

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1158

In the Matter of	)	
	)	
ENERGY TRUST OF OREGON	)	MEMORANDUM AND
	)	NOTICE OF WORKSHOP
Recommendations for Performance	)	
Measures.	)	

At the August 17, 2004 Public Meeting, the Commission addressed the Commission Staff's (Staff) recommendations for performance measures for the Energy Trust of Oregon (ETO). The Commission took no action on the recommendation in order to give Commissioner Savage additional time to meet with the UM 1158 participants to further discuss ETO's performance measures.

The purpose of this memorandum is two-fold. First, notice is given that a workshop with Commissioner Savage has been scheduled as follows:

**DATE: Friday, September 17, 2004**

**TIME: 9:30 a.m.**

**PLACE: Public Utility Commission Building  
Main Hearing Room, 1<sup>st</sup> Floor  
550 Capitol Street NE  
Salem, Oregon**

Second, Commissioner Savage has developed the following proposed performance expectations for the ETO. These proposed expectations include minimum performance measures, reporting requirements, and external information the Commission may use to evaluate the ETO's performance. Commissioner Savage would like to use the scheduled workshop to address the proposed expectations with the UM 1158 participants.

**Performance Measures (Minimum Expectations)**

- **Electricity savings:** Target is 15 average megawatts per year (computed on a three-year rolling average).
- **Natural gas savings:** Target is 500,000 therms a year.

- **Renewable resource development:** Target is 15 average megawatts a year (computed on a three year rolling average).
- **Electricity conservation cost-effectiveness:** Target is 2 cents per kilowatt-hour (levelized, life-cycle cost).
- **Natural gas conservation cost-effectiveness:** Target is 30 cents per therm (levelized, life-cycle cost).
- **Program delivery efficiency** (administrative and program support costs as a percentage of total annual revenues): Target is 10.5 percent.
- **Financial Integrity:** Target is unqualified financial audit opinion.

### **Additional Reporting**

- The Energy Trust will survey its customers as part of its program evaluations to gauge customer satisfaction with Energy Trust program service and report findings to the Commission. Preferably, the surveys will provide a scale showing the degree of satisfaction with Trust service and allow for open-ended responses. In addition, if the Trust operates a complaint line, the Trust will report salient statistics to the Commission. The intent is to establish a performance measure for customer satisfaction in the future.
- The Energy Trust will report the benefit/cost ratio for its larger conservation acquisition programs on a semi-annual basis to the Commission. Trust staff, Commission staff, and customer groups will agree on the appropriate calculation of costs and benefits.

### **Annual Public Comment**

As part of its annual decision to renew the grant agreement, the Commission will solicit public comment on Energy Trust performance. The Commission will seek comment on such issues as the following:

- Is the Trust achieving good results in its conservation and renewable resource programs?
- Does the Trust conduct its business in an open and transparent way?
- Is the Trust receptive to public input?
- Does the Trust monitor program performance and make program adjustments effectively?
- Are the benefits of the Trust's programs reasonably spread among customer classes and geographic areas?
- Are the Trust's programs appropriately coordinated with related local, state, and regional programs?

- Is the Trust complying with the guidelines set forth in the grant agreement?
- Are there any significant issues that warrant the issuance of a Notice of Concern?
- Should the grant agreement be renewed for another year?

**Research**

The Commission will evaluate past utility program performance and track program performance by conservation and renewable resource programs across the country for use as rough yardsticks for Trust activities.

Dated at Salem, Oregon, this 9th day of September 2004.

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**Michael Grant**  
Administrative Law Judge