



Fall Trade Ally Forums November 2017



Draft 2018 Budget Overview

Trade Ally Forums

November 2017

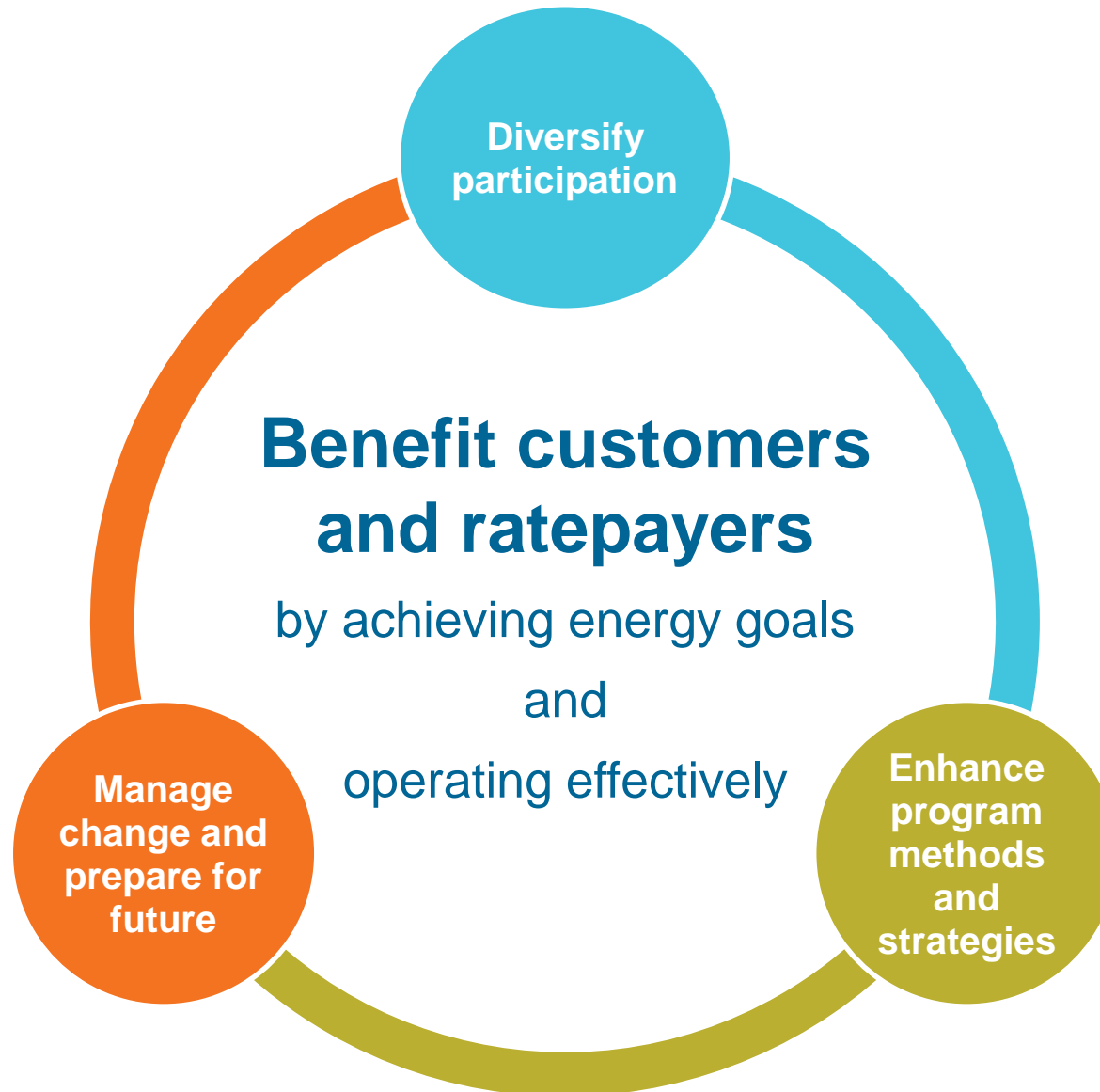


Budget and Action Plan Context

- 4th year of strategic plan
- Oregon population diversifying, stakeholder interest growing
- Stable economy driving high activity in some program areas
- Changing policies, markets and technologies
- Cost-effectiveness challenges



Program Areas of Emphasis



1) Diversify Participation

- Continue replacement pilot for older manufactured homes
- Identify and prioritize strategies to increase access to solar in low-income communities
- Contract with community-based organizations to reach under-served communities in residential sector
- Drive forward organizational diversity, equity and inclusion strategies and activities



2) Enhance Program Methods and Strategies

- Utilize new, improved data resources in analysis and targeted marketing
- Leverage energy-related initiatives spearheaded by others
- Foster long-term relationships with business customers and support long-term project planning for communities
- Expand use of midstream and distributor engagement, and use of instant incentives

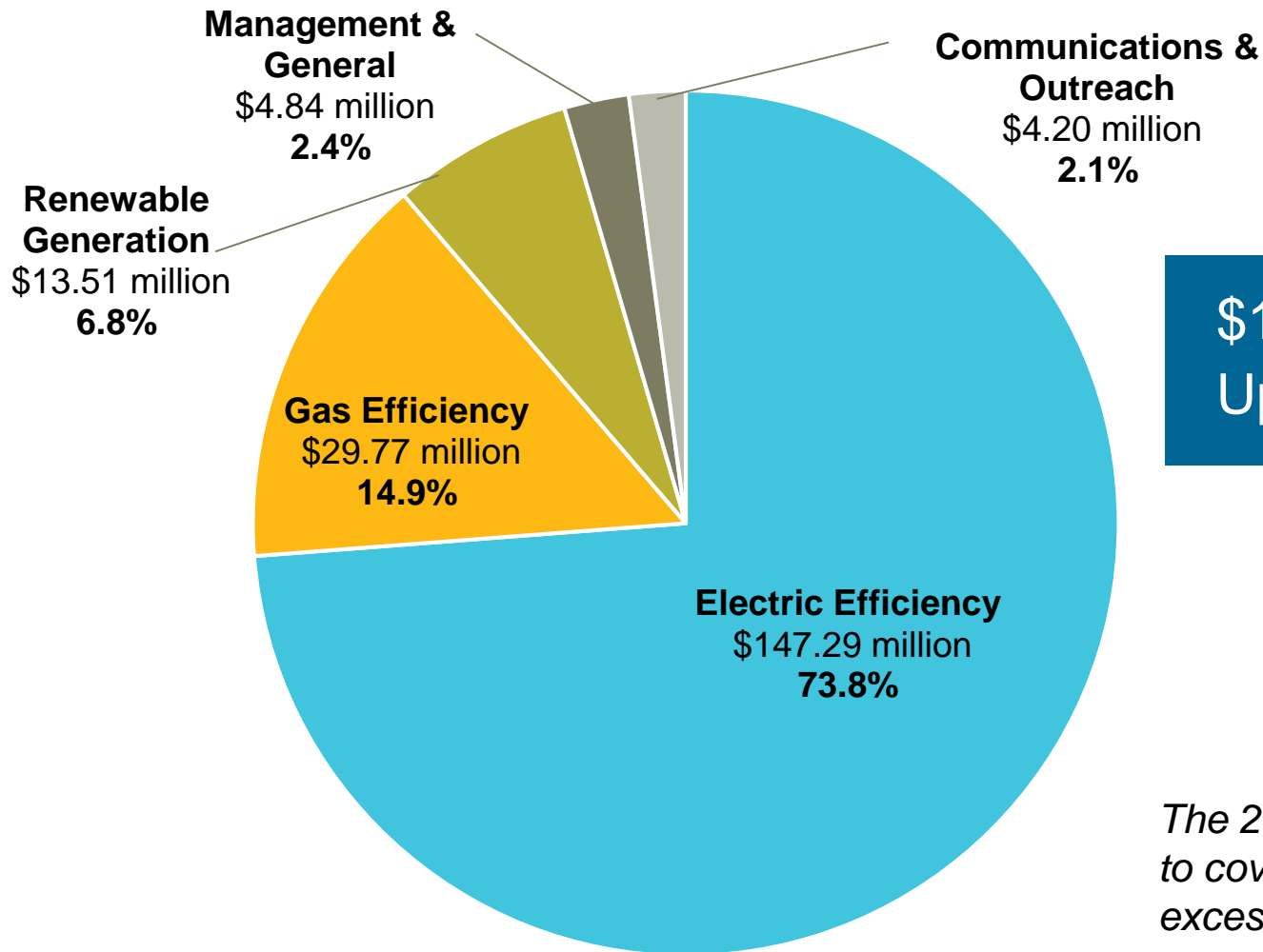


3) Manage Change and Prepare for Future

- Explore the energy efficiency and renewable energy nexus
- Adjust measure and program approaches due to changing policies
- Implement transitional strategies for key program areas (ex. solar, residential)
- Implement recommendations from internal Organizational Review and Budget Review Projects



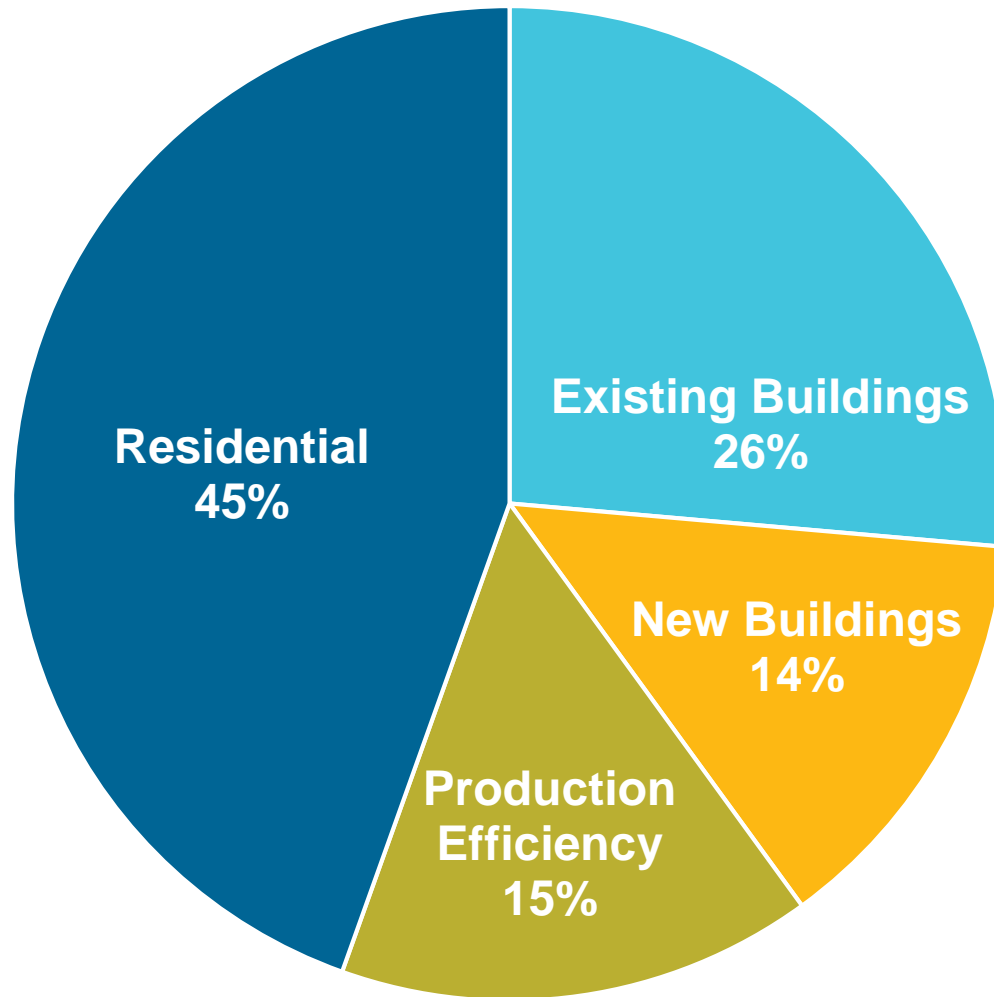
2018 Draft Budget Expenditures



\$199.6 million
Up 0.5% from 2017

The 2018 budget utilizes reserves to cover planned expenses in excess of anticipated revenue.

2018 Natural Gas Savings by Program

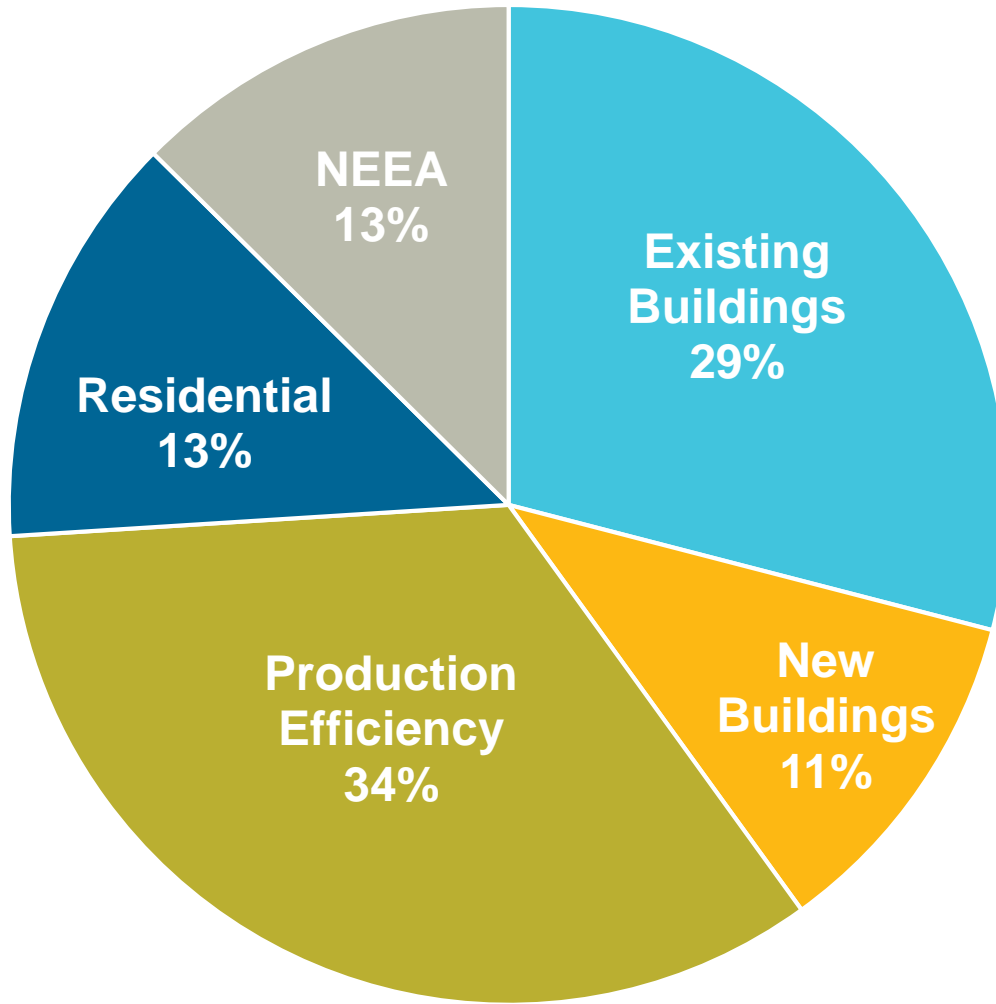


6.88 MMTh goal
33.5 cents/therm

- Savings down 7.2%
- \$31.2 million in total costs, including customer incentives, services and delivery

MMTh: million annual therms
Cost per therm is levelized

2018 Electric Savings by Program



56.52 aMW goal
3.0 cents/kWh

- Savings up 0.2%
- \$154.3 million in total costs, including customer incentives, services and delivery

aMW: average megawatts
Cost per kilowatt hour is levelized

2018 Renewable Energy Programs

	\$ Million	aMW
Solar	\$10.23	2.18
Other Renewables	\$3.91	0.00
Total	\$14.15	2.18

- Generation down 24%
- \$14.15 million in total costs, including customer incentives, services and delivery
- Other Renewables expenditures include:
 - Project development assistance payments for potential generation in future years (63%)
 - Staff, professional services, outreach and other allocated costs (37%)

Budget Outreach Schedule

October & November

Draft budget online, Nov. 1
Trade ally forums, Nov. 2-16
Recorded webinar online, Nov. 7
Board of Directors, Nov. 8
OPUC public meeting, Nov. 16
RAC/CAC updates, Nov. 17
Public comments due Nov. 17
Comments reviewed, final adjustments

+ www.energytrust.org/about/budget

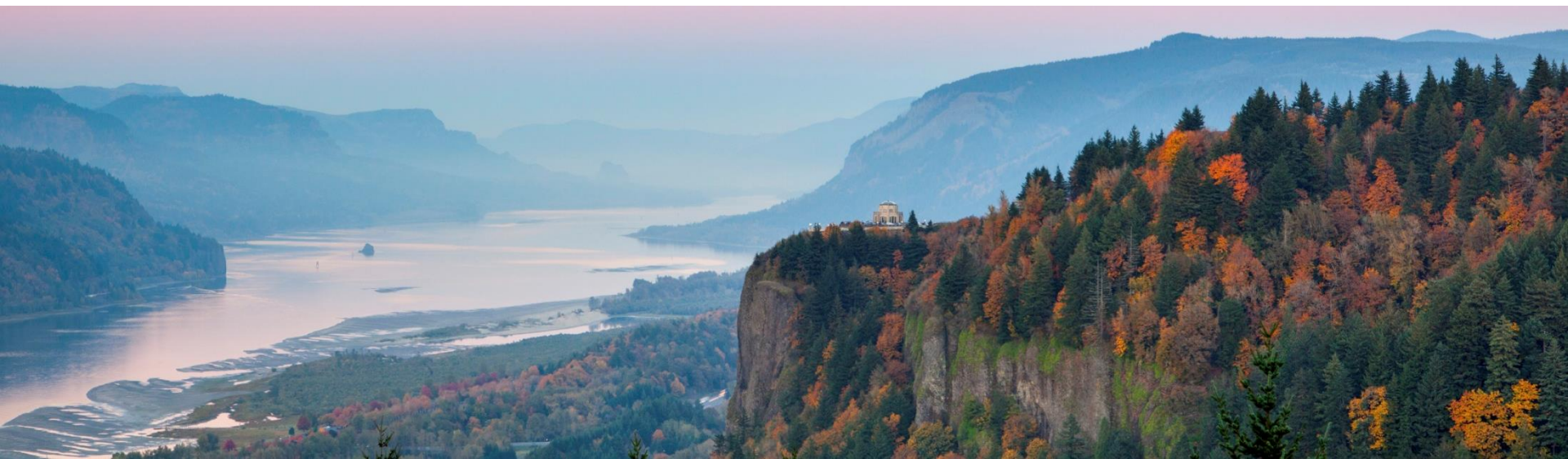
Send comments to info@energytrust.org

December

Final proposed budget online,
Dec. 8
Board of Directors, **Dec. 15**,
Action on Final Proposed
2018-19 Budget and Action Plan

Discussion and Feedback

- What questions do you have?
 - What information needs clarification?
 - Other feedback?
- + www.energytrust.org/about/budget
Send comments to info@energytrust.org
- + Comments due November 17



Thank You

info@energytrust.org

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Energy Trust & Cost Effectiveness

Trade Ally Forums
November 2017

What is a cost-effectiveness test?

- It's a Benefit/Cost Ratio (BCR) calculation that provides a Yes/No decision on whether an investment's benefits exceed its costs
 - Benefits must be greater than or equal to Costs over the life of the measure
- Per direction from OPUC, Energy Trust uses the Total Resource Cost Test and Utility Cost Test
 - Required to apply test at measure level (custom, prescriptive) and in annual report at program level

Total Resource Cost Test (TRC)

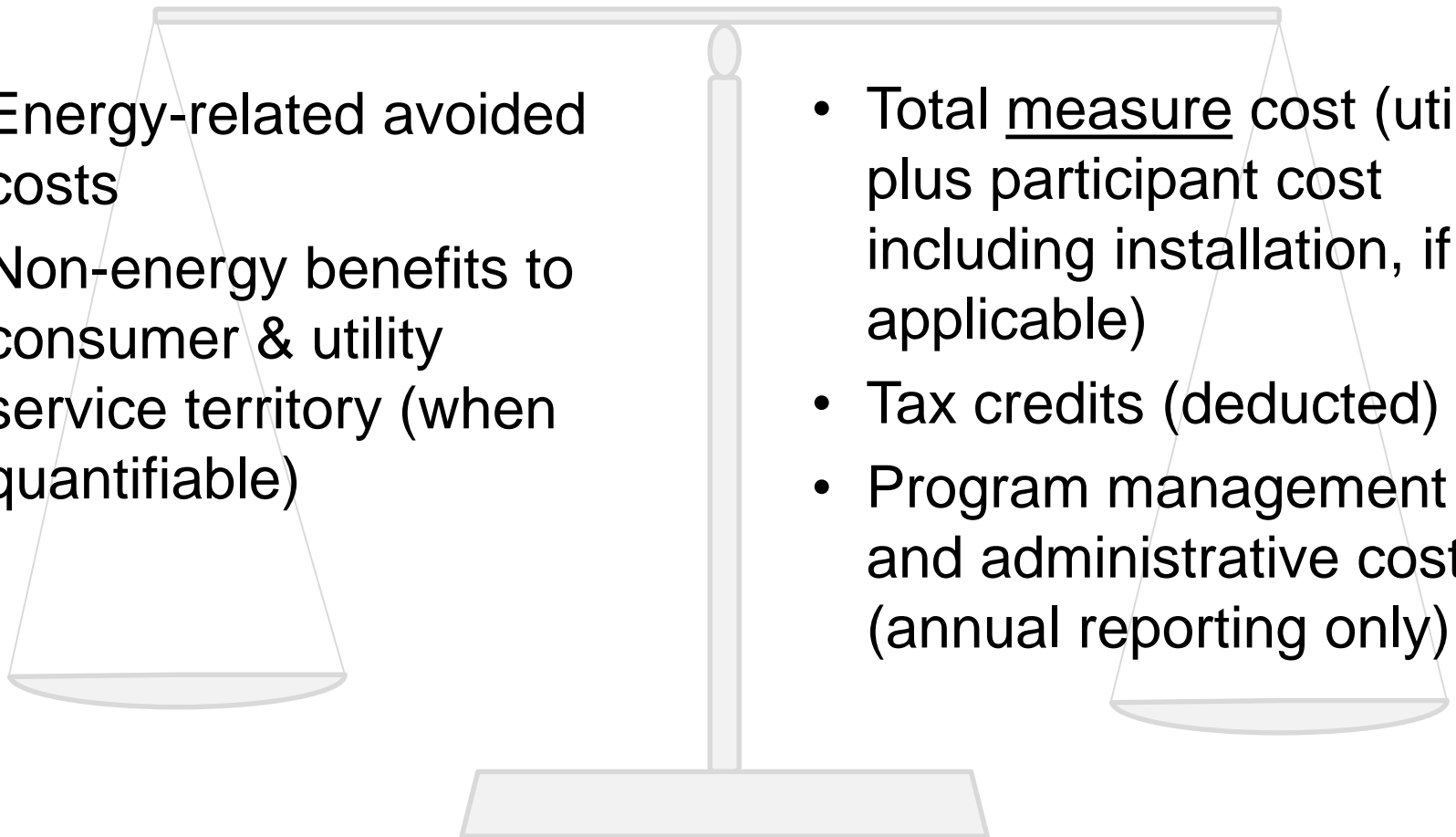
Will the total costs of energy in the utility service territory decrease?

Benefits

- Energy-related avoided costs
- Non-energy benefits to consumer & utility service territory (when quantifiable)

Costs

- Total measure cost (utility plus participant cost including installation, if applicable)
- Tax credits (deducted)
- Program management and administrative costs (annual reporting only)



Utility Cost Test (UCT)

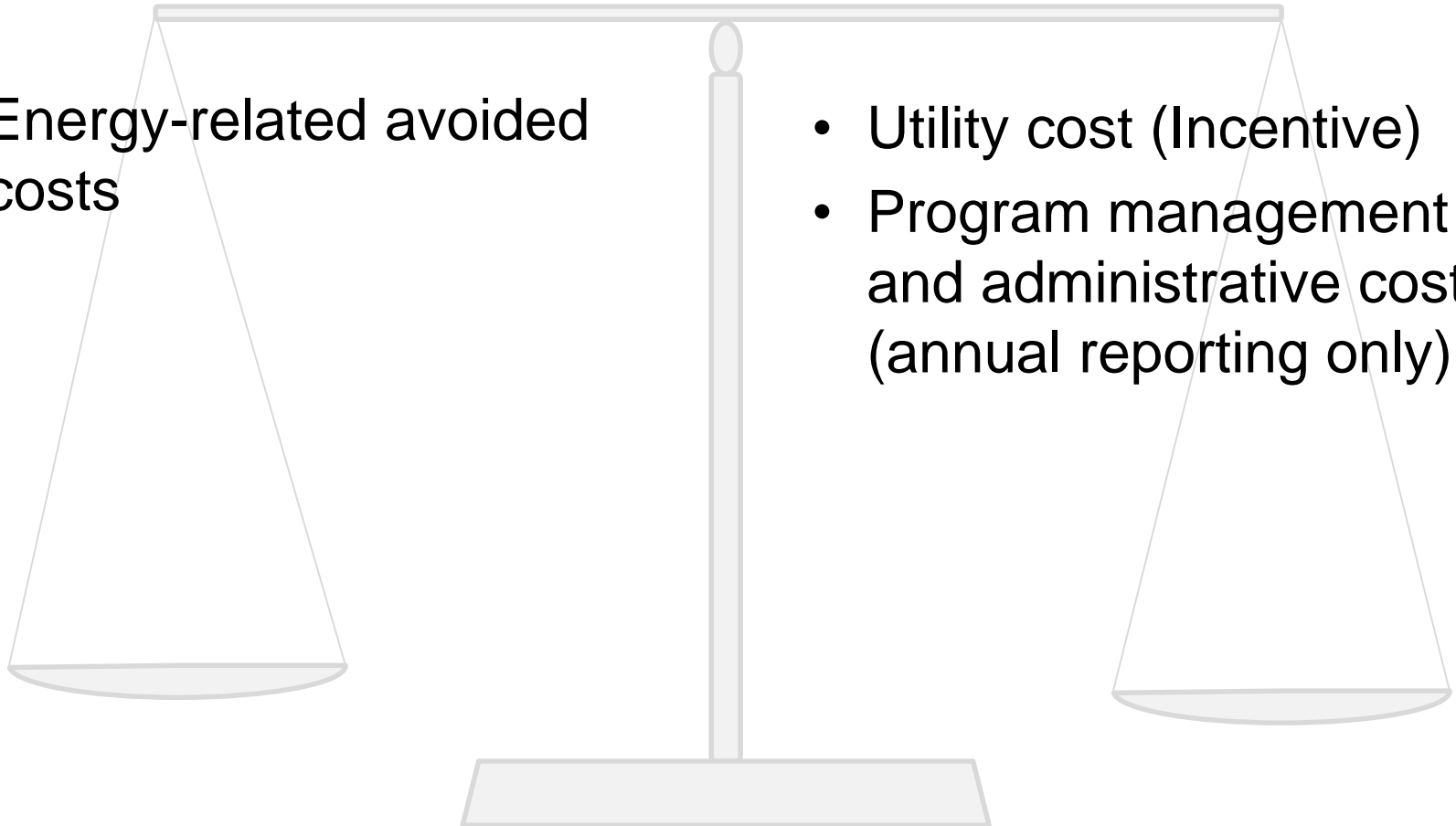
Is the utility cost of energy less?

Benefits

- Energy-related avoided costs

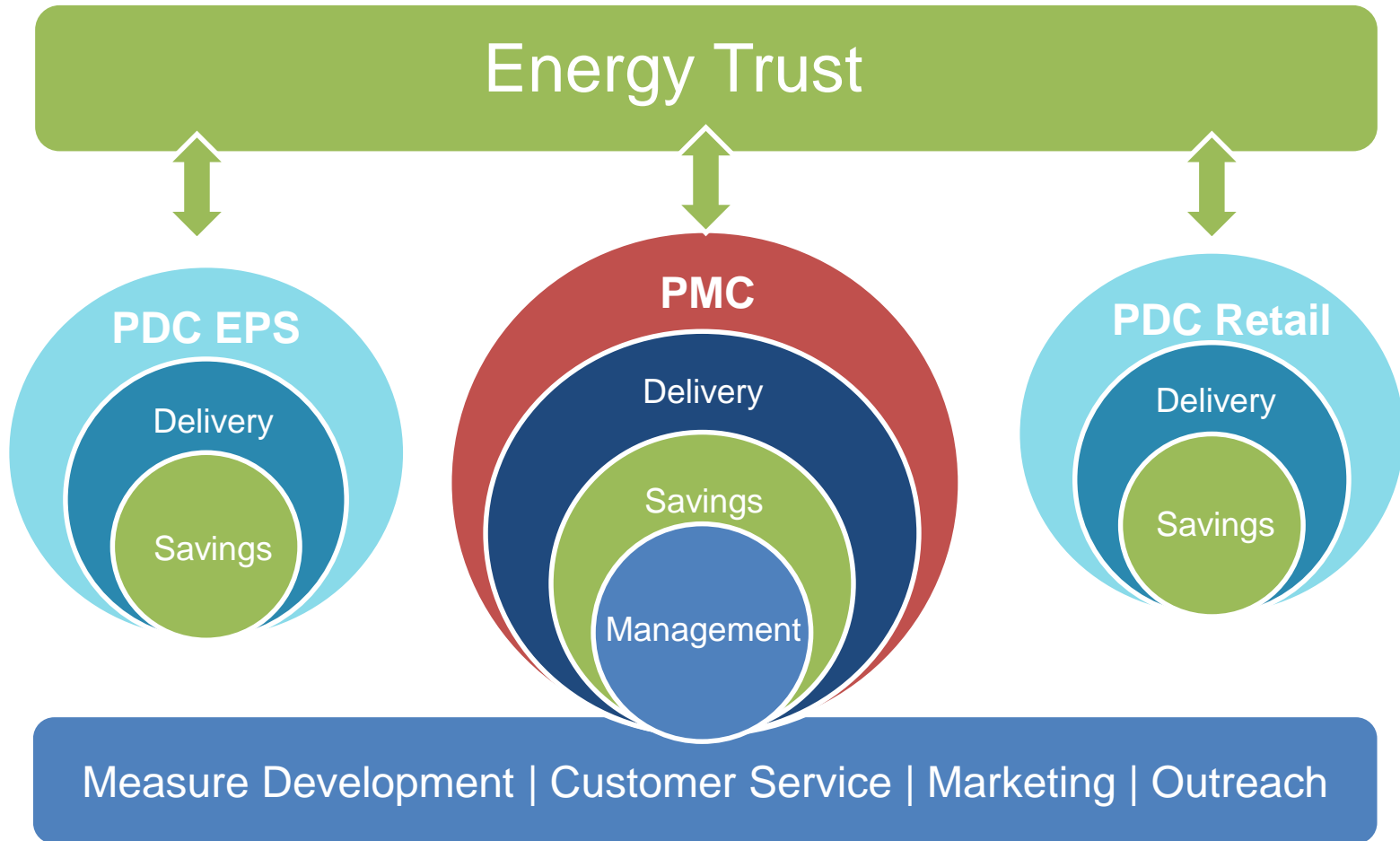
Costs

- Utility cost (Incentive)
- Program management and administrative costs (annual reporting only)

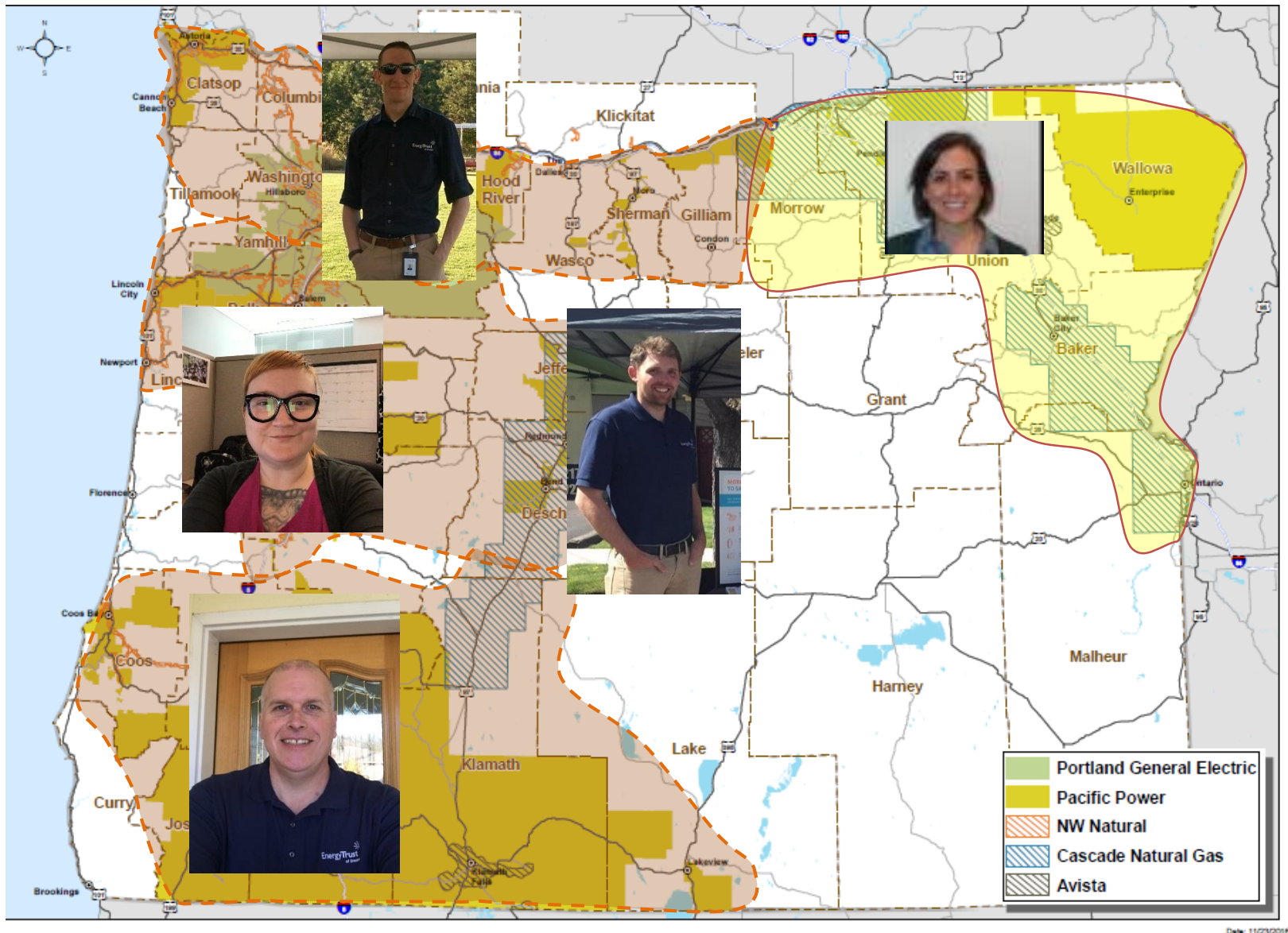


Residential Structure

2018 Residential Program



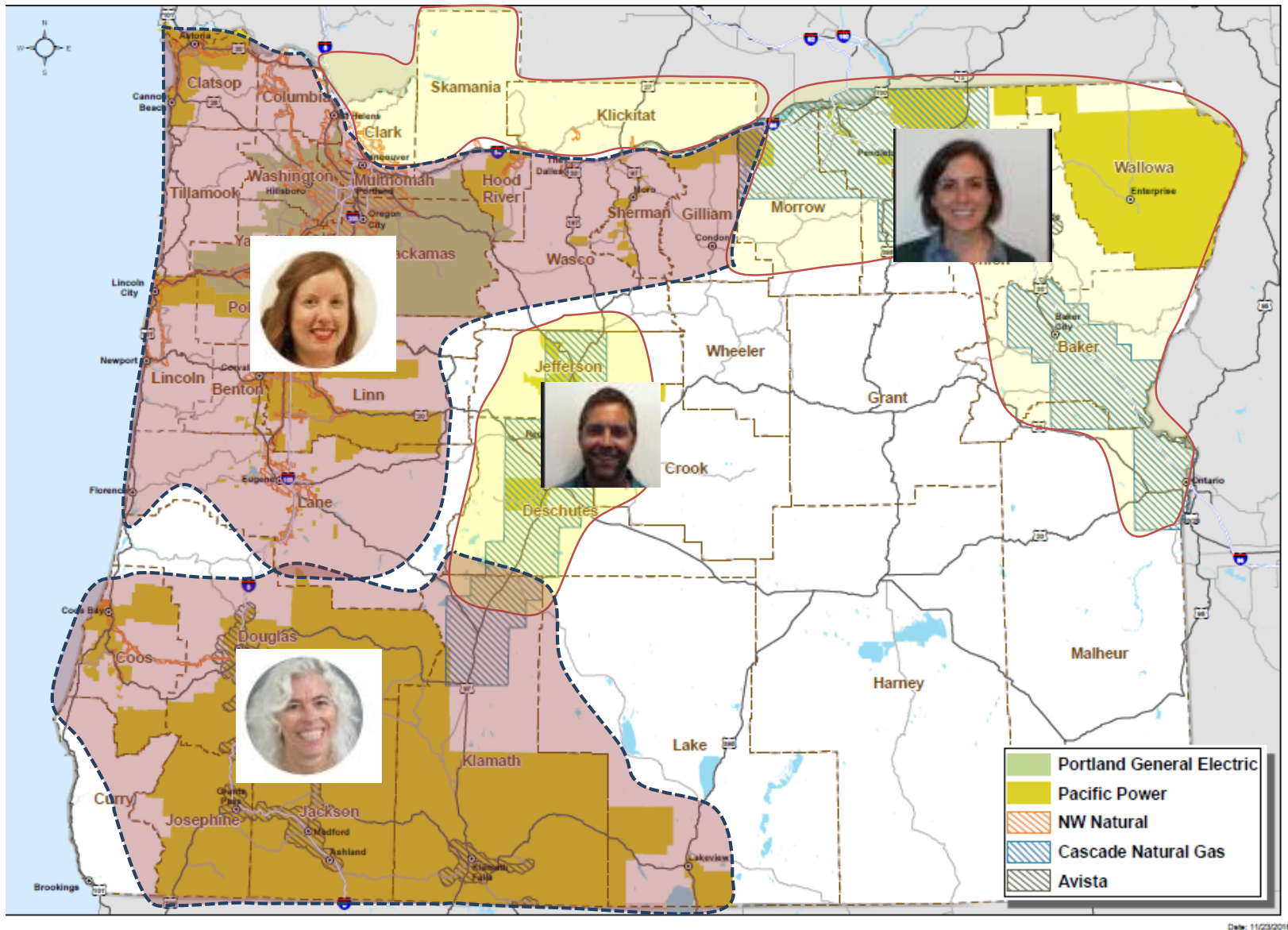
Retail Field Coverage



Ecova

CLEAResult

EPS Whole-Home Field Coverage



Energy Trust of Oregon Residential Account Managers Regional Photo Map



Kyle Kent
Regions 1, 3, 7, 12



Caryn Appler
Regions 10, 11



Eric Falk
Regions 3, 7, 12



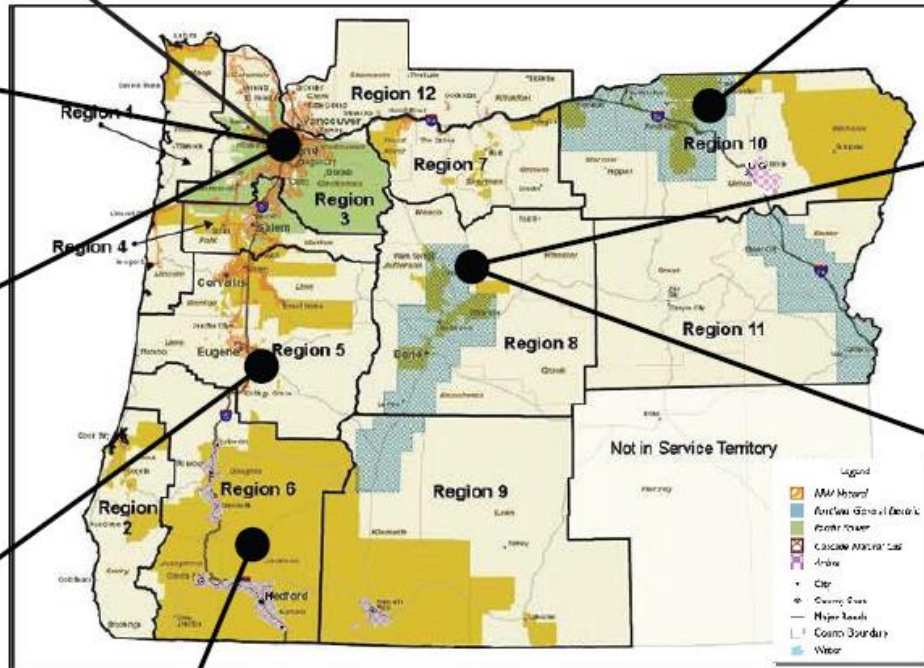
Adam Reese
Regions 1, 3, 7



Rick Flacco
Regions 1, 4, 5



Daniel Pierce
Regions 2, 6, 9



Mike Lillesand
Regions 8, 9
Field Supervisor



Mike McMillan
Regions 8, 9



Cameron Welch
Regions ALL



Shawn O'Neill
Regions ALL

2018 Program Updates

Factors Influencing 2018 Measures

- Updated avoided costs
- Oregon Residential Energy Tax Credit (RETC) expiration
- New codes and standards
- Expiring exceptions
- Changing market conditions (e.g., LEDs)



Residential Measure Exceptions

Measure	Details	Status
Gas new manufactured home	ENERGY STAR® and Ecorated homes	Approved
EPS pathways in Oregon	Paths 1 & 2 electric Path 4 gas	Approved
Gas tank water heaters	ENERGY STAR gas non-condensing tank	Approved
Ductless heat pumps	Replacing zonal heat (single-family, multifamily)	Approved

Residential Measure Changes

Measure	Change	Current incentive	New incentive
A-lamp LED, Trade Ally Direct Install	Decreased incentives due to changing market conditions	\$9	\$5.50
Reflector LED, Trade Ally Direct Install	Decreased incentives due to changing market conditions	\$15	\$8.75



Residential Measure Adjustments, Cont.

Measure	Change	Program	Current incentive	New incentive
Heat pump (replacing electric heat – eFAF or ER)	Reduced to 8.5 HSPF, simplify incentives, add multifamily	Residential/ multifamily (2-4 & side-by-side)	\$450-\$700	\$700
Heat pump (replacing heat pump)	Any efficiency, simplify incentives, controls on new heat pump	Residential/ multifamily (2-4 & side-by-side)	\$250-\$500	\$250
Heat pump advanced controls	Simplify incentives, increase incentives	Residential/ multifamily (2-4 & side-by-side)	\$150	\$250

Residential Measure Adjustments, Cont.

Measure	Change	Program	Current incentive	New incentive
Heat pump (replacing electric heat – eFAF or ER) Savings Within Reach	Reduced HSPF, simplify incentives	Residential	\$750-\$1000	\$1000
Heat pump (replacing heat pump) Savings Within Reach	Changed requirements (financing available)	Residential	\$550-\$700	\$250
Gas water heater/ Heat pump water heater tier 1 & 2	Shifted to midstream 10/02/2017	Residential	\$100/\$150/\$300 (downstream)	\$100/\$150/\$300 (midstream)

Heat Pump (replacing eFAF or ER)

2017 details	2018 details
\$450-\$700	\$700
<ul style="list-style-type: none">• Two tiers HSPF 9.0 \$450, HSPF 9.5 \$700• Replacing electric forced air furnace, wall heater or ceiling heat	<ul style="list-style-type: none">• Removed the two tiers, one minimum 8.5+ HSPF requirement• Replacing electric forced air furnace, wall heater or ceiling heat• Incentive for most installations in homes will be increasing in 2018

Heat Pump (replacing a heat pump)

2017 details	2018 details
\$250 - \$500	\$250
<ul style="list-style-type: none">• Must be upgrading from an existing heat pump or replacing non-electric heat• Tiered incentives with different HSPF requirements of 9.0 or 9.5	<ul style="list-style-type: none">• Projects must include an eligible thermostat programmed with a 35 degree lockout• Must install heat pump with electric auxiliary heat• Multi-fuel heating systems do not qualify• No HSPF requirement• Participants completing PTCS or Check Me projects are eligible as long as they meet the other requirements However, PTCS or Check Me are not required for eligibility

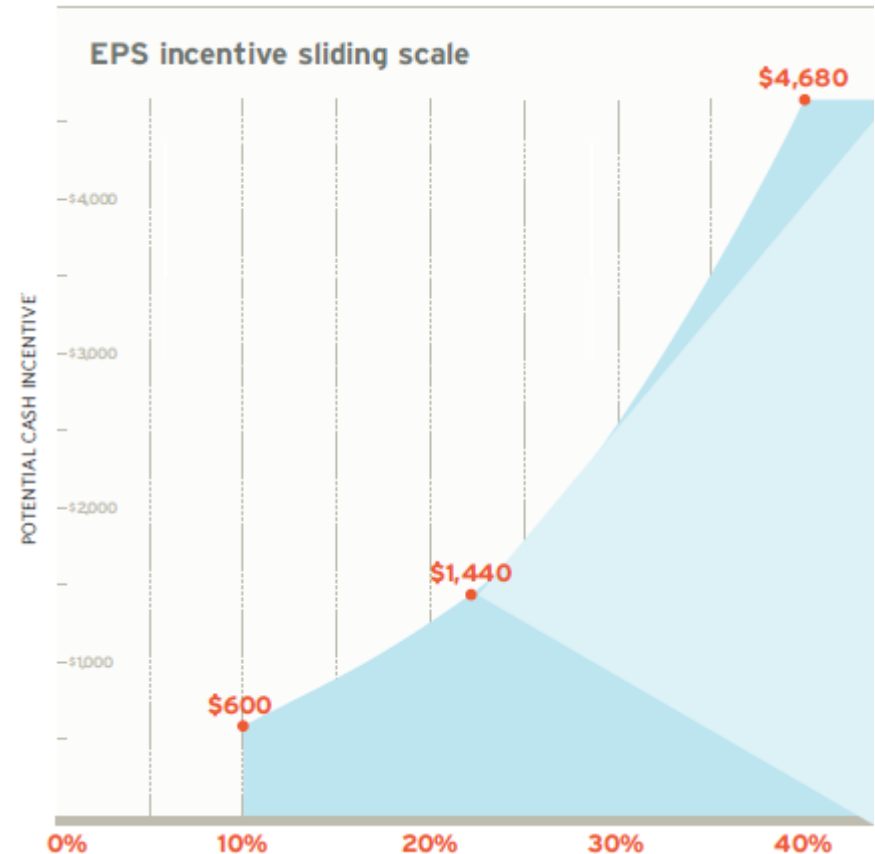
2018 EPS Whole Homes changes

- Updated 2017 ORSC adopted October 1, 2017
 - Increased envelop minimums
 - Measure option tables have been updated
 - All lighting required to be 100% high-efficacy
 - 100% low-flow showerheads and toilets required
- 2018 EPS whole home offer will be available for verifiers and builders on January 1, 2018
- Builders and verifiers will be required to submit homes under the new code April 1, 2018



2018 EPS incentive structure

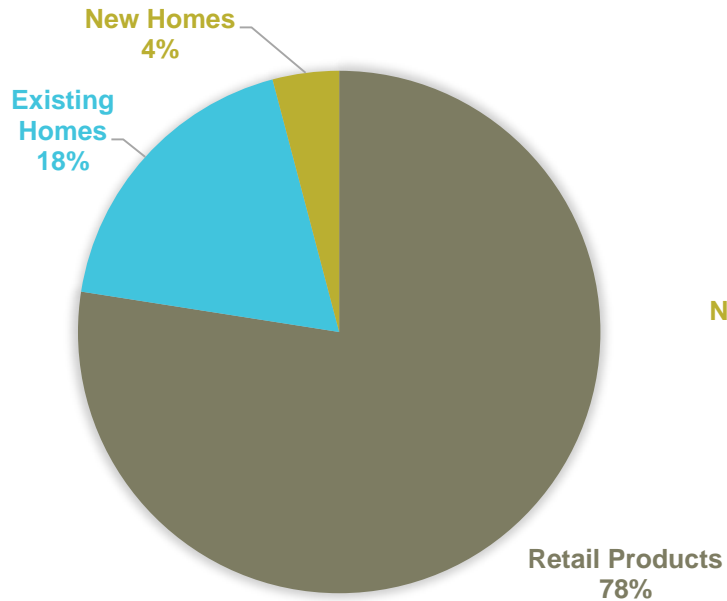
- Same incentive range (\$600 to \$4,680)
- Same verifier incentive structure
- Based on percent improvement above code



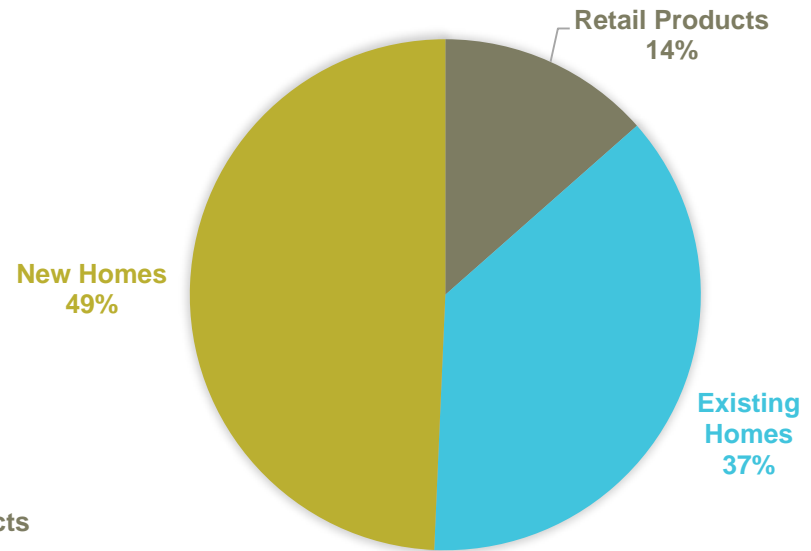
Regional Impact

Residential Savings

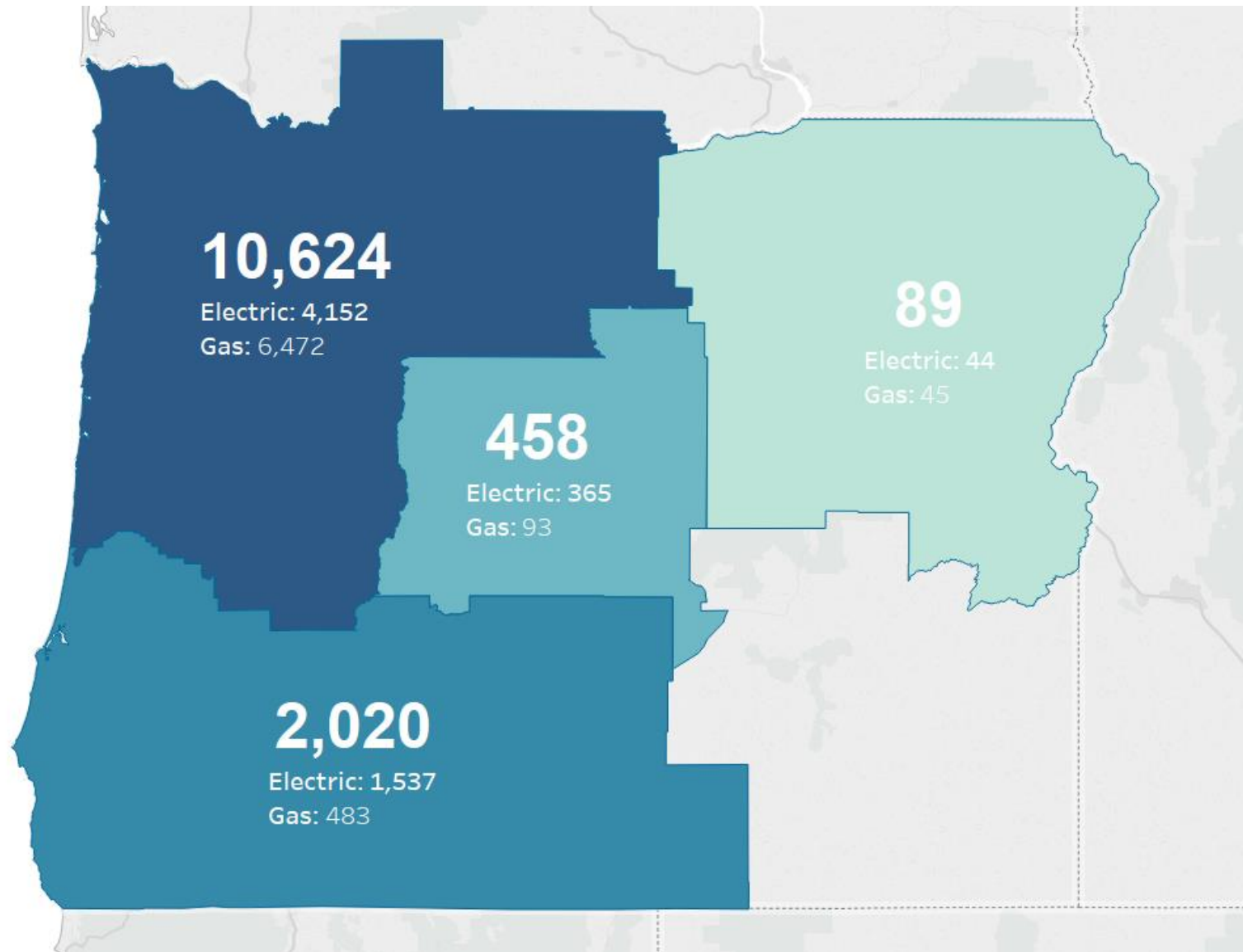
ELECTRIC SAVINGS



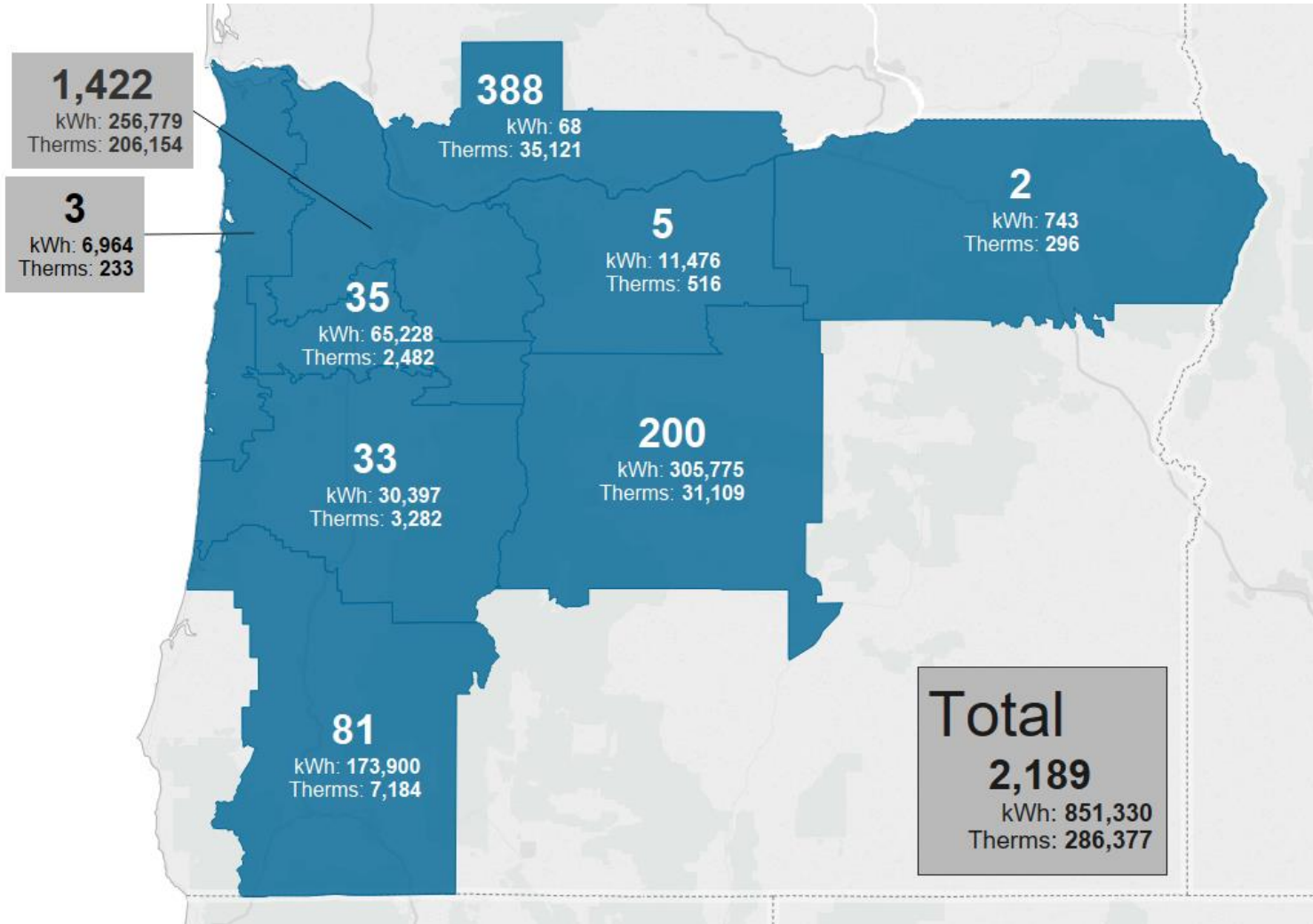
GAS SAVINGS



Home Retrofit Project Count



EPS Whole Home Regional Activity – Map



North Eastern Oregon

Rank	Electric Measure	Project Count	kWh Savings	% of total kWh savings for the region
1	Ductless heat pump	14	38,169	49%
2	Heat pump upgrade	8	10,967	14%
3	Heat pump rep.	2	10,017	13%
4	Windows	9	7,085	9%

Rank	Gas Measure	Project Count	Therm Savings	% of total therms savings for the region
1	Windows	23	853	35%
2	Gas furnace	10	748	31%
3	Ceiling insulation	6	493	20%
4	Gas fireplace	6	342	14%



Northeastern Oregon

Specialized Program Track	Trade Ally Enrollments
Savings Within Reach	13
Instant Incentives	7
Trade Ally Direct Install	6
Savings Within Reach On-Bill Repayment	1



A photograph of a two-story yellow house with a grey roof. Solar panels are installed on the roof. The house has a large front window with a white frame. The house is surrounded by greenery and a wooden fence.

Thank You

Ryan Crews

Program Manager

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Existing Multifamily 2018 Program Updates

November 2017

Multifamily Trade Ally Benefits

- Multifamily-specific program updates
- Business development funds available for approved Multifamily marketing efforts
- Free listing in the “Find-a-contractor” search under Multifamily



Already a trade ally and want to enroll in another program?

If you are an existing trade ally, you can enroll in additional Energy Trust programs. Please enter your Energy Trust account number here. You will be asked to verify the email address associated with this account. NOTE: You will not be able to save your progress. Once a form is submitted, you will not be able to go back and change it.

Account Number

Begin

Don't know your account number?



Commercial

- ☐ Commercial & Industrial Lighting (Addendum 171L)*
- ☐ Existing Buildings (Addendum 171B)
- ☒ Existing Multifamily (Addendum 371MF)
- ☐ New Buildings (Addendum 571A)
- ☐ Streamlined Industrial (Addendum 471A)

2018 Program Updates

OPUC Measure Cost-Effectiveness Exception Requests

Measure	Details	Status
Ductless heat pump	Replacing zonal heat (single-family, multifamily)	Approved
Gas tank water heaters (2-4 plex and side-by-side structures)	ENERGY STAR gas non-condensing tank	Approved
Windows (stacked structures, 5+ units, electric heat)	Single-pane replacement only	Approved

Existing Multifamily New Incentives

Measure	Change	Property types	New incentive
Heat pump advanced controls	New incentives; aligns with residential	Duplex, triplex, fourplex & side-by-side	\$250
Rooftop unit controls	New incentives	All property types	Varies by control type
Smart thermostats	Added June 2017	All property types	\$50
Tankless water heaters (199 kBtu/h or less)	Added June 2017	Stacked structures with 5+ units	\$300

Existing Multifamily Measure Adjustments

Measure	Change	Property types	Current incentive	New incentive
Ducted heat pumps	Reduced to 8.5 HSPF, no longer has to replace central AC; aligns with residential	Duplex, triplex, fourplex & side-by-side	\$450-\$700	\$700
Gas furnaces	New requirements; shifting to per kBtu/h incentive	Stacked structures with 5+ units	\$300	\$1.50-\$3.00/kBtu/h
Windows	Single-pane replacement only in 2018; <i>phasing out double-pane replacement</i>	Stacked structures with 5+ units, electric heat	\$2/sq ft replacing double pane; \$3/sq ft replacing single pane	\$3 per sq ft replacing single pane; <i>double-pane replacement not eligible</i>

Measure Adjustments, Cont.

Measure	Change	Property types	Current incentive	New incentive
Gas wall and floor insulation	Removing gas \$150 cap & ceiling insulation requirement	Duplex, triplex, fourplex & side-by-side	\$0.30/SF, up to \$150 for gas customers	\$0.30/SF, no cap
Electric tank water heaters	New federal standards	All property types	\$35-\$75	Phasing out in 2018
Residential clothes washers	Added tub capacity requirement	All property types	\$120	\$120
Commercial clothes washers	Must be front-loading	All property types (must be in common area)	\$300	\$300

Heat Pump Requirements

Measure	Incentive	Requirements
Ducted Heat Pump	\$700	<ul style="list-style-type: none">• Available for duplex, triplex, fourplex and side-by-side structures• HSPF 8.5 or greater• Replacing electric forced air furnace or resistance heat
Heat Pump Advanced Controls	\$250	<ul style="list-style-type: none">• Available for duplex, triplex, fourplex and side-by-side structures• Eligible thermostat programmed with 35 degree lockout temperature• May be installed on new or existing heat pumps with electric auxiliary heat• Multi-fuel heating systems do not qualify• No HSPF requirement• Contractor installed

Windows Incentive Updates

In stacked structures with 5 or more dwelling units, electric heat:

- Replacing single pane or storm windows – unchanged in 2018
- Replacing double-pane - must be installed by 12/31/2017
- *Windows incentives in duplex, triplex, fourplex and side-by-side structures unchanged*

For double-pane replacement projects currently underway which cannot complete installation by 12/31/2017:

- Fill out Windows Deadline Extension Request form 320WR
– *request must be submitted no later than 12/31/2017*
- Approved projects must be installed by 3/31/2018; paperwork must be submitted within 90 days of install
- Contact multifamily@energytrust.org for more information



Thank You

Tom Beverly, Trade Ally & Customer Service Manager

tom.beverly@energytrust.org

