

PUC Response to Legislative Request from Representative Zika

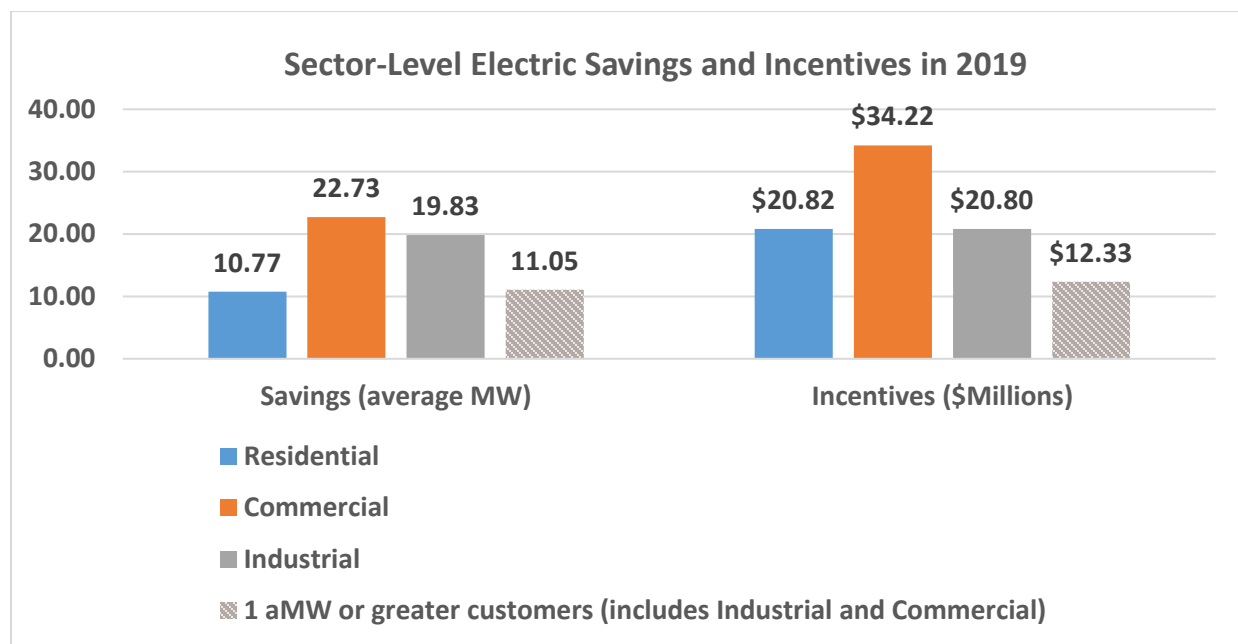
SB April 6, 2021

Savings and Costs

Data on relative costs and savings come from Energy Trust’s 2019 electric efficiency activities, the most recent full year of reporting.

Energy Trust’s offers are designed around sectors (residential, commercial, and industrial). Most of our largest customers that use more than 1 average megawatt per year would access incentives through the industrial program, but some would go through the commercial program (e.g., hospitals and campuses). Energy Trust conducts most of its reporting at the sector level, but we have broken out this larger customer group where possible for comparison.

Please note that while these large customers are eligible for self-directing their funds, only a small fraction choose do so. These self-directed customers work with ODOE’s Self-Direct Program. Energy Trust’s activities related to self-direct are captured in the commercial and industrial programs, and not the same as the >1aMW category.



Over 1 aMW customer projects account for 21% of electric savings while receiving 16% of electric incentives.

Sector-Level Electric Savings and Incentives in 2019

	Savings (average MW)	Percent of Savings	Incentives (\$Millions)	Percent of Incentives
Residential	10.77	20%	\$20.82	27%
Commercial	22.73	43%	\$34.22	45%
Industrial	19.83	37%	\$20.80	27%
Total	53.33	100%	\$75.84	100%

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1 aMW or greater customers (includes Industrial and Commercial)	11.05	21%	\$12.33	16%
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Large customer projects in specific, and industrial projects overall, are less expensive to acquire than residential and smaller commercial investments. Most industrial savings are extremely low cost and bring down the overall cost of acquiring energy efficiency resources for all customers.

Average Cost

	Residential	Commercial	Industrial	Overall
Savings (average MW)	10.8	22.7	19.8	53.3
Expenses including Incentives (\$Millions)	\$37.3	\$68.3	\$36.7	\$142.3
Cost per average MW (\$Millions/average MW)	\$3.46	\$3.01	\$1.85	\$2.67

Low Income Efforts

While specific funds are set aside for low income programs through the Public Purpose Charge and administered by the Oregon Housing and Community Services Department, OPUC and Energy Trust have lately been working on creative opportunities to invest more in low income projects in order to acquire additional cost-effective savings. Some efforts launched pre-pandemic include:

Co-funding combines energy efficiency public purpose funds with low income weatherization public purpose funds delivered through local community action agencies. Additional funding is funneled to weatherization to enable more projects to be completed.

Savings Within Reach provides increased yet still cost-effective incentives to low and moderate income customers. Incentives are available to individual customers, and in some cases, to entire populations like in a designated part of Malheur County.

Manufactured Home Replacement Pilot is a research effort attempting to combine multiple funding sources to develop a cost-effective approach to help fund manufactured home replacement, including in the flood impacted region in Umatilla County.

Post-COVID, OPUC continues to work with stakeholders to develop low-cost and no-cost energy saving measures for COVID-impacted and low income customers. Efforts under development include work with ductless heat pumps, direct install smart thermostats, manufactured homes, and more weatherization. OPUC held a public workshop on 4/1 to collect feedback on these efforts. Please see the OPUC website for COVID Response and the workshop addressing Paragraph 31.

<https://www.oregon.gov/puc/utilities/Pages/COVID-19-Impacts.aspx>