



# Equity Metrics for Energy Trust of Oregon UM 1158 Docket Announcement

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## Workshop Background

This document provides background information supporting Workshop #4 on January 30, 2023 where Staff will discuss setting 2023 targets for these metrics. For each equity metric, we list proposed definitions and describe the baseline information gathered to support the identification of targets for these metrics.

### What This Is

Energy Trust provides programs to promote energy efficiency for the customers of Portland General Electric, Pacific Power, Avista Utilities, Cascade Natural Gas, and Northwest Natural. Energy Trust provides programs and incentive dollars to help customers reduce their energy usage. Energy Trust also supports solar and storage installations. These programs are funded with ratepayer dollars through a grant from the OPUC. We are working to address equity in these programs so that they are accessible to all eligible utility customers.

Oregon House Bill 3141 (2021) requires the OPUC to establish equity metrics to assess and create accountability for “environmental justice” (EJ) in the expenditure of energy conservation funds by the OPUC’s grantee, Energy Trust. These metrics must reflect feedback through a public process that includes, at a minimum, environmental justice communities.

### Implementation Schedule

December 13, 2022 – Commission approves initial equity metrics

January 30, 2023 – Workshop 4 previewing definitions and baseline data, and discussion on targets

February 3, 2023 – Draft targets posted and public comment period opens

February 16, 2023 – Public comment period closes

March 2, 2023 – Memo with final recommendations posted

March 7, 2023 – Memo presented at Public Meeting

### Discussion Questions

At the workshop, Staff will pose the following questions.

For each metric:

1. Are we measuring the right things?
2. Is there additional information you need to evaluate a target for this metric?
3. What is an aspirational goal for Energy Trust? What is a reasonable range for 2023?
4. In the long run, what outcomes would we like to see?

### Definitions and Baseline Data for Metrics

Below, by metric, are the proposed definitions supporting the metric and data from 2022 that Staff proposes to use to calculate the baseline

#### **Metric 1: Access to Support for Communities**

Increased support to nonprofit organizations with a purpose to serve environmental justice communities or to support nonprofit-led initiatives serving environmental justice communities. Increased support can be incentives, training and funding for energy efficiency upgrades, solar, or solar-with-storage projects.

Staff proposes defining “support” as financial support through incentives or contracts to nonprofits that is used by the nonprofit.

Staff proposes this metric focus on funds provided to nonprofits.

#### **Estimated 2022 baseline spending: \$1.6 million**

Baseline spending includes dollars spent to support nonprofits with an environmental justice focus and/or serving EJ communities.

Key Energy Trust activities that can be estimated for 2022 at this time are as follows:

1. Working Together Grants: Small grants to help nonprofit CBOs serve environmental justice communities working with Energy Trust
2. Contracts with community-based organizations (CBOs)
  - a. Includes workshops led by CBOs and sponsorships of CBOs to help reach environmental justice communities
  - b. Includes nonprofits that support investments in workforce development that will accrue to environmental justice communities
3. Community Partner Funding incentives: Program incentives dollars flowing to nonprofits that support EJ communities to realize projects in their homes

#### **Metric 2: Access to Information**

Increased funding to support targeted outreach to environmental justice communities, including funding for community ambassadors, education, and workshops.

Staff proposes defining “ambassadors” as community members that are not Energy Trust staff or program delivery contractors, but who are community members contracted to provide outreach to environmental justice communities through an Energy Trust program or working group.

Staff proposes tracking direct outreach by Energy Trust and its contractors in this metric in addition to ambassadors.

### **Estimated 2022 baseline: 16.5 Energy Trust and contractor FTE and 12 community ambassadors**

Baseline count includes: Energy Trust FTE and community ambassadors involved in Solar Ambassadors and Community Working Groups such as the Tribal Working Group and CBO Cohort.

Key Energy Trust activities that can be estimated for 2022 at this time are as follows:

1. Energy Trust outreach in environmental justice communities
  - a. Energy Trust and contractor staff with dedicated outreach support to rural, BIPOC and communities experiencing lower incomes
  - b. FTE estimates are based upon staff allocation to outreach activities and includes
    - i. Three (3) FTEs that are Energy Trust staff.
    - ii. Contractor staff with at least a portion of their focus on outreach to environmental justice communities. In 2022 this was more than 35 contracted staff.
    - iii. A portion of time four Resource Assistance for Rural Environment (RARE) members spent promoting Energy Trust offers.
2. Solar Ambassadors
  - a. Throughout 2022 and supported by National Renewable Energy Lab (NREL) funding, Energy Trust has partnered with and convened a working group of six community-specific organizations and Solar Oregon in the development of a pilot program to reach underserved communities with solar programming through collaboration with community-specific ambassadors.
  - b. In 2023, this working group will conduct a three-month pilot of the Solar Ambassadors concept. Following that pilot, the working group will consider next steps and a possible longer-term approach.
3. Community working groups
  - a. Energy Trust launched a Tribal working group in 2022 to advise on Tribal outreach that involved five Tribal members.
  - b. Energy Trust is also looking to establish a CBO cohort effort in 2023.
  - c. These work groups are in addition to Energy Trust councils (RAC/CAC/DAC) and contractors which are not included in the baseline estimate.

### Metric 3: Energy Burden Reduction

New and expanded low-cost and no-cost offers to reduce energy burden created and launched.

Staff proposes defining “expanded” as significant programmatic changes to an offer to make it more available.

Staff proposes defining “low-cost offers” as participant paying no more than 20 percent of project and product costs and no more than \$500 total.

#### 2022 baseline: 8 offers

Key Energy Trust activities that can be estimated for 2022 at this time are as follows:

1. No-Cost Ductless Heat Pump (DHP) Pilot
  - i. This pilot explores installing ductless heat pumps in single-family, multifamily, and manufactured homes at no cost for customers.
  - ii. This pilot is primarily delivered through CBO partners and includes collaboration with CAP agencies. This is through the Community Partner Funding (CPF) program delivery model.
  - iii. *2022 baseline activity*: Launched in 2022, this pilot had approx. 45 sites (across housing types) in 2022 with a total incentive spend of approx. \$650k.
2. Additional no- and low-cost home EE offers
  - i. Several energy efficiency offers that focus on customers experiencing lower incomes and market-wide offers available to income qualified customers. These offers include:
    - i. Manufactured home duct sealing (no-cost)
    - ii. In-home Home Energy Assessments (all housing types; no cost) – incentives paid to CBOs and contractors
    - iii. Online Home Energy Assessment (all housing types; no cost) – no incentives associated with this.
    - iv. Low-cost smart thermostats. Energy Trust is exploring making this a no-cost offer for 2023.
    - v. Direct install home ceiling insulation – contractor-driven and CPF (low-cost). Energy Trust is exploring making this a no-cost offer in 2023.
3. Strategic Energy Management for Affordable Multifamily Housing orgs (no-cost)
  - i. Energy Trust provides energy management services, tools, and coaching for affordable housing organizations and their residents.
  - ii. *2022 baseline activity*: Three affordable housing organizations served across 12 sites with approx. 1,000 tenants supported.
4. Cooling workshops for multifamily tenants (no-cost)

- i. Energy Trust sponsors Community Energy Project to deliver workshops focusing on DIY cooling strategies for residents in single-family and multifamily homes, the majority of which are renters.

#### Metric 4: Community Resilience

Solar and solar-with-storage system projects supported for low and moderate-income residents in areas with limited infrastructure or high energy burden.

Staff proposes that projects must provide some services during an outage.

Staff proposes defining “supported” as providing financial support to study, scope, or build projects.

Staff proposes defining “low and moderate income residents” as 120 percent of state median income.

Staff proposes that Energy Trust work with RAC and interested stakeholders in 2023 to identify and test indices for limited infrastructure areas in addition to rural and high energy burden to develop maps.

- Staff proposes defining “limited infrastructure” to currently include but not be limited to rural areas. Staff is further exploring additional indicator of social vulnerability for this definition.
- Staff is considering options for indicators of “high energy burden” such as some indicators of social vulnerability.

Energy Trust is working on developing a solar plus storage offer to complement this metric to be launched mid-year. With that timeline, there will be no expected increase in spending from the program anticipated during 2023. Staff instead proposes a **target based on the engagement of community-based organizations in creating this solar plus storage offer.**

Estimated 2022 baseline spending: \$140k

Baseline spending includes low and moderate income customers that installed solar plus storage. While this is not the same as activities Staff proposes to target and measure in 2023, it is illustrative background.

Defining projects and project activity

- a. In 2022, Energy Trust supported customer projects where solar + storage systems were installed, but installation incentives were only based on the solar portion (e.g., the PV array). Energy Trust program infrastructure and upfront solar incentives did, however, help drive the addition of storage in these projects in 2022.
- b. In 2023, Energy Trust is developing a program offer specifically for battery storage to further drive the adoption of solar + storage for customers experiencing low and moderate incomes.

## Closing

We look forward to seeing you on Monday January 30! If you have questions or comments please contact OPUC Staff Anna Kim, [anna.kim@puc.oregon.gov](mailto:anna.kim@puc.oregon.gov) (971) 239-2887.

## Equity Metrics Summary

Theme	Metrics Proposed	Equity Dimension	Barrier Addressed	Target
<b>1. Access to support for communities</b>	Increased support to nonprofit organizations with a purpose to serve environmental justice communities or to support nonprofit-led initiatives serving environmental justice communities. Increased support can be incentives, training and funding for energy efficiency upgrades, solar, or solar-with-storage projects.	Structural, Distributive	Lack of capital to participate in traditional programs	Dollars spent
<b>2. Access to information</b>	Increased funding to support targeted outreach to environmental justice communities, including funding for community ambassadors, education and workshops.	Procedural, Distributive	Connecting to trusted and relatable energy information	People involved
<b>3. Energy burden reduction</b>	New and expanded low-cost and no-cost offers to reduce energy burden created and launched.	Structural, Distributive	Lack of capital to participate in traditional programs	Number of offers
<b>4. Community resilience</b>	Solar and solar-with-storage system projects supported for low and moderate income residents in areas with limited infrastructure or high energy burden.	Distributive	Limited resources and increased costs for projects in some areas	Number of community partners supporting program creation

# HB 3141 Energy Trust Equity Metrics Targets UM 1158

**January 30, 2023**



# Agenda



- 2:30 Welcome
- 2:35 Staff overview of definitions and baselines
- 2:45 Small group introduction
- 2:50 Small group discussion on appropriate targets
- 3:45 Large group review
- 4:00 Adjourn



# Implementation Schedule



December 13, 2022 – Commission approves equity metrics

**January 30, 2023 – Workshop 4 discuss performance targets  
which informs...**

**February 3, 2023 – Draft targets published for public comment**

February 16, 2023 – Public comment period closes

March 2, 2023 – Memo with final recommendations posted

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# Metric Maturity for Target Setting



- Designed to reflect long-term priorities *and* measurable results in 2023
- Different levels of maturity
  - Metric #4 (resilience) is particularly a new approach with limited prior work
- Expecting positive change in 2023
- Also necessary baseline work in 2023 to inform 2024 and onward

We hope that the targets set under these metrics will mature to become more accurate indicators of desired outcomes

# Metric 1 Communities Definitions



Increased support to nonprofit organizations with a purpose to serve environmental justice communities or to support nonprofit-led initiatives serving environmental justice communities. Increased support can be incentives, training and funding for energy efficiency upgrades, solar, or solar-with-storage projects.

Support: financial support through incentives or contracts to nonprofits that is used by the nonprofit

Staff proposes this metric focus on funds provided to nonprofits.

# Metric 1 Communities Data



Increased support to nonprofit organizations with a purpose to serve environmental justice communities or to support nonprofit-led initiatives serving environmental justice communities. Increased support can be incentives, training and funding for energy efficiency upgrades, solar, or solar-with-storage projects.

Baseline spending includes dollars spent to support nonprofits with an environmental justice focus and/or serving EJ communities, such as Energy Trust's Working Together Grants, direct contracts with nonprofits, and Community Partner funding

**Estimated 2022 baseline spending: \$1.6 million**

# Metric 2 Information Definitions



Increased funding to support targeted outreach to environmental justice communities, including funding for community ambassadors, education, and workshops.

Ambassadors: Community members that are not Energy Trust staff or contractors who are paid to provide outreach to environmental justice communities through an Energy Trust program or working group

Staff also proposes tracking direct outreach by Energy Trust and its contractors in this metric.

# Metric 2 Information Data



Increased funding to support targeted outreach to environmental justice communities, including funding for community ambassadors, education, and workshops.

Baseline count includes: Energy Trust FTE and community members involved in Solar Ambassadors and Community Working Groups such as the Tribal Working Group and CBO Cohort

**Estimated 2022 baseline: 16.5 Energy Trust and contractor FTE and 12 community members**

# Metric 3 Energy Burden Definitions



New and expanded low-cost and no-cost offers to reduce energy burden created and launched.

Expanded: significant programmatic changes to an offer to make it more available

Low-cost offers: participant only pays

- 20% of project or product costs or less
- no more than \$500 total

# Metric 3 Energy Burden Data



New and expanded low-cost and no-cost offers to reduce energy burden created and launched.

## 2022 baseline offers

1. No-Cost Ductless Heat Pump (DHP) Pilot (no-cost)
2. Manufactured home duct sealing (no-cost)
3. In-home Home Energy Assessments (no cost)
4. Online Home Energy Assessment (no cost)
5. Strategic Energy Management for Affordable Multifamily Housing organizations (no-cost)
6. Cooling workshops for multifamily tenants (no-cost)
7. Smart thermostats
8. Direct install home ceiling insulation



# Metric 4 Resilience Definitions



Solar and solar-with-storage system projects supported for low and moderate-income residents in areas with limited infrastructure or high energy burden.

Projects must provide some services during an outage.

- Supported: financial support to study, scope, or build projects
- Low and moderate income residents: 120% of state median income
- Limited infrastructure: Currently includes but is not limited to rural areas.
- High energy burden: Considering indices of social vulnerability

Staff proposes Energy Trust work with RAC in 2023 to identify and test indices for limited infrastructure and high energy burden to develop maps.

# Metric 4 Resilience Data



Solar and solar-with-storage system projects supported for low and moderate-income residents in areas with limited infrastructure or high energy burden.

Energy Trust is developing a solar plus storage offer launching mid-year

- Launch comes too late to increase spending on metric #4 customers

Staff instead proposes a **target based on engaging community-based organizations in - creating this solar plus storage offer.**

2022 spending includes: low and moderate income customers that installed solar+storage

Estimated 2022 spending: \$140k

# Discussion



1. Are we measuring the right things?
2. Is there additional information you need to evaluate a target for this metric?
3. What is an aspirational goal for Energy Trust? What is a reasonable range for 2023?
4. In the long run, what outcomes would we like to see?

# Small Group Introduction



- Suspend judgment as best you can
- Respect one another
- Seek to understand rather than persuade
- Invite and hone diverse opinions
- Go for honesty and depth
- Speak what has personal heart and meaning

# Share Out



# Next Steps



Today's discussions will inform draft targets and refinements to definitions.

We anticipate posting draft targets and updated definitions Friday 2/3 for public comment.

# Thank You!



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