

Board Meeting Minutes—221st Meeting-Annual Meeting

February 21, 2024

Board members present: Melissa Cribbins, Thelma Fleming, Ellsworth Lang, Henry Lorenzen, Jane Peters, Roland Risser, Anne Haworth Root, Ruchi Sadhir (ODOE Special Advisor) Silvia Tanner, Letha Tawney (OPUC ex-officio), Peter Therkelsen, Bill Tovey, Ellen Zuckerman

Board members absent: Janine Benner (ODOE Special Advisor), Susan Brodahl, Eric Hayes

Staff attending: Frank Bellinger, Sarah Castor, Amber Cole, Michael Colgrove, Hannah Cruz, Elaine Dado, Chris Dunning, Emily Findley, Sue Fletcher, Michael Fritz, Michael Hoch, Fred Gordon, Megan Greenauer, Marshall Johnson, Betsy Kaufmann, Oliver Kesting, Cody Kleinsmith, Alina Lambert, Alyson McKay, Debbie Menashe, Spencer Moersfelder, Themba Mutepfa, Maddie Norman, Natalia Ojeda, Maddy Otto, Dan Peterson, Alex Polley, Amanda Potter, Elaine Prause, Helen Rabold, Danielle Rhodes, Jay Robinson, Thad Roth, Lizzie Rubado, Sloan Schang, Laura Schaefer, Tracy Scott, Abi Sloan, Nate Smith, Michelle Spampinato, Cameron Starr, Janelle St. Pierre, Greg Stokes, Julianne Thacher, Amanda Thompson, Robert Wylie, Amanda Zuniga

Others attending: Sam Baraso (PCEF), Ashnie Butler (Inner Work, Outer Play), John Charles (Cascade Policy Institute), Megan Decker (OPUC), Se-ah-Dom Edmo (Seeding Justice), Sarah Hall (OPUC) Jeff Harris (NEEA), Randy Hastings (DThree), Peter Kernan (OPUC), Brooke Landon (CLEARresult), Devin Liebman, Lisa McGarity (Avista), Laney Ralph (NW Natural), Jennifer Rouda (Alliance for Clean Tribal Energy), Jenny Sorich (CLEARresult), Holly Valkama (1961 Consulting), Jake Wise (PGE), Becca Yates (NEEA),

Business Meeting

President Henry Lorenzen called the meeting to order at 9:03 a.m. and announced an opportunity for general public comments.

General Public Comments

There were no public comments.

Annual Meeting

President Henry Lorenzen then discussed the annual meeting business for the board: renewing director terms, appointing officers, and appointing committee membership. The board acted on these topics.

MOTION: Renew terms of current board of directors R1018

Resolution 1018 ELECTING THELMA FLEMING, ROLAND RISSER, AND SILVIA TANNER TO NEW TERMS ON THE ENERGY TRUST BOARD OF DIRECTORS

WHEREAS:

1. The terms of incumbent board members Thelma Fleming, Silvia Tanner and Roland Risser expire in 2024.
2. The board nominating committee has recommended that these members' terms be renewed.

IT IS THEREFORE RESOLVED: That the Energy Trust of Oregon, Inc., Board of Directors elects Thelma Fleming, Roland Risser, and Silvia Tanner, incumbent board members, to new terms of office that end in 2026.

Moved by: Jane Peters

Seconded by: Bill Tovey

Vote:

Abstained: 0

In favor: 8

Opposed: 0

MOTION: Election of Officers R1019

WHEREAS:

- 3. **Officers of the Energy Trust of Oregon, Inc., (other than the Executive Director) are elected each year by the Board of Directors at the board’s annual meeting.**
- 4. **The Board of Directors Nominating Committee has nominated the following directors to renew terms as officers:**
 - **Henry Lorenzen, President**
 - **Roland Risser, Vice President**
 - **Eric Hayes, Secretary**
 - **Susan Brodahl, Treasurer**

It is therefore RESOLVED that the Board of Directors hereby elects the following as officers of Energy Trust of Oregon, Inc., for 2024:

- **Henry Lorenzen, President**
- **Roland Risser, Vice President**
- **Eric Hayes, Secretary**
- **Susan Brodahl, Treasurer**

Moved by: Jane Peters

Seconded by: Bill Tovey

Vote: 8

Abstained: 0

Opposed: 0

MOTION: Committee Assignments

RESOLUTION R1024
BOARD COMMITTEE APPOINTMENTS
(REVISES RESOLUTIONS R1015)

WHEREAS:

- 1. **Energy Trust’s board is authorized to appoint members of committees to carry out the board’s business, and appointments are made as required and at the annual meeting of the board of directors.**

2. The board President has nominated directors to serve on the following committees.

IT IS THEREFORE RESOLVED:

1. That this annual meeting committee resolution updates Resolution R1015 adopted by the board at its December 15, 2023, meeting.
2. That the board of directors hereby appoints the following directors to serve on the following committees for terms that will continue until a subsequent resolution related to committee appointments is adopted.

Compensation & Human Resources Committee
Eric Hayes, Chair
Bill Tovey
Ellsworth Lang
Henry Lorenzen (ex officio)
Amanda Sales, staff liaison
Finance & Audit Committee
Thelma Fleming, Chair
Susan Brodahl
Anne Haworth Root
Karen Ward (outside expert)
Peter Therkelsen
Silvia Tanner
Henry Lorenzen (ex officio)
Chris Dunning, staff liaison
Nominating & Governance Committee
Roland Risser, Chair
Anne Haworth Root
Greg Stokes, staff subject matter expert support
Jane Peters
Melissa Cribbins
Henry Lorenzen (ex officio)
Janine Benner, (ODOE ex officio)
Letha Tawney (OPUC ex officio)
Debbie Menashe, staff liaison
Ad hoc Board Diversity Equity and Inclusion Committee
Melissa Cribbins, Chair
Bill Tovey
Eric Hayes

program management of Energy Trust's production efficiency program. Under the terms of the original contract approval, the contract was authorized for an initial two year term, with the possibility of three-one year extensions if Energy 350 met certain contract performance metrics and the board approved such extensions. Staff recommended a three-year extension based on Energy 350's contract performance and to support the consistency and stability of the production efficiency program. Production Efficiency Sector Lead Amanda Sales was available to answer questions. The board considered the recommendation of the Finance & Audit Committee and moved to approve the contract extension as follows:

MOTION: Approve Contract Extension for Energy 350

RESOLUTION 1023

AUTHORIZE AN EXTENSION OF THE PROGRAM MANAGEMENT CONTRACT WITH ENERGY 350, INC. (ENERGY 350) FOR PRODUCTION EFFICIENCY PROGRAM SERVICES THROUGH DECEMBER 31, 2027

WHEREAS:

1. Energy Trust entered into a Program Management Contractor (PMC) Agreement with Energy 350 for Production Efficiency/Industrial and Agriculture Program Services effective January 1, 2023, with an initial term of two years and a potential for three additional extension years conditioned on meeting certain performance criteria
2. In its first year of PMC services, Energy 350 has demonstrated excellent performance, meeting their energy savings goals, supplier diversity spend goal, and has built a strong program pipeline;
3. Given this demonstrated performance, authorizing a longer term contract with Energy 350 will help support stability in program management and delivery as program energy efficiency savings goals are increased and accelerated;
4. Risk due to a longer term contract are mitigated because the PMC Agreement with Energy 350 is subject to termination for convenience by Energy Trust;
5. Throughout the term of the PMC Agreement with Energy Trust, the Energy Trust board will review actual savings and costs each year as part of the annual budget and action plan process.

IT IS THEREFORE RESOLVED:

1. Energy 350 has a current PMC Agreement with Energy Trust that expires on December 31, 2024.
2. The executive director or his designee is authorized to negotiate and to enter into an amendment to extend the current PMC Agreement with Energy 350 through December 31, 2027.
3. Staff will amend the PMC Agreement consistent with the board's annual budget and action plan decisions and the executive director or his designee is authorized to sign any such contract amendments.
4. Staff will report to the board on Energy 350 and the Production Efficiency Program performance in regular reports to the board and its committees in accordance with Energy Trust's regular reporting practices.

Moved by: Jane Peters

Seconded by: Bill Tovey

Vote:

In favor: 8

Abstained:

Opposed: 0

Holly Valkama 1961 Consulting, who is supporting the development of Energy Trust's next strategic plan, facilitated several discussions related to strategic planning topics.

Strategic Planning: OPUC Perspectives

OPUC perspectives was the first strategic planning topic Holly summarized the following themes from OPUC staff interviews:

1. Load growth, decarbonization, resource price volatility and customer rate pressure will drive an increased value and scrutiny around energy efficiency, distributed energy, and demand response.
2. Meeting energy efficiency targets will become increasingly important due to decarbonization goals, but also increasingly difficult to achieve. Hitting targets will require new program designs and funding mechanisms.
3. Over the next 5-6 years customers will need greater access to tools and information to manage their energy use and lower their electricity costs, while improving the reliability and resilience of the energy system.
4. Meeting state goals for reducing carbon emissions by 80% by 2030 can be achieved with technologies, focused energy efficiency, demand response and other strategies in play and planned. However, the last 20% goal by 2040 will be much harder.

Board members asked questions and discussed these themes. The discussion included considerations of growing population, increasing avoided costs, increasing rates, and providing needed information to customers around these topics. The board also discussed how the state energy strategy, currently in development by ODOE will discuss Energy Trust's role in energy efficiency.

Innovation and Development Updates

Energy Trust Director of Innovation and Development Lizzie Rubado then presented information the work of Energy Trust's Innovation and Development group. Lizzie's presentation informed the board of why certain funding programs are being pursued, provided an update on the current strategy that is guiding which funding streams to pursue or note, and provide an opportunity outlook for the next six years.

Lizzie described Energy Trust's objectives in pursuing other funding: to increase savings and generation, improve equitable access to programs, reach more customers, fill gaps and address limitations of our ratepayer funds, reduce, or minimize costs for ratepayers, and to diversify our funding sources as a risk mitigation strategy.

Lizzie noted that between 2025-2030, Energy Trust expects a significant amount of federal funding for these objectives. Additionally Energy Trust expects state and local funding for climate, resilience, and housing measures. Future philanthropic funding may also be available to test new ideas and new technology, as well as utility funding for targeted programs that address grid needs. If additional funding for reduction of energy burden emerges out of HB 2475 proceedings, Energy Trust may also have a role.

Board members asked Lizzie a number of questions regarding the landscape of complementary funding in other similarly situated organizations, where the Oregon energy strategy will be and how that affects pursuit of funding, ensuring adequate focus and not overextending Energy Trust. Executive Director Michael Colgrove noted that one of the key goals of Energy Trust's Innovation and Development work is to reduce rate impacts to customers as Energy Trust pursues the maximum energy efficiency resource.

Board members thanked Lizzie for the presentation.

Stakeholder and Market Partner Inputs: NEEA

Becca Yates, NEEA Executive Director and Jeff Harris, NEEA Chief Transformation Officer presented information on issues that emerged in NEEA's recent strategic planning development process. Becca recognized Ruchi Sadhir and Mike Colgrove, both board members of NEEA; Mike is the chair of the NEEA board and its strategic planning committee.

NEEA's board approved their strategic plan last December. Key takeaways identified through their plan development process included the following conclusions: energy efficiency remains a driving goal for investment for utilities, but other goals are emerging, such as decarbonization (which shows variability across the region); system load resources are changing and intermittent, and there is increasing concern on resource adequacy; capacity and flexibility of meeting demand has increasing value; there is increasing focus on equitable distribution benefits across the region; and interested in increased regional coordination to meet adequacy and transmission needs.

During the process, market and supply chain insights emerged from this that could be most relevant for Energy Trust. The supply chain is paying attention to the federal state and local policies such as fuel choice and connectivity and are driving by their own co-benefits like energy savings goals and consumer needs. Manufacturers and retailers are acting on global levels, so a broad regional alliance is important to them, and the ability to access co-partnerships to meet their goals will be key. NEEA also noted that market transformation is viewed as a tool to address energy system challenges, and they are tracking on how customers are engaging with their providers.

NEEA identified four strategic goals for their new strategic plan:

1. Transform markets for energy efficiency
2. Accelerate the adoption of grid-enabled end-use technologies through market transformation
3. advance strategies to reduce greenhouse gas emissions through market transformation
4. Advance the equitable delivery of energy efficiency benefits to Northwest consumers through market transformation.

Jeff Harris then discussed emerging technologies that have been contemplated in NEEA's new strategic plan, noting that the plan has significant focus on connectivity/controls and next generation heat pump technology.

Jeff discussed a number of other technologies, including some in consumer products, such as multi-use wash dryers that use heat pump dryer technology and residential and commercial water heating.

There are also some potential special project opportunities on the horizon, which include End-use Load Flexibility which is already underway, whole building efficiency, and end use load research, which is also already underway. The challenge for whole building efficiency is how to examine the new buildings paradigm and apply it to existing construction.

Board members thanked Becca and Jeff for their interesting presentation and asked questions. Holly Valkama noted that the NEEA presentation, like perspectives from Energy Trust's program management contractors, provide good tactical and market information to the board as they continue their strategic plan development work.

Break

The board then took a brief break at 11:00 and reconvened at 11:10.

Strategic Planning: OPUC Perspectives

President Henry Lorenzen introduced Oregon Public Utility Commission Chair Megan Decker. Chair Decker thanked the board for their service and gave particular thanks to Commissioner Tawney for her service to the Energy Trust board.

Commissioner Decker described the work of the OPUC, noting that the focus of the agency is regulation of energy and water utilities, to ensure that their systems safe, reliable and affordable. Chair Decker noted that affordability is front and center now for the OPUC and the energy utilities given financial concerns related to the utilities' roles in catastrophic wildfire concerns and system transition to address climate impacts. Given these conditions, Energy Trust's value proposition is stronger than ever. Energy efficiency helps to mitigate costs as well as providing additional co-benefits. Energy Trust also has experienced staff and a strong ability to execute.

Chair Decker then noted that ability to bring more ratepayer value will take more resources, and with more resources, there is more scrutiny. Chair Decker analogized the relationship of the OPUC and Energy Trust to one of a horse rider and a horse. As the ride begins, the rider exercises more control, and over time the rider can loosen the reins. As the rode gets more challenging, the rider may exercise more control for a smooth ride. Chair Decker reiterated that Energy Trust and OPUC work together should always be focused on the customers and minimizing cost and risk.

An important focus will be also engagement on ratemaking and how to work together on actual practices. Chair Decker expressed appreciation for the consistency that is needed for Energy Trust to maintain a pipeline and she is looking forward to a multiyear plan that prevents peaks and valleys, and long-term thinking is critical for success.

The board asked questions of Chair Decker regarding load growth and the cost of energy efficiency and thanked her for her informative presentation.

Adjourn for Lunch

The board adjourned for lunch at 12:07 p.m. and reconvened at 1:02 p.m.

General Public Comments

Upon reconvening for lunch, President Henry Lorenzen asked for public comments. There were no public comments.

Panel Discussion: Funding Availability for Clean Energy and Community Defined Purposes

The board heard from Panel members: Sam Baraso from PCEF, Jennifer Rouda from the Alliance for Tribal Clean Energy, and Se-ah-dom Edmo from Seeding Justice.

Panel members each described their organizations and focus areas. Board members asked questions as to how Energy Trust could interact with their organizations and how such collaboration can be supported by Energy Trust's next strategic plan. Panel members each described how coordination with Energy Trust and building capacity in their organization and communities can help advance Energy Trust's, and their, strategic goals.

The board then thanked the panel for their wisdom and ideas.

Strategic Planning: Scenario Planning

Holly Valkama then facilitated a discussion session on identifying future scenarios for the strategic plan. Energy Trust's internal staff strategic plan committee supported the board's ad hoc Strategic Planning Committee to narrow down and identify some key drivers for the board's refinement. After a brief break, the board broke into groups to discuss these drivers and provide feedback.

After their small group sessions, the board reconvened for report-outs on small group discussions. The board discussed the following future scenario areas in order to inform their development of the next strategic plans:

- Affordability/Cost for Utility Customers
- Climate Change/Extreme Weather Events
- Consumer Protection
- Decarbonization
- Equity/Environmental Justice
- Funding Streams
- Housing as a Statewide Objective
- Other Clean Energy Organizations
- Political Landscape/ Regulatory/Policy Changes
- Shifting Utility System (load, electrification, fuel-switching, grid operations)
- Statutory Funding & Authority
- Value of EE & RE
- Workforce/Labor Market

The ad hoc Strategic Planning Committee review input from the full board and refine these scenario areas to present to the board at the next meeting. Holly explained that the strategic plan is expected to describe Energy Trust's role in these future scenarios. With this information, the board can consider its future role and strategies for that role..

Close

Holly previewed topics for the next strategic planning workshop when strengths and capabilities and Energy Trust's unique role of value will be discussed. Energy Trust's advisory councils have been invited to participate and provide feedback at this workshop, and it will be an in-person.

Adjourn

The meeting adjourned at 4:45 p.m.

The next regular meeting of the Energy Trust Board of Directors will be held Wednesday, March 13, 2024, at 9:00 a.m. at Energy Trust of Oregon, Inc., 421 SW Oak Street, Suite 300, Portland, Oregon.

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Eric Hayes
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Signed: Eric Hayes

4/17/2024 /
Date