



Report to Legislative Assembly on Public Purpose Charge Receipts and Expenditures

Report
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Economics

Period:
July 1, 2021 –
June 30, 2023





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1 Executive Summary

Report to Legislative Assembly on Public Purpose Expenditures

PPC FUND DISTRIBUTION

In July of 1999, Senate Bill 1149 (SB 1149) instituted a public purpose charge (PPC) that established an annual expenditure by two investor-owned electric utilities – Portland General Electric (PGE) and Pacific Power – of 3 percent of their revenues to fund energy efficiency, development of small-scale new renewable energy, and low-income weatherization.

In 2021, the Oregon Legislature passed House Bill 3141 (HB 3141), making numerous changes to laws governing the collection and use of the PPC. These changes included extending collection of the PPC to 2036, reducing the PPC amount from 3 percent to 1.5 percent, and moving the energy conservation funding (56.7 percent in Table ES-1) out of the PPC to energy efficiency through utility rates. Utility rates are regulated by the Oregon Public Utility Commission (OPUC). Twenty-five percent of the renewable energy funding is dedicated to low- and moderate-income customers. As part of this realignment, absolute PPC funding for low-income weatherization increased. To illustrate this increase, in the six-month period covered under SB 1149 in this biennium, Low-Income Weatherization receipts totaled \$6,198,264. Low-Income Weatherization receipts under HB 3141 however, totaled \$30,645,488, which amounts to an average of \$10,215,163 for a six-month period.

Table ES-1 shows the differences in allocations of the 3 percent and 1.5 percent expenditure levels, respectively.

Table ES-1: PPC Allocations Summary Comparing SB 1149 and HB 3141

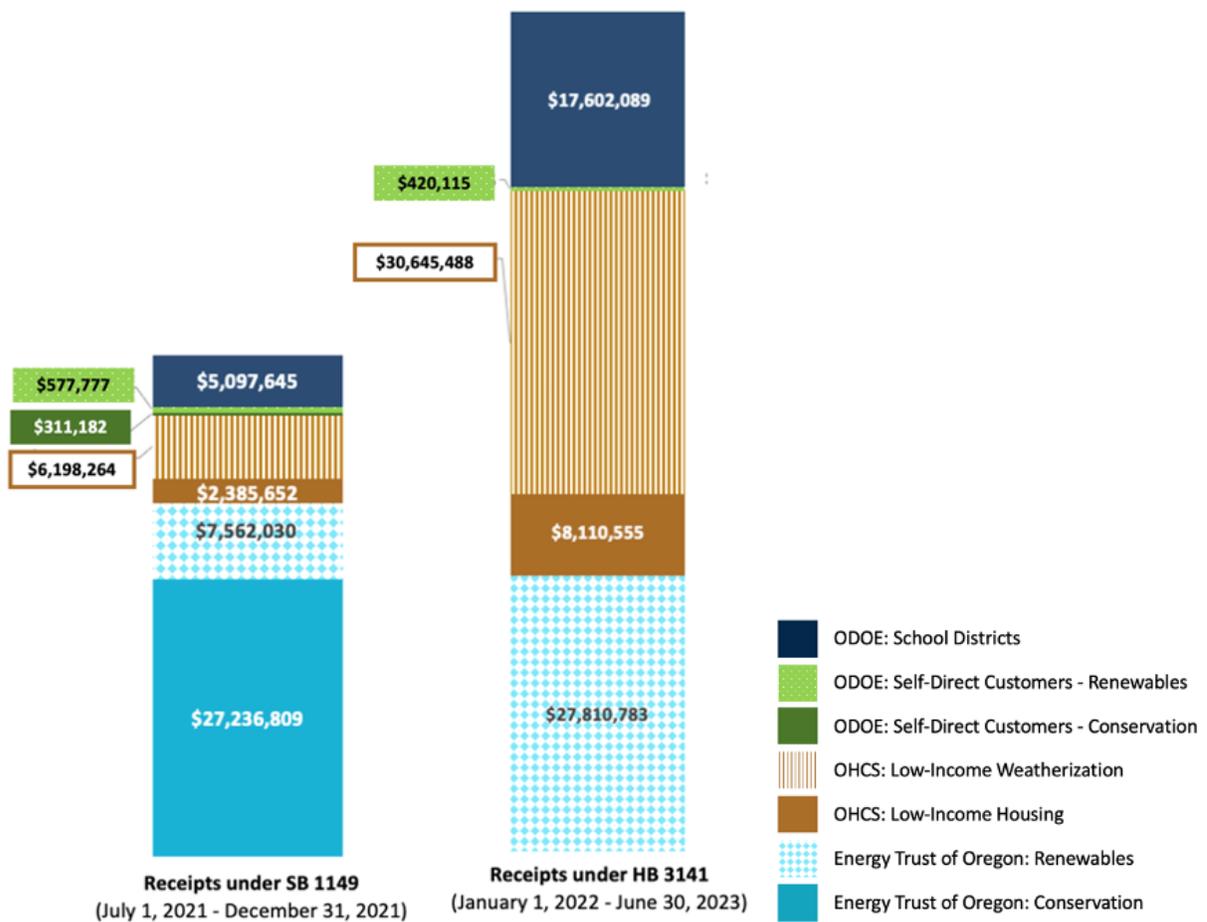
Program	Allocation of 3% under SB 1149 July 1, 2021 – December 31, 2021	Allocation of 1.5% under HB 3141 January 1, 2022 – June 30, 2023
School Districts	10%	20%
Conservation	56.7%	0%
Renewable Energy	17.1%	34%
Low-Income Housing	4.5%	9.3%
Low-Income Weatherization	11.7%	36.7%

This report documents the receipts, expenditures, and results for two time periods. Section 3 covers the data from the last six months of the PPC funding under SB 1149, which was July 1, 2021

through December 31, 2021. Section 4 covers the data from the first 18 months of the PPC funding with the HB 3141 changes, which was January 1, 2022 through June 30, 2023.

Three entities administer the funds to accomplish the five programs that receive the public purpose fund expenditures. Two are state agencies: the Oregon Department of Energy (ODOE) and Oregon Housing and Community Services (OHCS). The third is an independent nonprofit organization, Energy Trust of Oregon (Energy Trust), which operates under a grant agreement with the OPUC. Figure ES-1 below shows how total PPC fund receipts were allocated across administrators and programs from July 1, 2021 through June 30, 2023. Note the first row represents 6 months, and the second row covers 18 months.

Figure ES-1: PPC Fund Receipt Allocation by Administrator and Program (July 1, 2021 – June 30, 2023)



RECEIPTS AND EXPENDITURES SUMMARY

Table ES-2 summarizes the agency receipts and expenditures by PPC fund administrator for the PPC fund from July 1, 2021 through June 30, 2023. Across all the PPC fund administrators, receipts totaled \$133,958,389, and expenditures on programs and projects were \$122,822,135 during this period.

Table ES-2: PPC Receipts and Expenditures Summary (July 1, 2021 – June 30, 2023)

Fund Administrator / Program	Receipt Source			Expenditures*		
	PGE	Pacific Power	Total	PGE	Pacific Power	Total
School Districts	\$14,238,643	\$8,461,091	\$22,699,734	\$15,035,451	\$7,209,352	\$23,047,073
OHCS – Total	\$30,534,272	\$16,805,687	\$47,339,959	\$14,502,219	\$8,709,071	\$32,169,366
Low-Income Weatherization	\$23,958,015	\$12,885,737	\$36,843,752			
Low-Income Housing	\$6,576,257	\$3,919,950	\$10,496,207			
Energy Trust – Total	\$38,413,071	\$24,196,551	\$62,609,622	\$42,591,509	\$23,705,112	\$66,296,621
Conservation	\$16,847,100	\$10,389,709	\$27,236,809			
Renewables	\$21,565,971	\$13,806,842	\$35,372,813			
Self-Direct - Total	\$1,083,967	\$225,107	\$1,309,074	\$1,083,967	\$225,107	\$1,309,074
Conservation	\$311,182	\$0	\$311,182			
Renewables	\$772,785	\$225,107	\$997,892			
Totals	\$84,269,953	\$49,688,436	\$133,958,389			\$122,822,135

*Not all program expenditures are tracked by utility, and so amounts in the total column may exceed the sum of the expenditures in the utility-specific columns.

** Administrative and program costs are reported within each program. However, the utilities and Oregon Public Utility Commission have additional administrative and processing costs equal to \$262,822 for this biennium that are not reflected within the program sections, nor are they included in the table above as receipts or expenditures.

Table ES-3 shows the timing of PPC receipts and expenditures starting from July 2021 for each PPC fund administrator. Unexpended funds or funds left over from previous periods are listed, in addition to new receipts and expenditures during the period from July 1, 2021 through June 30, 2023.

**Table ES-3: Cumulative PPC Receipts, Expenditures, and Balances
(July 1, 2021 - June 30, 2023)**

Fund Administrator / Program	7/2021 Starting Balance	7/2021-6/2023 Receipts	7/2021-6/2023 Expenditures	6/2023 Ending Balance
School Districts	\$14,961,625	\$22,699,734	\$23,047,073	\$14,614,286
Oregon Housing and Community Services	\$15,899,438	\$47,339,959	\$32,169,366	\$31,070,031
Energy Trust of Oregon	\$21,920,017	\$62,609,622	\$66,296,621	\$18,233,018
Self-Direct	\$0	\$1,309,074	\$1,309,074	\$0
Totals	\$52,718,080	\$168,688,749	\$117,178,712	\$104,291,117

The starting balances are based only on the “Carry Forward” data from previous reports. The ending balances equal the starting balances plus receipts minus expenditures. Note that the timing of different program activities may affect the potential for positive or negative balances between reporting periods.

2 Background

In July 1999, Senate Bill 1149 (SB 1149) was enacted to establish consistent, reliable funding for investments in energy efficiency and renewable energy for Oregon residents, businesses, and schools. The funding, called a public purpose charge, comes from customers of Portland General Electric and Pacific Power. The funds were invested on the utilities' behalf in low-income weatherization; low-income housing; energy-saving improvements in homes, schools, and businesses; and small-scale renewable energy systems including solar. The PPC was created in recognition that the most cost-effective way to serve the energy needs of Oregon is through conservation and efficiency, while small-scale renewable energy investments diversify Oregon's energy portfolio. Investments in energy efficiency deliver additional benefits such as health and safety benefits through improved air quality and comfort in homes, enhanced productivity in school and business settings, and lower greenhouse gas emissions. The recommendation to dedicate a percentage of utility revenues to these purposes was first proposed during a regional discussion on energy planning for the Pacific Northwest. SB 1149 was ultimately passed with support from the state, investor-owned utilities, residential and industrial utility customer representatives, energy and environmental groups, and others.

In 2021, the Oregon Legislature passed House Bill 3141, making numerous changes to laws governing the collection and use of the PPC. These changes included extending collection of the PPC to 2036, reducing the PPC amount from 3 percent to 1.5 percent, and moving the energy conservation funding (56.7 percent in Table ES-1) out of the PPC to energy efficiency through utility rates. Utility rates are regulated by the Oregon Public Utility Commission (OPUC). Twenty-five percent of the renewable energy funding is dedicated to low- and moderate-income customers. Additionally, eligible expenditures of renewable energy funding were expanded to include "distribution system-connected technologies" that support reliability, resilience, and the integration of renewable energy sources with utility distribution systems.

The administrators responsible for funded programs as set forth in SB 1149 remain the same under HB 3141. The administrators of the various programs funded with the PPC are:

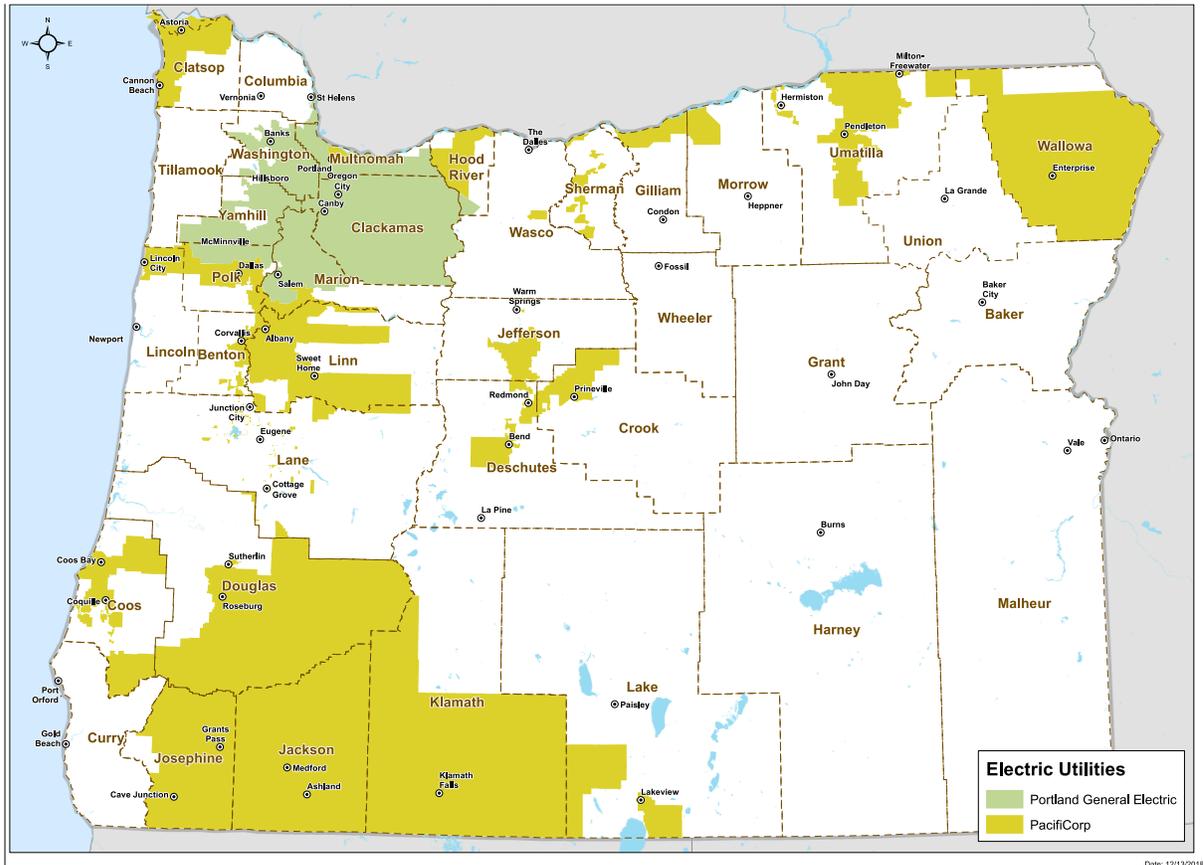
- **School Districts.** Oregon has 111 school districts within PGE's and Pacific Power's service territories. ODOE facilitates the administration of the Public Purpose Charge (SB 1149) Schools Program and approves reimbursement of school district PPC funds for allowable expenditures, including energy efficiency measures, zero emission vehicles, and electric vehicle chargers.
- **Oregon Housing and Community Services.** OHCS receives and administers PPC funds for two low-income housing programs. The first set of PPC funds are dedicated to affordable housing development projects; these projects involve construction of new housing or rehabilitation of existing housing for low-income families through the OHCS Housing Trust Fund. OHCS operates two weatherization programs for the dwellings of low-income residents in PGE's and Pacific Power's service territories. One program provides home

weatherization (for single-family, multifamily, owner occupied, and rental housing), and the other provides for weatherization upgrades for affordable multifamily rental housing through the Oregon Multifamily Energy Program.

- **Energy Trust of Oregon, Inc.** The nonprofit Energy Trust of Oregon began administering funds in March 2002 and until the passage of HB 3141 developed and implemented programs that promote energy efficiency, reduce the costs of renewable energy resource system installations, and transform markets to incorporate efficient products and services in the service territories of PGE and Pacific Power. Following the passage of HB 3141, Energy Trust receives PPC funds to develop and implement programs that reduce the cost of renewable energy resource system installations and distribution system-connected technologies. It still operates energy efficiency programs through funds set through the standard utility ratemaking process.
- **Self-Direct.** In lieu of using Energy Trust incentives, eligible self-directing consumers—which are large commercial and industrial customers using more than one megawatt on average of electricity at one site in the prior year—can manage their own energy efficiency or renewable energy projects. These “self-direct” customers can deduct the cost of projects, certified by ODOE, from the cost-effective energy efficiency recovered through rates and the renewable resource development portion of their PPC obligation to utilities. ODOE administers the Self-Direct program.

Given that the PPC funding comes from electric utility customers of PGE and Pacific Power, the goal of the fund is to distribute the resources across the utilities' service territories, which do not cover the entire state of Oregon. The map on the next page outlines the distinct service territories of PGE and Pacific Power (PacifiCorp) across Oregon.

Figure 2-1: PGE and Pacific Power Service Territories



In August 2023, ODOE hired Evergreen Economics to prepare a report to the Oregon Legislature documenting PPC receipts, expenditures, and results in compliance with Oregon Revised Statute (ORS) 757.617(1)(a) for the July 1, 2021 through June 30, 2023 biennium. The biennium reporting period was updated in 2018 to stay consistent with the state's fiscal year biennium, under which ODOE, OHCS, and the OPUC operate.

Specifically, Evergreen Economics:

- Documented PPC disbursements to each PPC fund administrator by PGE and Pacific Power;
- Demonstrated how each PPC fund administrator utilized funds; and
- Summarized important project accomplishments.

This report does not attempt to evaluate how well the various PPC programs are being implemented, nor has Evergreen Economics attempted to independently verify the energy savings and other accomplishments reported by the PPC fund administrators. Rather, this report describes how each PPC fund administrator used its allocated funds. Across all programs, administrative expenses have been consistently defined as:

1. Costs that cannot be otherwise associated with a certain program but that support an agency's general operations. These costs may include board or executive director activities, general business management, accounting, general reporting, and oversight;
2. General outreach and communication; and
3. The following direct program support costs:
 - a. Supplies
 - b. Postage and shipping
 - c. Telephone
 - d. Occupancy expenses
 - e. Printing and publications
 - f. Insurance
 - g. Equipment
 - h. Travel
 - i. Meetings, training, and conferences
 - j. Interest expense and bank fees
 - k. Depreciation and amortization
 - l. Dues, licenses, and fees
 - m. Other miscellaneous expenses

2.1 Reporting on Greenhouse Gas Emissions Impacts

On March 10, 2020, Governor Kate Brown issued Executive Order 20-04, which established new greenhouse gas (GHG) emissions goals for Oregon and directed state agencies to identify and prioritize actions to meet those goals.

GHG impacts are reported for investments in the July 1, 2021 to June 30, 2023 biennium, and are generally reported as high-level program totals. Impacts are reported as emissions *reductions*, as well as *avoided* emissions. GHG emissions reduction data are calculated based on energy *savings* resulting from energy efficiency measures, while avoided GHG emissions data are calculated based on the energy *generated* by renewable projects, as reported by each administrator of PPC funds.

The GHG emissions calculations utilize the most current emissions factors from the Oregon Department of Environmental Quality (DEQ), based on each utility's emissions profile. These emissions factors, from 2021, are multiplied by the amount of energy saved or generated, usually measured in kilowatt-hours (kWh) or megawatt-hours (MWh). The resulting GHG emissions impact is expressed in units of metric tons of carbon dioxide equivalents, or MT CO₂e.

Table 2-1 provides the emissions calculation methodology.

Table 2-1: Emissions Calculation Methodology*

Project Electricity Savings	Savings Converted: kWh to MWh	DEQ Provider Specific Emissions Factors	Emissions Impact Calculation		Emissions Impact
kWh	kWh/1,000	Department of Environmental Quality: Greenhouse Gas Emissions Reported to DEQ: Air Quality Programs: State of Oregon	MWh*Factor		MT of CO2e

*Greenhouse gas emissions reported to DEQ. <https://www.oregon.gov/deq/ghgp/pages/ghg-inventory.aspx>

The GHG emissions calculations for the Schools Program include impacts resulting from changes in consumption of natural gas and other fuels. These calculations also utilize DEQ-supplied emissions factors and are the result of similar methodology.

Table 2-2 shows a summary of annual GHG emissions reductions by each administrator.

Table 2-2: GHG Emissions Reductions (July 1, 2021 – June 30, 2023)

Fund Administrator / Program	Annual GHG Emissions Reductions (MT CO2e) July 1, 2021 - December 31, 2021			Annual GHG Emissions Reductions (MT CO2e) January 1, 2022 - June 30, 2023		
	PGE	Pacific Power	Total	PGE	Pacific Power	Total
School Districts	2,473	1,717	4,190	1,917	2,003	3,920
OHCS – Total	345	584	929	2,568	2,715	5,283
Energy Trust – Total	23,171	30,310	53,481	0	0	0
Self-Direct - Total	0	0	0	0	0	0
Totals	25,989	32,611	58,600	4,485	4,718	9,203

Table 2-3 shows a summary of the annual GHG emissions avoided by each administrator.

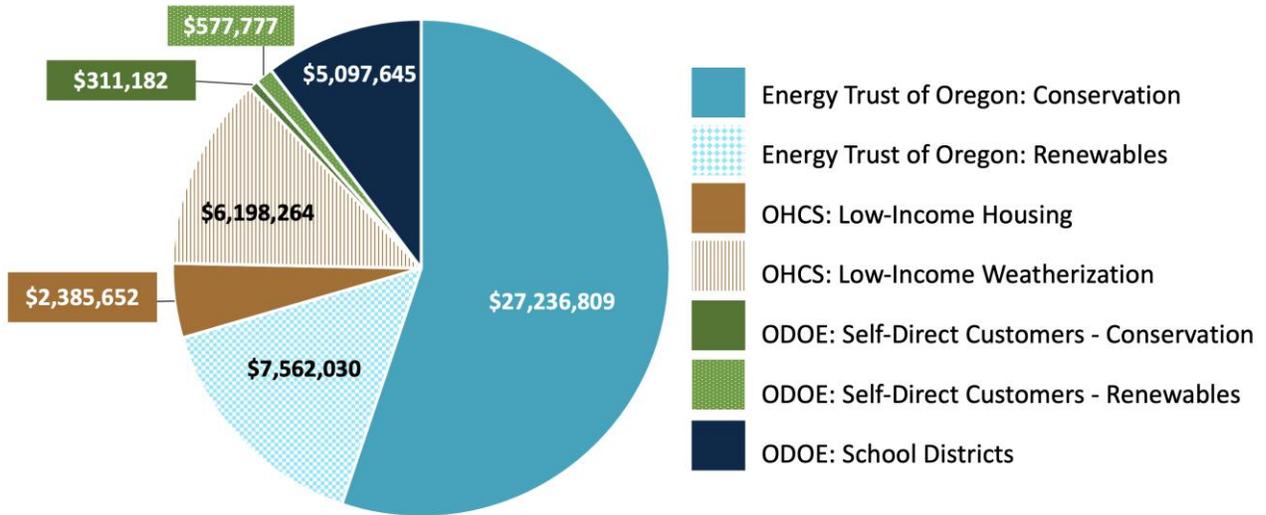
Table 2-3: GHG Emissions Avoided (July 1, 2021 – June 30, 2023)

Fund Administrator / Program	Annual GHG Emissions Avoided (MT CO2e) July 1, 2021 - December 31, 2021			Annual GHG Emissions Avoided (MT CO2e) January 1, 2022 - June 30, 2023		
	PGE	Pacific Power	Total	PGE	Pacific Power	Total
Energy Trust – Total	5,948	6,305	12,253	15,694	17,544	33,238
Self-Direct - Total	79,389	0	79,389	93,261	23,721	116,982
Totals	85,337	6,305	91,642	108,955	41,265	150,220

3 SB 1149: July 1, 2021 – December 31, 2021

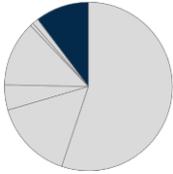
This section covers the last six months of PPC funding prior to the changes from HB 3141 taking effect. Figure 3-1 shows the fund receipt allocation across each administrator. Over 50 percent of the receipts were allocated to Energy Trust of Oregon.

**Figure 3-1: PPC Fund Receipt Allocation by Administrator and Program
(July 1, 2021 – December 31, 2021)**



3.1 School Districts

3.1.1 Overview



The first 10 percent of the PPC funds was distributed directly to the 111 school districts located within PGE's and Pacific Power's service territories. In cooperation with the school districts, ODOE facilitates the administration of the Public Purpose Charge (SB 1149) Schools Program. Approximately 830 schools within the 111 school districts are eligible for the program and PPC funding.

These funds can be used for energy audits or fleet audits within eligible school districts. The school districts can then use the funds to implement eligible energy efficiency projects at eligible schools, purchase or lease zero emission vehicles, install electric vehicle chargers, and complete commissioning services of implemented energy efficiency projects.

ODOE provides program oversight of the audits, energy efficiency projects, zero emission vehicles, electric vehicle chargers, and commissioning services for the school districts to ensure consistency across the school districts and adherence to the program guidelines. The school districts receive the PPC funds directly from the utilities; however, they need ODOE approval to reimburse eligible expenditures with PPC funds.

3.1.2 Receipts and Expenditure

Table 3-1 summarizes the number of school districts that received PPC funds, the total fund receipts, and the total expenditures for the period from July 1, 2021, through December 31, 2021.

Table 3-1: School Districts Receipt and Expenditure Summary (July 1, 2021 – December 31, 2021)

Transaction	PGE	Pacific Power	Total
Number of School Districts Receiving Funds*	43	73	111
Total Fund Receipts	\$3,205,245	\$1,892,400	\$5,097,645
Expenditures			
Audits (Energy Audits & Fleet Audits)	\$28,900	\$0	\$28,900
Conservation Measures - Installed	\$7,548,668	\$3,453,042	\$11,001,710
Commissioning Costs	\$388,620	\$42,181	\$430,801
Zero Emission Vehicles and Chargers Costs	\$0	\$22,091	\$22,091
SD Admin Expenses			\$0
ODOE Admin Expenses**			\$100,095
ODOE Program Expenses**			\$127,595
Total Expenditures**	\$7,966,188	\$3,517,314	\$11,711,192

*The total number of school districts receiving funds is 111. There are four school districts that have schools in both PGE's and Pacific Power's service territories; therefore, these school districts receive PPC funds from both PGE and Pacific Power.

**ODOE Admin and ODOE Program expenditures are not tracked by utility, and so the amount in the total column may exceed the sum of the expenditures in the utility specific columns.

3.1.3 Results

Table 3-2 summarizes the key results from the School District PPC fund distribution, highlighted by the number of completed audits and installed energy efficiency measures.

**Table 3-2: School District Audits and Energy Efficiency Measure Results
(July 1, 2021 – December 31, 2021)**

	PGE	Pacific Power	Total
Audits Completed	14	8	22
Number of School Districts that Completed Audits*	6	3	9
Energy Efficiency Measures Installed	221	105	326
Number of School Districts that Installed Measures*	20	23	42
Average Estimated Measure Life (years)	19	18.1	N/A
Annual Savings			
Electricity Savings (kWh)	3,597,487	2,360,971	5,958,458
Natural Gas (therms)	182,567	52,021	234,588
Other Fuel (gal)**	64,599	(4,728)	59,871
Total Savings (Btu)	36,413,432,131	13,379,135,023	49,792,567,154
Total Annual Energy Savings (\$)	\$540,075	\$265,739	\$805,814
Total Annual GHG Emissions Reductions (MT CO₂e)	2,473	1,717	4,190
PPC Funds on Installed Measures	\$7,548,668	\$3,453,042	\$11,001,710
School District Funds on Installed Measures	\$16,038,642	\$4,955,859	\$20,994,501
Total Cost of Installed Measures	\$23,587,310	\$8,408,901	\$31,996,211

* The number in the total column refers to the number of school districts that have completed audits and installed measures during this timeframe. One school district installed measures in both PGE's' and Pacific Power's service territories.

**The negative fuel savings is due to a number of lighting projects completed during this timeframe. The lighting upgrades reduce electric usage but slightly increase heating in the areas of the lighting upgrades.

Table 3-3 summarizes details of the fleet audits and the zero emission vehicle and chargers.

**Table 3-3: School District Fleet Audits and Zero Emission Vehicle and Charger Details
 (July 1, 2021 – December 31, 2021)**

	PGE	Pacific Power	Total
Number of Fleet Audits Completed	1	1	2
Number of Zero Emission Vehicles (ZEVs) and Chargers Purchased	0	1	1
PPC Funds on ZEVs and Chargers	\$0	\$22,091	\$22,091
School District Funds on ZEVs and Chargers	\$0	\$0	\$0
Total Cost of ZEVs and Chargers	\$0	\$22,091	\$22,091

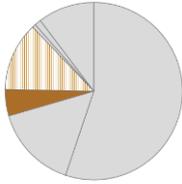
Table 3-4 includes the PPC Schools Program's completed activities for July 2021 through December 2021 by Oregon county. School districts in a total of 18 counties completed audits, installed energy efficiency measures, purchased electric school buses, and/or installed electric vehicle chargers.

Table 3-4: Completed Audits, Installed Energy Efficiency Measures, Purchased Electric School Buses, and Installed Electric Vehicle Chargers by County

County	Count of Audits Completed	Count of Installed Measures	Count of Electric Buses	Count of EV Chargers
Benton County	4	9		
Clackamas County	7	53		
Clatsop County		6		
Coos County	3			
Deschutes County	1	4		1
Jackson County		39		
Jefferson County		2		
Josephine County		1		
Klamath County		4		
Lane County		10		
Linn County		7		
Marion County	5	53		
Multnomah County	1	54		
Polk County		1		
Umatilla County		3		
Wallowa County		3		
Washington County	1	41		
Yamhill County		36		
Total Counts	22	326	0	1

3.2 Oregon Housing and Community Services

3.2.1 Overview



OHCS administers programs that provide financial support and resources for Oregonians of lower and moderate income. Programs target homelessness, financing for multifamily affordable housing, and homeownership development and assistance, among others. The Housing Development Grant Program (HDGP), commonly known as the Housing Trust Fund, receives 4.5 percent of PPC funds.

The HDGP is designed to expand the state's supply of housing for low and very low-income families and individuals. The program provides grants and loans to construct new housing or to acquire and/or rehabilitate existing structures, and 75 percent of program funds must be used to develop affordable housing that supports households whose gross income is at or below 50 percent of the area median income (AMI) with the remainder serving households up to 80 percent of the AMI. The majority of program resources are awarded through a competitive application process that occurs twice annually, once for the spring funding cycle and once for the fall funding cycle. Funding preference is given to project applicants who provide services appropriate for the targeted tenant population.

The Multi-Family Rental Housing Program, also known as the Oregon Multifamily Energy Program (OR-MEP), is designed to reduce the energy usage and utility costs of lower income tenants residing in affordable rental housing. The PPC revenue contributes to grants for the construction or rehabilitation of affordable rental housing that is located in PGE's or Pacific Power's service territories. Use of these funds requires that at least 50 percent of the homes in the project be rented to households whose income is at or below 80 percent of the AMI. Projects receiving funds must also remain affordable for at least 10 years. For each dollar invested, the project must demonstrate at least one kilowatt-hour in energy savings in the first year of operation. Program resources may be used for shell measures such as windows, doors, and insulation as well as for energy efficient appliances and lighting. The program also provides home weatherization for single-family and multifamily, owner occupied, and rental housing. Projects supported by PPC funds for weatherization are required to have a conservation element.

3.2.2 Receipts and Expenditures

Table 3-5 provides a summary of the Low-Income Housing and Weatherization portions of PPC fund receipts and expenditures from July 1, 2021, through December 31, 2021. Funds received by OHCS during this period amounted to \$8,583,916, and expenditures including commitments totaled \$27,417,550 with administrative expenses comprising 3.4 percent of total expenditures including committed funds.

Table 3-5: OHCS Receipt and Expenditure Summary (July 1, 2021 – December 31, 2021)

Transaction	PGE	Pacific Power	Total
Receipts			
Low-Income Weatherization			
Administration	\$187,507	\$122,406	\$309,913
Evaluation, Training, and Technical Assistance	\$187,507	\$122,406	\$309,913
ECHO	\$2,812,602	\$1,836,096	\$4,648,698
Multi-Family Rental Housing	\$562,520	\$367,219	\$929,740
Total Low-Income Weatherization	\$3,750,136	\$2,448,129	\$6,198,264
Low-Income Housing			
Administration	\$72,118	\$47,165	\$119,283
Program	\$1,370,242	\$896,127	\$2,266,369
Total Low-Income Housing	\$1,442,360	\$943,292	\$2,385,652
Total Fund Receipts	\$5,192,496	\$3,391,420	\$8,583,916
Expenditures			
Design and Marketing – TRC	\$157,783	\$157,783	\$315,566
TRC – Committed but Unexpended	\$582,730	\$582,730	\$1,165,460
Low-Income Weatherization*	\$1,220,124	\$796,981	\$2,017,106
Committed but Unexpended	\$3,672,152	\$3,411,134	\$7,083,286
Low-Income Housing**			\$1,154,048
Committed but Unexpended			\$14,372,229
Administrative Expenses**			\$934,846
Evaluation, Training, and Technical Assistance**			\$293,205
Committed but Unexpended			\$81,804
Energy Education			
Committed but Unexpended			
Total Expenditures excluding Committed**	\$1,377,907	\$954,764	\$4,714,771
Total Expenditures including Committed**	\$5,632,790	\$4,948,628	\$27,417,550

* Includes the Energy Conservation Helping Oregonians (ECHO) fund and the Low-Income Weatherization Program (for multifamily rental housing).

** Low-Income Housing; Administrative; and Evaluation, Training, and Technical Assistance expenditures are not tracked by utility, and so the amount in the total column may exceed the sum of the expenditures in the utility-specific columns.

3.2.3 Results

A portion of the PPC funds allocated to OHCS for Low-Income Weatherization goes into the Energy Conservation Helping Oregonians fund and is used for weatherization projects for low-income households.

Table 3-6 also summarizes how the Low-Income Weatherization ECHO program helped fund projects for 153 units. The completed ECHO projects helped save over 1,194,265 kWh. Across the 153 homes, 44.4 percent were completed in Multnomah County and Washington County, accounting for 39.8 percent of the kWh savings.

Table 3-6: Low-Income Weatherization ECHO Projects

County	Number of Units	Savings (kWh)
Benton	2	21,394
Clackamas	13	118,693
Crook	2	24,617
Deschutes	8	59,493
Douglas	1	16,998
Hood River	2	23,455
Jackson	12	61,837
Jefferson	4	22,566
Josephine	1	10,843
Klamath	4	58,028
Lincoln	1	8,205
Linn	5	41,909
Marion	20	140,674
Multnomah	27	259,367
Polk	4	39,271
Wasco	3	32,237
Washington	41	216,286
Yamhill	3	38,392
Total	153	1,194,265

Table 3-7 below shows the total number of OHCS Low-Income Weatherization Multi-Family Rental Housing projects, along with the number of completed homes, for each county covered by OHCS programs.

Table 3-7: Low-Income Weatherization Multi-Family Rental Housing Projects

County	Number of Projects	Number of Units in County
Douglas	1	68
Jackson	3	76
Marion	2	67
Multnomah	4	207
Yamhill	1	32
Total	11	450

The 11 Low-Income Weatherization Multi-Family Rental Housing projects resulted in 876,661 kWh in annual energy savings.

Table 3-8 shows the total energy savings and GHG emissions reductions across both PGE's and Pacific Power's service territories for Low-Income Weatherization (ECHO) and Low-Income Weatherization Multi-Family Rental Housing projects.

**Table 3-8: Program Savings, Including GHG Emissions Reductions
(July 1, 2021 – December 31, 2021)**

Results	PGE	Pacific Power	Total
Annual Total Savings (kWh)	1,096,045	974,881	2,070,926
Annual GHG Emissions Reductions (MT CO ₂ e)	345	584	929

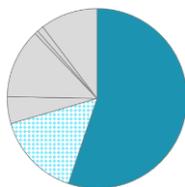
Table 3-9 summarizes the number of low-income housing projects and the number of homes by county.

Table 3-9: Low-Income Housing Projects (July 1, 2021 – December 31, 2021)

County	Number of Projects	Number of Units in County
Lane	2	110
Multnomah	2	88
Polk	1	38
Total	5	236

3.3 Energy Trust of Oregon

3.3.1 Overview



From July 1, 2021, through December 31, 2021, Energy Trust of Oregon, Inc. administered the renewable energy and conservation components of the PPC. This work helped meet the state’s utility customer energy needs with some of the lowest-cost energy resources available while diversifying Oregon’s energy mix with generation from small-scale renewable energy systems and avoiding carbon emissions in line with the state’s emission reduction goals.

Energy Trust began operation in March 2002, charged by the OPUC with investing in cost-effective energy efficiency programs, helping to lower the above-market costs of renewable energy resources, delivering services with low administrative and program support costs, and maintaining high levels of customer satisfaction. Energy Trust is committed to helping all customers manage their energy use, with particular attention paid to customers who stand to benefit the most from these services. These customers include residents with lower incomes, communities of color, small businesses, and rural customers.

Energy Trust provides information, cash incentives, and technical assistance to help people, businesses, and communities save energy and generate renewable power. Programs are available to renters, homeowners, multifamily property owners, commercial and industrial businesses, farmers and ranchers, nonprofits, and government agencies. Many services are delivered to customers by trade ally contractors and program allies and promoted in collaboration with nonprofit community-based organizations.

With a commitment to keep internal costs low, guarantee ratepayer benefits, and provide services relevant for all customers, Energy Trust invests in:

- **Saving energy cost-effectively.** Energy efficiency is one of the most affordable resources to power, light, and heat buildings and homes. Energy Trust provides a cash incentive for an energy-saving improvement or service that helps bring new high-efficiency products and services to the market. Like many energy-efficiency programs nationwide and based on the direction of the OPUC, Energy Trust uses cost-effectiveness tests to check whether an investment of PPC money in an energy-efficiency action will have a benefit that outweighs the cost of the investment.
- **Making it more affordable to install renewable energy systems.** Energy Trust offers early project development assistance and installation incentives for small-scale solar, hydropower, biopower, geothermal, and certain wind projects. Energy Trust’s incentive reduces above-market costs, which is the difference between the value of the power produced by a renewable energy project and what it costs to produce the power from the renewable energy system. These renewable energy projects reduce energy costs, support

local economies, diversify energy sources, help develop the electricity grid of tomorrow, and can support customers' other goals such as community resiliency, water conservation, or waste management.

- **Transforming markets to offer more energy-efficient products and services.** Through ongoing collaboration with the Northwest Energy Efficiency Alliance (NEEA), Energy Trust works to make energy-efficient products, services, and behaviors standard practice. Utility customers benefit when they purchase appliances and equipment with automatic energy-efficiency features and newly constructed buildings with energy efficiency built in.

Energy Trust is a nonprofit overseen by a volunteer board of directors and the OPUC. Through a grant agreement with the OPUC, Energy Trust works to achieve annual minimum performance measures, reports quarterly and annually on progress to annual goals, tracks and reports on progress related to five-year strategic plan focus areas, and contracts for an independent management audit every five years.

This report section addresses only the conservation and renewable resource public purpose funding through SB 1149. Following its inception in 2002, Energy Trust funding was expanded by the OPUC to enable more energy-savings opportunities. This was accomplished through regulatory agreements with NW Natural, Cascade Natural Gas, and Avista, as well as through Oregon's Renewable Energy Act (SB 838), which allowed PGE and Pacific Power to capture additional, cost-effective electric efficiency above what could be obtained through the 3 percent charge. Additional SB 838 funding includes additional investments in school buildings beyond the funding allocated through SB 1149.

The funding pathway for cost-effective energy efficiency changed when HB 3141 went into effect in 2022. All cost-effective energy efficiency is now accomplished through funding set in individual utility regulatory agreements and directed by the OPUC to Energy Trust. This is covered in more detail in Section 4.3.1.

Visit www.energytrust.org/About to learn more.

3.3.2 Receipts and Expenditures

Energy Trust received PPC funding as the primary administrator of the conservation (56.7 percent) and renewable energy (17.1 percent) portions of the PPC fund.¹

¹ As outlined above, a portion of the total conservation and renewable energy distribution of the PPC funds is allocated to eligible Self-Direct participants through ODOE's Self-Direct program.

Table 3-10 summarizes the total receipts and expenditures for Energy Trust during the period from July 1, 2021, through December 31, 2021.

Table 3-10: Energy Trust Receipt and Expenditure Summary (July 1, 2021 – December 31, 2021)

Transaction	PGE	Pacific Power	Total
Receipts			
Efficiency*	\$16,847,100	\$10,389,709	\$27,236,809
Renewable Energy	\$4,588,152	\$2,973,879	\$7,562,030
Total Fund Receipts	\$21,435,252	\$13,363,588	\$34,798,839
Expenditures			
Efficiency	\$14,944,801	\$10,265,716	\$25,210,517
Renewable Energy	\$6,856,560	\$3,115,248	\$9,971,808
Administrative Expenses	\$2,306,540	\$1,634,540	\$3,941,080
Total Expenditures	\$24,107,901	\$15,015,504	\$39,123,405

*Unspent PPC funds collected for efficiency are being used to benefit PGE and Pacific Power customers pursuing energy efficiency projects.

3.3.3 Results

Energy Trust conservation activities consisted of the design and delivery of conservation programs targeted to different market sectors with a wide range of energy saving measures.

Table 3-11 shows the total energy savings of the individual programs delivered by Energy Trust across the residential, commercial, industrial, and agricultural sectors, along with the savings attributable to NEEA.

Table 3-11: Energy Savings and Levelized Costs² by Sector and Utility, Including GHG Emissions Reductions

Sector	PGE	Pacific Power	Total	% of Total Savings	Levelized Cost (\$/kWh)
Residential (kWh)	3,761,172	5,205,783	8,966,956	7%	\$0.057
Commercial and Multifamily* (kWh)	24,283,318	13,076,727	37,360,045	30%	\$0.029
Industrial and Agricultural (kWh)	36,646,070	25,579,638	62,225,708	50%	\$0.015
NEEA (kWh)	8,908,294	6,720,292	15,628,586	13%	\$0.014
Total (kWh)	73,598,854	50,582,440	124,181,294	100%	\$0.023
Total GHG Emissions Reductions (MT CO₂e)	23,171	30,310	53,481	-	-

*To avoid double counting commercial savings, the values in this table do not include savings from projects that were co-funded with ODOE or OHCS.

Any discrepancies in the sum totals are a result of rounding.

Energy Trust invested PPC funding in incentives for solar projects at residential, commercial, and industrial sites; community solar projects; hydropower projects including in irrigation districts; and biopower projects at water resource recovery facilities. These are focus areas for incentives given the abundant energy sources and multiple benefits for customers and communities. Energy Trust also invested PPC funding in incentives and project development assistance for projects that will generate renewable energy using solar, hydropower, and biopower.

² Levelized cost is Energy Trust’s total cost to save or generate each unit of energy over the life of an upgrade, which can range from one to more than 20 years.

See Table 3-12 for the number of projects and incentives provided. Table 3-13 shows the energy savings and the avoided GHG emissions from these projects.

Table 3-12: Number of Biopower, Hydropower, Geothermal, and Wind Projects Supported with Project Development Assistance, and Project Development Assistance Incentives Provided

Renewables	PGE Projects	Pacific Power Projects	Total	PGE	Pacific Power	Total
Biopower	0	1	1	\$0	\$150,000	\$150,000
Hydropower	6	13	19	\$120,236	\$182,988	\$303,224
Geothermal and Wind	0	0	0	\$0	\$0	\$0
Total	6	14	20	\$120,236	\$332,988	\$453,224

Table 3-13: Solar, Biopower, Hydropower, Geothermal, and Wind Projects Generation by Program, Including Avoided GHG Emissions

Program	PGE	Pacific Power	Total
Solar (kWh)	14,568,545	10,521,939	25,090,483
Biopower, Hydropower, Geothermal, Wind (kWh)	4,324,000	0	4,324,000
Total (kWh)	18,892,545	10,521,939	29,414,483
Total Avoided GHG Emissions (MT CO2e)	5,948	6,305	12,253

Table 3-14 below shows the total number of homes and businesses served across all electric energy efficiency and renewable energy projects by region.

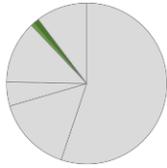
Table 3-14: Homes and Businesses Served and Total Incentives by Region

Region	Site Count	Total
Central Oregon	1,068	\$1,018,301
Eastern Oregon	245	\$570,805
North Coast	170	\$110,498
Portland Metro & Hood River	13,418	\$14,870,499
Southern Oregon	2,233	\$3,015,147
Willamette Valley	3,777	\$5,065,514
Total	20,911	\$24,650,763

*To avoid double counting commercial savings, the values in this table do not include savings from projects that were co-funded with ODOE or OHCS.

3.4 Self-Direct

3.4.1 Overview



Large electric consumers (with site usage over one average megawatt or 8,760,000 kilowatt hours per year) may be eligible to self-direct a portion of the PPC on their monthly electric bills. ODOE reviews applications and approves sites that meet eligibility criteria to become eligible self-direct consumers. Self-direct consumers with qualifying energy conservation or renewable energy projects can claim a credit through ODOE's Large Electric Consumer Public Purpose Program (LECPPP), also known as the Self-Direct Program. Renewable energy credits may come from either on-site renewable energy generation projects or the purchase of renewable energy certificates (RECs or Green Tags).³ Those credits may then be used to offset the conservation and/or renewable portion(s) of the PPC on their monthly electric bills.

ODOE maintains an interactive database for large electric consumers to self-direct their PPCs. ODOE reviews and approves conservation and renewable energy project applications (and Green Tags contracts), and utilities enter monthly billing data for each self-directing site; the database also tracks each site's monthly credits and credit balances. For the entire biennium, approximately 60 self-directing sites, representing about 50 companies, self-directed either their conservation or renewable portions of the PPC, or both. These self-directing company and site counts are based on analysis performed in October and November 2023 to produce this report.

3.4.2 Receipts and Expenditures

Table 3-15 shows the offsets to the conservation and renewable PPC obligations for July 2021 through December 2021.

Table 3-15: Self-Direct Program Receipts and Expenditures (July 1, 2021 – December 31, 2021)

Sector	PGE	Pacific Power	Total
Conservation	\$311,182	-	\$311,182
Renewable	\$450,445	\$127,331	\$577,777
Total	\$761,627	\$127,331	\$888,959

³ "Green Tags," or RECs, "represent one MWh of renewable energy generation delivered to the grid. They represent the environmental, economic and social attributes of the power produced from renewable energy projects." (Oregon Administrative Rules Chapter 330, Self-Direction of Public Purposes Charges By Large Retail Electricity Consumers, October 24, 2018.)

ODOE’s administration costs of \$6,303 and program costs of \$10,581, for a total of \$16,883, were added to eligible conservation project and Green Tags contract costs.

3.4.3 Results

There were no final approvals of conservation projects in PGE’s and Pacific Power’s service territories from July 1, 2021, through December 31, 2021. Self-directing customers can use the renewables portion of their PPC obligation to purchase Green Tags from their utility. Table 3-16 shows the number of sites that purchased Green Tag contracts between July 1, 2021, and December 31, 2021.

Table 3-16: Self-Direct Renewable Green Tag Contracts

	PGE	Pacific Power	Total
Sites	21	0	21
Green Tag Contracts	21	0	21
Green Tags Purchased	252,168	0	252,168
Total Credits Issued	\$756,462	0	\$756,462
Total Renewable Energy Generated (kWh)	252,159,999	0	252,159,999
Total Avoided GHG Emissions (MT CO2e)	79,389	0	79,389

Table 3-17 shows the distribution of sites by county purchasing Green Tags along with the associated total annual kWh generated.

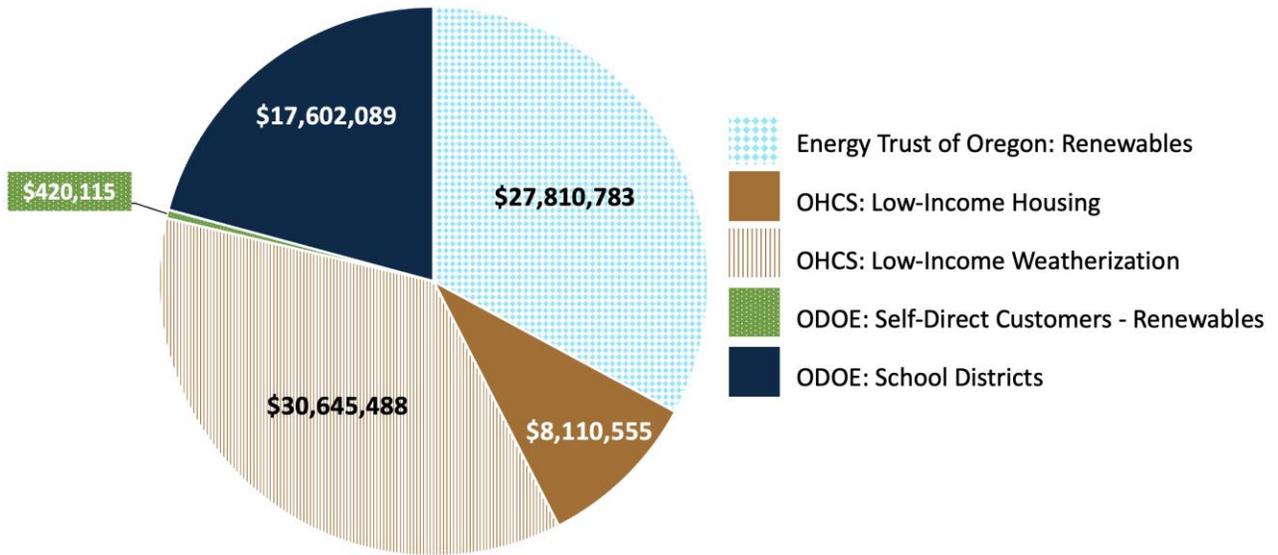
Table 3-17: Green Tag Sites and Annual kWh Generated by County

County	Number of Sites	Annual kWh Generated
Clackamas	2	5,912,000
Multnomah	10	157,642,000
Polk	1	5,876,000
Washington	8	82,730,000
Total	21	252,160,000

4 HB 3141: January 1, 2022 – June 30, 2023

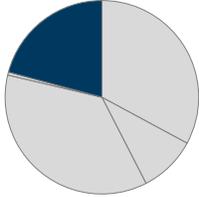
This section covers the first 18 months of PPC funding under the new HB 3141. Figure 4-1 shows the fund receipt allocation across each administrator.

**Figure 4-1: PPC Fund Receipt Allocation by Administrator and Program
(January 1, 2022 – June 30, 2023)**



4.1 School Districts

4.1.1 Overview



Twenty percent of the PPC funds are distributed directly to the 111 school districts located within PGE's and Pacific Power's service territories. In cooperation with the school districts, ODOE facilitates

the administration of the Public Purpose Charge Schools Program. Approximately 830 schools within the 111 school districts are eligible for the program and PPC funding.

School districts work with ODOE on eligibility of expenditures and approvals for reimbursement of PPC funds. Eligible expenditures of PPC funds are for:

- Energy audits at eligible schools by a qualified energy audit firm, or a fleet audit of the school district. These energy audits identify energy efficiency opportunities (i.e., lighting upgrades, HVAC upgrades, building envelope improvements, etc.), and fleet audits review the school district's existing fleet details;
- Eligible energy efficiency measures, the purchase or lease of zero emission vehicles, and/or the installation of electric vehicle chargers; and
- Commissioning services of installed energy efficiency measures that are more complex (program guidelines specify measure categories that are required to have commissioning services completed).

“Oregon’s public schools are a vital part of our communities, helping students learn and thrive – and the Oregon Department of Energy has been proud to serve our schools statewide for more than 40 years. We provide expertise to support energy efficiency practices and projects, which help our schools create better learning environments for the next generation of Oregonians.”

Janine Benner, ODOE Director

ODOE provides program oversight of the audits and projects for the school districts to ensure consistency across the school districts and adherence to the program guidelines. The school districts receive the PPC funds directly from the utilities; however, they need ODOE approval to reimburse eligible expenditures with PPC funds.

4.1.2 Receipts and Expenditures

Table 4-1 summarizes the number of school districts that received PPC funds, the total fund receipts, and the total expenditures for the period from January 1, 2022, through June 30, 2023. The school district expenditures are categorized by audits, installed energy efficiency measures, commissioning costs, school district administrative expenses, ODOE administrative expenses, and ODOE program expenses. Combined school district and ODOE administrative and program costs represented approximately 5 percent of total program expenditures.



Photo provided by Central Point SD

Central Point SD worked with a few project managers to complete upgrades for HVAC systems and controls and lighting throughout the district's eight schools. The project managers assisted the district in leveraging over \$1,670,000 of PPC funds, \$300,000 in Energy Trust incentives, and \$118,000 in future energy cost savings each year to stretch out bond funds and avoid the need to use other district funds.

Table 4-1 summarizes the number of school districts that received PPC funds, the total fund receipts, and the total expenditures for the period from January 1, 2022, through June 30, 2023.

Table 4-1: School Districts Receipt and Expenditure Summary (January 1, 2022 – June 30, 2023)

Transaction	PGE	Pacific Power	Total
Number of School Districts receiving funds*	42	73	111
Total Fund Receipts	\$11,033,398	\$6,568,691	\$17,602,089
Expenditures			
Audits (Energy Audits & Fleet Audits)	\$0	\$0	\$0
Conservation Measures – Installed	\$6,325,033	\$3,466,298	\$9,791,331
Commissioning Costs	\$328,043	\$0	\$328,043
Zero Emission Vehicle and Charger Costs	\$416,187	\$225,740	\$641,927
SD Admin Expenses	-	-	\$0
ODOE Admin Expenses**	-	-	\$193,330
ODOE Program Expenses**	-	-	\$381,250
Total Expenditures**	\$7,069,263	\$3,692,038	\$11,335,881

*The total number of school districts receiving funds is 111. There are four school districts that have schools in both PGE’s and Pacific Power’s service territories; therefore, the school districts receive PPC funds from both PGE and Pacific Power.

**ODOE Admin and ODOE Program expenditures are not tracked by utility, and so the amount in the total column may exceed the sum of the expenditures in the utility specific columns.

4.1.3 Results

Table 4-2 summarizes the key results from the School District PPC fund distribution, highlighted by the number of completed audits and installed energy efficiency measures. During the January through June 2023 period, the program completed 81 audits across 27 school districts. These 27 school districts represent approximately 24 percent of the total school districts that are eligible for PPC funding.

During the same time period, 42 school districts installed 227 energy efficiency measures. These measures are estimated to save 5,455,820 kWh in electricity and 280,925 therms of natural gas annually. The school districts' total savings from the installed measures are estimated to be \$671,008 each year. School districts are able to extend their other funds (e.g., bond funds, maintenance funds, etc.) with their PPC funds to increase their total energy savings.

The program has a maximum reimbursement amount for each eligible measure that caps the reimbursement of PPC funds at the annual energy cost savings multiplied by the estimated measure life.



Photo provided by Estacada SD

Friday night lights are a little brighter for eight school districts following the 2021-2023 biennium. The school districts upgraded lighting for eight football fields and one baseball field to new LED lamps with updated controls. The estimated savings are just over \$27,000 each year.

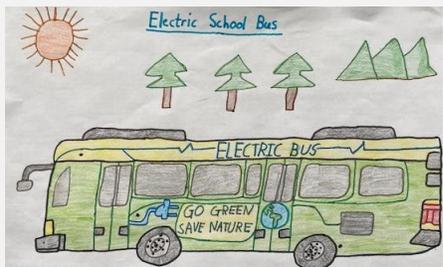
Table 4-2 summarizes the key results from the School District PPC fund distribution, highlighted by the number of completed audits and installed energy efficiency measures.

**Table 4-2: School District Audits and Energy Efficiency Measure Results
(January 1, 2022 – June 30, 2023)**

	PGE	Pacific Power	Total
Audits Completed	51	30	81
Number of School Districts that Completed Audits*	14	15	27
Energy Efficiency Measures Installed	110	117	227
Number of School Districts that Installed Measures*	20	22	42
Average Estimated Measure Life (years)	20.1	19.4	N/A
Annual Savings			
Electricity Savings (kWh)	2,854,190	2,601,630	5,455,820
Natural Gas (therms)	191,798	89,127	280,925
Other Fuel (gal)**	0	(2,813)	(2,813)
Total Savings (Btu)	28,921,150,470	17,390,139,190	46,311,289,660
Total Annual Energy Savings (\$)	\$390,115	\$280,894	\$671,008
Total Annual GHG Emissions Reductions (MT CO₂e)	1,917	2,003	3,920
PPC Funds on Installed Measures	\$6,325,033	\$ 3,466,298	\$9,791,331
School District Funds on Installed Measures	\$16,129,841	\$5,844,710	\$21,974,551
Total Cost of Installed Measures	\$22,454,874	\$ 9,311,008	\$31,765,881

* The number in the total column refers to the number of school districts that have completed audits and installed measures during this timeframe. Two school districts completed audits in both PGE's and Pacific Power's service territories.

**The negative fuel savings are due to a number of lighting projects completed during this timeframe. The lighting upgrades reduce electric usage but slightly increase heating in the areas of the lighting upgrades.



Artwork by Shivam Patani with Beaverton SD

Two school districts received over \$600,000 in Public Purpose Charge funds for electric school buses and electric chargers. Bend-La Pine Schools acquired one electric school bus and an electric charger. Beaverton SD acquired two electric school buses and four electric chargers. Both districts received additional grant funds from their utilities.

Starting in 2020, school districts can complete a fleet audit and can purchase or lease a zero emission vehicle, including school buses, and/or install electric vehicle chargers. School districts work with ODOE on the details of the fleet audit and the zero emission vehicle and charging forms to receive approval to move forward with the purchase. Once the items have been purchased and installed, the school district submits final cost documentation to ODOE for review. The first two school districts completed the process of claiming reimbursement of their electric school buses and electric vehicle chargers through the program in this biennium.

Table 4-3 highlights the school districts' activities related to fleet audits, zero emission vehicles, and electric vehicle chargers between January 2022 and June 2023. Two school districts acquired three electric school buses and four electric chargers between January 2022 and June 2023. One additional electric charger was acquired by one of the two school districts in the first six months of the biennium, July

2021 through December 2021, which was included in the highlight above.

Table 4-3: School District Fleet Audits and Zero Emission Vehicle and Charger Details (January 1, 2022 – June 30, 2023)

	PGE	Pacific Power	Total
Number of Fleet Audits Completed	0	0	0
Number of Zero Emission Vehicles (ZEV) and Chargers Purchased	6	1	7
PPC Funds on ZEVs and Chargers	\$416,187	\$225,740	\$641,927
School District Funds on ZEVs and Chargers	\$385,925	\$157,500	\$543,425
Total Cost of ZEVs and Chargers	\$802,112	\$383,240	\$1,185,352

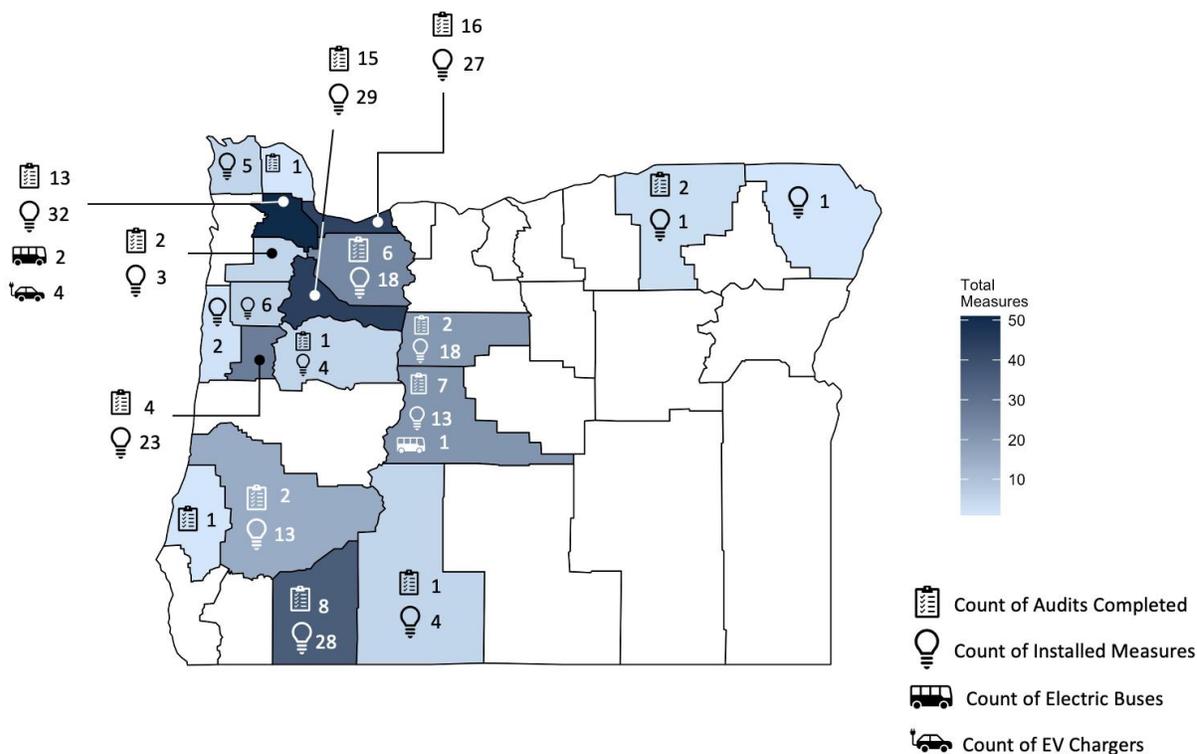
Table 4-4 summarizes the total number of energy efficiency measures installed during this biennium and previous biennia.

Table 4-4: Number of Energy Efficiency Measures Installed by Biennium

	PGE	Pacific Power	Total
Energy Efficiency Measures Installed 2021 – 2023 Biennium	331	223	554
Energy Efficiency Measures Installed 2019 – 2021 Biennium	246	129	375
Energy Efficiency Measures Installed 2017 – 2019 Biennium	69	54	123

The map (Figure 4-2) below shows the completed activities for the PPC Schools Program for January 1, 2022, through June 30, 2023 by Oregon county. School districts in a total of 19 counties completed audits, installed energy efficiency measures, purchased electric school buses, and/or installed electric vehicle chargers.

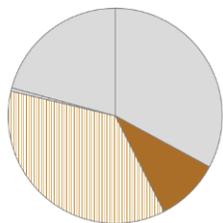
Figure 4-2: Completed Audits, Installed Energy Efficiency Measures, Purchased Electric School Buses, and Installed Electric Vehicle Chargers by County



Visit Oregon Department of Energy's website for additional information: <https://www.oregon.gov/energy/energy-oregon/Pages/Public-Purpose-Charge.aspx>

4.2 Oregon Housing and Community Services

4.2.1 Overview



OHCS administers programs that provide financial support and resources for Oregonians of lower and moderate income. Programs target homelessness, financing for multifamily affordable housing, and homeownership development and assistance, among others. HDGP, commonly known as the Housing Trust Fund, receives 4.5 percent of PPC funds. On an absolute basis under HB 3141, the overall HDGP funding level from the PPC increased. The HDGP is designed

to expand the state's supply of housing for low and very low-income families and individuals. The program provides grants and loans to construct new housing or to acquire and/or rehabilitate existing structures, and 75 percent of program funds must be used to develop affordable housing that supports households whose gross income is at or below 50 percent of the AMI with the remainder serving households up to 80 percent of the AMI. The majority of program resources are awarded through a competitive application process that occurs twice annually, once for the spring funding cycle and once for the fall funding cycle. Funding preference is given to project applicants who provide services appropriate for the targeted tenant population.

OR-MEP is designed to reduce the energy usage and utility costs of lower income tenants residing in affordable rental housing. The PPC revenue contributes to grants for the construction or rehabilitation of affordable rental housing located in PGE's or Pacific Power's service territories. Use of these funds requires that at least 50 percent of the homes in the project be rented to households whose income is at or below 80 percent of the AMI. Projects receiving funds must also remain affordable for at least 10 years. For each dollar invested, the project must demonstrate at least one kilowatt-hour in energy savings in the first year of operation. Program resources may be used for shell measures such as windows, doors, and insulation as well as for energy efficient appliances and lighting. The program also provides home weatherization for single-family and multifamily, owner occupied, and rental housing. Projects supported by PPC funds for weatherization are required to have a conservation element.

4.2.2 Receipts and Expenditures

Table 4-5 provides a summary of the Low-Income Housing and Weatherization portions of PPC fund receipts and expenditures from January 1, 2022, through June 30, 2023. Funds received by OHCS during this period amounted to \$38,756,043, and expenditures including commitments totaled \$51,179,178, with administrative expenses comprising 6.2 percent of total expenditures.

Table 4-5: OHCS Receipt and Expenditure Summary (January 1, 2022 – June 30, 2023)

Transaction	PGE	Pacific Power	Total
Receipts			
Low-Income Weatherization			
Administration	\$1,010,394	\$579,867	\$1,590,261
Evaluation, Training, and Technical Assistance	\$1,010,394	\$579,867	\$1,590,261
ECHO	\$15,155,909	\$8,698,007	\$23,853,917
Multi-Family Rental Housing	\$3,031,182	\$579,867	\$3,611,049
Total Low-Income Weatherization	\$20,207,879	\$10,437,609	\$30,645,488
Low-Income Housing			
Administration	\$256,695	\$148,833	\$405,528
Program	\$4,877,202	\$2,827,825	\$7,705,028
Total Low-Income Housing	\$5,133,897	\$2,976,658	\$8,110,555
Total Fund Receipts	\$25,341,776	\$13,414,267	\$38,756,043
Expenditures			
Design and Marketing – TRC	\$283,737	\$283,737	\$567,474
TRC – Committed but Unexpended	\$298,993	\$298,993	\$597,986
Low-Income Weatherization*	\$12,840,575	\$7,470,570	\$20,311,145
Committed but Unexpended	\$3,437,757	\$2,090,177	\$5,527,935
Low-Income Housing**	-	-	\$2,919,702
Committed but Unexpended	-	-	\$17,470,174
Administrative Expenses**	-	-	\$3,182,944
Evaluation, Training, and Technical Assistance**	-	-	\$473,330
Committed but Unexpended	-	-	\$128,488
Energy Education	-	-	-
Committed but Unexpended	-	-	-
Total Expenditures Excluding Committed**	\$13,124,312	\$7,754,307	\$27,454,595
Total Expenditures Including Committed**	\$16,861,062	\$10,143,477	\$51,179,178

* Includes the ECHO fund and the Low-Income Weatherization Program (for multifamily rental housing).

** Low-Income Housing; Administrative; and Evaluation, Training, and Technical Assistance expenditures are not tracked by utility, and so the amount in the total column may exceed the sum of the expenditures in the utility-specific columns.

4.2.3 Results

A portion of the PPC funds allocated to OHCS goes into the ECHO fund and is used for weatherization projects for low-income households.

OHCS contracts with local Community Action Agencies (CAAs) to deliver the program. This local network of sub-grantees determines applicant eligibility and delivers services. Households must apply through the local CAA and, if eligible, they are placed on a weatherization waiting list. The waiting period varies with each local agency depending on local need, but households with senior and disabled members and households with children under six years of age are given priority. Once a home is scheduled for weatherization, the applicant is contacted, and an energy audit is scheduled. The energy audit determines the appropriate measures to be initiated based on the existing condition of the home and the funds available. Program resources can be used for shell measures that may include:

- Ceiling, wall, and floor insulation;
- Energy-related minor home repairs;
- Energy conservation education;
- Air infiltration reduction;
- Furnace repair and replacement;
- Heating duct improvements; and
- Health and safety improvements.

The map below (Figure 4-3) also summarizes how the Low-Income Weatherization ECHO program helped fund weatherization in 819 units. The completed ECHO projects helped save over 6,803,760 kWh. Across the 819 homes, 50.4 percent were completed in Multnomah County and Washington County, accounting for 49.3 percent of the kWh savings.

Figure 4-3: ECHO Units and kWh Saved by County

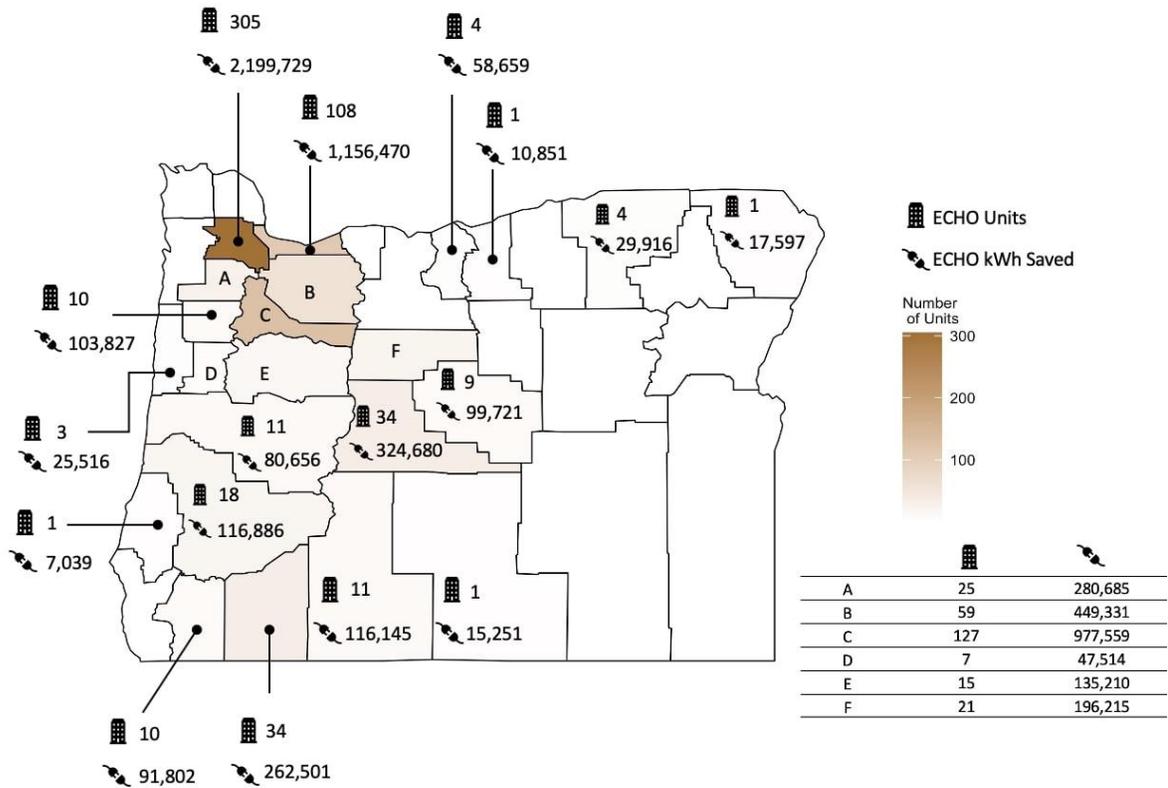


Table 4-6 shows the total number of OHCS Low-Income Weatherization Multi-Family Rental Housing Program projects, along with the number of completed homes, for each county covered by OHCS programs. Overall, OHCS completed 33 multifamily rental projects through the Low-Income Weatherization Multi-Family Rental Housing program with a total of 2,537 homes weatherized.

Table 4-6: Low-Income Weatherization Multi-Family Rental Housing Projects

County	Number of Projects	Number of Units in County
Clackamas	2	200
Deschutes	5	163
Jackson	2	100
Josephine	1	60
Klamath	1	58
Linn	1	110
Marion	1	30
Multnomah	18	1,681
Washington	2	135
Total	33	2,537

The 33 Low-Income Weatherization Multi-Family Housing Program projects resulted in 5,884,325 kWh in annual energy savings.

“The greatest achievement for us has been the ability to create an apartment that is not centered on just housing but developing a community for our residents, augmented by a focus on sustainability.”

- Eric Authelet, Executive Assistant, Social Economic Environmental Development LLC

Table 4-7 shows the total energy savings and GHG emissions reductions across both PGE’s and Pacific Power’s service territories for Low-Income Weatherization (ECHO) and Low-Income Weatherization Multi-Family Rental Housing projects.

**Table 4-7: Program Savings, Including GHG Emissions Reductions
(January 1, 2022 – June 30, 2023)**

Results	PGE	Pacific Power	Total
Annual Total Savings (kWh)	8,156,614	4,530,471	12,687,085
Annual GHG Emissions Reductions (MT CO ₂ e)	2,568	2,715	5,283

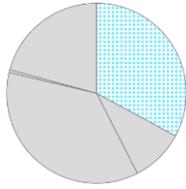
Table 4-8 summarizes the number of low-income housing projects and the number of homes by county.

Table 4-8: Low-Income Housing Projects (January 1, 2022 – June 30, 2023)

County	Number of Projects	Number of Units in County
Clatsop	1	50
Multnomah	4	252
Total	5	302

4.3 Energy Trust of Oregon

4.3.1 Overview



Energy Trust of Oregon, Inc. administers the renewable energy resource component of the PPC to fund new renewable energy resources and distribution system-connected technologies that support reliability, resilience, and the integration of new renewable energy resources. This work helps reduce energy costs, diversifies Oregon’s energy mix, avoids carbon emissions, supports local economies, helps develop the electricity grid of tomorrow, and supports customers’ other goals such as community resiliency, water conservation, and waste management.

The OPUC initially charged Energy Trust to also administer the conservation component of the PPC. Following passage of HB 3141, all cost-effective energy efficiency is accomplished through funding set through the standard utility ratemaking process and directed by the OPUC to Energy Trust. Renewable energy funding continues to be set through the PPC and is addressed in this report.

With a commitment to keep internal costs low, guarantee ratepayer benefits, and provide services relevant for all customers, Energy Trust provides information, cash incentives, and technical assistance to help people, businesses, and communities benefit from renewable power. Programs are available to residential customers, commercial and industrial businesses, nonprofits, and government agencies. Many services are delivered to customers by trade ally contractors and program allies and are promoted in collaboration with community-based nonprofits.

The majority of Energy Trust’s renewable energy incentives reduce above-market costs, which is the difference between the value of the power produced by a renewable energy project and what it costs to produce the power from the renewable energy system. Most of this support is for small-scale solar; in this reporting period, Energy Trust incentives helped install nearly 5,700 solar systems on homes and businesses, which generated a combined 78,200,000 kilowatt hours in their



Case Study: Rebuilding with solar adds resilience after wildfires

More than 5,000 structures burned in wildfires that devastated Oregon communities over Labor Day weekend 2020. As rebuilding efforts got underway, Energy Trust coordinated with the Oregon Department of Energy and the Oregon Building Codes Division on incentive offers for fire survivors. Many are choosing to incorporate solar power with battery storage, which makes them less vulnerable during outages and potential future natural disasters. In Talent, where 40 percent of buildings burned, City Manager Jordan Rooklyn said, “One of the silver linings is that many homeowners are choosing to build energy-efficient homes with solar power. It brings us hope.”

first year. Energy Trust also offers early project development assistance and installation incentives for hydropower, biopower, geothermal, and certain wind projects; all projects must be 20 megawatts or less in size. In this reporting period, those projects generated a combined 922,000 kilowatt hours in their first year.

Additionally, HB 3141 authorized PPC funds to support distributed-system connected technologies installed for use by customers such as smart inverters – which, given market advancements, are nearly all the inverters installed as part of a solar energy system – and battery storage. In August 2023, Energy Trust launched its first incentive offer for battery storage, which was developed with input from a variety of community-based organizations serving environmental justice communities.

Energy Trust is committed to helping all customers manage their energy use with particular attention paid to customers who stand to benefit the most from these services, including people with low to moderate incomes. Larger incentives are available for income-qualified customers to install solar and/or battery storage at home through the Solar Within Reach program. In this reporting period, Energy Trust provided \$5.4 million in Solar Within Reach incentives to low- and moderate-income customers.

Beginning in 2022, HB 3141 requires that Energy Trust allocate 25 percent of renewable resource public purpose funding for activities, resources, and technologies that serve low- and moderate-income customers; these funds may cover more than the above market costs and support technologies that do not have above-market costs. In its 2022 Annual Report to the OPUC and Energy Trust's Board of Directors, Energy Trust reported \$5.1 million in expenditures that benefit customers with low and moderate incomes, which is 29 percent of its renewable energy revenues.



Case Study: Beaverton turns water system into energy generator

Beaverton will become one of the first cities in Oregon to add hydropower to its drinking water system. Work at the Sexton Mountain Pump Station began in 2023 to install a hydropower turbine that will generate an estimated 426 megawatt-hours of renewable electricity a year, or enough energy to power 40 average homes for one year. The net-metered generated electricity will offset a quarter of Sexton Mountain’s energy load, saving money for the city and its residents. Energy Trust is funding half the project costs as well as the associated analysis and engineering work.

Energy Trust is a nonprofit overseen by a volunteer board of directors and the OPUC. Through a grant agreement with the OPUC, Energy Trust works to achieve annual minimum performance measures, reports quarterly and annually on progress to annual goals, tracks and reports on progress related to five-year strategic plan focus areas, and contracts for an independent management audit every five years. HB 3141 also requires Energy Trust to meet annual equity metrics set by the OPUC.

This report addresses only the renewable resource public purpose funding authorized through SB 1149 and affirmed and expanded through HB 3141. In addition to collecting funding for electric and natural gas efficiency through utility regulatory agreements and Oregon’s Renewable Energy Act (Senate Bill 838), Energy Trust receives a relatively small amount of funding through grants and contracts to support energy efficiency and renewable energy generation outside the scope of its OPUC grant agreement.



79,126,800 kWh

Energy generated in 2022 -
2023



\$160 million

Current and future bill savings
from renewable energy
generated (2023 dollar values)



94%

Customer satisfaction rating

Visit www.energytrust.org/About to learn more.

4.3.2 Receipts and Expenditures

Energy Trust receives PPC funding as the administrator of the renewable energy portions of the fund. Table 4-9 summarizes the total receipts and expenditures for Energy Trust from January 1, 2022, through June 30, 2023. Receipts totaled \$27,810,783 while expenditures, including administrative costs (7 percent of expenditures), totaled \$27,173,217.

Energy Trust administrative costs adhere to generally accepted accounting practices for nonprofit organizations and were found to be reasonable by the Oregon Secretary of State in 2018.

Table 4-9: Energy Trust Receipt and Expenditure Summary (January 1, 2022 – June 30, 2023)

Transaction	PGE	Pacific Power	Total
Receipts			
Renewable Energy	\$16,977,819	\$10,832,963	\$27,810,783
Total Fund Receipts	\$16,977,819	\$10,832,963	\$27,810,783
Expenditures			
Renewable Energy	\$17,327,895	\$8,142,979	\$25,470,874
Administrative Expenses	\$1,155,713	\$546,629	\$1,702,343
Total Expenditures	\$18,483,608	\$8,689,608	\$27,173,217

4.3.3 Results

Energy Trust invested PPC funding in incentives for solar projects at residential, commercial, and industrial sites; community solar projects; hydropower projects including in irrigation districts; and biopower projects at water resource recovery facilities. These are focus areas for incentives given the abundant energy sources and multiple benefits for customers and communities. Energy Trust also offers higher incentives for income-qualified customers to make residential solar and battery storage more affordable. The quantity, savings, and avoided GHG from these projects are shown in Table 4-10 and Table 4-11.

Table 4-10: Number of Biopower, Hydropower, Geothermal, and Wind Projects Supported with Project Development Assistance, and Project Development Assistance Incentives Provided

Renewables	PGE Projects	Pacific Power Projects	Total	PGE (\$)	Pacific Power (\$)	Total (\$)
Biopower	3	2	5	\$184,654	\$178,854	\$363,508
Hydropower	6	15	21	\$261,009	\$446,134	\$707,143
Geothermal and Wind	-	-	-	\$0	\$0	\$0
Total	9	17	26	\$445,663	\$624,988	\$1,070,651

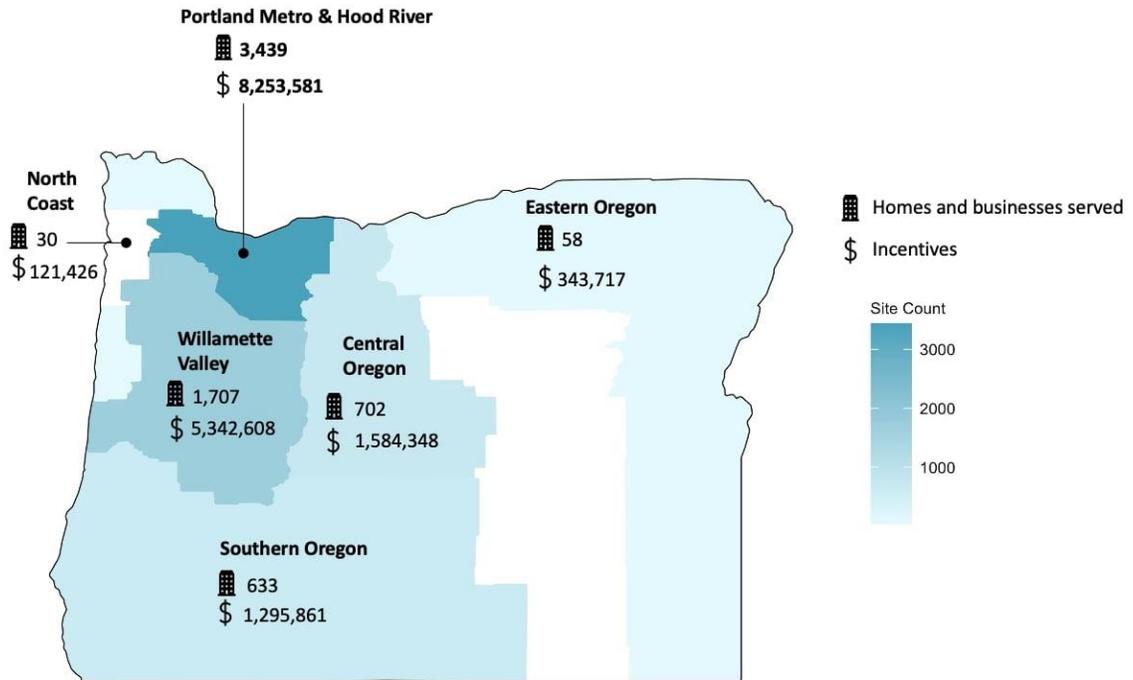
Table 4-11: Solar, Biopower, Hydropower, Geothermal, and Wind Projects Generation by Program, Including Avoided GHG Emissions

Program	PGE	Pacific Power	Total
Solar (kWh)	49,849,010	28,355,744	78,204,755
Biopower, Hydropower, Geothermal, Wind (kWh)	-	922,000	922,000
Total (kWh)	49,849,010	29,277,744	79,126,755
Total Avoided GHG Emissions (MT CO₂e)	15,694	17,544	33,238

Additionally, Energy Trust invests PPC funding in the form of early project development assistance for projects that will generate renewable energy using solar, hydropower, and biopower. Project development assistance incentives help reduce early-stage development barriers and financial risks and help customers demonstrate that their projects are worthy of investment and access other funding.

The map below (Figure 4-4) shows the total number of homes and businesses served across all renewable energy projects by region. Fifty-two percent of the sites served were in the Portland Metro and Hood River region, accounting for 49 percent of the total paid incentives. The Willamette Valley had 26 percent of the sites served (32 percent of incentives), followed by Central Oregon with 11 percent of sites served (9 percent of incentives).

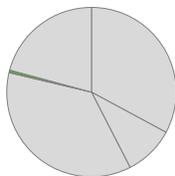
Figure 4-4: Homes and Businesses Served and Total Incentives by Region⁴



⁴ Incentives in the Energy Trust regions do not include school projects that received ODOE funds or low-income projects that received OHCS funds. However, site counts may include some of these projects because sites may receive incentives for multiple different projects.

4.4 Self-Direct

4.4.1 Overview



Large electric consumers (with site usage over one average megawatt or 8,760,000 kilowatt hours per year) may be eligible to self-direct a portion of the PPC on their monthly electric bills. ODOE reviews applications and approves sites that meet eligibility criteria to become eligible self-direct consumers. Self-direct consumers with qualifying renewable energy projects can claim a credit through

ODOE's Large Electric Consumer Public Purpose Program, also known as the Self-Direct Program. Renewable energy credits may come from either on-site renewable energy generation projects or the purchase of renewable energy certificates (RECs or Green Tags).⁵ Those credits may then be used to offset the renewable portion(s) of the PPC on their monthly electric bills.

HB 3141, passed by the Oregon Legislature during the 2021 session, made several changes to the PPC and related programs, including the LECPPP (Self-Direct Program). ODOE conducted a rulemaking proceeding in the fall of 2021 to implement those changes. Effective January 1, 2022, DS-CT or "investments in distribution system-connected technologies" projects are eligible to be self-directed for the renewable energy portion of the PPC. Cost-effective energy efficiency recovered through rates has essentially replaced the conservation portion of the public purpose charge, which no longer exists.⁶

ODOE maintains an interactive database for large electric consumers to self-direct their PPC funds. ODOE reviews and approves renewable energy projects and Green Tags contracts, and utilities enter monthly billing data for each self-directing site; the database also tracks each site's monthly credits and credit balances. For the entire biennium, approximately 60 self-directing sites, representing about 50 companies, self-directed either their conservation or renewable portions of the PPC, or both. These self-directing company and site counts are based on analysis performed in October and November 2023 to produce this report.

4.4.2 Receipts and Expenditures

Receipts and expenditures for the Self-Direct portion of the PPC work differently than for other areas of the PPC funding:

⁵ "Green Tags," or Renewable Energy Certificates (RECs), "represent one MWh of renewable energy generation delivered to the grid. They represent the environmental, economic and social attributes of the power produced from renewable energy projects." (Oregon Administrative Rules Chapter 330, Self-Direction of Public Purposes Charges By Large Retail Electricity Consumers, October 24, 2018.)

⁶ ODOE. "Large Electric Consumer Public Purpose Program." <https://www.oregon.gov/energy/energy-oregon/Pages/Large-Electric-Consumer-Public-Purpose-Program.aspx>

- Receipts – For the other organizations administering the programs (school districts, OHCS, Energy Trust), utilities collect PPCs from consumers, then disburse funds directly to the organizations.
- Expenditures – The other organizations then spend those funds on their respective programs.
- However, for the Self-Direct program, utilities do not collect the renewable portions of the PPC from the self-directing sites, nor do they disburse the PPC funds to those sites. Self-Direct receipts and expenditures are realized at the time an eligible site with PPC renewable credits uses a portion of their credit balance to offset the renewable PPC, which would otherwise be due. Eligible participating sites expend their funds on eligible projects in order to generate a credit balance.

For the Self-Direct program, participating eligible self-directing sites submit renewable project applications to ODOE on the LECPPP database, and ODOE reviews and approves or pre-certifies eligible renewable project applications. Sites then spend their own funds to build pre-certified projects. Once the project is complete, they submit an application for credit to ODOE. ODOE reviews and approves the project-eligible costs, which include a fee paid to ODOE for program administration. Certified project costs are then added to the renewable credit balance, and the credits do not expire. Those sites that have a credit balance in their conservation PPC (resulting from conservation projects approved under PPC Oregon Regulatory Statute and Oregon Administrative Rules in effect at the time) may offset their monthly obligation for Cost-Effective Energy Efficiency recovered through rates (which have the same requirements and function the same as the conservation PPC) per Final Rules for Large Electricity Consumer Public Purpose/Self-Direct submitted to the Secretary of State on December 13, 2021.

For this portion of the biennium, ODOE's administration costs of \$28,575 and program costs of \$31,479, for a total of \$60,054, were added to eligible Green Tags contract costs.

Each month when a site has a renewable credit balance, they can offset the monthly renewable portion of the PPC, meaning they do not pay the utility that portion of the PPC. The available credit balance is reduced by the monthly renewable offset amount. New approved Green Tags applications increase the site credit while monthly offsets reduce them. For the purposes of this report, the sum of all self-directing sites' renewable offsets is defined as Self-Direct "Receipts" and "Expenditures."

Table 4-12 shows that from January 1, 2022, through June 30, 2023, self-direct customers in Pacific Power’s service territory claimed \$97,775 in offsets to the renewable PPC obligation, and customers in PGE’s service territory claimed \$322,340. PGE self-direct sites accounted for 77 percent of the renewable PPC obligation, and Pacific Power self-direct sites accounted for 23 percent.

Table 4-12: Self-Direct Program Receipts and Expenditures (January 1, 2022 – June 30, 2023)

Sector	PGE	Pacific Power	Total
Renewables Total	\$322,339.86	\$97,775.35	\$420,115.21

4.4.3 Results

Note that the conservation portion of the PPC is no longer available. However, there are two conservation projects that were pre-certified under the old rules that have been completed, but the applications for the conservation credit are in process and should be approved during the 2023-2025 biennium.

Self-directing customers can use the renewables portion of their PPC obligation to purchase Green Tags (or RECs) from their utility (or another market REC provider).

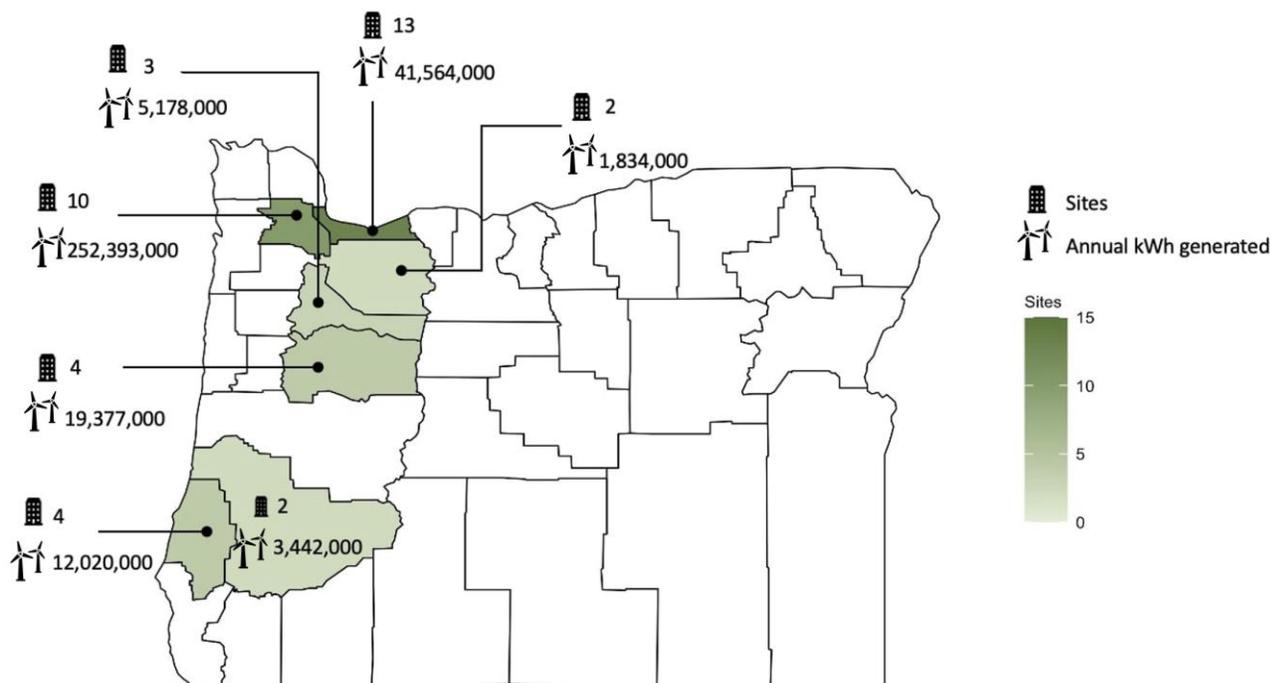
Table 4-13 shows that 38 sites purchased Green Tag contracts between January 1, 2022, and June 30, 2023, worth \$2,021,236 in total credits. The average annual kWh per Green Tag contract was 8,837,053 kWh (or 8,837 REC's) and in total represented over 335.8 million kWh of renewable energy across all PGE and Pacific Power self-directing sites.

Table 4-13: Self-Direct Renewable Green Tag Contracts (January 1, 2022 – June 30, 2023)

	PGE	Pacific Power	Total
Sites	24	14	38
Green Tag Contracts	24	14	38
Green Tags Purchased	12,343	2,828	15,171
Total Credits Issued	\$1,718,472	\$302,764	\$2,021,236
Total Renewable Energy Generated (kWh)	296,221,992	39,585,994	335,807,986
Total Avoided GHG Emissions (MT CO2e)	93,261	23,721	116,982

The map below (Figure 4-5) shows the distribution of sites purchasing Green Tags along with the associated total annual kWh generated. A little more than half the sites were located in Multnomah County and Washington County, accounting for about 88 percent of the annual kWh generation.

**Figure 4-5: Green Tag Sites and Annual kWh Generated by County
 (January 1, 2022 – June 30, 2023)**



Visit Oregon Department of Energy's website for additional information:
<https://www.oregon.gov/energy/energy-oregon/Pages/Public-Purpose-Charge.aspx>