



Portland General Electric
121 SW Salmon Street · Portland, Ore. 97204

May 14, 2020

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

RE: PGE 2019 Annual Report on Support for Energy Trust of Oregon Energy Efficiency Goals

This report submitted under RE 139 highlights PGE's outreach and marketing efforts, under Schedule 110, to support Energy Trust of Oregon's 2019 goals. 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 Mary Widman at (503) 464-8223

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

Sincerely,

\s\ Robert Macfarlane

Robert Macfarlane
Manager, Pricing & Tariffs

Enclosure
cc: JP Batmale
Anna Kim



Introduction

PGE collaborates with the Energy Trust of Oregon (Energy Trust) to increase our customers' awareness of and participation in Energy Trust residential and small-to-mid-sized business energy efficiency (EE) 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 customer relationships and communication channels, PGE can enhance SB 838-funded activity through existing newsletters and an education curriculum focused on the wise and efficient use of energy.

Summary of Marketing Activities

Collaboration Process:

PGE marketing and outreach action 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, those most in need of upgrades, 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 regularly to coordinate marketing activities. Throughout the year, collaboration meetings guide the direction of ongoing marketing activity to meet changing market conditions and adjust to changes in program offerings.

PGE-funded SB 838 communications are reviewed by Energy Trust staff for approval. 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. Activities directly drive 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 appropriate for the specific campaign. Other activities relate to elevating awareness of specific Energy Trust programs and these efforts are tracked via impressions. High-level goals included 1,700 heat pump installations and 800 qualified commercial and industrial/agricultural leads to Energy Trust or trade allies.

Residential Summary

PGE newsletters are leveraged to enhance SB 838 activity. PGE's residential customer newsletter, *Update*, is sent six times a year to approximately 408,000 households along with their PGE bills. PGE's residential e-newsletter, *Home Connection*, is also sent six times a year to roughly 416,000 customers with email addresses on file. Direct mail and email are utilized for more targeted marketing based on customer data that helps us identify and promote the right technological solutions to a more specific group of customers. Newsletters, social media ads, and digital ads are also utilized for general awareness and education.

Marketing Activity:

- January – Energy Trust 2019 incentives covered in bill insert and digital newsletter
- May/June – Ductless and ducted heat pumps via email, direct mail, social media ads, and newsletters
- June – Energy Saver Kit email
- June/July – Smart thermostat deals in social media and employee communications
- July/August – Ductless and ducted heat pumps via email, social media ads, and newsletters
- September – Weatherization and insulation in newsletters
- October/November – Ductless and ducted heat pumps via email, social media ads, and newsletters
- November – Smart thermostats deals in bill insert and digital 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
Measured through newsletters, bill inserts, email, social media ads	824k	1.1 MIL	222K	2.1 mil	4.2 mil

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

Table 2: Energy Trust residential program participation*

Program	Q1	Q2	Q3	Q4	Total
PGE customers who received Energy Saver Kits	1,251	4,671	2,448	2,277	10,647
PGE customers who received an instant ETO discount at retail for heat pump water heaters	71	229	140	461	901
PGE customers who received a Midstream Distributor heat pump water heater	191	123	114	536	964
PGE customers who participated in Savings Within Reach (for electric measures including HPWH)	310	304	249	530	1,393
SWR in Elec Heated Homes	128	125	136	283	672
SWR in Gas Heated Homes	178	178	113	245	714
PGE customers who received ETO smart thermostat incentive (any eligible heating system)	1474	1269	2111	4909	9,763
PGE customers who received ETO smart thermostat incentive (electric heating system)	1025	729	1218	733	3,705
PGE customers who received ETO DHP incentive	143	190	277	285	895
PGE customers who received ETO ducted heat pump incentive	110	126	137	136	509
<i>Heat pump upgrade (legacy)</i>	<i>0</i>	<i>0</i>	<i>1</i>	<i>0</i>	<i>1</i>
<i>Heat pump replacement</i>	<i>110</i>	<i>126</i>	<i>136</i>	<i>136</i>	<i>508</i>

<i>Heat Pump Advanced Controls</i>	158	159	209	174	700
Total	5,149	8,229	7,289	10,705	31,372

* Instant discount numbers are counts of units; all other numbers are counts of customers served at verified sites.

Heat Pump Program Support

There are two dedicated PGE positions supporting the heat pump program. The positions include a Heat Pump Specialist and a Data Management Specialist.

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 30 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, but not limited to, quality adherence and elevated customer satisfaction levels.

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.

Each on-site inspection confirms equipment and system compliance are to specifications. 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 to the installing contractor who works with the customer to take corrective actions. PGE also uses these opportunities to work with the contractor to instill future installation quality practices.

Ongoing data sharing between PGE, the heat pump contractors, and the Energy Trust program delivery contractor occurs monthly and weekly, respectively, throughout the year. We track goals, status, customer receipt of incentives, inspection results, market trends, and more.

Table 3: Key Activity

Activity	Q1	Q2	Q3	Q4	Total	Goal
Inspections of Heat Pump Installations	38	57	82	96	273	270
Failed Installations	0	1	1	2	4	N/A
Simple Field Corrections	6	12	6	13	37	N/A

Residential Conclusion

1. Progress to Goals and Key Learnings:
 - a. PGE and Energy Trust aligned timing of customer communications and activities throughout the year. Areas of focus included coordination of QA field inspections including timing, and technique and results/trend sharing to meet goals.

- b. Heat Pump communications resumed to normal after a decrease in 2018 due to PGE's 2018 replacement of the customer billing system. This meant returning to three promotions in a year and an increase in marketing leads sent to participating Energy Trust Trade allies from 716 in 2018 to 1,585 in 2019. This helped increase Energy Trust incentivized heat pump projects for a net increase of 316 projects between 2018 and 2019.

2. Areas of Success:

- a. Throughout the year, PGE provided contractors with monthly report cards that give performance feedback, including the quality of installations and level of customer service. Ranking contractors has increased their performance and addressed areas of concern. PGE added a metric showing the duration between when a heat pump is installed and when the incentive was received. This helped contractors see if and where incentives were "stuck" in the process. The goal of the reports is to increase the number of Energy Trust qualifying heat pump installations and for contractors to better assist the submission of customer incentive applications as quickly as possible. These efforts resulted in more customers receiving Energy Trust incentives and receiving incentives more quickly. PGE-approved contractors reduced the customer time to receive the Energy Trust heat pump incentive from 71 days in 2018 to 45 days in 2019, nearly a 37% reduction.
- b. PGE provided training at six heat pump technology related events: ORACCA (Oregon Chapter of Air Conditioning Contractors of America) utility roundup meeting, HVAC manufacturer dealer meetings, and several homeowner association meetings. Support of these events helps to increase the number of Energy Trust qualifying heat pump installations.
- c. In June PGE and Energy Trust partnered on a targeted email to underserved communities to receive a free Energy Saver Kit delivered to their home. Energy Trust identified customers, while PGE created and sent out two emails. This effort boosted weekly kits ordered from an average of 199 per week to 2,677 during the week the email was sent. The email resulted in approximately 25% of all Energy Saver Kits delivered to PGE customers during 2019.

3. Opportunities and Areas for Improvement:

- a. PGE has found that contractor report cards are effective and improving contractor performance. We will continue to enhance contractor report cards by adding additional metrics so participating contractors can analyze and improve their performance and customer experience.
- b. In 2019, PGE influenced contractors to install smart thermostats on existing heat pumps while providing customers with Energy Trust incentives and PGE's demand response program incentives. Contractors installed 60 smart thermostats in 2019, compared to 25 in 2018. However, contractors are not fully utilized to support the measure and PGE is continuing to work with them to increase the number of smart thermostat installations in 2020.
- c. PGE works directly with Existing Homes staff at Energy Trust. Most heat pump volume is in single family homes, but many installations occur in owned and rented multifamily residences. In late 2019, PGE connected with Energy Trust's Multifamily Program manager who works under Energy Trusts Existing Buildings Program to discuss opportunities for collaboration.
For 2020, we are continuing to work with the Energy Trust to identify opportunities to support increasing multifamily heat pump installations and assisting with quality assurance inspections. PGE is also applying its monitoring and management of contractor performance in the multifamily sector.

Commercial and Industrial/Agriculture Summary

PGE has four 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.

In partnership with Energy Trust, PGE expanded its small-and-medium business customer outreach efforts to include industrial and agricultural sectors in 2019. PGE added its fourth outreach specialist in 2019 to focus on the small and medium industrial and agriculture market.

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 contact center
- Business partnerships (i.e. City of Portland Sustainability at Work program, Partners for a Sustainable Washington County Community, Clackamas County Resource Conservation and Solid Waste, Gresham Resource Efficiency Assistance to Businesses (GREAT), cities, etc.)
- Chamber, Business and Trade Association presentations
- Customer follow-up after PGE Energy classes
- Leveraging internal networks (i.e. Key Customer Managers, Governmental Affairs representatives, Economic Development, etc.)
- Assisting customers with Energy Trust application paperwork

Outreach Activities:

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 learnings. Over 3,200 business customers attended these events. Engagement in these events results in customer requests for onsite energy efficiency consultations to identify energy efficiency upgrades:

Q1
Gresham Chamber
Hillsboro Chamber of Commerce
Beaverton Chamber of Commerce
Hillsboro Chamber of Commerce
Keizer Chamber of Commerce
Tigard Chamber of Commerce
Hillsboro Chamber of Commerce
North Clackamas Chamber
Sandy Chamber of Commerce
Wilsonville Subaru
Hillsboro Chamber of Commerce
Lake Oswego Chamber of Commerce
Gresham Chamber
Hillsboro Chamber of Commerce
Hillsboro Chamber of Commerce
Hillsboro Chamber of Commerce
Q2
Hillsboro Chamber of Commerce

Gresham Chamber
Hillsboro Chamber of Commerce
SEDCOR
Hillsboro Chamber of Commerce
Hillsboro Chamber of Commerce
Beaverton Chamber of Commerce
Hillsboro Chamber of Commerce
Q3
Beaverton Chamber of Commerce
Hillsboro Chamber of Commerce
Hillsboro Chamber of Commerce
Hillsboro Chamber of Commerce
Salem Chamber of Commerce
Hillsboro Chamber of Commerce
Salem Chamber of Commerce
Hillsboro Downtown Partnership
Hillsboro Chamber of Commerce
Salem Chamber of Commerce
North Clackamas Chamber
Salem Chamber of Commerce
Gresham Chamber
Tigard Chamber of Commerce
Hillsboro Chamber of Commerce
Salem Chamber of Commerce
North Clackamas Chamber
Hillsboro Chamber of Commerce
Keizer Chamber of Commerce
Hillsboro Chamber of Commerce
North Clackamas Chamber
Beaverton Chamber of Commerce
Salem Chamber of Commerce
Q4
Pacific Northwest College of Arts
Hillsboro Chamber of Commerce
Hillsboro Chamber of Commerce
Keizer Chamber of Commerce
Salem Chamber of Commerce
Hillsboro Chamber of Commerce
Salem Chamber of Commerce
City of Gresham
Salem Chamber of Commerce
Keizer Chamber of Commerce
City of Gresham
City of Gresham
City of Gresham
City of Gresham
Gresham Chamber
Gresham Chamber
Salem Chamber of Commerce
Keizer Chamber of Commerce
Multi-Chamber Event - Costco
Hillsboro Chamber of Commerce
Keizer Chamber of Commerce
North Clackamas Chamber
Hillsboro Chamber of Commerce
North Clackamas Chamber
Gresham Chamber
Gresham 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 51,000 customers in their bills. PGE's business e-newsletter, *Business Connection*, is sent bi-monthly to 16,000 business customers.

Marketing Activity:

- February – Energy Trust 2019 incentives covered in bill inserts and newsletters
- February – LED lighting/EE consultation in Business Connection newsletter and direct mail for small and medium commercial customers
- April/May– Lighting Sweepstakes Promotion with ten \$1,000 prizes awarded for lighting upgrade projects through the Energy Trust. Direct mail, newsletters, social ads and digital ads
- May – Business profile in Business Connection for LED upgrades of iParts & Phone Repair shop
- August – LED lighting bonus incentives in Business Connection and Energize newsletters
- August – Thermostat with EE consultation in Energize and Business Connection newsletter
- September – LED lighting/EE consultation direct mail
- October – Thermostat with EE consultation direct mail
- November – LED lighting/EE consultation in Energize newsletter

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

Table 4: Outreach Team Results

Key Objectives	Q1	Q2	Q3	Q4	Total	Goal
Increased participation-qualified leads delivered to Energy Trust	153	184	205	411	953	800
Increased awareness of Energy Trust programs - outreach presentations and networking	16	8	23	26	73	60

Table 5: Commercial Energy Efficiency Impressions

Impressions	Q1	Q2	Q3	Q4	Total	Goal
Measured through newsletters, direct mail, and email	134,811	206,775	206,328	82,496	630,410	N/A

Table 6: Commercial Energy Efficiency Requests for Consultation

Consultations	Q1	Q2	Q3	Q4	Total	Goal
Request through direct mail, email, PGE call center and outreach	273	391	310	572	1,546	1,500

Commercial Conclusion

1. Progress to Goals and Key Learnings:
 - a. Customer requests for consultations increased for three straight years. There was an increase in the total requests for consultations from 1,223 in 2018 to 1,546 2019 (26% increase). Lead generation was relatively low in Q1 and Q2. Outreach Specialists

increased canvassing and chamber events in Q3 and Q4 to engage with customers which was successful.

- b. Decreased incentives for lighting that occurred in 2019 appear to have reduced the number of projects completed by customers. Adding to the decline in projects was LED price decreases as well as lighting equipment price increases associated with tariffs. A limited-time Energy Trust Lighting Bonus for select measures in late summer helped close some projects that otherwise would have remained not cost-effective.
- c. As anticipated, small and medium industrial/agricultural businesses had lower awareness of Energy Trust programs. PGE found that rural customers were very receptive to discussing managing energy costs and Energy Trust programs after our industrial/agricultural Outreach Specialist made initial contact. Canvassing and cold calling were effective means for connecting with these rural customers. Outreach efforts were heavily weighted towards rural customers.
- d. PGE expected a very large percentage of industrial leads would be for lighting projects. However, approximately 40% of industrial leads were to standard and custom Energy Trust industrial tracks.

2. Areas of Success:

- a. Collaboration between Energy Trust EE programs and PGE demand response programs was identified as an area for improvement in 2018. In 2019 PGE and Energy Trust partnered to share the cost of installing demand response capable and energy saving smart thermostats for business customers. PGE's outreach specialists connected small business customers with free thermostats reducing energy use and allowing participation in PGE's Energy Partner DR program. As a result of PGE marketing and outreach efforts, several hundred customers received free smart thermostats. Outreach specialists were able to further engage customers interested in thermostats which led to a significant number of leads to lighting contractors. PGE will continue to utilize thermostats as an engagement tool and entry point for additional EE opportunities for customers.
- b. PGE continues to successfully utilize Energy Trust's SmartWatt lighting program to drive lighting projects. The SmartWatt program offers small and more rural customers increased lighting incentives and financing. SmartWatt results in projects that would not otherwise be completed.
- c. In 2019, PGE coordinated with Energy Trust to engage with small/medium industrial and agricultural customers. This partnership led to over 130 leads to trade allies and Energy Trust program contractors. Ongoing coordination with Energy Trust and trade allies was essential to success. Much was learned and shared with ETO about the small industrial/agricultural market. These customers are very interested in EE.

3. Opportunities and Areas of Improvement:

- a. PGE finds the SmartWatt program critical to small customer participation in Energy Trust programs. Expansion of the program to include additional eligible zip codes and industrial customers could help increase participation further.
- b. Generally, agricultural customers have a very tight window within which to communicate: after harvest, before planting, but not on their vacation. These customers are generally only available a few months between November and March. PGE will adjust agricultural customer outreach to align with customer timelines.
- c. It can be difficult to engage many industrial customers to take the next step and work with a vendor for some standard measures. Small industrial customers are leery of vendors and often want to understand the potential savings estimates before being referred to a vendor. These customers also generally prefer to install their own equipment. The availability of the standard measure calculators or even high-level savings estimates for measures may mitigate this barrier.



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

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

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