

Renewable Energy Advisory Council Agenda

Virtual meeting via Zoom

Wednesday, February 16, 2022

9:30 – 11:00 a.m.

To join the Zoom meeting, you will need to register in advance:

<https://us06web.zoom.us/join/register/tZIkcuugpzwoE9b8AYI9VQLJDUjxmAbx8RR0>

After registering, you will receive a confirmation email containing information about joining the meeting.

- 9:30 Welcome and Announcements**
- 9:35 2021 Annual Report Preliminary Results** *(presentation)*
Director of Programs Tracy Scott will share preliminary sector-level annual highlights from 2021, including progress to achieving energy-saving goals
- 9:45 Program Guidelines for Meeting 25% Low- and Moderate-income Requirement** *(presentation and feedback)*
Staff will present information and seek feedback on planned guidelines to spend at least 25% of renewable public purpose funds to serve low- and moderate-income customers. These guidelines are in alignment with HB 3141 passed in 2021. Guidelines are included in the attached memo.
- 10:05 City of Beaverton Sexton Mountain PRV Hydro Project** *(presentation and feedback)*
Staff will provide a hydropower project review and incentive proposal.
- 10:25 Legislative Updates** *(presentation)*
Staff will present on proposed legislation in the 2022 state legislature that is related to renewable energy and other Energy Trust goals.
- 10:35 RAC Recruitment** *(presentation and feedback)*
Staff is proposing to modify the recruitment approach for RAC members and open an application process in Q1 2022. The process, among other things, will include engagement with RAC members to identify existing skillsets on the council and any gaps in desired skillsets. Staff seeks RAC feedback in refining and implementing the new process. The recruitment approach is described in the attached document.
- 10:55 Public comment**
- 11:00 Adjourn**

You can view this agenda and notes from previous meetings at: energytrust.org/about/public-meetings. If you have comments on meeting notes, please email [Alina Lambert](mailto:Alina.Lambert@energytrust.org).

Next meeting: Tuesday, April 12. This will be a joint gathering of the RAC, Diversity Advisory Council and Conservation Advisory Council.

Memo

To: Renewable Energy Advisory Council
From: Energy Trust staff
Date: February 16, 2022
Re: Guidelines for meeting 25% LMI requirement in HB 3141

With the passage of [HB 3141](#), Energy Trust's renewable energy sector is now required to spend a minimum of 25 percent of renewable public purpose revenues annually to serve low- and moderate-income (LMI) customers of Portland General Electric and Pacific Power.

Here is the relevant language from HB 3141:

"Of the funds allocated under subsection (3)(b)(B) of this section, 25 percent must be used for activities, resources and technologies that serve low- and moderate- income customers, including for technologies that do not have above-market costs."

The Oregon Public Utility Commission has [issued](#) an interim definition for low- and moderate-income as a maximum of 120 percent of state median income adjusted for household size. Determining what activities and measures apply to the 25 percent is being done in phases. The guidelines below, developed by Energy Trust and OPUC staff, will determine what 2022 activities are considered to be serving low- and moderate-income customers. We are seeking RAC feedback on the 2022 guidelines at the February RAC meeting.

Guidelines for 2023 and beyond will be discussed more thoroughly in a stakeholder engagement process later this year. It is possible that after that process completes, these guidelines will change. We hope that this discussion about the 2022 guidelines will help prepare RAC members to participate in the larger stakeholder process, should they choose to do so.

Proposed 2022 guidelines for calculating and reporting the 25% LMI metric

1. Energy Trust will use the annual budgeted revenue estimate for each utility to calculate the minimum 25% LMI metric. This amounts to approximately \$3.8 million for 2022 and is considered a floor, not a ceiling, for spending on low- and moderate-income customers. Each quarter, staff will report to the OPUC and board of directors the actual spending by utility and total to show progress toward the metric.
2. Only actual spending within a given year will be included. Incentive commitments to projects that will be completed in a future year may be discussed in reports to indicate trends but will not count toward the annual goal until spending occurs.

Proposed 2022 guidelines for activities, resources and technologies that count toward the 25% LMI metric

Measures that directly serve low- and moderate-income customers count toward the metric:

1. All Solar Within Reach projects. These residential projects serve customers with incomes at 120 percent of state median income and under. Customers receive incentives that are higher than the market-rate incentive offer.
2. Direct costs related to serving LMI customers, including marketing and outreach for LMI efforts (e.g., partnerships with community-based organizations)
3. An allocated share of staffing costs.

It is important to remember these metric-qualifying activities are a subset of Energy Trust's work. For example, an incentive for a food bank will not count toward the 25% LMI metric, but Energy Trust will continue to offer incentives to these facilities to support the valuable work they do.

Other activities, resources and technologies under consideration for the 25% LMI metric

Measures for community solar projects that enroll more than the baseline of 10 percent low-income subscribers are still under consideration and may or may not count for 2022:

1. Installation incentives for community solar projects with more than 10 percent of project capacity dedicated to low-income subscribers.
2. Community solar development assistance for projects that are going above the required 10 percent low-income subscribership.

Discussion questions for RAC:

1. Which items listed above resonate with you?
2. Are there items that you have concerns about? If so, what are your concerns?
3. How should Energy Trust think about solar on affordable multifamily buildings in regards to the 25% LMI metric?
4. Part of Energy Trust's work involves renewable energy projects on government facilities, such as water resource recovery facilities, that serve a population that includes low- and moderate-income customers. How might a portion of these projects be considered for inclusion in the metric?
5. What additional information would you like to have to help you participate in the larger stakeholder process for developing guidelines for 2023 and beyond?

Memo

To: Renewable Energy Advisory Council and Conservation Advisory Council
From: Energy Trust staff
Date: February 16, 2022
Re: Plans for an application process to fill council openings

The Renewable Advisory Council (RAC) and the Conservation Advisory Council (CAC) have two and up to five openings to fill, respectively. Staff propose filling these using an open solicitation process. This would bring RAC and CAC procedures into closer alignment with Diversity Advisory Council (DAC) procedures in order to have a more credible and inclusive recruiting process that relies less on existing staff connections and results in a more representative RAC and CAC membership. This memo outlines that process and asks current RAC and CAC members for their input and assistance.

Background

The board of director's resolution 429, quoted below, gives responsibility for recruiting RAC and CAC members to staff with approval by the board Policy Committee.

- 2. The Councils will aim for a membership of 10-18 each, to keep Council logistics manageable. The Councils should have members with backgrounds from a broad range of interests and organizations.*
- 3. Energy Trust staff will consult with individuals and organizations with experience and interest in energy efficiency and renewable energy and appoint Council members after obtaining the consent of the board Policy Committee.*

Traditionally, staff have used their industry knowledge and connections to identify potential RAC and CAC members. We have tried to represent a range of knowledge and experience, but staff relationships are inherently limited.

When the Diversity Advisory Council formed in 2019, the foundational DAC instituted a more formal recruiting process than that used for RAC and CAC. The process involves identifying the skills needed in DAC membership, an application process and an open call for applications, interviews, and terms for DAC members. Staff proposes to use a similar open process for filling these RAC and CAC openings.

Process

Staff proposes the following process be instituted during Q1 and early Q2 of 2022.

1. Create an individual skills matrix for RAC and CAC, identifying what experiences exist on the current councils and what skills are needed from new members. Attributes may include areas such as:
 - Ability to work collaboratively with a diverse group

- Experience with civic or organizational leadership
- Experience with communities of color
- Experience with low- and moderate-income communities
- Experience working with/in rural communities
- Experience with energy industry, energy efficiency, energy justice and/or energy policy
- Experience with a range of renewable energy and efficiency technologies and programs
- Geographic, age and gender diversity

Current advisory council members will be asked to identify their own skills and experience so that staff can determine where gaps exist that could be filled through this process.

2. Create a plan for distributing the announcement of RAC and CAC openings. Staff will seek assistance from current DAC, RAC and CAC members in developing this distribution plan.
3. Distribute recruiting announcement with information on advisory council service and a link to an application. The application will ask for information about interests in the energy field, experience and knowledge related to what we are looking for.
4. Score applications and identify several applicants for brief interviews. Staff will seek some current advisory council members who would like to volunteer to take part in interviews.
5. Make selections and forward to the newly formed Nominating and Governance Committee for its approval for membership.

Future issues

Given the board resolution does not specify how staff identify new members for RAC and CAC, staff are able to institute this more inclusive process without board action. Moving quickly is important because there are current openings that need to be filled.

There are, however, other issues related to Energy Trust council membership that became apparent during the DAC formation process. Making changes now in these areas for RAC and CAC would require board action. Staff are postponing these for now, pending a future discussion with the board.

- **Terms**—Currently, RAC and CAC do not have limits on how long an individual or an organization can serve on the councils. The DAC specified that its members serve a three-year term with an option to apply for a second term.
- **Membership reserved for certain organizations**—Unlike the DAC, the CAC and RAC have traditionally maintained membership for some organizations. For example, Renewable Northwest, the Oregon Department of Energy, electric investor-owned utilities and Bonneville Environmental Foundation have traditionally had membership on the RAC. Similarly, on CAC, memberships have been held by the NW Energy Coalition, Northwest Energy Efficiency Alliance, ODOE, NW Power and Conservation Council, electric and gas investor-owned utilities and Alliance for Western Energy Consumers. Those organizations choose their own representatives for RAC and CAC who are submitted to Energy Trust staff and then the board's Policy Committee for approval. The DAC is composed of individuals and does not have reserved membership or standing seats, for organizations.

- **Stipends**—DAC members are offered stipends to attend council meetings. The RAC and CAC have not had stipends, partly because the majority of members work for organizations related to Energy Trust's mission and their time on the councils is covered by their employers.

At this time, we are not recommending term limits, revisions related to reserved membership or stipends for RAC and CAC members, but we invite input from RAC and CAC members on these topics.

Discussion questions for RAC and CAC

1. Do you approve the recommendation to develop the new recruitment process?
2. What skills, knowledge or experience would you like future advisory council members to have?
 - a. Which of these would you say are needed? Which ones are nice to have?
3. What help or advice can you offer with distributing the RAC and CAC announcements?
4. Would you like to volunteer to be part of the interview panel?
5. While we are not resolving the questions now regarding term limits, reserved membership or stipends, do you have advice or perspective to offer now?
 - a. Would you like to be involved in resolving these questions in the future?
 - b. If compensation becomes a barrier for new members now, do you believe offering stipends at this time is warranted? Or should any change wait for a broader discussion?
6. What other recruitment or membership best practices should we consider?