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REPORT NAME: PGE 2013 ETO Annual Report

COMPANY NAME: Portland General Electric

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Key words: PGE 2013 ETO Annual Report

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Electric Rates and Planning



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May 21, 2014

Public Utility Commission of Oregon  
Attn: Filing Center  
3930 Fairview Industrial Drive SE  
P.O. Box 1088  
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**RE: PGE Outreach Actions and Outcomes Reporting for 2013**

This report highlights outreach and marketing efforts undertaken by PGE in support of obtaining the Energy Trust's 2013 goals through Schedule 110 funds.

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 regarding this filing, please contact Terri Bowman at (503) 464-8854.

Please direct all formal correspondence and requests to the following email address [pge.opuc.filings@pge.com](mailto:pge.opuc.filings@pge.com)

Sincerely,

A handwritten signature in blue ink that reads "Terri Bowman". The signature is fluid and cursive.

*for* Karla Wenzel  
Manager, Pricing and Tariffs

Enclosures

c.c. Juliet Johnson, OPUC  
Lauren Shapton, PGE

## 2013 PGE COMMERCIAL AND RESIDENTIAL SB838 EFFORTS

### Introduction

PGE's strategy for use of 838 funds is to increase customer participation in energy efficiency programs to meet the company's IRP goals. PGE does this through collaboration with Energy Trust of Oregon and focuses on increasing customer awareness and participation in Energy Trust energy efficiency programs. Marketing and outreach activities are utilized to engage residential and small to mid-sized commercial customers. Success is tracked through number of impressions generated and corresponding leads to Energy Trust. PGE also uses SB838 funding to enhance trade ally awareness of Energy Trust Heat Pump incentives and Heat Pump installation standards. The utility is able to enhance SB838 funded activity through the utilization of its existing customer communication channels which includes newsletters and training and education courses focused on energy efficiency.

### Marketing Strategy and Approach

#### *Collaboration Process*

PGE marketing and outreach plans are created annually based on market conditions, Energy Trust program goals and forecasted results. Energy Trust programs are promoted to customers who are likely to participate and where PGE is an appropriate and effective communication channel.

Senior utility and Energy Trust managers meet annually to plan for the upcoming calendar year. Management, marketing, and program level staff meet quarterly to further coordinate marketing activities. Monthly meetings are held to coordinate promotions, communications, and for information sharing. PGE and Energy Trust staff confer by phone and email on work in progress and new developments between regular collaboration meetings. Throughout the year, collaboration meetings guide the direction of ongoing marketing activity to meet changing market conditions.

Utility funded SB838 communications are reviewed by Energy Trust staff for awareness and collaboration. The nature of messaging is determined well in advance of the communication through annual program marketing plans. PGE collaborates with Energy Trust to ensure the timing of specific communications is in alignment with program participation goals.

#### *Expectations*

PGE utilizes multiple communication channels and approaches. Some activities can be directly identified as driving customer participation in Energy Trust programs. All SB838 activity is designed to increase general awareness of Energy Trust programs. Specific promotions are developed based on lessons learned from the outcome of previous promotions. Promotions are evaluated based on appropriate metrics including cost per outcome. Other activities are related to awareness of specific Energy Trust programs and are tracked via impressions. PGE defines impressions as the number of times a communication is viewed and can be generated by multiple communication channels. PGE also considers timing of communications based on the amount of media customers are receiving in a given period.

### Activities and Impact

#### Residential Summary

Existing PGE newsletters are leveraged to enhance SB838 activity. PGE's residential customer newsletter, *Update*, is sent monthly to 600,000 customers in their PGE bills. PGE's residential e-newsletter, *Home Connection*, is sent monthly to 385,000 customers. Direct mail, email, and bill inserts are utilized for more targeted marketing based on customer attributes and likelihood to take advantage of the offer.

*Promotions and Customer Communications:*

- January – Energy Trust 2013 incentives covered in bill inserts and newsletters
- March – Home energy reviews covered in newsletters
- March – Ductless heat pumps for multifamily property managers via direct mail
- April – Home Performance with Energy Star covered in newsletters
- May – Home energy reviews covered in newsletters
- May – Refrigerator recycling bill insert coincided with Energy Trust’s refrigerator campaign, customers encouraged to donate their Energy Trust incentive to the Oregon Food Bank
- May – Ductless heat pumps via email, direct mail, and PGE newsletters
- June – Single family landlord awareness of Energy Trust programs via direct mail
- June – Home energy reviews covered in electronic newsletter
- July – Contractor discount on Energy Trust’s highest tier windows promoted via email and newsletters
- August – Ductless heat pumps via email, direct mail, and PGE newsletters
- August & September – Low-flow showerheads covered in newsletters
- September – Window offer reminder via email
- October – Energy Trust insulation bonus covered in newsletters
- October – Ductless heat pumps via email, direct mail, and PGE newsletters
- November – Specialty LED lighting covered in newsletters
- December – Home Energy Reviews covered in newsletters

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

Table 1: Awareness is a key metric for SB838 activity and is measured by impressions

Q1	Q2	Q3	Q4	YE	2013 Goal	Channels
2.6 M	3.9 M	3.0 M	3.2 M	12.7 M	7.0 M	Newsletters, bill inserts, email, and direct mail

Table 2: PGE call center activity (call transfers to Energy Trust)

Call Center Activity	Q1	Q2	Q3	Q4	YE
<i>Transfers to Energy Trust Products Program</i>	23	23	28	18	92
<i>Transfers to Energy Trust Existing Homes Call Center</i>	93	46	77	115	331
<i>PGE Handled OPOWER Calls</i>	114	83	77	71	345

Table 3: 2013 Energy Trust residential program participation\*

Program	Q1	Q2	Q3	Q4	YE
Energy Saver Kits supplied to PGE customers	1,606	1,073	761	6304	<b>9798</b>
PGE customers who participated in Refrigerator Recycling Program	1,698	2,519	3,119	3097	<b>10,433</b>
PGE customers who received water heater incentive	43	132	178	51	<b>404</b>
PGE customers who have received heat pump water heater incentive	5	31	26	39	<b>101</b>
PGE customers who have participated in Savings Within Reach program	22	60	27	77	<b>186</b>
CFLs distributed at PGE community offices	5,000	5,520	14,984	4,750	<b>30,254</b>
Showerheads distributed at PGE community offices	0	3,995**	3,995**	3,995**	<b>11,985</b>

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

\*\*All supplies received from the Energy Trust were given to customers.

**Heat Pump Program Support:**

PGE maintains a heat pump contractor network consisting of approximately 26 PGE-approved contractors who are all required to be Energy Trust trade allies. To ensure that heat pumps are installed correctly, PGE performs quality assurance inspections on heat pumps with electric backup heat that are eligible for Energy Trust incentives regardless of the contractor’s status as a PGE-approved contractor. PGE’s goal is to inspect 25% of heat pump installations receiving Energy Trust incentives in PGE service territory, focused primarily on ducted systems. Setting the goal at 25% allows PGE to observe a statistically appropriate number of installations and the appropriate installation behavior of the various work crews that individual PGE Approved Contractors may have. PGE’s approach allows the company to catch performance changes quickly, and help correct installation practices so that the maximum per home energy savings are realized. This allows Energy Trust efforts to be redirected to other strategic tasks.

Table 4: Key Objectives and Activity

Key Objectives	Q1	Q2	Q3	Q4	YE	2013 Goal
Heat Pump installations as reported by PGE Approved Contractors	315*	354*	616	719	<b>2004</b>	2,000
Inspections of Heat Pump installations	75**	149**	92	135	<b>415</b>	Goal is 25% of installations
Failed installations	13**	7**	2	8	<b>29</b>	Track

\*Numbers revised to reflect installation documentation received date rather than installation date

\*\*Numbers revised to reflect actual quarterly activity

*Residential Conclusion:*

*1. Progress to Goals and Key Learnings:*

- a. Heat pump promotions focused on ductless heat pumps resulted in nearly 500 leads to PGE-approved contractors helping to meet Energy Trust goals.
  - i. The opportunity for ductless heat pump installations remains strong.
- b. The windows promotion was successful, with contractors reporting fairly strong response to the offer. However, 2013 was the third year for a windows promotion and completed projects appear to be declining.
  - i. Promotional activity may be shifted to other technologies such as heat pump water heaters.
- c. There was good alignment of PGE communications with Energy Trust activities i.e. refrigerator recycling, Energy Saver Kits and insulation bonus.

*2. Areas of Success:*

- a. Heat pump collaboration between PGE and Energy Trust has led to higher levels of customer participation in Energy Trust Heat Pump incentives than would have otherwise occurred without collaboration.
- b. Strong contractor management has led to improved quality assurance for Heat Pump installations than would have occurred with little to no contractor oversight.
- c. PGE exceeded its annual Energy Trust residential impressions goal.

*3. Areas for Improvement:*

- a. Tracking of installed measures with use of measure data supplied by Energy Trust could improve analysis of promotions.
  - i. The use of the shared data will occur in 2014.
- b. The Energy Trust-eligible heat pump water heater was not consistently available in 2013, preventing PGE from promoting the product.
  - i. Expansion of eligible product in 2014 is expected to greatly expand opportunities for PGE to collaborate with Energy Trust to promote upgrading existing electric water heaters to heat pump water heaters in 2014.
- c. Improved coordination between NEEA, Energy Trust and PGE to promote ductless heat pumps and heat pump water heaters.
- d. Use of Energy Trust promotional codes to evaluate utility efforts, when this systems capability is developed.
- e. Continued collaboration to improve Energy Trust heat pump installation specifications.
- f. Streamlining the application process for customers to receive heat pump incentives.

## Commercial Summary

### *The Outreach Team:*

PGE has had a dedicated outreach position in place since June 2008. In June 2010 PGE received Energy Trust and OPUC support to hire two additional Outreach Specialists. The Outreach Specialists enhance harder to reach small to medium sized business customer awareness and facilitate their participation in Energy Trust programs. The results of these efforts are qualified leads to Energy Trust. The team utilizes a variety of tactics to engage customers in Energy Trust programs.

Outreach Activities include, but not limited to:

- Phone and on-site consultations
- Targeted outbound customer calls
- Canvassing (summer-hire and outreach rep driven)
- Business marketing
- Customer emails (energy.efficiency@pge.com)
- Business partnerships (i.e. City of Portland Sustainability at Work program, Clackamas County Office of Sustainable Development, 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, Service and Design Consultants, Green Mountain Energy, etc.)

### *Outreach Presentations, Networking, Trade Associations and Events*

These activities elevate Energy Trust program awareness and engage customers in identifying potential energy saving opportunities.

#### First Quarter 2013

- Good Morning Damascus
- Keizer Chamber
- Tigard Chamber
- Westside Economic Alliance
- Gresham Chamber
- National Small Business Association
- PGE Training & Education, Strategic Energy Management
- PGE Training & Education, HVAC
- Better Lighting, Lower Costs Workshop
- Multnomah Multifamily Housing Association (Now Multifamily NW) Energy and Water
- PGE Training & Education Seminar: Multifamily Water Reduction
- Clackamas County: Grow Your Own Business Education
- PGE Training & Education Seminar: Investment Strategies and Benchmarking

#### Second Quarter 2013

- PGE Training & Education Seminar: Electrical Safety Workshop
- Hillsboro Rotary
- Tualatin Chamber of Commerce
- Sherwood Chamber of Commerce

- PGE Training & Education Seminar: HVAC Systems
- Tigard Chamber of Commerce
- PGE Training & Education Seminar: Energy Champions
- Mercy Corps

#### Third Quarter 2013

- PGE Training & Education Seminar: Energy and Water Trends
- Beaverton Chamber of Commerce
- Oregon Restaurant and Lodging Association: Golf Tournament Langdon Farms
- North Clackamas Business Association
- Wilsonville Chamber of Commerce Greeters
- Sherwood Chamber of Commerce
- Hillsboro Chamber of Commerce
- Wilsonville Chamber of Commerce
- PGE Training & Education Seminar: Electric Vehicles
- PGE Training & Education Seminar: Strategic Energy Management
- PGE Training & Education Seminar: Human Centric Lighting Workshop
- PGE Training & Education Seminar: Exterior Lighting/ Stan Walerczyk
- Spanish Speaking Sustainability Event

#### Fourth Quarter 2013

- Art Institute of Portland
- PGE Training & Education Seminar: Demand Response
- Non-Profit Association of Oregon
- Oregon Restaurant and Lodging Association Annual Convention
- PGE Training & Education Seminar: Energy Expert
- National Small Business Association
- PGE Training & Education Seminar: Electrical Safety Awareness
- PGE Training & Education Seminar: World Trade Center
- PGE Training & Education Seminar: Energy Monitor Workshop

#### *Commercial Energy Efficiency Marketing:*

PGE utilizes its business newsletters (both print and email) to promote Energy Trust programs to business customers. PGE's business newsletter, *Energize*, is sent quarterly to 75,000 customers in their bills. PGE's business e-newsletter, *Business Connection*, is sent bi-monthly to 15,000 business customers.

#### *Marketing Activities:*

- January: LED Try It Promotion
  - Direct mail to retail customers offering on-site consultations and a free LED lamp to qualifying customers.
- February: City of Portland Bucks for Buildings Rebate
  - Email sent to Portland based business customers who've received a consultation, but did not go on to the Energy Trust as a lead. Due to their expressed interest in energy efficiency, PGE informed these customers of the limited-time City of Portland Bucks for Buildings rebate offer.
- February: Irrigation Letter
  - A direct mail letter was sent to irrigation customers about energy efficiency.



- April-May: Lighting Sweepstakes Promotion
  - PGE hosted a sweepstakes for business customers with ten \$1,000 prizes for lighting upgrade projects through Energy Trust. Customers entered the sweepstakes by requesting an energy efficiency consultation for their business.
- July: In Your Neighborhood Promotion
  - A letter was sent to targeted zip codes offering on-site consultations.
- October: LED Try It Promotion
  - Similar to the January mailing, but to a larger targeted audience.
    - Direct mail to retail customers offering on-site consultations and a free LED lamp to the first 30 customers.

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

Table 5: Outreach Team Results

Key Objectives	Q1	Q2	Q3	Q4	YE	2013 Goals
<i>Increased Participation: Leads delivered to Energy Trust</i>	119	96	106	159	<b>480</b>	540
<i>Increased Awareness: Outreach Presentations and Networking</i>	13	8	17	9	<b>47</b>	40
<i>Increased Awareness: Number of Customers Contacted</i>	500	572	5,249*	7,124	<b>13,445</b>	6,000

\*Jump in numbers includes personalized email blasts sent to customers within the number of customers contacted.

Table 6: Commercial Energy Efficiency Impressions

Q1	Q2	Q3	Q4	YE	2013 Goal	Channels
231,042	285,555	294,500	153,950	<b>967,047</b>	900,000	Newsletters, direct mail, and email

Table 7: Commercial Energy Efficiency Requests for Consultation

Q1	Q2	Q3	Q4	YE	2013 Goal	Channels
152	280	523	180	<b>1,135</b>	800	Direct Mail, Email, TCC

*Commercial Conclusion:*

1. Progress to Goals and Key Learnings:
  - a. PGE has experienced strong customer interest in energy efficiency. However, the number of requests for consultations has recently decreased. The decrease is believed to be related to a still recovering economy and the declining number of T12 to T8 lighting conversions. Historically, T12 to T8 projects were a significant percentage of qualified leads to Energy Trust. A lack of cost effective opportunities for small to mid-sized customers has led to a decrease in qualified leads to Energy Trust in 2013.
    - i. With LED prices coming down and the quality increasing, PGE hopes to see the number of consultation requests grow again in 2014.
  - b. Due to Energy Trust's Rooftop Tune-Up program eligibility requirements, the number of leads for rooftop HVAC units decreased compared to previous years.
  - c. Customer surveys regarding onsite consultations reveal that business customers prefer outreach specialists to provide individualized onsite consultations compared to phone or email.
  - d. While the number of consultation requests is slightly down, it does appear that small commercial customers are more willing to consider energy efficiency projects than in the past.

2. Areas of Success:
  - a. Outreach activities have focused on targeting customers who have opportunities for track/spot and recessed lighting to convert to LEDs.
    - i. The customer participation rate is higher when consultations are performed onsite, resulting in qualified leads to Energy Trust.
  - b. In Your Neighborhood campaigns have proven to be very effective for engaging customers in participating in Energy Trust programs.
    - i. The targeted campaigns utilizing PGE's market sector database are effective and consistently generate leads.
  - c. PGE Sweepstakes generate interest in energy efficiency consultations which result in completed projects.
    - i. PGE found that offering ten \$1,000 prizes results in more projects than the chance to win one of five \$3,000 prizes offered in prior years. For the small to mid-size customer, \$1,000 is enough to assist them in moving forward with an energy efficiency project.
3. Areas of Improvement:
  - a. In 2014 as the cost of LED lighting continues to decrease, opportunities for fluorescent to LED conversions will be more cost effective. The offering of low-cost or direct installation measures could be used to engage small to mid-size commercial customers.
  - b. Should Energy Trust expand Strategic Energy Management to small commercial customers, PGE will support the program to increase customer participation.