GOAL 1: Achieve savings and renewable generation goals while addressing the needs of customers who experience significant energy burden or are impacted by disaster events.

STATUS: Mixed across the portfolio

- **Energy Trust is forecasted to come close to** its annual electric savings goal and exceed its renewable generation goal but fall short of its natural gas savings goal. Within the five utility service areas, Energy Trust is forecasted to exceed the annual savings goal for Portland General Electric and fall short of annual savings goals and the OPUC performance measure for savings for the other utilities.
 - **The commercial and industrial sectors** started the year with fewer projects in the pipeline than normal due to reduced incentive levels in 2021, which is also contributing to the anticipated shortfalls. Incentives were reduced in mid-2021 to help manage available funds during a period of high demand for incentives and limited program reserves.
- **Incentive spending for the quarter** came in below budget due to lower savings and project activity (see Section IV).
- **While demand for energy efficiency solutions remains high**, equipment and labor shortages are impacting certain technologies and projects more than others. In these cases, Energy Trust incentives alone can't help customers overcome these barriers, which include months-long extensions to project timelines. Meanwhile, inflation, high gasoline and diesel prices and rising interest rates are affecting consumers and businesses across the state and in every industry.
- **Steps Energy Trust is taking now** to help motivate customers – including heightened marketing and outreach and increasing incentive amounts – are helping build the 2023 project pipeline but may not translate to savings in 2022 given delays and the long-term nature of commercial and industrial efficiency projects.
- **Energy Trust expects to exceed its renewable energy generation goal** amid high demand for residential and small commercial solar projects and increasing efficiency of solar panels. Energy Trust is also on track to meet a new requirement on minimum incentive spending to benefit customers with low or moderate incomes.
 - Supply chain issues have impacted the solar industry, driving up prices and causing some trade allies to find new suppliers. Residential customers appear less price sensitive than developers of larger projects.
- **The first incentives to support wildfire rebuilding** of commercial properties were paid in quarter two. These include bonuses for early design assistance, solar early design assistance and increased technical assistance. Earlier this year, Energy Trust started offering higher incentives for residential and commercial projects at buildings that were damaged or destroyed by wildfires in coordination with state agencies.
- **Energy Trust developed a Landlord Provided Cooling Space Initiative**, funded through a contract with Oregon Department of Energy and in response to newly passed state legislation. Work in quarter two included program design and outreach to housing organizations (see Appendix 1).
- **Existing Buildings community-based liaisons** worked with Lara Media and Delgado Consulting to survey nearly 100 Latino business owners in Central Oregon in quarter two to better understand their needs and barriers to participating in Energy Trust offers. The majority said they had not heard of Energy Trust and would like to be communicated with in Spanish.

¹ 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. For information on other activities, see Appendix 1.



GOAL 2: Expand support for community-led approaches to increase access to clean energy.

STATUS: On track

- **Energy Trust is co-creating Solar Ambassadors** with community-based organizations to address participation barriers for homeowners in communities of color who are interested in solar (see Appendix 1). In quarter two, staff began drafting a roadmap for how customers will learn about and eventually install solar, identifying customer needs and barriers.
- **Staff met with recipients of Energy Trust's Working Together Grants**, which were first awarded in quarter one, and gained early insights into their goals and how these organizations can help Energy Trust connect with customers it has not been successful at serving.
- **Outreach staff continues to engage with communities** developing or implementing energy and/or climate action plans and coordinate with utility representatives when appropriate. These communities include the Confederated Tribes of the Umatilla Indian Reservation, Deschutes County, Grants Pass, Gresham, Lake Oswego, Oregon City, Salem, Tigard, Wallowa County and Tualatin.
- **Energy Trust expanded** co-funding of projects with community action agencies and expanded Community Partner Funding to cover projects at multifamily sites (see Section II).



GOAL 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.

STATUS: On track

- **Staff continued to gather information** on funding opportunities and create tools to seek and track new contracts and grants outside ratepayer funding. Staff applied early lessons learned in the development of the Landlord Provided Cooling Space Initiative, which involved quickly designing a program and allocating budget and other resources to meet critical customer needs (see Appendix 1).
- **Energy Trust began forming an innovation and development services team** to coordinate efforts to pursue new funding opportunities. A specialist for this team was hired in June and recruiting for a director will begin in quarter three.
- **Energy Trust wrapped up** a three-year targeted load management pilot with NW Natural in Creswell and Cottage Grove and contracted with PGE to support its Smart Inverter Pilot (see Appendix 1).

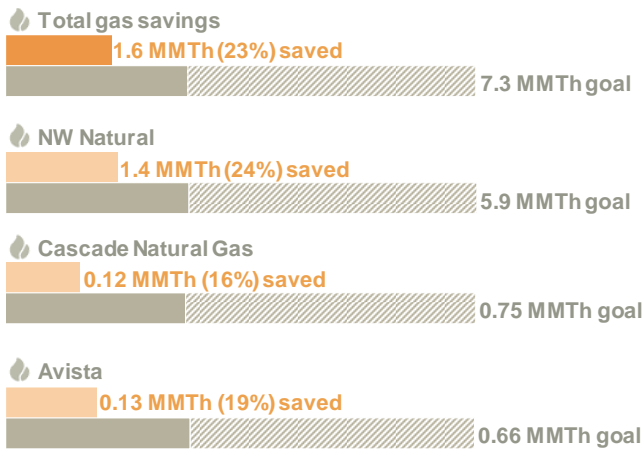
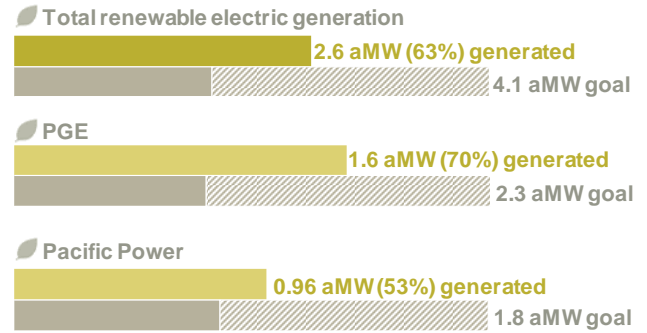
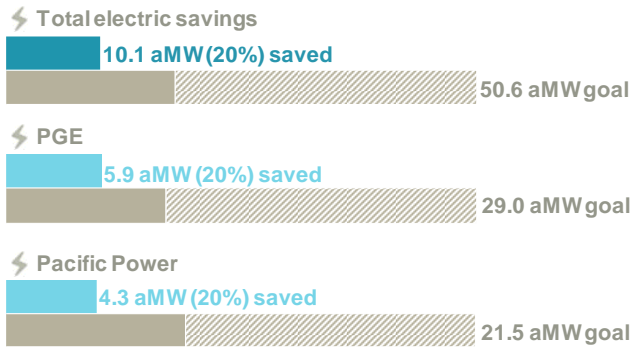


GOAL 4: Implement new work strategies to adapt and thrive in a changing environment while supporting staff and managing operating costs.

STATUS: On track

- **Staff completed trainings** as part of Energy Trust's internal Learning Lab, a six-month-long test of tools and methods aimed at improving the remote work environment. Trainings focused on communication styles, virtual meetings and continuous improvement.
- **Affinity groups now meet monthly.** These groups were formed in 2020 and provide a safe space for those with a shared identity or interest including BIPOC employees, working parents and women.
- **Energy Trust started recruiting nationally** for certain positions to attract a more diverse candidate pool and increase retention by offering location flexibility.

B. Results at a glance^{2,3}



■ = Year-to-date goal ▨ = Annual goal



Launched bonuses for customers to help offset rising prices (pg. 5-6)



Consolidated Production Efficiency program delivery to streamline participation and lower costs (pg. 6)



Began co-funding residential upgrades with Yamhill Community Action Partnership (pg. 7)



Added a search option to help customers find contractors who speak languages other than English (pg. 8)

40,505

Avoided carbon dioxide (in metric tons) as a result of energy savings and generation year to date

² This document reports gross savings.

³ aMW indicates average megawatts, MMTh indicates million therms and MM is million.

II Program and operations activity

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. Appendix 1 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. Commercial sector highlights⁴

- The sector anticipates closely meeting savings goals in PGE, Pacific Power and NW Natural service areas. It forecasts falling short of goals in Cascade Natural Gas and Avista service areas due to rising costs and equipment delays impacting Existing Buildings projects, including delaying some projects until 2023.
- Existing Buildings launched bonuses to help customers overcome rising costs amid supply chain disruptions. For instance, a microchip shortage has driven controls costs up five times their price two years ago.
 - Staff is considering exceptions to allow customers to purchase equipment earlier in the incentive process to accommodate equipment delays. Currently customers may have to make purchasing decisions before evaluating incentive opportunities.
- Energy Trust has expanded Community Partner Funding – which offers higher incentives delivered through qualifying nonprofit partners that serve customers of color, customers with low incomes and rural customers – to include small multifamily properties. In quarter two, community partners completed 11 home energy assessments and seven energy-saving projects at multifamily properties.
- The first wildfire rebuilding bonus incentives for new commercial construction were paid in quarter two. These higher incentives include bonuses on early design assistance and solar early design assistance, as well as increased technical assistance.
- Commercial savings from NEEA activities comprised approximately 6% of the sector's year-to-date savings in PGE service area, 8% in Pacific Power service area, 5% in NW Natural service area, 14% in Cascade Natural Gas service area and 15% in Avista service area.
 - Electric and gas savings were driven by the 2021 Oregon Zero Energy Ready Commercial Code, which went into effect in October 2021.

B. Industry and agriculture sector highlights⁵

- The sector anticipates significantly exceeding savings goal in PGE service area and meeting goal in Cascade Natural Gas service area. It forecasts falling short in Pacific Power, NW Natural and Avista service areas due to lower than expected lighting savings and standard track projects delaying until 2023.
 - PGE savings are benefiting from an industrial megaproject that is on track to deliver significant low-cost savings in 2022.
- Supply chain disruptions, staffing shortages and equipment and shipping cost increases continue to lead some customers to forgo or delay projects. In response, staff is focusing on quick-turn projects and encouraging customers to get additional savings out of existing projects.

⁴ 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, along with lighting offers for industrial customers.

⁵ 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, along with lighting offers for commercial customers.

- Through a competitive bidding process, staff selected a single Program Management Contractor to deliver non-lighting program services starting in 2023. The contract was approved by Energy Trust's board in July.
 - Production Efficiency is currently managed by Energy Trust staff with support from five Program Delivery Contractors that brought technical and geographical expertise. Using one Program Management Contractor in the future will make participating easier for customers and trade allies, reduce costs and free up Energy Trust staff time to focus on new opportunities.
- Increased incentive limits and changes to project requirements launched in quarter two drove many indoor agriculture dehumidifier projects.
- Industrial savings from NEEA activities comprised approximately 5% of the sector's year-to-date savings in PGE service area and 6% 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 invest in gas market transformation for the industrial sector as there are no NEEA industrial gas market transformation initiatives.

C. Business lighting highlights⁶

- The program started the year with fewer projects in the pipeline than typical due to incentive caps Energy Trust introduced in 2021 to closely manage remaining available funds amid high customer interest. Even after increasing some incentives and caps in 2022, recovery for larger projects has been slower than expected, especially in the industrial sector.
- Downstream offers (where incentives are paid to customers) continue to be the biggest driver of savings, while midstream offers (incentives paid to retailers and distributors to stock and deliver efficient lighting products) picked up in June after Energy Trust increased incentives.
- Staff is assessing which lighting technologies need higher incentives based on market conditions and considering increasing custom incentives in the downstream channel to help offers not impacted by supply chain disruptions but experiencing higher prices. Staff is also continuing to focus on targeted outreach and field support to reduce customer participation barriers.
- Quarter two customer survey results showed increased satisfaction with program representatives and Energy Trust information and materials. In response to a dip in customer satisfaction in the quarter one survey results, particularly among industrial/agricultural small businesses, staff updated lighting offers, processes and marketing materials to improve the customer experience.

D. Residential sector highlights⁷

- The sector anticipates meeting savings goals in PGE and Cascade Natural Gas service areas and falling short of goals in Pacific Power, NW Natural and Avista service areas. Shortfalls are due in part to lower than expected sales for smart thermostats and lower than expected demand for manufactured home replacements.
- Energy Trust launched bonuses in June for insulation for all customers and gas furnaces for income-qualified customers. To further motivate customers facing increasing costs and installations delays, staff extended bonuses that were set to end in the fall.
- Smart thermostat sales have slowed in all service areas. Staff is exploring increasing incentives and marketing partnerships with utilities to drive demand in the second half of 2022.

⁶ Energy Trust lighting offers for commercial and industrial customers are delivered by Program Delivery Contractor CLEAResult to gain program efficiencies and deliver cost savings, as well as strengthen diversity, equity and inclusion efforts.

⁷ 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 customer groups underserved by the program.

- To support energy-efficient affordable housing, Energy Trust launched a \$500 bonus for builders constructing homes that are affordable, in rural locations and/or in tribal communities, along with a \$250 bonus for verifiers of homes that meet these criteria.
 - The sector continues to offer incentives for customers replacing older manufactured homes with highly efficient newer models.
- Energy Trust began co-funding upgrades for electric customers in Yamhill County with Yamhill Community Action Partnership in quarter two. So far, Energy Trust provided \$13,706 for upgrades including as insulation, new windows, duct sealing and ducted heat pumps.
 - Co-funding projects with community action agencies like this that support weatherization upgrades for residents with low incomes helps Energy Trust achieve more savings and reach customers it has not previously served.
- Residential savings from NEEA activities comprised approximately 28% of the sector's year-to-date savings in PGE service area and 18% in Pacific Power service area.
 - 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.
 - There are no gas savings from NEEA activities this year.

E. Renewable energy sector highlights⁸

- The sector anticipates exceeding generation goals in PGE and Pacific Power service areas amid high demand for residential and small commercial solar projects. Customers are also installing larger systems than expected as panel efficiency continues to increase.
- The sector is on track to invest at least 25% of funds collected in activities and projects that benefit customers with low or moderate incomes.⁹ Spending in the PGE service area is expected to surpass 25% due to Solar Within Reach applications, but applications in the Pacific Power service area decreased after incentive levels were lowered in 2021. To boost applications, Energy Trust raised Solar Within Reach incentives in June for Pacific Power customers.
- To support solar installations on new affordable homes, Energy Trust extended Solar Within Reach incentives to builders of new homes for buyers who meet income qualifications.
- To support the community solar market, Energy Trust started funding coaching and technical assistance to community-led community solar projects through a contract with Bonneville Environmental Foundation.
- Despite high demand for project development assistance to support custom hydropower, biopower, geothermal and wind projects, the sector forecasts reaching 80% of the OPUC performance measure on renewable energy development assistance spending due primarily to a decision by one municipality to delay a large project. Staff will redirect project development assistance incentives to residential and commercial solar projects and has committed a significant amount of project development assistance funds that will be spent in 2023.

⁸ 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.

⁹ This is required under HB 3141. In accordance with OPUC direction, the minimum investment level applies to combined spending for both PGE and Pacific Power. In addition, staff track the spending level for each individual utility.

F. Internal operations highlights¹⁰

- Customer service staff added a “language spoken” search option to Energy Trust’s online *Find a Contractor* tool so that customers can search for contractors who speak their preferred language. Staff also surveyed trade allies to see which had employees who spoke languages other than English.
- Planning and evaluation staff held its first evaluation webinar in June and presented results from two recent evaluations. Webinars will be held quarterly to communicate how programs are progressing and share research results with the broader energy efficiency and renewable energy community. Webinar recordings will be publicly available on Energy Trust’s website to support transparency.
- IT staff simulated a disaster and cloud resource recovery to ensure business continuity in the event a real disaster impacts Energy Trust’s information technology assets.
- Policy services staff supported OPUC staff in convening utility partners to develop a joint budgeting and planning agreement, as required by HB 3141. This agreement will guide Energy Trust’s 2023 budget process in the fall.
- Policy services and outreach staff supported OPUC staff in preparing to develop equity performance metrics for Energy Trust’s investments of ratepayer funds, as required by HB 3141.
- Customer service staff worked to improve customer education and guidance regarding fuel choice while maintaining Energy Trust’s fuel neutrality position as required by the board’s Fuel-switching Policy, including responding to stakeholder inquiries and scoping changes to Energy Trust’s website. This primarily affects residential customers.
- Outreach staff met with representatives from the Immigrant & Refugee Community Organization to learn about opportunities to support small businesses; the Asian Pacific American Network of Oregon representatives to collaborate on clean energy projects; and Black Business Association of Oregon representatives to discuss supporting Black-owned businesses.
- Outreach staff attended the ribbon cutting for the Oregon State Treasury Building, which was designed to reduce electricity and water use and generate solar power. The project received \$165,000 in Energy Trust incentives. Executive Director Michael Colgrove delivered remarks.
- Communications staff finalized [Energy Trust’s 2021 Annual Report](#) and prepared materials for the executive director’s annual results presentations to the OPUC and board of directors.
- In preparing to draft Energy Trust’s 2023 budget and activity plans, staff conducted early outreach to utilities and Energy Trust’s advisory councils to gather market intelligence and to the board of directors to get feedback on strategic priorities for 2023.

¹⁰ Energy Trust’s internal operations teams include 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).

III 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.

Development of peak modeling capabilities:

- Planning staff developed a methodology for incorporating hourly load shape data for measures into reporting on peak savings. Staff identified two ways to define peak (hours when utility system capacity is more likely to be an issue) and will vet these options with utility capacity experts to build a reporting system.

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

- Staff built a carbon savings analysis into the peak reporting project discussed above and will develop this through early 2023. Staff will then perform an analysis of measures that save the most carbon with measures that save the most energy to assess any differences.

Residential measures that have peak impacts:

- Staff continues to explore the feasibility of additional applications for extended capacity heat pumps; develop a portable air conditioning measure for implementation with public health organizations; develop a measure for single-family window retrofits beyond the traditional cost-effective window replacement measure; and explore co-funded direct installation of insulation at no cost to customers in certain circumstances.

Supplier diversity tracking system:

- Development of the supplier diversity tracking system is on track to complete in the fall as scheduled.
- In June, Energy Trust held an orientation session for existing contractors on the new Supplier Diversity Program and its requirements for future solicitations. A recording of the event is available on Energy Trust's website along with updated information on contracting opportunities.

Diversity, equity and inclusion activities:

- Energy Trust completed and published online its Diversity, Equity and Inclusion Plan – 2022. Staff is planning a series of community engagements to get additional input on the plan and proposed metrics (see Appendix 2).
- Energy Trust hired a DEI specialist to work with the DEI lead. Huong Tran is a former member of Energy Trust's Diversity Advisory Council and lives in Bend.
 - The DEI services team offers internal consulting and training to staff, provides expertise on supplier diversity, facilitates Diversity Advisory Council meetings and supports other work aimed at reaching customer segments Energy Trust has historically underserved.
- DEI staff supported the rebidding of Production Efficiency and Residential program contracts. Requests for proposals were structured to promote diversity within implementation teams, and proposals were evaluated based on their approaches to meeting diversity, equity and inclusion goals.

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

- Energy Trust launched a no-cost ductless heat pump pilot in June for residential customers with low incomes. The pilot was co-created with community-based organizations, and stakeholders including Energy Trust's Conservation Advisory Council were also engaged for input.
- The first projects are expected to be installed in early quarter three. Energy Trust expects to support projects statewide with five to 10 community partners.

IV Revenues and expenditures tables¹¹

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 under OPUC grant agreement^{12,13}

Source	Q2 actual revenues	Q2 budgeted revenues	Budget variance
PGE Efficiency \$	20,357,833	\$ 20,000,460	2%
PGE Renewables \$	2,410,539	\$ 2,160,310	12%
Pacific Power Efficiency \$	14,643,850	\$ 13,367,955	10%
Pacific Power Renewables \$	1,849,470	\$ 1,467,440	26%
NW Natural \$	7,616,995	\$ 7,895,519	-4%
NW Natural Industrial DSM \$	-	\$ 2,010,529	-100%
Cascade Natural Gas \$	1,005,290	\$ 645,972	56%
Avista \$	1,235,823	\$ 1,235,823	0%
Total \$	49,119,800	\$ 48,784,008	1%

B. Expenditures under OPUC grant agreement

Source	Q2 actual expenditures	Q2 budgeted expenditures	Budget variance
Portland General Electric \$	18,383,304	\$ 22,112,789	-17%
Pacific Power \$	12,445,122	\$ 14,633,637	-15%
NW Natural \$	4,475,833	\$ 6,283,241	-29%
NW Natural Industrial DSM \$	884,209	\$ 1,510,140	-41%
Cascade Natural Gas \$	634,143	\$ 1,188,451	-47%
Avista \$	531,590	\$ 1,057,530	-50%
Total \$	37,354,201	\$ 46,785,788	-20%

¹¹ Columns may not total due to rounding.

¹² Revenues include ratepayer revenue collected for energy-efficiency programs and ratepayer-funded public purpose charge revenues collected for renewable energy activities.

¹³ The timing of the NW Natural Industrial DSM payment was adjusted and no revenue was expected in quarter two.

C. Expenditures under OPUC grant agreement by sector and program¹⁴

		Q2 actual expenditures	Q2 budgeted expenditures	Budget variance
Commercial	Existing Buildings	\$ 9,611,431	\$ 12,551,491	-23%
	New Buildings	\$ 3,229,265	\$ 4,054,232	-20%
	NEEA Commercial	\$ 742,524	\$ 943,074	-21%
Commercial total		\$ 13,583,220	\$ 17,548,796	-23%
Industrial	Production Efficiency	\$ 5,274,555	\$ 7,656,783	-31%
	NEEA Industrial	\$ 12,445	\$ 8,687	43%
Industrial total		\$ 5,287,000	\$ 7,665,470	-31%
Residential	Residential	\$ 9,970,444	\$ 12,103,154	-18%
	NEEA Residential	\$ 1,150,781	\$ 1,186,732	-3%
Residential total		\$ 11,121,225	\$ 13,289,887	-16%
Energy efficiency total		\$ 29,991,444	\$ 38,504,153	-22%
Renewables	Solar	\$ 3,719,564	\$ 3,627,856	3%
	Other Renewables	\$ 1,010,616	\$ 1,858,448	-46%
Renewable generation total		\$ 4,730,180	\$ 5,486,304	-14%
Administration		\$ 2,632,577	\$ 2,795,331	-6%
Total		\$ 37,354,201	\$ 46,785,788	-20%

D. Incentives paid

Qtr	PGE	Pacific	NW	Cascade	Avista	PGE	Pacific	Total
	efficiency	Power efficiency	Natural efficiency	Natural Gas efficiency		generation	Power generation	
Q1	\$ 5,240,468	\$ 2,384,863	\$ 2,376,681	\$ 194,359	\$ 111,549	\$ 1,603,475	\$ 522,337	\$ 12,433,732
Q2	\$ 5,769,540	\$ 4,142,581	\$ 2,265,033	\$ 238,774	\$ 221,012	\$ 2,592,224	\$ 916,675	\$ 16,145,837
Total	\$ 11,010,008	\$ 6,527,444	\$ 4,641,714	\$ 433,132	\$ 332,561	\$ 4,195,698	\$ 1,439,011	\$ 28,579,569

F. Low- and moderate-income renewable energy expenditures¹⁵

	YTD renewable revenues	YTD LMI expenditures	Percent of revenues benefiting LMI customers
Portland General Electric	\$ 5,702,691	\$ 1,957,279	34%
Pacific Power	\$ 3,798,023	\$ 469,671	12%
Total	\$ 9,500,714	\$ 2,426,950	26%

¹⁴ Administration is different than administrative and program support costs as defined by the OPUC's performance measure.

¹⁵ This table reports on a 25% minimum renewable energy spending requirement for Energy Trust under HB 3141. Revenues include 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}

A. Savings and generation by fuel

	Q2	YTD	Annual	Percent
	savings/generation	savings/generation	goal	achieved YTD
Electric savings	6.1 aMW	10.1 aMW	50.6 aMW	20%
Natural gas savings	805,455 therms	1,642,011 therms	7,265,422 therms	23%
Electric generation	1.60 aMW	2.56 aMW	4.10 aMW	63%

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	3.1 aMW	5.9 aMW	29.0 aMW	20%	24.8 aMW	24%
Pacific Power	3.0 aMW	4.3 aMW	21.5 aMW	20%	18.7 aMW	23%
NW Natural	687,547 therms	1,393,334 therms	5,853,279 therms	24%	6,062,451 therms	23%
Cascade Natural Gas	53,197 therms	120,245 therms	752,829 therms	16%	485,188 therms	25%
Avista	64,712 therms	128,432 therms	659,313 therms	19%	447,273 therms	29%

C. Electric savings by sector and program

		Q2 savings	YTD savings	Annual goal	Percent
		aMW	aMW	aMW	achieved YTD
Commercial	Existing Buildings	1.9	3.2	15.3	21%
	New Buildings	0.6	0.8	4.8	17%
	NEEA Commercial	0.1	0.3	1.4	20%
	Commercial total	2.6	4.3	21.5	20%
Industrial	Production Efficiency	0.9	2.5	17.0	15%
	NEEA Industrial	0.1	0.1	0.8	18%
	Industrial total	0.9	2.6	17.8	15%
Residential	Residential	1.8	2.5	7.5	34%
	NEEA Residential	0.7	0.7	3.8	19%
	Residential total	2.5	3.3	11.3	29%
Total electric savings		6.1	10.1	50.6	20%

¹⁶ Columns may not total due to rounding.

¹⁷ Electric savings also include transmission and distribution savings.

¹⁸ 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.

D. Natural gas savings by sector and program

		Q2 savings therms	YTD savings therms	Annual goal therms	Percent achieved YTD
Commercial	Existing Buildings	140,043	438,925	2,469,687	18%
	New Buildings	54,295	86,520	437,460	20%
	NEEA Commercial	16,787	33,574	167,873	20%
Commercial total		211,125	559,018	3,075,020	18%
Industrial	Production Efficiency	128,693	222,597	1,528,067	15%
	NEEA Industrial	-	-	-	-
	Industrial total	128,693	222,597	1,528,067	15%
Residential	Residential	465,637	860,396	2,662,335	32%
	NEEA Residential	-	-	-	-
	Residential total	465,637	860,396	2,662,335	32%
Total natural gas savings		805,455	1,642,011	7,265,422	23%

E. Renewable energy generation by utility

	Q2 generation aMW	YTD generation aMW	Annual goal aMW	Percent achieved YTD
Portland General Electric	0.98	1.60	2.29	70%
Pacific Power	0.62	0.96	1.80	53%
Total	1.60	2.56	4.10	63%

F. Renewable energy generation by program

	Q2 generation aMW	YTD generation aMW	Annual goal aMW	Percent achieved YTD
Solar	1.60	2.56	3.98	64%
Other Renewables	-	-	0.11	-
Total generation	1.60	2.56	4.10	63%

G. Utility-invested efficiency expenditures¹⁹

Utility	Q2 expenditures	YTD expenditures
Portland General Electric \$	278,958 \$	411,314
Pacific Power \$	398,378 \$	501,083
Total \$	677,336 \$	912,397

¹⁹ 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.

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.

Highlights of this work for quarter two include:

- **Energy Trust developed a Landlord Provided Cooling Space Initiative** to provide vulnerable residents with heat relief. Under SB 1536 passed into law in quarter one, Energy Trust will receive \$2 million from Oregon Department of Energy to support the creation of cooling spaces for multifamily residents of tribal housing, affordable housing, senior housing, agricultural workforce housing, manufactured home parks and other properties. (While the offer launched in quarter three, incentives were available retroactively for equipment purchased after June 1, 2022.)
- **Energy Trust's subcontract to support** administration of the Oregon Community Solar Program was extended to March 2023. Because of supply chain issues resulting from a U.S. Department of Commerce investigation into imported solar panels, many projects under development requested extensions on project timelines. (The federal government recently announced it would allow imports without risk of retroactive tariffs, which should lessen delays.)
- **Implementation of the Solar Ambassadors** project is underway with funding from the National Renewable Energy Lab. Co-created with nonprofits African American Alliance for Homeownership and Verde, this project intends to address barriers to installing solar panels in communities of color. Energy Trust is helping develop a curriculum and outreach plan for recruiting and training solar experts within communities that Energy Trust has historically underserved.
- **Energy Trust has contracted with PGE** to support its Smart Inverter Pilot to assess the capability of solar smart inverters to support utility planning and operations. Energy Trust will provide program planning and subject matter expertise during the development phase (2022) and coordination and administrative support with customer enrollment during implementation (2023-24). In quarter two, staff facilitated a session with solar trade allies to gather feedback for PGE on incentive design and customer recruitment.
- **Energy Trust completed** a three-year targeted load management pilot with NW Natural in Creswell and Cottage Grove. Supported by targeted marketing, residential project installations rates were much higher compared with historical activity in the area. Evaluation and final reporting will happen through the end of 2022.
 - Targeted load management aims 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.
- **Staff began planning efforts** with PGE and Pacific Power to determine how targeted load management efforts could apply to the non-wires solution concepts being proposed in their upcoming distribution system plan filings.
- **Other work reflected** in the revenue and expenditures tables in this appendix include:
 - Activity in NW Natural service area in Southwest Washington
 - A subcontract to deliver the Oregon Community Solar Program
 - A contract to support PGE's Smart Battery Pilot
 - Solar With Justice, a national effort led by the Clean Energy States Alliance to develop solar energy in low- and moderate-income communities, funded by a U.S. Department of Energy grant
 - Solar Energy Resilience for Vulnerable Communities (SERV), a three-year effort to do planning and feasibility work for solar microgrid resilience projects, funded by FEMA through the state's Office of Emergency Management
 - Smart Grid Asset Load Management & Optimized Neighborhood (SALMON), a collaborative effort with PGE and other partners to install distributed energy resources in North Portland homes, funded by a U.S. Department of Energy grant
- **Energy Trust also receives revenue** from investments and spends money on business development.

A. Total organization revenue^{20,21}

Source	Q2 actual revenues	Q2 budgeted revenues	Budget variance
Oregon ratepayer-funded programs	\$ 49,119,800	\$ 48,784,008	1%
NW Natural Washington	\$ -	\$ 1,050,291	-100%
NW Natural TLM	\$ 429,464	\$ -	N/A
Oregon Community Solar Program	\$ 97,687	\$ 114,140	-14%
PGE Smart Battery Pilot	\$ 16,255	\$ 125,489	-87%
Solar Ambassadors	\$ 28,000	\$ -	N/A
Solar with Justice grant	\$ 1,504	\$ -	N/A
Revenue from investments	\$ 50,671	\$ 52,000	-3%
Total	\$ 49,743,381	\$ 50,125,928	-1%

B. Total organization expenditures^{22,23}

Source	Q2 actual expenditures	Q2 budgeted expenditures	Budget variance
Oregon ratepayer-funded programs	\$ 37,354,201	\$ 46,785,788	-20%
NW Natural Washington	\$ 608,195	\$ 688,500	-12%
Cooling Space Initiative	\$ 7,614	\$ -	N/A
NW Natural TLM	\$ 54,687	\$ 100,516	-46%
Oregon Community Solar Program	\$ 82,644	\$ 96,453	-14%
PGE Smart Battery Pilot	\$ 37,898	\$ 117,131	-68%
PGE Smart Inverter Pilot	\$ 5,276	\$ -	N/A
SALMON	\$ 2,559	\$ -	N/A
SERV	\$ 457	\$ -	N/A
Solar Ambassadors	\$ 22,644	\$ -	N/A
Solar with Justice grant	\$ 1,030	\$ -	N/A
Business development	\$ 21,537	\$ -	N/A
Total	\$ 38,198,744	\$ 47,788,388	-20%

²⁰ Some projects were still in development or had not yet been identified when Energy Trust's 2022 budget was finalized. These include Solar Ambassadors, SALMON and SERV.

²¹ TLM revenue was received in 2021 but recorded to the NW Natural TLM account in Q2. No revenue was budgeted or received in quarter two.

²² Most activities in quarter two to support the Landlord Provided Cooling Space Initiative were billed to business development. Revenue for this work will begin in quarter three.

²³ Battery storage systems for the PGE Smart Battery Pilot have been delayed due to supply chain disruptions and equipment delays, leading to underspending on incentives.

C. Total organization expenditures by activity

		Q2 actual expenditures	Q2 budgeted expenditures	Budget variance
Oregon ratepayer-funded programs		\$ 34,721,624	\$ 43,990,457	-21%
Other	NW Natural Washington programs	\$ 565,358	\$ 647,145	-13%
	Cooling Space Initiative	\$ 7,015	\$ -	N/A
	NW Natural TLM	\$ 50,923	\$ 94,977	-46%
	Oregon Community Solar Program	\$ 76,899	\$ 90,734	-15%
	PGE Smart Battery Pilot	\$ 35,126	\$ 110,188	-68%
	PGE Smart Inverter Pilot	\$ 4,860	\$ -	N/A
	SALMON	\$ 2,357	\$ -	N/A
	SERV	\$ 452	\$ -	N/A
	Solar Ambassadors	\$ 21,000	\$ -	N/A
	Solar with Justice grant	\$ 947	\$ -	N/A
	Business development	\$ 21,537	\$ -	N/A
Other Total		\$ 786,475	\$ 943,045	-17%
Administration		\$ 2,690,645	\$ 2,854,886	-6%
Total expenditures		\$ 38,198,744	\$ 47,788,388	-20%

D. Total organization savings and generation by fuel²⁴

	Q2 savings/generation	YTD savings/generation	Annual goal	Percent achieved YTD
Electric savings	6.1 aMW	10.1 aMW	50.6 aMW	20%
Natural gas savings	845,441 therms	1,719,503 therms	7,584,144 therms	23%
Electric generation	1.60 aMW	2.56 aMW	4.10 aMW	63%

²⁴ Savings includes NW Natural savings in Southwest Washington.

E. Total organization 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	3.1 aMW	5.9 aMW	29.0 aMW	20%	24.8 aMW	24%
Pacific Power	3.0 aMW	4.3 aMW	21.5 aMW	20%	18.7 aMW	23%
NW Natural	687,547 therms	1,393,334 therms	5,853,279 therms	24%	6,062,451 therms	23%
Cascade Natural Gas	53,197 therms	120,245 therms	752,829 therms	16%	485,188 therms	25%
Avista	64,712 therms	128,432 therms	659,313 therms	19%	447,273 therms	29%
NW Natural Washington	39,986 therms	77,492 therms	318,722 therms	24%	354,000 therms	22%

F. Total organization renewable energy generation by utility

	Q2 generation aMW	YTD generation aMW	Annual goal aMW	Percent achieved YTD
Portland General Electric	0.98	1.60	2.29	70%
Pacific Power	0.62	0.96	1.80	53%
Total	1.60	2.56	4.10	63%

APPENDIX 2: Diversity, equity and inclusion

This appendix provides additional information on Energy Trust’s work to engage and serve customers it has not been successful at reaching in the past – specifically people of color, people in rural parts of the state and people experiencing low or moderate incomes. This is guided by Energy Trust’s Diversity, Equity and Inclusion Plan, a living document finalized in early 2022 with goals and metrics that will be adjusted based on community feedback received during engagement activities. Updates on this work will be included in Energy Trust’s quarter two and annual reports to the Oregon Public Utility Commission and Energy Trust Board of Directors.

Highlights of this work for the first half of 2022 include:

- **Energy Trust’s Diversity, Equity and Inclusion Plan** was finalized in early 2022 and [published on Energy Trust’s website](#).
- **It was developed** with input from staff, Energy Trust’s advisory councils and board members, stakeholders, utility staff and community-based partners. Customers and contractors provided feedback through a series of listening sessions.
- **The plan was also informed** by lessons learned through Energy Trust’s previous work to reach customers it has not served in the past. For instance, higher cash incentives can drive participation for some customers who have the means to pay the remaining out-of-pocket project installation costs, but incentives alone do not address all barriers for all customers.
- **The plan focuses on engaging with customers** and communities so that their perspectives drive program design:
 - *“(A)n overarching imperative that emerged from our DEI efforts and evaluations of our impacts is the need for deep, authentic dialog, collaboration and action between Energy Trust and the customers we have not served. The administration of Energy Trust’s programs and the development of new program offers should evolve based on collaboration, input and accountability.”*
- **The plan includes goals** on increasing representation and readiness; sharing leadership and power; increasing community capacity and investments; increasing transparency and accountability; and deepening engagement in BIPOC (Black, Indigenous and people of color), low-income and rural communities.
 - Staff has proposed metrics – data points that will be used to track progress to goals – and is seeking feedback from community members on these metrics. Once they are finalized, Energy Trust will begin reporting on progress.
- **Activities under the plan will be managed and tracked** by an internal staff committee with members and subject matter experts from across the organization, as well as external members who provide an outside perspective. For 2022, the committee will:
 - Update the plan with engagement activities from across the organization.
 - Organize community engagement sessions to get feedback on metrics included in the plan.
 - Finalize metrics and targets for tracking.
 - Host orientations and trainings for staff on community engagement.
 - Establish processes to ensure lessons from engagements are captured, summarized and shared broadly across the organization and with stakeholders.
 - Develop a web page to track progress and share customer stories.