

# Board Meeting Minutes—215th Meeting

August 9, 2023

---

**Board members present:** Susan Brodahl, Melissa Cribbins, Thelma Fleming, Anne Haworth-Root, Henry Lorenzen, Jane Peters, Roland Risser, Ruchi Sadhir (for Janine Benner, Oregon Department of Energy special advisor), Silvia Tanner, Letha Tawney (Oregon Public Utility Commission ex officio), Peter Therkelsen, Bill Tovey, Ellen Zuckerman

**Board members absent:** Eric Hayes, Ellsworth Lang

**Staff attending:** Nicole Bebb, Melanie Bissonette, Shelly Carton, Sarah Castor, Scott Clark, Amber Cole, Michael Colgrove, Tara Crookshank, Hannah Cruz, Elaine Dado, Chris Dunning, Emily Estrada, Emily Findley, Sue Fletcher, Taylor Ford, Michael Fritz, Lidia Garcia, Fred Gordon, Jeni Hall, Alanna Hoyman-Browe, Betsy Kauffman, Oliver Kesting, Cody Kleinsmith, Alina Lambert, Debbie Menashe, Kyle Morrill, Giang Nguyen, Alex Novie, Natalia Ojeda, Kirstin Pinnit, Elaine Prause, Helen Rabold, Danielle Rhodes, Thad Roth, Lizzie Rubado, Laura Schaefer, Tracy Scott, Abby Spegman, Greg Stokes, Julianne Thacher, Amanda Thompson, Patrick Urain, Jay Ward

**Others attending:** Kate Ayres (Oregon Citizens' Utility Board), Stephanie Berkland (TRC (Total Resource Cost) Companies), Jeff Bissonette (NW Energy Coalition), Lori Blattner (Intermountain Gas), Kellye Dundon (NW Natural), Ross Finney (RHT Energy), Terrance Harris, Randy Hastings (DThree), Jennifer Hill-Hart (Oregon Citizens' Utility Board), Noorulanne Jan (Earth Justice), Brooke Landon (Clearesult), Tim Lynch (Multnomah County), Dolores Martinez (EUVALCREE), Lisa McGarity (Avista), Mary Moerlins (NW Natural), Noemi Ortiz (Cascade Gas), Representative Pam Marsh, Megahn Pinch (Avista), Greer Ryan (Climate Solutions), Brian Stewart (Electrify Now)

## Business Meeting

---

Henry Lorenzen called the meeting to order at 10:02 a.m. He explained the Zoom platform and asked attendees other than board members to leave their video off and mute their microphones until asked to speak in public comment. Henry then noted that the board welcomes public comments and asked that comments be limited to 5 minutes.

## General Public Comments

---

Greer Ryan, Clean Buildings Policy Manager with Climate Solutions complimented Energy Trust programs as a resource to the region. Greer then expressed concerns with Energy Trust's current Fuel Switching Policy, considering it a barrier to customer choice, and support for the updated policy language to support customers and utilities in responding to climate crisis and meeting compliance goals. Greer stressed that Energy Trust is key to helping customers by education and deployment, and she and Climate Trust look forward to working with Energy Trust.

President Henry Lorenzen noted that the proposed policy changes on the board's current Fuel Switching policy would be discussed later in the meeting and that the board would take additional public comment later in the meeting. Additional comments were expected based on the sign-up list.

## President's Report

---

President Lorenzen then presented his President's Report. Henry described Energy Trust's origins as part of the region's efforts and focus on energy efficiency following cost overruns to the regional energy system. In the 1970s and 1980s, in response to what was perceived as an investment crisis in the Washington Public Power System, the U.S. Congress recognized that energy efficiency was a much more cost-effective way of meeting potential load growth than building expensive, and then possibly unneeded, generation. Henry said that the focus on cost is now giving way to a new era with a focus on a cleaner energy system. The generation system is moving to a high percentage of renewable power. With that come new issues of cost, but also reliability. Energy efficiency will still play a dominant role. Energy Trust will be called upon to do more, and to do so it may take looking at our concepts of cost-

effectiveness differently, with recognition of new risks. Still, Energy Trust will need to focus on how to go about accomplishing its stated outcomes, marshalling its resources to do so. What those desired outcomes are and the best possible way to achieve them will be with the topics discussed in developing the organization's next strategic plan. It is an important discussion for the board, Energy Trust's funding utilities, and for all Energy Trust stakeholders .and it will be important to recognize that there could be significant risks that are not being accounted for, so it very well may be that Energy Trust will be called upon to acquire energy efficiency more aggressively. This topic raises some questions and strategics, and we will have to define the desired outcomes, as well as the most cost-effective way to achieve those outcomes, keeping cost effectiveness as a goal. We will also need to identify the best ways to marshal our resources. This will be explored in the Energy Trust strategic plan and will stimulate important discussions among board members and stakeholders. Henry described this as an exciting time, but a little scary

Henry noted that this is both an exciting, although scary, time in which we move to a more complex world to achieve more than has been needed before, energy efficiency, reducing system generation infrastructure costs, equity, and reduction of carbon.

### **Consent Agenda.**

Henry Lorenzen reminded the board that consent agenda items can be changed to regular agenda items at any time at the request of any board member.

### **MOTION: Approve consent agenda**

Consent agenda includes:

1. June 15, 2023, Board Meeting Minutes

<b>Moved by:</b>	Roland Risser	<b>Seconded by:</b>	Bill Tovey
<b>Vote:</b>			
	In favor:	11	Abstained: 0
	Opposed:	0	

### **Executive Directors Report**

Executive Director Michael Colgrove welcomed the board and visitors. Mike pointed out that the first slide in his presentation showed a photo of a couple in Albany who recently installed a solar plus storage system, using Energy Trust is new solar plus storage incentive package. Mike then turned to his report which had three parts: Rural Activity, Community Based Organization (CBO) Engagements Update, and Commercial & Industrial Program Activity Updates.

#### ***Rural Engagement update***

On rural activity, Mike noted that Energy Trust is on track to meet goals for sites served in rural areas. Moreover, there is a higher uptake of certain measures, like insulation, in rural areas. Incentive amounts paid by region in all areas are up as compared to this time in 2022, including the rural areas. Board members asked questions about ways to measure penetration trends, and Mike explained that work is ongoing in diverse ways to characterize penetration information.

Mike also shared information about certain events in which Energy Trust participated, including the Playa 23 Statewide Rural Energy Convening, which Director of Programs Tracy Scott and Senior Outreach Manager Karen Chase attended. Key learnings from this engagement included capacity

constraint concerns expressed by CBOs (Community Based Organizations) as they anticipate increased federal funding.

### ***CBO Engagements update***

In reporting further on CBO engagement, Mike showed a map of Energy Trust's 168 CBO relationships across Oregon to demonstrate how Energy Trust is building new relationships and knowledge about CBO communities that is helpful for our programs and in program design.

### ***Commercial and Industrial Program Activity Updates***

Mike did a high-level review of Commercial and Industrial program results for the first two quarters. In general, electric savings are coming in at goal or exceeding goal, in the case of Pacific Power. But gas savings are below goal, and the programs are implementing new strategies to increase savings aided by this forecast information.

Mike then introduced a guest speaker, Stephanie Berkland, TRC Senior Program Manager for Energy Trust's Existing Buildings Program. Stephanie provided an overview of what is going on here in Oregon, how the program is responding, and then a little bit about what TRC is seeing in its portfolio of energy efficiency programs across the United States.

Stephanie explained that business sectors that have been significant sources of savings for Energy Trust's commercial efficiency programs are still recovering from the effects of the pandemic. Many businesses, particularly small businesses, are staff constrained. In lighting programs, direct installation offers are available, but in the commercial programs higher incentives that do not cover the entire cost of efficiency measures do not seem to be enough.

Some building customers also are holding on projects as they await more information about how to obtain expected federal funding, including from the Inflation Reduction Act (IRA). TRC is working closely with government buildings motivated by policy compliance and funding.

Challenges that efficiency programs are facing everywhere include continuing supply chain delays and increasing equipment costs, lack of skilled contractor workforce for complex projects, program participant staff turnover, and policy dynamism.

The program is responding to these challenges by promoting measures that are not as impacted by supply chain challenges, targeting bonuses and increasing incentives to counter increasing costs, focusing on priority community opportunities, launching in-house retro-commissioning services to help with lighter touch retro-commissioning work for quicker and timely energy efficiency savings, providing administrative support and information about co-funding opportunities to program participants.

Stephanie continued that in other programs across the United States, TRC is seeing more multi-year program planning to address some of these challenges, particularly to incorporate future additional funding. Also, other programs are looking at cost-effectiveness from a program or portfolio level, and not at the measure level, which creates great cost-effective program offerings.

Stephanie thanked the board for the opportunity to present information on the Energy Trust commercial programs, and board members thanked Stephanie. Board members also asked questions about how TRC is helping customers navigate the many possible federal funding opportunities and also asked for recommendations. Stephanie and Mike, as well as Ruchi Sadhir, ODOE (Oregon Department of Energy) Associate Director, discussed the importance of the state energy offices, like ODOE, to provide some of this assistance. Board members expressed their interest in looking at IRA funding as important for supplementing Energy Trust programs to support customers.

Michael Colgrove and the board thanked Stephanie for her time and the information presented.

Mike then noted that the board packet contained the draft NEEA (Northwest Energy Efficiency Alliance) 2025-2029 Strategic and Business Plans for the board's information. NEEA's executive director, Becca Yates, will address the board at a future meeting to discuss the plan.

## **2024 Budget Development**

---

Tracy Scott, Director of Energy Programs, joined Executive Director Michael Colgrove to provide an initial overview of the development of the Energy Trust 2024 budget.

Mike and Tracy explained that Energy Trust's funding utilities have carbon mitigation compliance obligations that have emerged out of Oregon's aggressive carbon reduction goals. By 2030, at least 80% reductions in carbon emissions from the utility industry is required. Energy Trust's energy efficiency and renewable energy programs are among the strategies to help reach these targets, and the Oregon Public Utility Commission (OPUC) as well as Energy Trust's funding utilities are asking Energy Trust how to get savings sooner and at higher levels. For purposes of budget planning over the next years, Energy Trust is, therefore, looking to accelerate and expand its program results.

Mike has asked staff to ask themselves these questions in order to do their budgeting: How much more can we get? How would we attain it? What more do we need from them to do it?

Mike and Tracy have asked staff to think bigger and aggressively to drive the market forward, make offerings compelling to all customers, especially those who have not participated before, and to make participation simpler.

With this direction, Tracy's staff and the entire organization are shifting to a multi-year planning and budget mentality. The 2024 budget is developing as one that invests in particular areas that can be the foundation for greater and faster savings. These foundational investments include the following: expanding Energy Trust's delivery network through trade allies, community based organizations, and other non-traditional program delivery entities; investing in workforce development to make sure there is workforce ready to install the energy efficiency and renewable energy technology that can achieve accelerated and expanded carbon reduction goals; and working on Energy Trust's internal capacity to do this acceleration and expansion.

The OPUC has asked Energy Trust what regulatory support it needs, and Mike reported that together Energy Trust and OPUC staff are looking at ways to increase avoided cost measures, applying cost-effectiveness testing at the program and portfolio level, and to consider measures aimed at low and moderate income customers differently in cost-effectiveness calculation. With tools like differentiated rates and consideration of energy burden, as permitted under Oregon HB 2475, the OPUC has regulatory tools to support this kind of planning.

Mike and Tracy also described ways in which external and supplemental funding, like that coming out of the IRA, are being anticipated expand the reach of programs, explaining that programs are planning now for supplemental funding in the next few years.

Board members asked a number of questions, including about the magnitude of carving out measures for low to moderate income customers and about outreach to diverse businesses. Board members expressed support for the approach, especially around new ways to consider cost-effectiveness and avoided cost.

Mike and Tracy thanked board members for their good questions and attention.

## **Adjourn for Lunch**

---

The meeting adjourned for lunch at 12:23 p.m. President Henry Lorenzen called the meeting back to order at 1:15 and repeated the protocols for the Zoom/hybrid meeting. The next agenda item is public comment, and Henry noted that the board is particularly interested comments regarding the proposed revisions to the fuel switching policy, but other topics may be discussed too

---

## General Public Comments

---

Oregon State Representative Pam Marsh made the first public comment and thanked the board for the opportunity. From southern Oregon, Representative Marsh noted that she has firsthand experience with climate change impact and served on the legislature's Rebuilding Task Force which considered many strategies for addressing climate change, including dual fuel heating/cooling systems. The policy changes proposed are timely, according to Representative Marsh, explaining that IRA funding is key, and this policy connects that money to Energy Trust's tremendous work. Representative Marsh continued to ask the board to consider whether timing is right for providing fuel switching information to customers who are interested.

Jennifer Hill Hart-Oregon Citizen's Utility Board (CUB) Policy Manager commented next and thanked the board for the opportunity. CUB supports the revised policy language, noting it references that Energy Trust's energy efficiency work is least cost/least risk carbon mitigation strategies, and this work helps mitigate ratepayer bill impact.

Brian Stewart, Co-Founder of Electrify Now provided comments regarding the importance of Energy Trust's alignment with state decarbonization policies. Mr. Stewart expressed appreciation of the clarified language in the revised policy and encouraged Energy Trust to use its platforms to inform customers about options. He also expressed appreciation for the transparency of the policy revision process and urged the board to approve it.

Mary Moerlins, Northwest Natural Gas Director of Environmental Policy and Corporate Responsibility expressed her appreciation for the opportunity to comment. Northwest Natural understands the objectives of the revised policy language and does not oppose it. Northwest Natural wants to ensure ongoing communication about decarbonization efforts and wants to ensure that separate funding streams are appropriately maintained and do not affect Energy Trust's focus on its core work.

Jeff Bissonette, member of Energy Trust's Conservations Advisory Council and representative of Northwest Energy Coalition said the Energy Trust is on the right path with this policy revision. The policy language revisions put energy efficiency front and center and connects it to the new and important focus on decarbonization. Jeff supports the policy because it puts the emphasis on customers, which is consistent with what Energy Trust does. He also described Energy Trust's history of good stewardship of multiple funding streams.

---

## Discussion of Proposed Revisions to the Fuel Switching Policy 4.03.000-P

---

Roland Risser, chair of the board's Nominating & Governance Committee, which has been reviewing revisions to the current Fuel Switching Policy, thanked the public for commenting on the proposed revisions to the policy.

The board then discussed the revised policy, reflecting on the stakeholder feedback received both through public comment and in utility meetings and the recent CAC discussion on the topic. Board members asked for any feedback groups, and Debbie Menashe responded that there was not outreach to specific customers on this topic. Board members want to make sure that the policy revisions keep the customer's perspective in mind. Board members also expressed support for the way the revisions to the policy focus on energy efficiency and its important role in decarbonization, a focus reflected in many state policies, in Oregon and in other states such as Minnesota, Colorado, and Illinois.

Additionally, board members discussed how revising the policy to permit external funding for decarbonization programs, even those that are directed to electrification, is timely given expected federal funding resources. Board members inquired about coordination with ODOE on its rebate programs and other funding, including heat pump installation programs and the expected U.S. DOE funding for efficient homes and appliances. Ruchi Sadhir reported that although state applications are not due until January 2025, but ODOE is prioritizing deployment preparation for the program.

The board expressed its support for the policy revisions and asked the Nominating & Governance Committee to make any revisions based on public comment and stakeholder input and then return to the board with a recommendation in October.

---

## **Community and New Initiatives Update**

Tracy Scott, Director of Programs, and Alex Novie, Sector Lead Community and New Initiatives updated the board on the newest Energy Trust sector, Communities and New Initiatives sector, known as CaNI. Alex and Tracy explained that the CaNI sector is a strategic hub, connecting programs and outreach teams, and then scaling resources across programs to address community needs that are emerging in different ways and not always along the lines of utility customer sectors. CaNI has three portfolio areas: Communities, Equity and Advisory, Measure and Offer Development and Analytics, Utility strategy and Support.

Board members asked questions regarding the budget for the new sector, and Tracy explained that for the first few years, the new sector will have its own budget, with future blending as a possibility in future years as the work becomes more integrated.

---

## **Committee Reports**

### ***Compensation & Human Resources Committee***

Energy Trust General Counsel Debbie Menashe reported on the July Compensation & Human Resources Committee meeting. Debbie referred the board to the committee notes in the board packet and noted that the 401k plan health, in terms of contributions and participation, continues to be good as monitored.

### ***Finance & Audit Committee***

Susan Brodahl, Finance & Audit Committee chair, referred to the materials in the board packet, both the notes and the financials.

### ***Nominating & Governance Committee***

Roland Risser, Nominating & Governance Committee chair also referred to the materials in the board packet. Roland referred the board to take note of the committee's discussions on policies that may be retired from the board policy list and referred to staff. A formal recommendation is expected to come to the board later in the year after further discussions at the committee.

### ***Ad hoc Diversity Equity and Inclusion Committee***

Michael Colgrove reported on the ad hoc Diversity, Equity and Inclusion Committee. Mike informed the board that the last two meetings of the committee were scheduling and planning.

### ***Ad hoc Strategic Planning Committee***

Susan Brodahl, ad hoc Strategic Planning Committee chair reported on the committee's activities. Susan advised the board that 1961 Consultants will be engaged to support the effort. The committee will be meeting soon to complete a proposed charter. Susan noted also that plans are underway for board learning papers on strategic issues will be about the envisioned future. The Finance & Audit Committee invited ad hoc Strategic Planning Committee members to their last meeting for coordination in thinking on budget and strategic planning.

### ***Conservation Advisory Council (CAC)***

Peter Therkelsen, board liaison to the CAC, noted that the notes on May and June CAC meetings are reflected well in the notes in the board packet. Peter also reported that there was a good and similar discussion on proposed revisions to the fuel switching policy and also good feedback on budget inputs at the July CAC meeting.

***Diversity Advisory Council (DAC)***

Michael Colgrove reported on recent DAC meetings. He highlighted two matters: The Energy Trust internal DEI Committee has presented proposed metrics for evaluating the Energy Trust DEI plan. Two things to highlight: Internal DEI Comm (staff) is charged with overseeing DEI plan and has presented its proposed plan metrics to the DAC and received good feedback. Mike noted that the Energy Trust Q2 report will contain progress reporting with respect to the DEI Plan. Board members asked how the OPUC equity performance measures relate to the DEI Plan metrics, and Mike explained that the OPUC equity metrics are overlaid on these DEI metrics.

Additionally, Mike advised the board that there are currently two vacancies on the DAC, and he is working with committee members on recruitment.

***Renewable Energy Advisory Council (RAC)***

Betsy Kauffman, Renewable Energy Sector Lead, reported on the June RAC meeting. At that meeting, most discussion focused on feedback on ending regular residential solar incentives for residential. Betsy explained that program is refocusing on resilience and equity targeted community incentives, with technical support for all solar, solar trade allies, and education. RAC feedback for these changes was supportive.

**Break**

---

The Board adjourned for a short break for 5 minutes and re-convened at 3 p.m.

**Legislative Session Wrap Up**

---

Energy Trust's Policy Services Team, Jay Ward, Hannah Cruz and Natalia Ojeda, presented a wrap up of the 2023 Oregon legislative session. Nearly 2900 bills were introduced. Despite the frenzied last two weeks, several energy policies were passed.

Hannah provided details on some key bills that will impact Energy Trust programs. HB2531 prohibits distribution of CFLs (compact fluorescent lamps) in Oregon by January 2024 and other CFLs in January 2025. Energy Trust programs will be affected because incentives and savings rationale disappears with less efficient lighting is not in the market. We are working with OPUC to understand savings impact. Board members asked to be kept informed about savings impacts.

Hannah also described the various sections of the Climate Resilience Package bill, HB3630, which includes a number a new programs and tasks for ODOE: development of an Environmental Justice/Tribal Navigator, Strategic Energy Strategy by end of 2025, county energy resiliency planning grants, and home energy efficiency rebate programs to be ready place for federal funding.

Natalia provided additional information on HB3409 which extends a solar/battery program, provides commercial building performance standards, and creates a large heat pump program called the Healthy Heating & Cooling for All program.

The session also saw more requirements for "smart" state buildings and extension to the solar plus storage and community solar programs. Energy Trust is also tracking bills that update state water policy for any intersections with Energy Trust's irrigation modernization program.

The Policy Services team provided more information on bills that did not pass and looked ahead to the coming session where bills on campaign financing, education/literacy, transportation/electrification are expect to emerge.


Jay announced that that this will be his last board presentation as a member of the Policy Services team because he is retiring. Jay thanked the board and expressed his gratitude for his work with

Energy Trust. On behalf of the board, Henry thanked Jay for his work with Energy Trust, the board, and the legislature.

**Adjourn**

The meeting adjourned at 3:33 p.m.

**The next regular meeting of the Energy Trust Board of Directors** will be held Wednesday, October 11, 2023, at 10 a.m. both online via Zoom and at Energy Trust of Oregon, Inc., 421 SW Oak Street, Suite 300, Portland, Oregon.

DocuSigned by:  
  
F36A911E951940B  
Signed: Eric Hayes

10/11/2023  
Date