

March 7, 2024

Oregon Public Utility Commission
Attn: Filing Center
201 High Street S.E., Suite 100
Salem, OR 97301
Submitted electronically via puc.hearings@puc.oregon.gov

Re: Docket No. UM 2211 – Energy Trust of Oregon Responses to Project Planning Framework Questionnaire

Energy Trust of Oregon welcomes the opportunity to participate in the Oregon Public Utility Commission’s continued implementation of the Energy Affordability Act through Docket No. UM 2211. Energy Trust is a non-advocacy, non-lobbying independent nonprofit organization. We operate under a grant agreement with the OPUC to serve customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista with energy efficiency and small-scale renewable energy programs. Energy Trust information, cash incentives, contractor connections and partnerships with community-based organizations help these customers use less energy and generate renewable power.

Since 2002, Energy Trust has helped utility customers save \$6.3 million on their energy bills, add \$12 billion to Oregon’s economy and avoid 39.4 million metrics tons of carbon dioxide. Our vision is clean and affordable energy for everyone, including for customers we have underserved: customers of color, customers experiencing low to moderate incomes and customers that live in rural areas.

We seek to contribute to this docket as affordability of energy bills is central to our mission. Through the engagements, focus areas and workstreams outlined in the draft Phase 2 Process Proposal, the OPUC has the potential to comprehensively address customer energy burden and rate relief.

The following responses to select questions in the [Project Planning Framework Questionnaire](#) posted February 13, 2024, are based on Energy Trust’s experience in supporting advancement of energy efficiency and rooftop solar and storage, as well as our ongoing work to address inequitable distribution of benefits from our investments through the evolution of our planning, design, implementation and evaluation processes. We are comfortable with public attribution of these responses.

Equity Landscape

1. What do you see are the most important or urgent equity issues in the provision of energy to utility customers?

There are several interrelated issues that result in inequities and growing energy burdens among utility customers. Affordability and accessibility are two encompassing areas that can have significant impact.

Affordability can be viewed through multiple perspectives, including rate affordability, utility bill affordability and project cost affordability.

- While rate mechanisms are outside of Energy Trust's purview, the ability to afford bills intersects with our purpose to deliver cost-effective energy efficiency and lower above-market costs of renewable energy. Energy efficiency, conservation and on-site renewable generation are the primary ways that reduce building energy consumption and associated utility costs in both the near and long term. In addition, investments to acquire all cost-effective energy efficiency lead to net benefit to all customers of utility systems as cost-effective efficiency is lower cost than other resource options to achieve system reliability and decarbonization targets.
- The ability to afford the upfront costs to energy efficiency upgrades and rooftop solar and storage needed to access clean energy program incentives is a significant barrier for many customers. There is a need to think beyond the "pay-to-play" approach we've historically used. Energy Trust is testing various no-cost pilots for residential heat pumps, heat pump water heaters and insulation to remove this barrier to accessing the benefits of clean energy improvements.

Accessibility to programs is another barrier to address to improve energy affordability. This ranges from awareness building and improving customer understanding of how they use and can manage their energy consumption to sustained customer and community outreach, greater contractor availability and aligning program eligibility, outreach and participation requirements across the various programs.

- Programs are spread between state and local government agencies, utilities and nonprofits like Energy Trust. There is a role for each and a need for greater coordination to reduce customer confusion and make it easier for implementing partners to support customers. Coordination should be prioritized where program objectives are the same yet requirements to participation differ, income thresholds, for example.
- There is a need to address deferred maintenance and repairs in homes and buildings for customers to install energy efficiency and renewable energy projects, and to achieve the desired outcomes of these investments.

2. Which communities are most impacted?

The impacted communities are those communities that are more likely to live in areas with greater environmental burdens, legacy exclusionary zoning, areas with lower public infrastructure investments, areas with older housing stock, areas with low rates of homeownership, areas with limited access to contractors to carry out improvements, people with limited resources to complete applications and assume out-of-pocket costs for repairs or upgrades, and people who don't own or don't live in single-family homes, among other factors.

3. What are the most important or urgent actions to improve equity outcomes?

Historically, the success of energy efficiency programs was measured by the benefits experienced by the individual customer investing in a single measure and the combined actions accruing benefits at the system level. Programs and approaches addressing holistic needs and leading to direct benefits are needed to improve equity for all customers, this includes through:

- Programs that lower or remove out-of-pocket costs for equipment upgrades and deferred maintenance needs.
- Programs that support efficiency, health benefits and resiliency, especially for site types that don't benefit from current program designs (i.e., non-conforming home construction, bulk fuels).

- Improving awareness¹ of the options customers have and how these complement each other – improve awareness and education through:
 - Direct engagement with communities and the organizations that support them
 - Messaging in multiple languages and mediums to reach all customers
 - Messaging that communities can relate to, understand and that addresses their needs
- Lowering eligibility and participation barriers through:
 - A holistic approach throughout the upgrade process (from home assessment to facilitating installations with contractors to completing quality reviews that ensure installations are completed)
 - Support throughout the application process to increase success rates and decrease delays in processing
 - Workforce development to increase availability of contractors in rural areas and tribal territories
 - Integration of trusted resources into program delivery
- Increasing access to distributed solar generation and storage to support reliability and resilience at the community and customer level, especially for areas that are more vulnerable to the impact of outages due to a lack of resources to rely on during these events.
- Expanding offers that support low- and medium-income households' access to solar and storage systems, especially for vulnerable communities.

Utility Programs

3. What are the highest-impact and/or most urgent equity issues to address in utility programs and services? Responses can include gaps in existing programs and opportunities to develop new programs.

Currently, Energy Trust can provide limited funding and incentives to directly support the adoption of energy efficient or renewable energy technology for customers with low and moderate incomes. Since 2015, Energy Trust has broadened its perspective in serving these types of households and has built partnerships and explored pilots. As examples: Energy Trust coordinates with Oregon Housing and Community Services and some community action agencies, offers targeted outreach and higher incentives to customers with moderate incomes, and is piloting no-cost measures (residential heat pumps, heat pump water heaters, insulation) under cost-effectiveness exceptions. Community-based organizations with sufficient staffing and resources can be effective partners in reaching and serving customers. Additional action can be taken, including:

- Expanding no-cost and low-cost offers
 - Targeting highly burdened households
 - The OPUC's HB 3141 equity metrics setting process confirmed that lack of capital is a barrier that prevents many customers from participating in traditional programs, yet Energy Trust's incentive levels are insufficient to fill this gap for most key measures that could reduce energy burdens.
- Pairing energy assistance with energy efficiency
 - As noted in OPUC staff's [baseline criteria for HB 2474 interim action](#), there is a customer benefit to ensuring there is information sharing between customers

¹ During the OPUC's [2022 HB 3141 equity metrics setting process](#): "When asked what could be done to help support energy needs, the most common suggestions across surveys addressed awareness, information, and education... Staff suggests that the availability of trusted and relatable energy information is a barrier that prevents many customers from participating in traditional programs." (p. 9)

receiving bill discounts or payment assistance and programs that reduce energy usage through capital improvements and targeted outreach – whether through community action agencies, Energy Trust or other programs.

- Shifting from transactional engagements to relational engagements
 - While higher cash incentives can drive participation for some customers, they do not address all barriers for all customers and the markets that serve them. It is necessary to design programs that move from singular, transactional engagements with customers, contractors and other stakeholders to develop relationships that allow for continued collaboration, better understanding among all parties and better results in meeting customers' needs in the most effective way.
- Continuing to explore and evolve relationships with new and existing community-based organizations and nonprofits involved in program design, delivery and evaluation

4. Are there specific geographic areas or distinct populations that should be prioritized?

Recognizing that this is not an exhaustive list and that these categories can and do overlap, Energy Trust has identified the following customers that would most benefit from accessing energy efficiency and clean energy programs that can also help with energy affordability:

- Renters
- People experiencing fixed, low and moderate incomes
- Customers of color
- Rural customers
- Communities for which English is not a first language
- Tribal governments and communities
- People with disabilities
- Small businesses²

5. How can the PUC measure progress in addressing equity issues in utility programs and services? Please feel free to suggest specific metrics.

The ability to measure progress starts with creating a shared understanding of the current state of all the program activities, designs, modeling tools and the ways in which they fit together to provide energy services for priority customers. Shared goals can best be developed with a common understanding of the current level of investment and where needs persist so that solutions can be targeted efficiently.

From Energy Trust's Diversity, Equity and Inclusion work, we learned that not all outcomes can be measured quantitatively. There are unintended consequences of weighing quantitative goals over qualitative measures of success. Our communities' stories matter. Measuring customer participation alone did not accurately capture the effects of our work. We also found that census tract data alone is not an effective way of identifying participation by groups underserved by Energy Trust. Trade ally goals that focused on project numbers also prioritized quantity over quality, hence missing the opportunity to develop lasting relationships with some contractors.

² Programmatically, Energy Trust defines small businesses as those that have less than 20 employees or have a building space that is less than 20,00 sq. ft.

While metrics should be identified when goals, objectives and desired outcomes are further defined, a handful of categories of outcomes have emerged as being particularly important in helping us understand our successes and gaps, including:

- Impact of efficiency programs, focusing on lasting, deep savings for households
- Support for community-based organizations, including overall capacity building, training and education, and developing CBO's own program delivery infrastructures.
- Culturally responsive communication and outreach
- Rural workforce development and diverse business support

6. Staff plans to organize informational sessions on the landscape of programmatic offerings for utility customers. Please provide any priority information within these topics, any additional topics for the series, and suggestions for expert presenters:

- *Info Session 1 - Orientation, state agency landscape, and review initial survey results*
Programs serving the energy needs of customers with low incomes have been established for decades while others are more recently available. Yet there currently is no comprehensive view on how customers experiencing low and moderate incomes are being served relative to the potential for energy efficiency and renewable energy within these homes. It would be useful to create a summary of the current investments the state is making today and from recent years to improve efficiency in low-income households.
- *Info Session 2 – Energy efficiency and weatherization*
Suggest ensuring a review of all funding programs, including through or by community action agencies, community-based organizations, Oregon Housing and Community Services, electric and gas utilities, and Energy Trust
- *Info Session 3 – Distributed energy resources (DER) programs, resiliency*
Energy Trust could speak to equitable solar investments, solar+storage efforts and a recent solar ambassadors approach
- *Info Session 5 – Consumer protection programs*
Energy Trust could speak to approaches in its Solar program

Other Suggestions

12. Do you feel you and/or your organization have sufficient capacity to engage in the proposed process?

Yes

13. Do you have any additional input for the next phase of HB 2475 implementation?

- The administration of programs and the development of new program offers should evolve based on collaboration, input, and accountability.
- As a utility efficiency program implementer, Energy Trust encourages this process include exploring how information (e.g., rate class, bill discount eligibility and enrollment) flows between participating entities.
- Another consideration is that when program requirements are not aligned, the market (customers, contractors, delivery entities) is impacted, whether by taking on administrative and other burdens or being unwilling or unable to navigate the complexities and therefore not participating. As the volume of programs, funding sources, delivery partners increases,

program administrators and agencies should seek to be more intentional about coordinating to ease those burdens.

Energy Trust appreciates the opportunity to provide these comments and observations. We look forward to continuing to engage with the OPUC and participants to this docket. If you have any questions regarding these responses, email Elaine Prause at elaine.prause@energytrust.org.

Sincerely,

Elaine Prause
Senior Manager Regulatory Policy and Funder Relations
elaine.prause@energytrust.org