EVERGREEN ECONOMICS

Report to Legislative Assembly on Public Purpose Charge Receipts and Expenditures

Report Prepared by Evergreen Economics

Period:
July 1, 2023 – June 30, 2025

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1 Executive Summary

Report to Legislative Assembly on Public Purpose Expenditures

PPC Fund Distribution

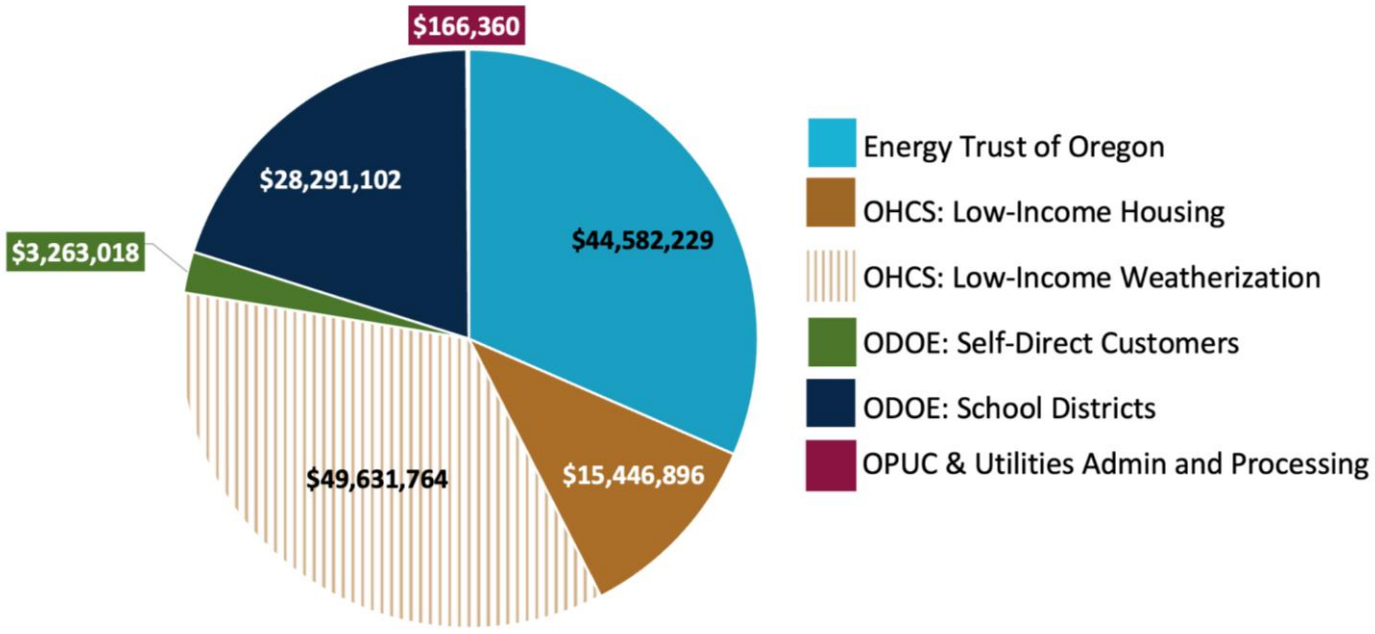
In July of 1999, Senate Bill 1149 (SB 1149) instituted a public purpose charge (PPC) that established an annual expenditure by two investor-owned electric utilities – Portland General Electric (PGE) and Pacific Power – of 3 percent of their revenues to fund energy efficiency, development of small-scale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

This report covers the data from July 1, 2023 through June 30, 2025, all of which occurred under the changes set in HB 3141.

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 contractual agreement with the OPUC. Figure ES-1 below shows how total PPC fund receipts were allocated across administrators and programs from July 1, 2023 through June 30, 2025.

Figure ES-1: PPC Fund Receipt Allocation by Administrator and Program
(July 1, 2023 – June 30, 2025)



Receipts and Expenditures summary

Table ES-1 summarizes the agency receipts and expenditures by PPC fund administrator for the PPC fund from July 1, 2023 through June 30, 2025. Across all the PPC fund administrators, receipts totaled $141,381,369 and expenditures on programs and projects were $130,806,676 during this period.

Table ES-1: PPC Receipts and Expenditures Summary (July 1, 2023 – June 30, 2025)

Fund Administrator / Program	Receipt Source			Expenditures*		
	PGE	Pacific Power	Total	PGE	Pacific Power	Total
Utilities **	$42,288	$20,949	$63,237	$42,288	$20,949	$63,237
OPUC **	$64,852	$38,271	$103,123	$64,852	$38,271	$103,123
School Districts	$17,266,743	$11,024,359	$28,291,102	$13,084,513	$9,752,402	$23,654,709
OHCS – Total	$39,713,507	$25,365,153	$65,078,660	$18,127,345	$11,755,329	$58,428,510
Low-Income Weatherization	$30,310,325	$19,321,439	$49,631,764			
Low-Income Housing	$9,403,182	$6,043,714	$15,446,896			
Energy Trust	$26,468,987	$18,113,242	$44,582,229	$27,558,779	$17,735,300	$45,294,079
Self-Direct ***	$2,821,812	$441,206	$3,263,018	$2,821,812	$441,206	$3,263,018
Totals	$86,378,189	$55,003,180	$141,381,369			$130,806,676

*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 $166,360 for this biennium that are not reflected within the program sections. They are included in the table above to be reflected in the total PPC receipts and expenditures.

*** Self-direct receipts and expenditures include manually aggregated data from PGE for sites not yet included in the Large Electric Consumer Public Purpose Program online data base. Work to update self-direct sites in the LECPPP data base is ongoing.

Table ES-2 shows the timing of PPC receipts and expenditures starting from July 2023 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, 2023 through June 30, 2025.

Table ES-2: Cumulative PPC Receipts, Expenditures, and Balances (July 1, 2023 - June 30, 2025)

Fund Administrator / Program	7/2023 Starting Balance	7/2023-6/2025 Receipts	7/2023-6/2025 Expenditures	6/2025 Ending Balance
School Districts	$14,614,286	$28,291,102	$23,654,709	$19,250,679
Oregon Housing and Community Services	$31,070,031	$65,078,660	$58,428,510	$37,720,181
Energy Trust of Oregon	$18,233,018	$44,582,229	$45,294,079	$17,521,168
Self-Direct	$0	$3,263,018	$3,263,018	$0
Totals	$63,917,335	$141,215,009	$130,640,316	$74,492,028

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 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:

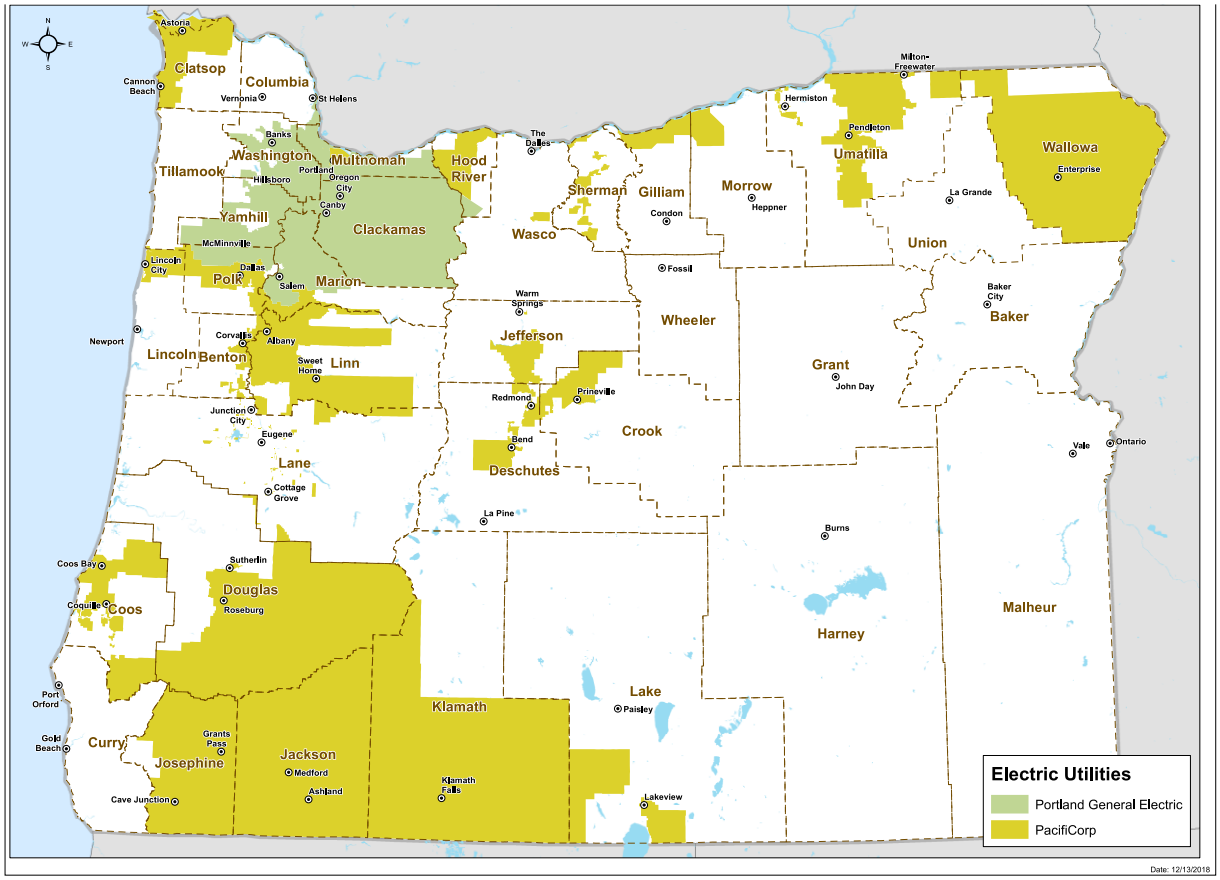
- **School Districts**. Oregon has 111 school districts within PGE's and Pacific Power's service areas. ODOE facilitates the administration of the Public Purpose Charge (SB 1149) Schools Program and approves reimbursement of school district PPC funds for allowable expenditures, including energy efficiency measures, zero emission vehicles, and electric vehicle chargers.
- **Oregon Housing and Community Services**. OHCS receives and administers PPC funds for four 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 Housing Development Grant Program (previously known as 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 areas. 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. The final program is a new program dedicated to the replacement of older, inefficient and unsafe manufactured homes with new energy-efficient manufactured homes.

- **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 areas 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 for electric and gas investor-owned utility customers 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 areas, which do not cover the entire state of Oregon. The map on the next page (Figure 2-1) outlines the distinct service areas of PGE and Pacific Power (PacifiCorp) across Oregon.

Figure 2-1: PGE and Pacific Power Service Areas



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, 2023 through June 30, 2025 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, 2023 to June 30, 2025 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 2023, 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, 2023 - June 30, 2025)

Fund Administrator / Program	Annual GHG Emissions Reductions (MT CO2e) July 1, 2023 - June 30, 2025		
	PGE	Pacific Power	Total
School Districts	4,013	4,580	8,593
OHCS – Total	2,943	3,746	6,689
Energy Trust – Total	0	0	0
Self-Direct - Total	0	0	0
Totals	6,956	8,326	15,282

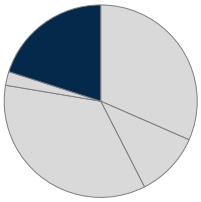
Table 2-3 shows a summary of the annual GHG emissions avoided by each administrator.

Table 2-3: GHG Emissions Avoided (July 1, 2023 - June 30, 2025)

Fund Administrator / Program	Annual GHG Emissions Avoided (MT CO2e) July 1, 2023 - June 30, 2025		
	PGE	Pacific Power	Total
School Districts	0	0	0
OHCS – Total	0	0	0
Energy Trust – Total	19,757	21,435	41,192
Self-Direct - Total	108,259	30,829	139,088
Totals	128,016	52,264	180,280

3 School Districts

3.1 Overview



Twenty percent of the PPC funds are distributed directly to the 111 school districts located within PGE's and Pacific Power's service areas. 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:

"ODOE is proud of our long history of supporting Oregon public schools statewide. From providing efficiency expertise to supporting improvement projects, we look forward to continuing to help our schools create positive learning environments for the next generation of Oregonians."

Janine Benner, ODOE Director

- 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).

2025 marked ODOE's 50th year serving Oregonians. The agency looked back at the history of supporting schools on its blog. ODOE at 50: Supporting Public Schools - Energy Info

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.

3.2 Receipts and Expenditures

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, 2023, through June 30, 2025. 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 less than 4 percent of total program expenditures.

In 2010, ODOE first started seeing LED lighting upgrades in K-12 schools through the Public Purpose Charge Schools Program. Now, over half of **eligible schools have leveraged over $25 million in Public Purpose Charge funds** to perform some type of LED Lighting upgrades in the last 15 years. The upgrades are estimated to save over 26 million kWh and nearly $2 million each year. Some projects have been campus-wide lighting upgrades in classrooms, gyms, and multipurpose rooms, and exterior lighting upgrades to parking lot lighting, exterior wall-mounted fixtures, and stadium field lighting upgrades.

Photo provided by Mt. Angel SD for gym lighting upgrade at John F. Kennedy High School

Table 3-4 summarizes the number of school districts that received PPC funds, the total fund receipts, and the total expenditures for the period.

Table 3-4: School Districts Receipt and Expenditure Summary (July 1, 2023 – June 30, 2025)

Transaction	PGE	Pacific Power	Total
Number of School Districts receiving funds*	42	73	111
Total Fund Receipts	$17,266,743	$11,024,359	$28,291,102
Expenditures			
Audits (Energy Audits & Fleet Audits)	$0	$12,178	$12,178
Conservation Measures – Installed	$12,553,193	$9,672,613	$22,225,806
Commissioning Costs	$353,433	$67,611	$421,044
Zero Emission Vehicle and Charger Costs	$177,887	$0	$177,887
SD Admin Expenses	-	-	$0
ODOE Admin Expenses**	-	-	$269,490
ODOE Program Expenses**	-	-	$548,304
Total Expenditures**	**$13,084,513**	**$9,752,402**	**$23,654,709**

*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 areas; 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.

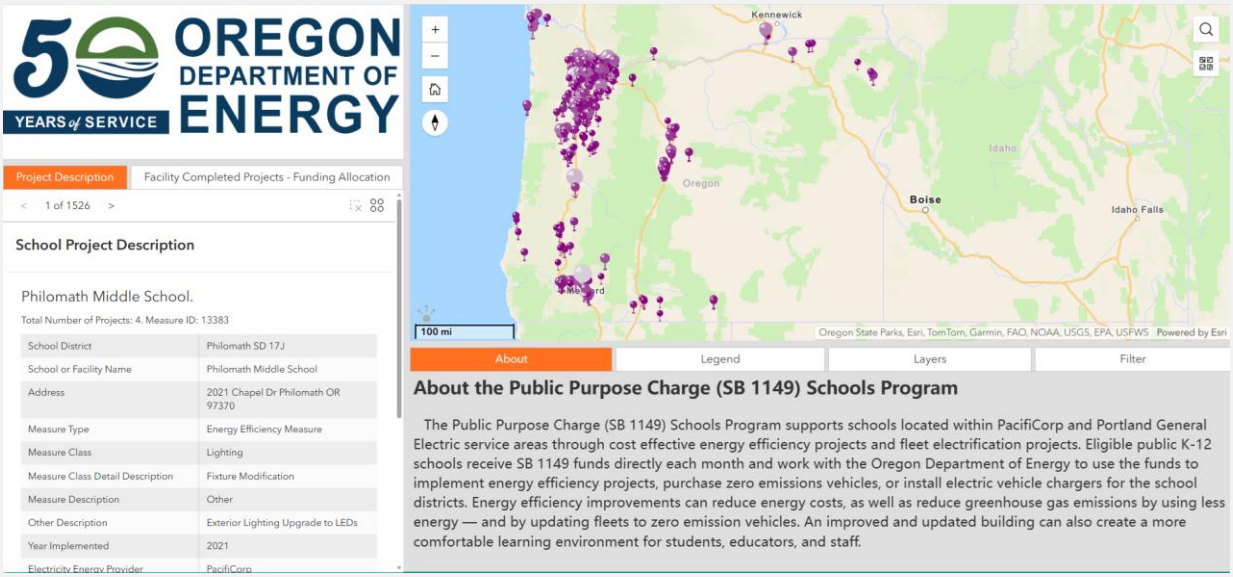
3.3 Results

Table 3-5 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 103 audits across 35 school districts. These 35 school districts represent approximately 32 percent of the total school districts that are eligible for PPC funding.

During the same time period, 64 school districts installed 480 energy efficiency measures. These measures are estimated to save 14,550,042 kWh in electricity and 447,682 therms of natural gas annually. The school districts' total savings from the installed measures are estimated to be $1,726,387 each year. School districts can 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.

Oregon Department of Energy Creates Interactive Map to Demonstrate Support to Schools



In spring 2025, the Oregon Department of Energy published a new interactive map showing the many school projects supported by the agency's Schools Programs and Public Purpose Charge (SB 1149) funds. The map includes projects between July 2012 and June 2023, with updates coming in 2026.

Check out the map for school projects completed in your area:
https://experience.arcgis.com/experience/79dc39d71460424b85f6a954b68f1348

Table 3-5 summarizes the key results from the School District PPC fund distribution, highlighted by the number of completed audits and installed energy efficiency measures.

Table 3-5: School District Audits and Energy Efficiency Measure Results (July 1, 2023 – June 30, 2025)

	PGE	Pacific Power	Total
Audits Completed	49	54	103
Number of School Districts that Completed Audits*	15	21	35
Energy Efficiency Measures Installed	291	189	480
Number of School Districts that Installed Measures*	23	43	64
Average Estimated Measure Life (years)	18.7	19	N/A
Annual Savings			
Electricity Savings (kWh)	8,790,134	5,759,908	14,550,042
Natural Gas (therms)	208,480	239,202	447,682
Other Fuel (gal)**	8,196	33,670	41,866
Total Savings (Btu)	52,096,194,342	46,829,843,004	98,926,037,346
Total Annual Energy Savings ($)	**$953,047**	**$773,340**	**$1,726,387**
Total Annual GHG Emissions Reductions (MT CO2e)	4,013	4,580	8,593
PPC Funds on Installed Measures	$12,553,193	$ 9,672,613	$22,225,806
School District Funds on Installed Measures	$23,686,462	$17,576,881	$41,263,343
Total Cost of Installed Measures	**$36,239,655**	**$ 27,249,494**	**$63,489,149**

* 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 completed audits in both PGE's and Pacific Power's service areas, and one school district installed measures in both areas.

During the 2023-2025 biennium, about $877,000 in SB 1149 funds supported 13 schools upgrading their heating systems with heat pumps. The energy efficient technology is expected to **save over $63,000 each year in energy costs**. For some schools, the heat pumps added a cooling option for buildings that didn't previously have cooling. As warmer days start earlier in the spring and stay longer in the fall, these projects will ensure more comfortable classrooms and learning spaces for Oregon students.

Photo provided by Estacada SD of units at Estacada Jr. High School

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.

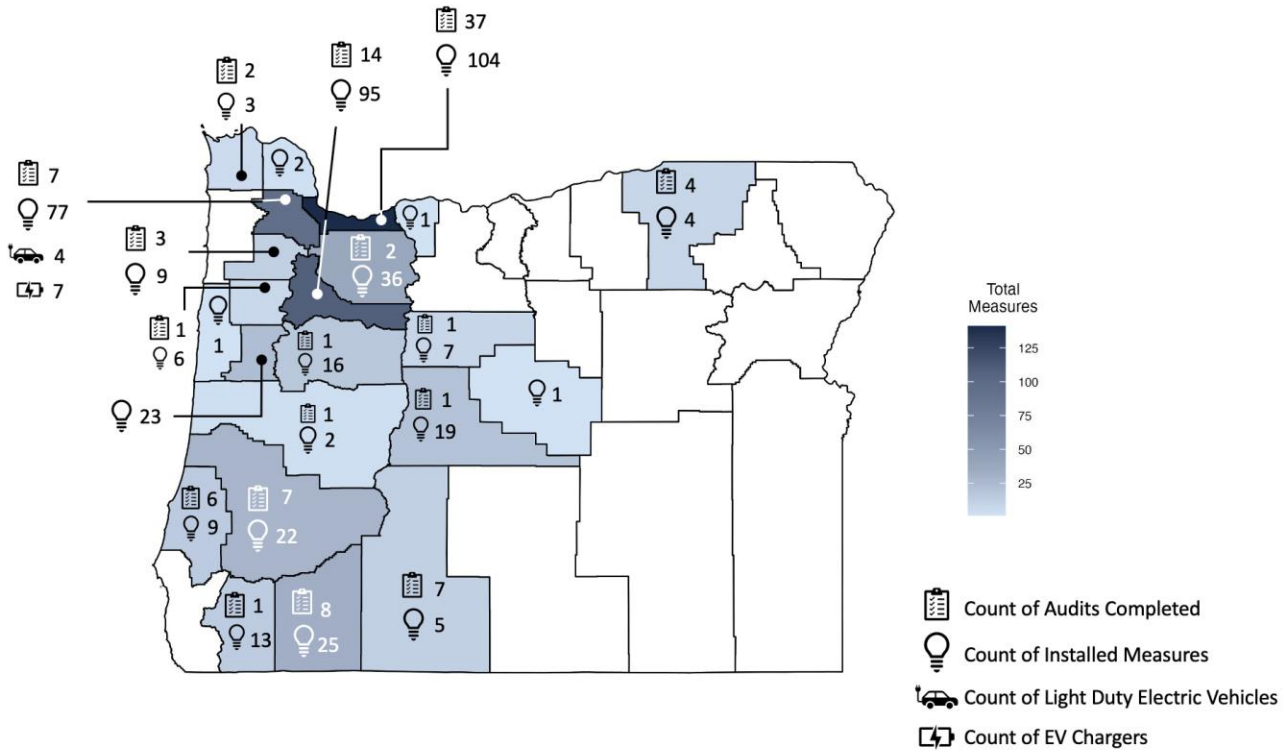
Table 3-6 highlights the school districts' activities related to fleet audits, zero emission vehicles, and electric vehicle chargers. Two school districts acquired four light duty electric vehicles and seven electric chargers between July 2023 and June 2025.

Table 3-6: School District Fleet Audits and Zero Emission Vehicle and Charger Details (July 1, 2023 – June 30, 2025)

Results	PGE	Pacific Power	Total
Number of Fleet Audits Completed	2	0	2
Number of Zero Emission Vehicles (ZEV) and Chargers Purchased	11	0	11
PPC Funds on ZEVs and Chargers	**$177,887**	**-**	**$177,887**
School District Funds on ZEVs and Chargers	$187,929	-	$187,929
Total Cost of ZEVs and Chargers	**$365,816**	**-**	**$365,816**

The map (Figure 3-1) below shows the completed activities for the PPC Schools Program for July 1, 2023, through June 30, 2025 by Oregon county. School districts in a total of 22 counties completed audits, installed energy efficiency measures, purchased electric school buses, purchased light duty electric vehicles and/or installed electric vehicle chargers.

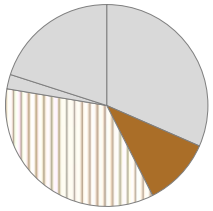
Figure 3-1: Completed Audits, Installed Energy Efficiency Measures, Purchased Light Duty Electric Vehicles, and Installed Electric Vehicle Chargers by County



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

4 Oregon Housing and Community Services

4.1 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. There are two types of programs the PPC supports with OHCS: Low-Income Weatherization and Low-Income Housing.

Low-Income Weatherization includes two programs: Oregon Multifamily Energy Program (OR-MEP) and Energy Conservation Helping Oregonians (ECHO).

OR-MEP is designed to reduce the energy usage and utility costs experienced by lower income tenants residing in affordable rental housing. The PPC revenue contributes to grants for the new construction or rehabilitation of affordable rental housing located in PGE's or Pacific Power's service areas. 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 Area Median Income (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.

ECHO 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. OHCS contracts with local Community Action Agencies (CAAs) to deliver the program. This local network of sub-grantees determines applicant eligibility, based on 200percent Federal Poverty Level (FPL) among other measures, and delivers services. Households must apply through the local CAA and, if eligible, are then placed on a weatherization waiting list. The waiting period varies with each CAA depending on local need. Households with seniors, members experiencing disabilities, and families with children aged 18 years and under and households experiencing either high energy burden or use are given priority on the waiting lists. 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 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.

Low-Income Housing includes two programs: the Housing Development Grant Program (HDGP) and Manufactured Home Preservation Fund-Energy (MHRP).

HDGP, previously 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 to preserve as affordable. Seventy-five 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 the Oregon Centralized Application (ORCA), a competitive application process remains open until all available funding is reserved. The ORCA process focuses on both the proposed project's adhesion to funding program guidelines and its readiness to proceed in closing and construction. Funding preference is given to project applicants who provide services appropriate for the targeted tenant population.

MHRP assists income-qualified owners of older (pre-1995), energy-inefficient and unsafe manufactured homes with a new, energy-efficient manufactured home by combining funding sources available to the homeowner. Funding sources may include homeowner personal financial contributions, an OHCS Decommission & Disposal Grant, OHCS Home Replacement Loan, and an OHCS Energy Efficiency Grant when the home is located within the PGE's or Pacific Power's service areas.

4.2 Receipts and Expenditures

Table 4-1 provides a summary of the Low-Income Housing and Weatherization portions of PPC fund receipts and expenditures from July 1, 2023, through June 30, 2025. Funds received by OHCS during this period amounted to $65,078,659, and expenditures including commitments totaled $88,496,824, with administrative expenses comprising 10.5 percent of total expenditures.

Table 4-1: OHCS Receipt and Expenditure Summary (July 1, 2023 – June 30, 2025)

Transaction	PGE	Pacific Power	Total
Receipts			
Low-Income Weatherization			
Administration	$1,584,073	$1,010,680	$2,594,753
Evaluation, Training, and Technical Assistance	$1,584,073	$1,010,680	$2,594,753
ECHO	$20,188,975	$12,863,638	$33,052,613
OR-MEP	$6,953,204	$4,436,441	$11,389,645
Total Low-Income Weatherization	**$30,310,325**	**$19,321,439**	**$49,631,764**
Low-Income Housing (HDGP)			
Administration	$401,602	$257,578	$659,180
Program	$7,630,441	$4,893,982	$12,524,423
MHRP	$1,371,139	$892,154	$2,263,293
Total Low-Income Housing	**$9,403,182**	**$6,043,714**	**$15,446,896**
Total Fund Receipts	**$39,713,507**	**$25,365,153**	**$65,078,660**
Expenditures			
Design and Marketing – TRC	$883,802	$883,802	$1,767,604
TRC – Committed but Unexpended	$545,939	$545,939	$1,091,878
Low-Income Weatherization*	$17,043,543	$10,515,509	$27,559,052
Committed but Unexpended	$3,350,642	$3,588,422	$6,939,064
MHRP	$200,000	$356,018	$556,018
Low-Income Housing**	-	-	$17,418,977
Committed but Unexpended	-	-	$20,627,336
Administrative Expenses**	-	-	$9,273,514
Evaluation, Training, and Technical Assistance**	-	-	$1,853,345
Committed but Unexpended	-	-	$1,410,034
Energy Education	-	-	-
Committed but Unexpended	-	-	-
Total Expenditures Excluding Committed**	**$18,127,345**	**$11,755,329**	***$58,428,510***
Total Expenditures Including Committed**	**$22,023,926**	**$15,889,690**	***$88,496,822***

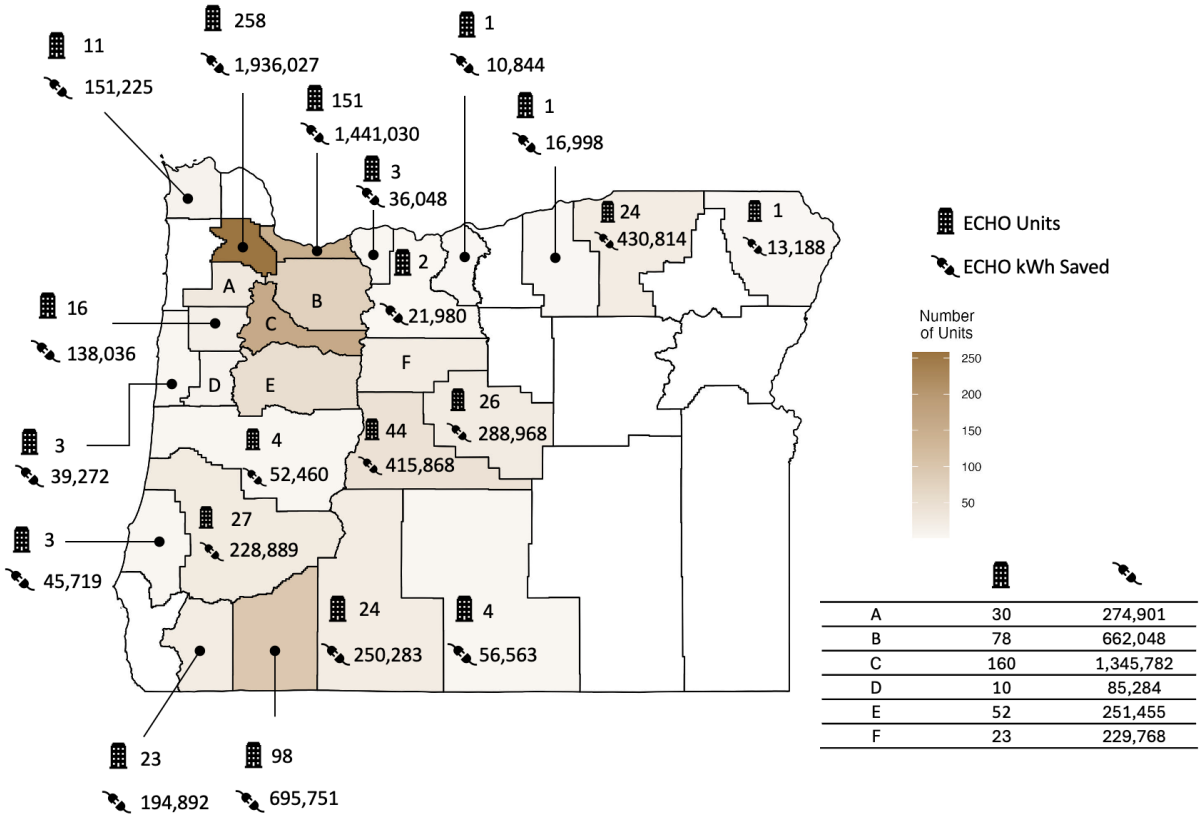
* Includes the ECHO fund and the Low-Income Weatherization Program (for multifamily rental housing).

** 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.

4.3 Results

Low-Income Weatherization outcomes are summarized by program. The map below (Figure) summarizes how the ECHO program helped fund weatherization in 1,077 units. The completed ECHO projects helped save over 9,314,092 kWh. Across the 1,077 homes, 37.9 percent were completed in Multnomah and Washington Counties, accounting for 36.3 percent of the kWh savings.

Figure 4-1: ECHO Units and kWh Saved by County



A	30	274,901
B	78	662,048
C	160	1,345,782
D	10	85,284
E	52	251,455
F	23	229,768

Table 4-2 shows the total number of OR-MEP projects, along with the number of completed homes, for each county covered by OHCS programs. Overall, OHCS completed 35 multifamily rental projects through the OR-MEP program with a total of 2,395 homes weatherized.

Table 4-2: Low-Income Weatherization Multi-Family Rental Housing Projects

County	Number of Projects	Number of Units in County
Benton	1	100
Clackamas	2	202
Clatsop	1	42
Deschutes	1	240
Douglas	5	280
Jefferson	2	40
Lincoln	1	40
Linn	1	40
Marion	1	30
Multnomah	14	866
Umatilla	1	70
Washington	5	445
Total	**35**	**2,395**

The 35 OR-MEP funded projects resulted in 6,855,382 kWh in annual energy savings.

"Before it became Abigail Courts, the building was literally falling over. But now, it has a new lease on life, providing for people who desperately need a safe, affordable place to live."

- Alexander Wallace, Development Manager, College Housing Northwest

Table 4-3 shows the total energy savings and GHG emissions reductions across both PGE's and Pacific Power's service areas for Low-Income Weatherization (ECHO) and Low-Income Weatherization Multi-Family Rental Housing projects.

Table 4-3: Program Savings, Including GHG Emissions Reductions (July 1, 2023 – June 30, 2025)

Results	PGE	Pacific Power	Total
Annual Total Savings (kWh)	9,205,752	6,963,721	16,169,473
Annual GHG Emissions Reductions (MT CO2e)	2,943	3,746	6,689

Low-Income Housing **outcomes are also summarized by program.** Table 4-4 summarizes the number of low-income housing projects and the number of homes by county.

Table 4-4: Low-Income Housing Projects (July 1, 2023 – June 30, 2025)

County	Number of Projects	Number of Units in County
Multnomah	4	260
Total	**4**	**260**

For the 2023-2025 biennium, HDGP funds were held first for projects that would serve Tribal Nations within the state before being offered to other projects, as HDGP has flexible requirements and works well with Tribal Nations Sovereign Land Laws. During this time frame, the fund made reservations for four preservation projects and one new construction rental housing development.

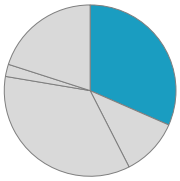
Table 4-5 summarizes the number of pre-1995, energy-inefficient and unsafe manufactured homes that were replaced with new, energy-efficient manufactured homes through MHRP. The average investment per home was $25,000 and total projects completed saved approximately 600,000 kWh in first-year savings alone.

Table 4-5: MHRP Funded Manufactured Homes Replaced (July 1, 2023 – June 30, 2025)

County	PGE	Pacific Power
Benton	-	1
Clackamas	4	-
Deschutes	-	2
Douglas	-	3
Jackson	-	1
Jefferson	-	2
Josephine	-	1
Klamath	-	1
Linn	-	2
Marion	4	-
Polk	-	2
Yamhill	1	-
Total	**9**	**15**

5 Energy Trust of Oregon

5.1 Overview



Energy Trust of Oregon, Inc. administers the renewable energy resource component of the public purpose charge (PPC) to fund new renewable energy resources and distribution system-connected technologies that support reliability, resilience, and the integration of new renewable energy resources. Energy Trust's 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.

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.

Energy Trust is a nonprofit organization overseen by a volunteer board of directors and the Oregon Public Utility Commission. Through an agreement with the OPUC, Energy Trust works to achieve annual minimum performance measures, reports twice a year on progress to 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. Moving forward, Energy Trust will report on its savings and budget performance under a new five-year multiyear plan, and meet quarterly with utilities to coordinate utility-specific action plans.

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

Solar energy means major savings for Boys & Girls Clubs of the Rogue Valley

With six clubs serving 3,600 students, the Boys & Girls Clubs of the Rogue Valley runs on a tight budget. It recently installed solar panels at its club in Kerby with support from Energy Trust, helping to lower energy bills and free up more dollars for services to the kids. Energy Trust provided $14,000 in incentives for the solar project and energy-efficient lighting upgrades. Combined with a solar system at the Grants Pass Boys & Girls Club, the savings are significant. "We are saving up to one-half on our energy bills," said Greg Roe, executive director. "That's thousands of dollars saved on operating costs that are now helping us keep staffing at a level that best serves kids and families in our area."

'Everyone should be excited about going solar,' says Coos Bay homeowner

Valerie Eiselein's 1960s-era house in Coos Bay has new windows and LED lighting, and Energy Trust incentives previously helped add a ductless heat pump to replace baseboard heating. Solar was a natural next goal in her energy journey – and Valerie said rising power costs were "another big push" for moving forward. She qualified for Solar Within Reach incentives, which are higher than Energy Trust's regular solar incentives and help make solar and battery storage more affordable for income-qualified households. The solar panels installed in 2024 are projected to save her $1,360 annually on energy bills. "I think everyone should be excited about going solar. I talk about it with all my kids," Valerie said. "I want to keep our planet growing. I want my children and grandchildren to have fresh air and have a world free of pollution."

accomplished through funding set through the standard utility ratemaking process and directed to Energy Trust by the OPUC. Renewable energy funding continues to be set through the PPC and is addressed in this report.

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 incentives are for small-scale solar; in this reporting period, Energy Trust incentives helped install nearly 6,600 solar systems at homes and businesses, which generated a combined 99,064,000 kilowatt-hours in their first year (excluding community solar projects). Incentives also helped to install nearly 1,050 battery storage systems at homes and businesses. Energy Trust also offers early project development assistance and installation incentives for hydropower, biopower, and geothermal projects; all projects must be 20 megawatts or less in size. In this reporting period, those projects generated a combined 426,000 kilowatt-hours in their first year.

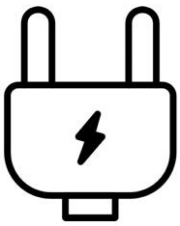
Additionally, HB 3141 authorized PPC funds to support distribution-system connected technologies installed for use by customers such as battery storage and smart inverters which, given market advancements, are nearly all the inverters installed as part of a solar energy system. In August 2023, Energy Trust launched its first incentive offer for battery storage, 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. These are customers who have participated at a lower rate in Energy Trust programs in the past, according to customer data, despite helping fund Energy Trust

programs and services. 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 $10.5 million in Solar Within Reach incentives to low- and moderate-income customers for solar panels and an additional $3.1 million in battery storage incentives for low- and moderate-income customers.

HB 3141 requires Energy Trust to 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 annual reports to the OPUC and Energy Trust's Board of Directors, Energy Trust reported $6.8 million in expenditures that benefit customers with low and moderate incomes in 2023 (35 percent of annual renewable energy revenues) and $9.4 million in expenditures that benefit customers with low and moderate incomes in 2024 (42 percent of annual renewable energy revenues). Energy Trust's 2025 annual report will be published April 15, 2026.

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 smaller amount of funding through grants and contracts to support energy efficiency and renewable energy generation outside the scope of its OPUC agreement.



101,642,000 kWh/yr

Added annual energy generated in 2023 - 2025

$210 million

Current and future bill savings from renewable energy generated (2025 dollar values)

92%

Solar customer satisfaction rating 2023 - 2025

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

5.2 Receipts and Expenditures

Energy Trust receives PPC funding as the administrator of the renewable energy portions of the fund. Table 5-1 summarizes the total receipts and expenditures for Energy Trust from July 1, 2023, through June 30, 2025. Receipts totaled $44,582,229 while expenditures, including administrative costs (6 percent of expenditures), totaled $45,294,079. 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 5-1: Energy Trust Receipt and Expenditure Summary (July 1, 2023 – June 30, 2025)

Transaction	PGE	Pacific Power	Total
Receipts			
Renewable Energy	$26,468,987	$18,113,242	$44,582,229
Total Fund Receipts	**$26,468,987**	**$18,113,242**	**$44,582,229**
Expenditures			
Renewable Energy	$26,036,750	$16,752,053	$42,788,803
Administrative Expenses	$1,522,029	$983,247	$2,505,276
Total Expenditures	**$27,558,779**	**$17,735,300**	**$45,294,079**

5.3 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 municipal water systems; 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. The quantity, savings and avoided greenhouse gases from these projects are shown in Table 5-2 and Table 5-3.

Table 5-2: Number of Biopower, Hydropower, Resilience, 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	2	3	5	$114,463	$107,075	$221,538
Hydropower	3	11	14	$339,332	$834,373	$1,173,705
Resilience	1	-	1	$11,250	$0	$11,250
Geothermal and Wind	-	-	-	$0	$0	$0
Total	**6**	**14**	**20**	**$465,045**	**$941,448**	**$1,406,493**

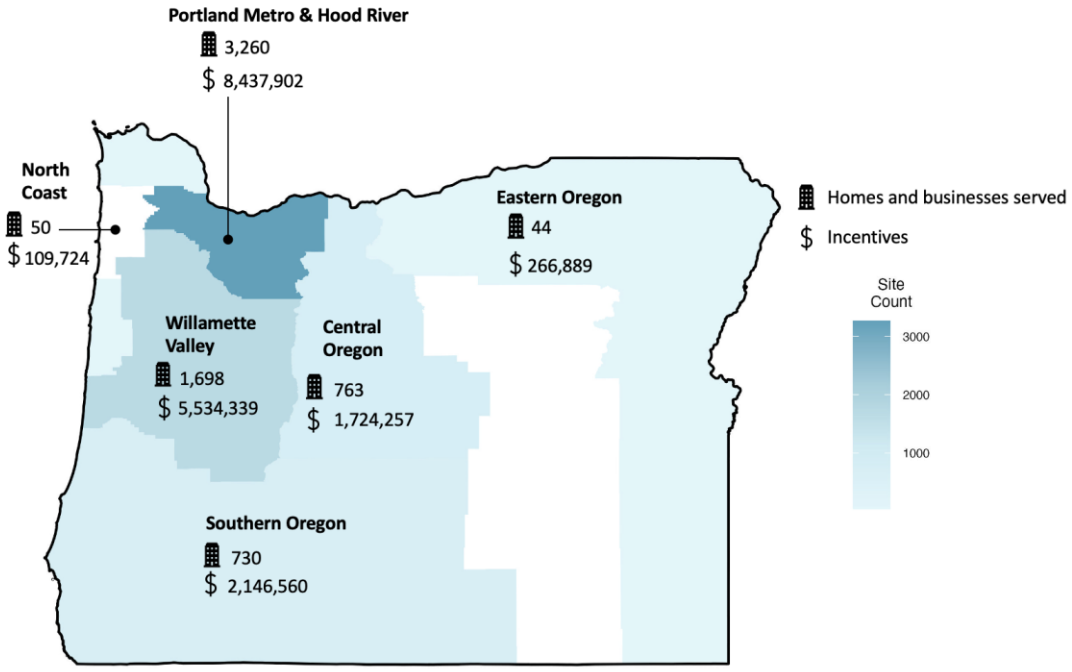
Table 5-3: Annual Solar, Biopower, Hydropower, Geothermal, and Wind Projects Generation by Program, Including Avoided GHG Emissions

Program	PGE	Pacific Power	Total
Solar (kWh)	61,370,782	37,693,556	99,064,338
Community Solar (kWh)	-	2,151,827	2,151,827
Biopower, Hydropower, Geothermal, Wind (kWh)	426,000	-	426,000
Total Annual (kWh)	**61,796,782**	**39,845,383**	**101,642,165**
Total Annual Avoided GHG Emissions (MT CO2e)	**19,757**	**21,435**	**41,192**

Additionally, Energy Trust invests PPC funding in the form of early project development assistance for projects that may generate renewable energy using solar, hydropower and biopower and systems that may provide energy resilience. 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 5-1) shows the total number of homes and businesses served with solar projects by region. Fifty percent of the sites served were in the Portland Metro and Hood River region, accounting for 46 percent of the total paid incentives. The Willamette Valley had 26 percent of the sites served (30 percent of incentives), followed by Central Oregon with 12 percent of sites served (9 percent of incentives).

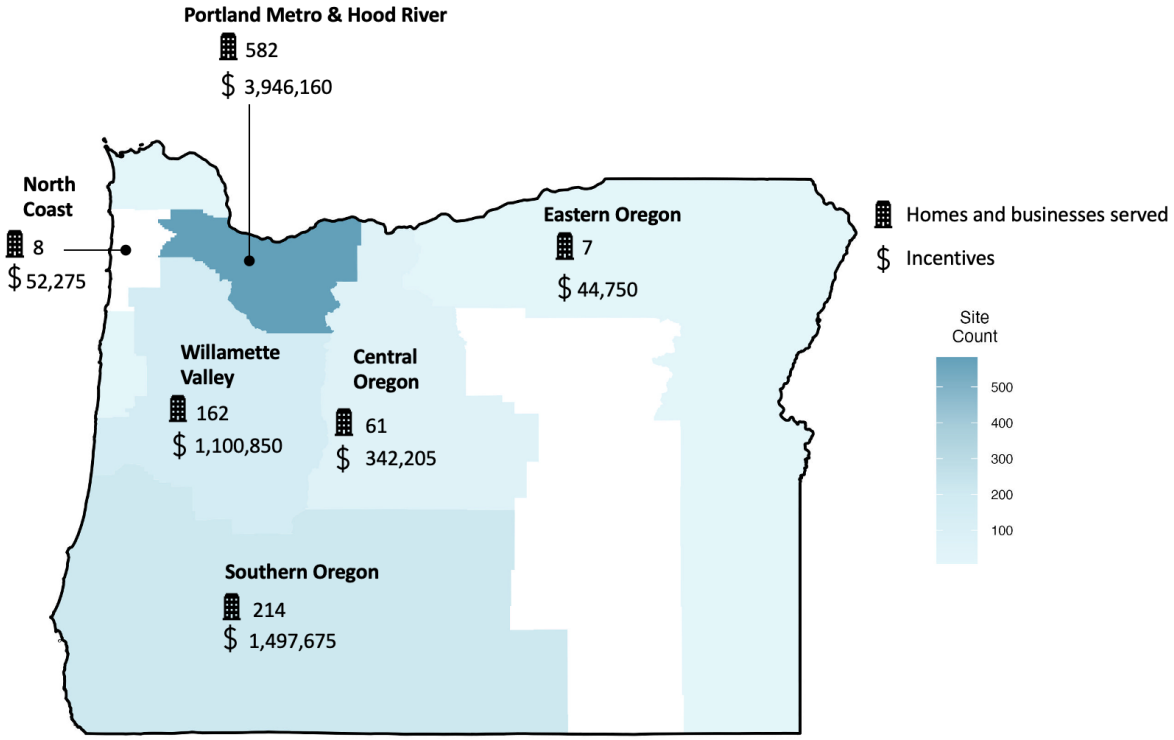
Figure 5-1: Solar Project Sites and Incentives by Region[i]



[i] 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.

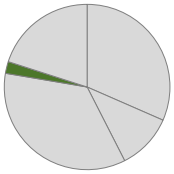
The map below (Figure 5-2) shows the total number of homes and businesses served with battery storage projects by region. Fifty-six percent of the sites served were in the Portland Metro and Hood River region, accounting for 57 percent of the total paid incentives. Southern Oregon had 21 percent of the sites served (21 percent of incentives), followed by the Willamette Valley with 16 percent of sites served (16 percent of incentives).

Figure 5-2: Battery Storage Project Sites and Incentives by Region



6 Self-Direct

6.1 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).[2] Those credits may then be used to offset the renewable portion(s) of the PPC on consumers' 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.[3]

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 55 self-directing sites, representing about 48 companies, self-directed their renewable portions of the PPC. These self-directing company and site counts are Green Tags contracts approved for the biennium.

[2] "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.)

[3] ODOE. "Large Electric Consumer Public Purpose Program." https://www.oregon.gov/energy/energy-oregon/Pages/Large-Electric-Consumer-Public-Purpose-Program.aspx

6.2 Receipts and Expenditures

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

- 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 (Green Tags Contracts) 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 $24,397 and program costs of $60,547, for a total of $84,944, 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' monthly renewable offsets is defined as Self-Direct "Receipts" and "Expenditures."

Table 6-1 shows that from July 1, 2023, through June 30, 2025, self-direct customers in Pacific Power's service area claimed $441,206 in offsets to the renewable PPC obligation, and customers in PGE's service area claimed $2,821,812. PGE self-direct sites accounted for 86 percent of the renewable PPC obligation, and Pacific Power self-direct sites accounted for 14 percent.

Table 6-1: Self-Direct Program Receipts and Expenditures (July 1, 2023 – June 30, 2025)

Sector	PGE	Pacific Power	Total
Renewables Total	$2,821,812	$441,206	$3,263,018

6.3 Results

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 6-2 shows that 55 sites purchased Green Tag contracts between July 1, 2023, and June 30, 2025, worth $2,427,675 in total credits. The average annual kWh per Green Tag contract was 6,598,750 kWh (or 6,599 REC's) and in total represented over 395.9 million kWh of renewable energy across all PGE and Pacific Power self-directing sites.

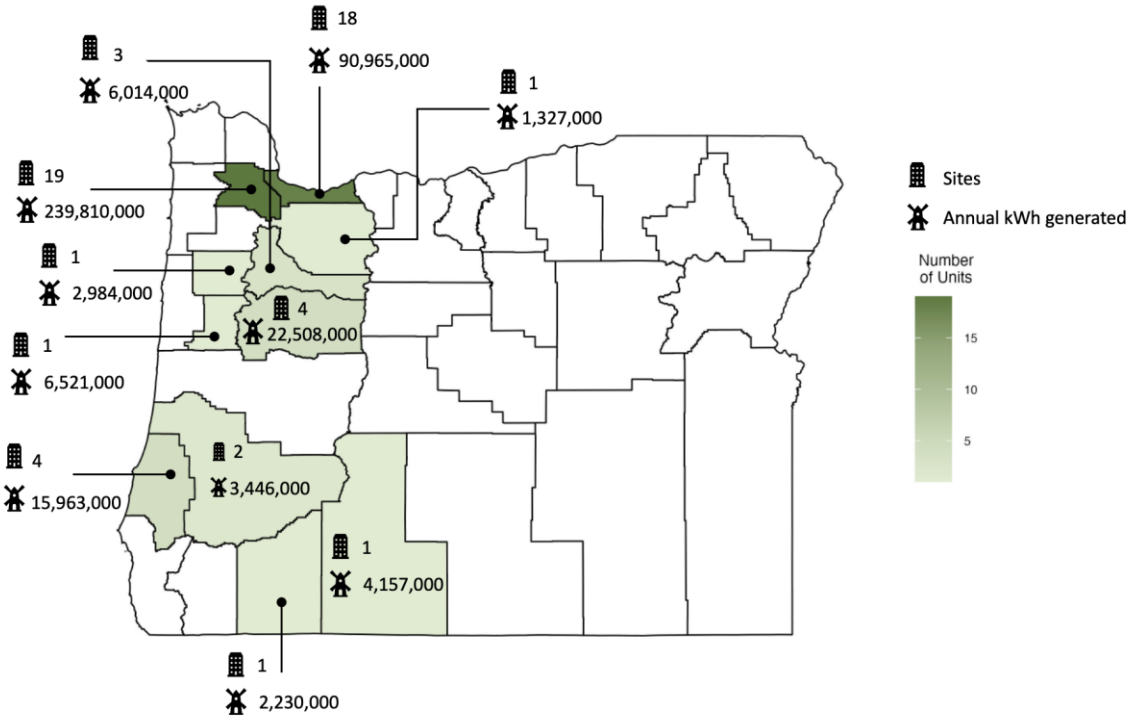
Table 6-2: Self-Direct Renewable Green Tag Contracts (July 1, 2023 – June 30, 2025)

	PGE	Pacific Power	Total
Sites	40	15	55
Green Tag Contracts	45	15	60
Green Tags Purchased	7,525	3,821	11,346
Total Credits Issued	$1,997,865	$429,810	$2,427,675
Total Renewable Energy Generated (kWh)	338,616,000	57,309,000	395,925,000
Total Avoided GHG Emissions (MT CO2e)	108,259	30,829	139,088

The map below (Figure 6-1) shows the distribution of sites purchasing Green Tags along with the associated total annual kWh generated. More than half the sites were located in Multnomah County and Washington County, accounting for about 84 percent of the annual kWh generation.

Figure 6-1: Green Tag Sites and Annual kWh Generated by County

(July 1, 2023 – June 30, 2025)



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