

October 1, 2025

Senate Interim Committee on Energy and Environment
900 Court St. NE
Salem, Oregon 97301

To: Chair Sollman, Vice-Chair Brock Smith and Members of the Committee:

On behalf of Energy Trust of Oregon, thank you for the opportunity to provide comment on green banks. This written testimony complements verbal testimony provided September 30, 2025.

Energy Trust of Oregon does not support or oppose this issue, in accordance with Energy Trust's agreement with the Oregon Public Utility Commission which prohibits Energy Trust from lobbying. We are a neutral party. The purpose of this testimony is to provide information on our work, how it intersects with energy project financing today, and what we see as potential opportunity in this space looking forward.

Energy Trust is an independent nonprofit organization funded by 2.4 million utility customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista. We deliver cash incentives, information and contractor connections to support investments in cost-effective energy efficiency, small-scale renewable energy and battery storage. Our customers include homeowners and renters; multifamily property owners; large and small businesses; public facilities like schools, libraries and community centers; and farms, ranches and factories.

Since 2002, we have helped customers benefit from energy efficiency at more than 842,000 sites and install more than 30,000 small-scale renewable energy systems. Customers participating in our programs have saved \$8.5 billion on their utility bills so far. By using less energy, customers can benefit from lower utility bills and additional benefits like improved comfort, safety, health and resiliency.

Energy Trust is increasingly looking at customer energy financing options as an important tool that enables the success of our programs. Our cash incentives generally amount to only a portion of the cost that a customer pays for an energy improvement like more efficient heating systems, pumps and motors, added insulation, or rooftop solar panels. Depending on the project and the customer, our customers will use a combination of available cash, other incentive or grant funding, or financing to pay for the remainder of the measure. Because of this, adequate financing offers that serve a range of markets and needs are important to the success of Energy Trust's programs.

Energy Trust is not a lender and does not offer financing directly, but we have partnered with lenders like Craft3 to ensure that financing is available to accompany our incentives for specific customers and markets where existing financing options have either not been available or have posed challenges. For example, we have partnered with lenders to offer financing that is paired with our Savings Within Reach energy efficiency incentive offer, which specifically serves moderate income households. In this case, a secure and accessible financing option is necessary to fund the costs of home energy improvements that exceed our available incentives.

Energy Trust also is currently working with local lenders to launch a residential solar financing offer, which will be rolled out this fall. This is intended to provide a fair, transparent, and accessible financing

option to the residential solar market, which we believe benefits both our customers and the solar trade ally contractors that serve them.

To date, most of our financing partnerships have been focused on specific products and customer types where we see a need. Looking ahead, Energy Trust is in the process of finalizing our Multiyear Plan that establishes how we'll achieve ambitious energy savings and renewable generation targets over the next five years. As part of this work, we see an opportunity to partner with lenders at a much greater scale to integrate financing into Energy Trust program offers for energy efficiency, renewables and resiliency. For instance, we are interested in building on our work in the residential solar space to partner with lenders in making quality energy financing offers more broadly available for residential and small commercial customers installing solar but also energy efficiency and battery storage projects. The financing would pair with our incentive offers and support a growing market.

We also see a role for financing products to serve the needs of the trade ally contractors and installers that we rely on to carry out our programs and that are foundational to the state's energy workforce. We anticipate these businesses will face challenges as they grow to serve new customers and adjust their approaches due to an evolving energy market.

Overall, to fully meet the needs of the customers and markets we serve, we see a need for adaptability and flexibility regarding contract and payments terms, customer protections, and partnerships. We believe the complexity of this space goes beyond a single financing solution.

We are very interested in exploring additional opportunities to partner with lenders to co-deploy energy programs, and we believe we offer a range of stable market services that can help better connect lenders to our customers.

First, our cash incentives can reduce the costs of energy improvements to a point where the remainder can be affordably financed. Our long-term stability as a funder also provides certainty to both lenders and customers.

Second, we have in the past offered loan loss reserves and other credit enhancements that address barriers in accessing financing while also providing important customer protections. We also offer early-stage project assistance to complex larger-scale projects to support their development to the point that they can be financed.

And third, our established program delivery model provides oversight of a network of trade ally contractors, post-installation quality assurance practices, robust customer service resources, and marketing and outreach tools. This can make us an effective partner to lenders in deploying blended incentive and financing offers.

We have observed in other states that energy and infrastructure funds can take a variety of forms and can provide a range of different services to different markets and customers. We believe that both Energy Trust and others would benefit from a more comprehensive understanding of the specific needs and opportunities for energy financing in Oregon, and the existing or new partnerships and resources that could be leveraged to meet these needs.

We do see an opportunity to build an expanded energy financing landscape to support the completion of more energy efficiency and renewable energy projects. Energy Trust would be happy to serve as a resource to the state and others who may decide to investigate the opportunities for clean energy lending or a future energy and infrastructure fund.

Thank you for the opportunity to provide information on Energy Trust's work and the nexus with energy project financing.

Sincerely,

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Energy Trust of Oregon