

RE 139 e-FILING REPORT COVER SHEET

REPORT NAME:

PGE 2015 Annual Report on Support for Energy Trust of Oregon Energy Efficiency Goals

COMPANY NAME:

Portland General Electric

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No

If known, please select designation:

RE (Electric)

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Is this report associated with a specific docket/case?

No

Key words:

PGE 2015 Annual Report on Support for Energy Trust of Oregon Energy Efficiency Goals

If known, please select the PUC Section to which the report should be directed:

Electric Rates and Planning



Portland General Electric Company
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May 13, 2016

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, S.E.
P.O. Box 1088
Salem, OR 97308-1088

RE: PGE 2015 Annual Report on Support for Energy Trust of Oregon Energy Efficiency Goals

This report highlights PGE's outreach and marketing efforts, under Schedule 110, in support of the Energy Trust of Oregon's 2015 goals. It is provided as a courtesy to Staff.

PGE is pleased with the solid partnership it has with the Energy Trust and appreciates the positive impacts these programs offer to customers.

Should you have any questions or comments regarding this filing, please contact Terri Bowman at (503) 464-8854 or Mary Widman at (503) 464-8223

Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Karla Wenzel". The signature is fluid and cursive, written over a white background.

Karla Wenzel
Manager, Pricing and Tariffs

Enclosure



2015 PGE RESIDENTIAL AND COMMERCIAL SENATE BILL 838 EFFORTS

Introduction

PGE collaborates with the Energy Trust of Oregon (Energy Trust) to increase customer awareness and participation in Energy Trust residential and small to mid-sized commercial energy efficiency programs through marketing and outreach activities. In addition, PGE uses Senate Bill (SB) 838 funding to enhance trade ally awareness of the Energy Trust Heat Pump program and Heat Pump installation standards. As a utility with existing communication channels, PGE is able to enhance SB 838 funded activity through the utilization of its existing newsletters and customer training and education curriculum focused on wise and efficient use of energy.

Summary of Marketing Activities

Collaboration Process:

PGE marketing and outreach plans are created based on market conditions, Energy Trust program goals and projected results. PGE focuses on promoting Energy Trust programs to customers likely to participate in the programs and when PGE is the appropriate and effective communication channel.

Senior utility and Energy Trust managers meet annually to discuss goals and plan for the upcoming calendar year. Marketing program and management-level staff then meet quarterly to coordinate marketing activities. Monthly meetings are held to coordinate promotions and communications. Throughout the year, collaboration meetings guide the direction of ongoing marketing activity to meet changing market conditions.

PGE funded SB 838 communications are reviewed by Energy Trust staff for approval. The nature of messaging is determined well in advance of the communication through annual sector plans. PGE collaborates with the Energy Trust to ensure timing of specific communications is aligned with program participation goals.

Expectations, Goals and Impacts:

PGE utilizes many communication channels and approaches. Some activities can be directly identified as driving customer participation in Energy Trust programs. All SB 838 activity is designed to increase general awareness of Energy Trust programs. Specific promotions are developed based on lessons learned from previous outcomes. Promotions are evaluated based on metrics that are appropriate for the specific campaign. Other activities are related to elevating awareness of specific Energy Trust programs and these efforts are tracked via impressions. PGE is sensitive about the timing of communications when outreach of a specific promotion includes previously contacted customers.

Residential Summary

PGE newsletters are leveraged to enhance SB 838 activity. PGE's residential customer newsletter, *Update*, is sent monthly to approximately 600,000 customers in their PGE bills. PGE's residential e-newsletter, *Home Connection*, is sent monthly to about 385,000 customers. Direct mail, email and bill inserts are utilized for more targeted marketing based on the customers to whom specific technology is promoted.

Marketing Activity:

- January – Energy Trust 2015 incentives covered in bill inserts and newsletters
- February – Incentives overview, online home energy reviews in newsletters
- April – Energy Saver Kits email
- May – Refrigerator recycling covered in newsletters and bill insert
- May – Ductless heat pumps via email, direct mail and PGE newsletters
- June – Weatherization covered in print newsletter
- August – Ductless and ducted heat pumps via email, direct mail and PGE newsletters
- August – Online home energy reviews and weatherization in newsletters
- September – LED lighting available at retailers
- October – Ductless and ducted heat pumps via email, direct mail and PGE newsletters
- November – Weatherization covered in digital newsletters
- November – Heat pump water heaters via email, direct mail and PGE newsletters
- November – Smart thermostats covered in electronic newsletter

Expectations, Goals and Impact: (Based on the agreed upon plans between PGE/Energy Trust)

Table 1: Residential Program Activity Impressions*

Impressions	Q1	Q2	Q3	Q4	Total	Goal
Measured through newsletters, bill inserts, email, and direct mail	4.1 mil	2.2 mil	2.0 mil	2.9 mil	11.2 mil	10 mil

* Awareness is a key metric for SB 838 activity and is measured by impressions.

Table 2: PGE call center activity

Calls	Q1	Q2	Q3	Q4	Total
Transfers to Appliance Program (Ecova)	61	40	28	24	153
Transfers to Existing Homes Program (CLEAResult)	161	49	81	56	347

Table 3: Energy Trust residential program participation*

Program	Q1	Q2	Q3	Q4	Total
PGE customers who received Energy Saver Kits	1,525	7,575	1,191	8,899	19,190
PGE customers who participated in Refrigerator Recycling Program	1,130	1,599	1,631	1,881	6,241
PGE customers who received ETO heat pump water heater incentive	51	38	41	112	242
PGE customers who participated in Savings Within Reach (for electric measures)	12	19	7	22	60
LEDs distributed at PGE community offices	7,524	3,750	5,250	13,590	30,114
Showerheads distributed at PGE community offices	-	3,750	3,240	576	7,566

* Energy Trust provided information on YTD participation among PGE customers. Weatherization measures are among electrically-heated homes.

Heat Pump Program Support

PGE promotes residential high efficiency heat pumps and advanced control technology to customers as well as to PGE approved heat pump contractors, connecting them to the Energy Trust incentive programs within PGE’s service territory. PGE manages the relationship with 28 PGE-approved contractors, in addition to three distributors. Contractors are required to be Energy Trust Trade Allies and must meet certain criteria to retain PGE approved status including number of installations, quality adherence, and customer satisfaction.

To ensure that heat pumps are installed to specifications, PGE performs quality assurance (QA) inspections on a percentage of heat pumps that are presumed eligible for Energy Trust incentives both for PGE-approved and non-PGE approved contractors. These inspections verify that the installations produce the highest efficiency results and system performance, and that the customer receives the greatest benefit long-term. We offer the customers daytime or evening/weekend inspection times to honor their schedules.

PGE’s 2015 goal was to inspect 15% of heat pump installations submitted to Energy Trust for incentives. Each on-site verification confirms equipment and system compliance are to specifications. While both traditional ducted and ductless heat pumps installations are inspected, the primary focus is on ducted heat pumps installed in PGE service territory. Inspections receive either a pass or fail grade. Depending on the severity of the failure, PGE may make simple corrections in the field. A failure that is larger in scale is referred back to the installing contractor who works with the customer to take corrective actions. PGE also takes these opportunities to work with the contractor to instill future installation quality.

Table 4: Key Activity

Activity	Q1	Q2	Q3	Q4	Total
PGE customers who received ETO heat pump incentive	280	315	281	671	1,547
Inspections of Heat Pump installations	40	37	64	71	212
Failed installations	4	3	3	4	14

Residential Conclusion:

1. Progress to Goals and Key Learnings:
 - a. PGE saw another successful year of promoting Energy Trust’s high-efficiency heat pump programs with over 1,400 heat pump leads generated to PGE-approved contractors. There was an increase of over 50% in customers who received an Energy Trust incentive for a ducted heat pump compared to 2014. The increase is believed to be the result of more effective marketing and influencing contractors to sell higher efficiency heat pumps. The opportunity for heat pump installations continues to be strong.
 - b. PGE ran a Tier 2 (most efficient) heat pump water heater promotion in November 2015 in support of Energy Trust programs. Plumbing contractors reported that approximately 130 heat pump water heaters were installed as a result of the promotion.
 - c. PGE and Energy Trust aligned timing of customer communications and activities throughout the year (i.e. refrigerator recycling, LED lighting at retail, Energy Saver Kits and incentive bonuses) to meet goals. Energy Trust included its program management contractors in regular meetings which proved valuable in achieving mutual goals.

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- d. Data sharing of customers' Energy Trust participation helped PGE more effectively manage PGE's quality assurance inspection activities. A full list of heat pump installations was shared with PGE vs. prior years where only partial lists were shared. This helped our customers to receive more timely inspections and ETO incentives after their installations.
 - e. A joint secure PGE SharePoint site was created for PGE and the Energy Trust contractor to jointly use. It houses a list of installations and verification results which speeds up the incentive process for the customer.
2. Areas of Success:
 - a. The response rate to PGE heat pump marketing increased over 28% due to improved targeting for marketing promotions.
 - b. Due to heat pump inspections and working with contractors, there was a significant improvement in installation quality from 2014 to 2015.
 - c. PGE and Energy Trust started to offer on-bill financing for Energy Trust qualifying heat pumps, in Q4 of 2015 and will continue to promote the program in 2016.
 - d. PGE led Energy Trust training to kick off the on-bill financing offer in Wilsonville for contractors in September with excellent attendance.
 - e. PGE delivered Energy Saver Kits to over 8,700 home owners via email promotions. The email resulted in 46% of total PGE customer Energy Saver Kits ordered in 2015.
 - f. Over 2,300 PGE customers clicked through PGE's Energy Tracker software to Energy Trust Energy Saver Kit order page. Also, over 200 customers clicked through Energy Tracker to get information on refrigerator recycling.
 - g. In response to the Energy Trust's request in 2014 to increase interest in high efficiency heat pump installations in new homes, PGE worked with Energy Trust new construction verifiers to provide technical training at the quarterly verifiers meeting and the Home Builders of Metropolitan Portland BuildRight conference.
3. Areas for Improvement:
 - a. Enhance Participation: Continue to improve data sharing to enhance customer participation in Energy Trust programs.
 - b. Increase alignment of Complementary Programs: In Q4 2015 PGE and Energy Trust, both launched incentives for smart thermostats. When PGE promoted NEST thermostats for its Rush Hour Rewards demand response program, we also promoted Energy Trust's smart thermostat incentives to bring additional value to customers. Promoting Energy Trust incentives did not add any incremental costs to PGE's marketing activities. PGE will continue to look for opportunities collaborate with Energy Trust to promote demand response and energy efficiency when the programs are mutually beneficial.

Commercial Summary:

PGE has three dedicated Outreach Specialists whose focus is on enhancing customer awareness and facilitating their participation in Energy Trust programs. The results of these efforts are screened and qualified leads handed over to the Energy Trust. The team utilizes a variety of tactics to engage customers in Energy Trust programs.

Outreach activities include, but not limited to:

- On-site and phone consultations
- Targeted outbound customer calls
- Cold calls and door-to-door canvassing
- Response to business marketing

- Response to customer email inquiries (energy.efficiency@pgn.com & energy.consultation@pgn.com) Point of origin: PGE’s web site and call center
- Business partnerships (i.e. City of Portland Sustainability at Work program, Partners for a Sustainable Washington County Community, Clackamas County Office of Sustainable Development, Beaverton Better Buildings, cities, etc.)
- Chamber, Business and Trade Association presentations
- Customer follow-up after PGE Training and Education classes
- Leveraging internal networks (i.e. Key Customer Managers, Governmental Affairs representatives, Economic Development, Governmental Affairs, Green Mountain Energy, etc.)
- Assisting customers with Energy Trust application paperwork

Ongoing relationships with Energy Trust trade allies Outreach Presentations, Networking, Trade Associations and Events:

These activities elevate Energy Trust program awareness and engage customers in identifying potential energy saving opportunities. The following events were held in each quarter demonstrating PGE’s engagement and commitment in providing customers EE opportunities and learning:

Quarter 1:

Estacada Chamber
Hillsboro Chamber - 2 visits
Woodburn Chamber
Tigard Chamber
Art Institute of Portland
Salem Chamber
Yamhill County Chamber
Mt. Hood Chamber
Gresham Chamber – 2 visits
West Gorge Chamber
North Clackamas Chamber
Sandy Chamber of Commerce
Keizer Chamber of Commerce
Mt Hood Chamber

Quarter 2:

Northwest Facilities Conference
PGE Training & Ed: Energy Champion Workshop
Gresham Chamber 4 visits
PGE Training & Ed-Energy Efficiency for Small & Mid-sized Business /Webinar
PGE Training & Education seminar
Sandy Chamber Event
North Clackamas Chamber
Portland Lights

Quarter 3:

Canby Rotary Club
Milwaukie Chamber
Lake Oswego Chamber
North Clackamas Chamber
Molalla Chamber
Tualatin Chamber 2 visits
Tigard Chamber
Beaverton Chamber

Hillsboro Chamber
Damascus Chamber
North Clackamas Chamber - Business Expo
PGE T&E Class - Into to HVAC Systems
PGE T&E - Advanced HVAC Systems
Sandy Chamber
Estacada Chamber
Chehalem Valley Chamber
Wilsonville Chamber
North Clackamas Chamber
T & E Seminars - LED Lighting Revolution
T & E Seminars - High Bay and Outdoor Lighting
Gresham Chamber
Salem Area Chamber

Quarter 4:

Gresham Chamber – 3 events
Art Institute of Portland
Keizer Chamber – 2 events
T&E Seminar - Energy & Water - Double Your Savings
Tigard Chamber
Happy Valley Business Alliance – 2 events
Lighting Design Lab Class
Salem Chamber – 2 events
North Clackamas Chamber – 3 events
Mt Hood Area Chamber
Sandy Chamber
Wilsonville Chamber
Sherwood Chamber – 2 events
Portland Business Alliance
Good Morning Damascus (Chamber) EE Presentation
Lake Oswego Chamber
Chehalem Valley Chamber
Estacada Chamber Luncheon
Tualatin Chamber
Milwaukie Chamber
Sandy Chamber
Hillsboro Chamber
Woodburn Chamber

Commercial Energy Efficiency Marketing:

PGE utilizes its business newsletters (both in print and via email) to promote Energy Trust programs to business customers. PGE’s business newsletter, *Energize*, is sent quarterly to 85,000 customers in their bills. PGE’s business e-newsletter, *Business Connection*, is sent bi-monthly to 18,000 business customers.

Marketing Activity:

- January – New Resolutions Promotion: An email was sent to commercial customers who have had an on-site consultation urging them to take action and upgrade their lighting in order to start saving.
- February – Small Business Energy Savings offer (SmartWatt): PGE sent a direct mail letter to small and medium commercial customers in hard to reach areas to encourage them to take advantage of this new Energy Trust offer that can cover up to 80% on commercial lighting projects.

- February – A direct mail letter was sent to irrigation customers about energy efficiency.
- March – Small Business Energy Savings offer (SmartWatt) #2: PGE sent an email to small and medium commercial customers in hard to reach areas to encourage them to take advantage of this offer that can cover up to 80% on commercial lighting projects.
- April-May – Lighting Sweepstakes Promotion: PGE hosted a sweepstakes for business customers with 15 \$1,000 prizes awarded for lighting upgrade projects through the Energy Trust. Customers could also request a free PGE energy efficiency consultation for their businesses.
- July – Small Business Energy Savings offer (SmartWatt)#3: PGE sent a direct mail letter to small and medium commercial customers in hard to reach areas in Salem area zip codes to encourage them to take advantage of this new offer that can cover up to 80% on commercial lighting projects.
- August – Lighting Replacement Promotion: PGE sent a direct mail letter to small and medium size commercial customers that offered incentives provided by the Energy Trust when replacing their old lighting with new LED bulbs. Also offered was a Portland Timbers ticket sweepstakes in which customers requesting lighting consultations were entered.
- October – Exterior LED Promotion: PGE sent a direct mail to small and medium size commercial customers promoting the benefits of exterior LED lighting and encouraging customers to get a free energy efficiency consultation.

Expectations, Goals and Impact: (based on the agreed upon plans between PGE/ Energy Trust)

Table 5: Outreach Team Results

Key Objectives	Q1	Q2	Q3	Q4	Total	Goals
Increased Participation- Qualified Leads delivered to Energy Trust	190	217	166	145	718	650
Increased Awareness of Energy Trust Programs - Outreach Presentations and Networking	16	11	23	30	80	80
Increased Awareness of Energy Trust Programs- Number of Customers Contacted (includes phone, face to face, emails)	462	872	1,080	1,374	3,788	N/A

Table 6: Commercial Energy Efficiency Impressions

Impressions	Q1	Q2	Q3	Q4	Total	Goal
Measured through Newsletters, direct mail, and email	111,294	156,080	121,578	48,439	437,391	N/A

Table 7: Commercial Energy Efficiency Requests for Consultation

Consultations	Q1	Q2	Q3	Q4	Total	Goal
Request through Direct Mail, Email, PGE call center	283	418	276	236	1,213	1,000

Commercial Conclusion:

1. Progress to Goals and Key Learnings:

- a. PGE observed strong customer interest in energy efficiency in 2015 with the number of consultations increasing over 2014. The increase is thought to have occurred primarily due to a focus on LED lighting, and the Small Business Energy Savings program (SmartWatt). SmartWatt provided PGE Outreach Specialists with a new customer engagement opportunity resulting in an increase in leads due to the higher incentives (up to 80%) for rural and small businesses. A few T12 to T8 lighting conversions opportunities still exist. Historically, T12 to T8 projects were a significant percentage of qualified leads to the Energy Trust. Now the main lighting projects are LEDs.
- b. With LED prices coming down and the quality of the product increased, as well as increased incentives from Energy Trust, PGE expects to see the number of LED lighting retrofit projects continue to increase.
- c. PGE continues to see an uptick in heat pump interest and installations in small commercial businesses, even without incentives.
- d. Customer surveys regarding on-site consultations continue to reveal that the majority of business customers prefer face-to-face on-site consultations rather than by phone or email.
- e. PGE continues to see an increase in new small businesses moving into existing spaces and making upgrades prior to occupancy. These upgrades often include lighting or other energy efficiency measures.
- f. We are seeing an increase in new construction, we believe due to the improved economy, especially in the Portland area.

2. Areas of Success:

- a. Outreach activities have focused on targeting customers with opportunities to convert from incandescent track/spot, can and recessed lighting, as well as exterior lighting to LEDs. The Small Business Energy Savings Program (SmartWatt) provided a boost in customer contacts and helped to reach small, rural businesses that had not participated in Energy Trust incentive programs to-date.
- b. The PGE spring sweepstakes campaign continues to be a very successful method of customer engagement resulting in over one quarter of leads to PGE's Commercial Outreach team. The sweepstakes pays up to \$1,000 toward an energy efficient project as long as it qualifies for Energy Trust incentives. Customers must submit a paid invoice and W9 prior to receiving payment from PGE. PGE's Outreach Specialists assist Sweepstakes winners through their project to completion. In 2015, there were 15 sweepstakes winners.
- c. In 2015, as the cost of LED lighting continued to decrease, opportunities for fluorescent to LED conversions were more cost effective. The lighting distributor Buy Down program (Lighten Up) generated a new type of lead, where do-it-yourself customers were directed to lighting distributors for on-the-spot incentives.
- d. In 2015, PGE assisted Energy Trust by delivering Occupancy Sensor Plug Strips to applicable customers with small offices. PGE purchased 300 power strips to hand out during on-site consultations. PGE had the customer complete all the incentive paperwork and submitted the forms to Energy Trust for repayment to PGE. Documentation has been challenging, but we believe the process is improving.

3. Areas of Improvement:

- a. Expand HVAC incentives to include small commercial customers. The small and medium sized businesses continue to express interest in heat pump technology and other efficient HVAC opportunities. However, no incentives are currently available on smaller systems, only those with 6 Ton units or larger.