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April 30, 2013

MEMORANDUM

TO: Council Members

FROM: Charlie Grist

SUBJECT: Presentation on implementation of energy efficiency

This briefing is part of a series of presentations on how energy efficiency is implemented by various entities around the Northwest. At the March Council meeting, we heard from NEEA on its market transformation work. Last month, the Council heard from two utilities with service territories in the eastern part of the region. Oregon will be the focus at the May meeting. The Council will hear from Energy Trust of Oregon, which runs electric and natural gas efficiency programs for over 80 percent of Oregon's total retail utility customer base. Umatilla Electric Cooperative will share the perspectives of an eastern Oregon public-power cooperative.

Margie Harris is executive director of Energy Trust of Oregon (ETO). ETO is a non-profit organization created to implement energy efficiency and renewable resources in Oregon under a stable and consistent funding paradigm. ETO designs and runs efficiency programs for customers of Portland General Electric, Pacific Power, NW Natural and Cascade Natural Gas.

Steve Eldrige, General Manager and CEO of Umatilla Electric Cooperative (UEC), leads UEC in serving more than 15,500 member accounts on nearly 2,320 miles of power lines in about 2,000 square miles of service territory characterized by the rolling farmland of the Columbia Plateau, extending into the Blue Mountains of eastern Oregon.

We have asked both presenters to touch on the successes and challenges of implementing energy efficiency programs in the region from their diverse perspectives.

Attachments:

Presenter Bios
Energy Trust Presentation
Umatilla Fact Sheet

Biographies of Steve Eldrige, UEC, and Margie Harris, Energy Trust of Oregon

April 30, 2013

Margie Harris

Margie began work in November 2001 as the first permanent staff member hired by Energy Trust of Oregon. Margie serves as vice chair and executive committee member of the Northwest Energy Efficiency Alliance; executive committee member of the Northwest Energy Efficiency Task Force; member of the Oregon Green Jobs Council appointed by Governor Kulongoski, and board and executive committee member of Clean Energy Works Oregon. Margie was awarded the Portland Business Journal Women of Influence: Woman Executive of the Year (nonprofit) Award in 2011.

Margie helped craft Oregon's first energy conservation legislation and programs while working at the Oregon Department of Energy in the 1970s. Subsequently, she was the marketing and outreach director promoting renewable energy at one of four regional solar energy centers established by then-President Carter.

As assistant to former Portland Commissioner Mike Lindberg, Margie was instrumental in establishing the City of Portland's first energy policies and programs, including the formation of Portland Energy Conservation, Inc. Prior to joining Energy Trust, Margie was a management consultant with Arthur Young & Company, finance and administration director for Portland Parks and Recreation and executive director of marketing and customer service at TriMet.

Steve Eldrige

Steve Eldrige, General Manager and CEO of Umatilla Electric Cooperative (UEC), was raised in Umatilla, Oregon and has been with the cooperative since 1972. He was named to his current position in 1990 and plays an active role in many regional organizations and activities. Eldrige leads UEC in serving more than 15,500 member accounts on nearly 2,320 miles of power lines in about 2,000 square miles of service territory characterized by the rolling farmland of the Columbia Plateau, extending into the Blue Mountains of eastern Oregon.

Eldrige is con-currently Chairman of Eastern Oregon Telecom, the Good Shepherd Health Care System Hospital Board, Ruralite Services Board and Lightspeed Networks Board. In addition, he serves on the boards of: PNGC Power, Pacific Northwest Utilities Conference Committee and most recently Governor's Kitzhaber's Columbia River Task Force.



Energy Trust of Oregon Program Innovation & Delivery

Northwest Power and Conservation Council
May 7, 2013



Introducing Energy Trust of Oregon

- An independent nonprofit organization
- Purpose to invest in energy efficiency and provide access to renewable energy
- Services for 1.5 million customers of PGE, Pacific Power, NW Natural and Cascade Natural Gas in Oregon, and 70,000 customers of NW Natural in Washington

- Funded by a 3% public purpose charge for electric utility customers and separate utility tariffs approved by the OPUC
- Annual budget of ~\$170 million, the majority of which is for electric efficiency





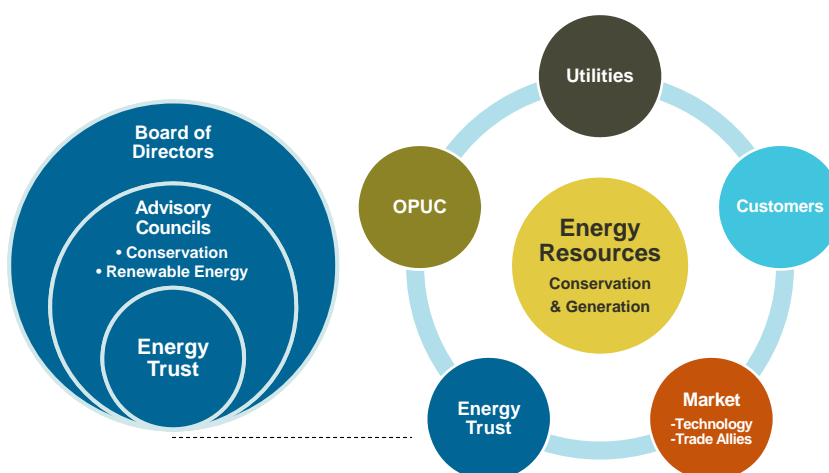
Stable, Dedicated Funding to:

- Acquire all cost-effective energy efficiency
 - Link to utility integrated resource plans
 - Electric efficiency
 - Natural gas efficiency
- Pay up to 100% of the above-market cost for new renewable energy projects less than 20 MW
 - Solar, Small/Community Wind, Hydropower, Biopower, Geothermal
 - Diversifying future resource mix
- Invest in market transformation activities, including new building codes and product standards through NEEA

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An Independent, Nonprofit Organization



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What We Provide

1. Information – What can I do to save energy and use renewable energy in my home or business?
2. Expertise – What technical assistance and objective advice can I get?
3. Dollars – What financial incentives, rebates and loans are available?



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We've Built an Efficiency Power Plant

- Saved and generated 426 average megawatts
 - Enough to power 320,000 average homes for a year
 - Equivalent to enough energy to power all the homes in Lane, Linn, Polk and Marion counties
- Saved 23.2 million annual therms of natural gas
 - Enough to heat 45,700 average homes for a year
 - Enough energy to heat half the homes in Deschutes County, OR
- 438,000 residential, commercial, public sector, industrial and agricultural sites served
- Kept nearly seven million tons of carbon dioxide out of the atmosphere
 - Equivalent to removing 1.2 million cars from Oregon roads for a year



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2002-2011 Results

✧ And Delivered Lasting Economic Benefits

- Direct benefit of \$1 billion saved on participant energy bills
- Independent study shows \$2.1 billion added to Oregon economy
 - \$630 million in wages
 - \$120 million in small business income
 - Employment equivalent to 1,800 jobs lasting 10 years
- Network of more than 1,500 contractors and 900 program allies
- Ratepayers avoid \$1.57 billion in costs for equivalent amount of energy

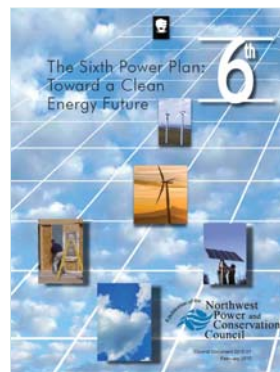


2002-2011 Results

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✧ Sixth Power Plan and Energy Trust

- A highly valued, influential and critical reference
- Provides a welcome and needed perspective
- Influences and benefits utility Integrated Resource Planning
- Provides input to Energy Trust benefit/cost analysis for electric efficiency measures





Regional Technical Forum

- The RTF is an important peer group and sounding board for savings analysts throughout the Pacific Northwest
- Energy Trust provides annual RTF funding and serves as a member of the RTF and the RTF policy committee
- Energy Trust relies upon the RTF as the primary source for savings and costs, measure lives and estimates of load shapes for electric efficiency measures
- The RTF also coordinates and funds crucial regional research that otherwise would be too time-consuming on an individual basis



Northwest Energy Efficiency Alliance Role

- Fund long-term electric efficiency investments in regional market transformation activities
- 7.5% of our budget and 7% of our electric savings
- Board and advisory committee representation
- Transformed markets and Energy Trust
 - CFLs
 - Strategic Energy Management
 - Ductless heat pumps
 - Heat pump water heaters
 - Highly efficient televisions
 - Emerging technologies





Homeowners/Renters

Services, incentives and assistance for residential customers, home builders and single-family renters. Leverages contractors, local businesses and trade groups.

- Existing Homes
- New Homes & Products
- ✓ Home Energy Review
- ✓ Contractor training and referrals
- ✓ Equipment, weatherization and solar incentives
- ✓ Appliance rebates and recycling
- ✓ EPST™, energy performance score
- ✓ Opower/behavior change



418,000 Households Served

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Commercial Customers

Services, incentives and assistance for commercial customers, public and private institutions, and multifamily properties.

- Existing Buildings
- New Buildings
- ✓ Small and large multifamily
- ✓ Energy modeling, design and technical assistance
- ✓ Building efficiency, equipment commissioning and solar incentives
- ✓ Strategic Energy Management and operations and maintenance
- ✓ Path to Net Zero



13,000 Sites Served

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Industrial and Agricultural Customers

Technical assistance, incentives and employee training for existing and new industrial and agricultural processes and facilities.

- Production Efficiency
- ✓ Existing and new facilities
- ✓ Tailored, technical assistance
- ✓ Scoping studies and analyses, including renewable energy
- ✓ Customized solutions
- ✓ Strategic Energy Management
 - Industrial Energy Initiatives
 - 90 x 90



2,700 Sites Served

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Renewable Energy

Development assistance and incentives to secure smaller-scale renewable energy resources.

Programs for:

- Solar
 - Biopower
 - Wind
 - Hydropower
 - Geothermal
- ✓ Focus on small projects under 20 MW

More than 3,800 systems



EnergyTrust
of Oregon

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Proven Clean Energy Platform

- Mission driven
- Stable funding
- Innovative program design and delivery
- Comprehensive services
- Objectivity
- Partnership and leverage
- Low administrative costs
- Accountability and transparency
- Evaluation commitment



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Challenges of the Model

- Not state-wide
- Limited options for oil, propane or wood heated customers
- Legislative mandates vs. flexibility
- Different funding sources and accountabilities
 - Limitations on engaging large customers
- Single vs. dual fuel utilities
- Coordination time and resources
- Complexity





Innovations and Opportunities



- Small commercial and industrial
- Multi-family housing
- Moderate and low income residential customers
- Public and non-profit organizations
- Behavior change
- Deep retrofits
- Financing
- Emerging technologies
- Geographic representation and cultural diversity



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Thank You

Margie Harris
 Executive Director
margie@energytrust.org

+
 503.445.7605
energytrust.org



Energy Trust of Oregon is an independent nonprofit organization dedicated to helping utility customers benefit from saving energy and tapping renewable resources.



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ABOUT UMATILLA ELECTRIC COOPERATIVE

Incorporated in 1937 through the Rural Electrification Act, Umatilla Electric Cooperative (UEC) serves portions of Umatilla, Morrow and Union counties. The service territory is characterized by the rolling farmlands of the Columbia Plateau and extends into the Blue Mountains. From our beginning, UEC has brought electric power to rural areas of Eastern Oregon that investor-owned utilities refused to serve. One third of the utility's electric load goes to irrigation, helping the region's agriculture to flourish. Over forty percent of the co-op's power serves the commercial and industrial sectors; all help provide the base for ongoing economic development and community improvement.



QUICK FACTS

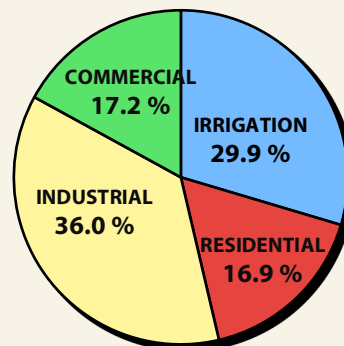
FIGURES ON CALENDAR BASIS AS OF YEAR-END 2012

SERVICE AREA (SQUARE MILES):	1,930
TOTAL NUMBER SERVED:	14,339
RESIDENTIAL:	11,032
IRRIGATION:	1,422
COMMERCIAL/INDUSTRIAL:	1,885
TOTAL NUMBER OF EMPLOYEES:	75
KILOWATT-HOURS SOLD (RETAIL):	973,380,976
AVERAGE ANNUAL KILOWATT-HOURS	
PER RESIDENTIAL MEMBER:	16,643
UEC RESIDENTIAL PRICE	
PER KILOWATT-HOUR:	5.72¢
NATIONAL RESIDENTIAL AVERAGE	
PRICE PER KILOWATT-HOUR:	11.8¢
MILES OF DISTRIBUTION LINE:	2,320
NUMBER OF MEMBERS:	9,682
TOTAL ASSETS OF CO-OP:	\$111,088,721
CAPITAL CREDITS PAID IN 2012:	\$4,208,107
TOTAL ANNUAL TAXES PAID:	\$1,147,485

UEC BOARD OF DIRECTORS & MANAGEMENT

Jeff Wenholz, Businessman - Board President
 Bryan Wolfe, Farmer & Rancher - Board Vice President
 Robert MacPherson, Retired Educator - Board Secretary/Treasurer
 Lee Docken, Businessman - Board Member
 Glenn Rohde, Farmer - Board Member
 Rose Etta Ansotegui, Retired Academic Assistant - Board Member
 John Otis, Businessman - Board Member
 Steve Eldrige - General Manager and CEO

UEC SALES



UEC POWER RESOURCES

