

PUBLIC UTILITY COMMISSION

Annual Performance Progress Report (APPR) for Fiscal Year (2014-2015)

Original Submission Date: 2015

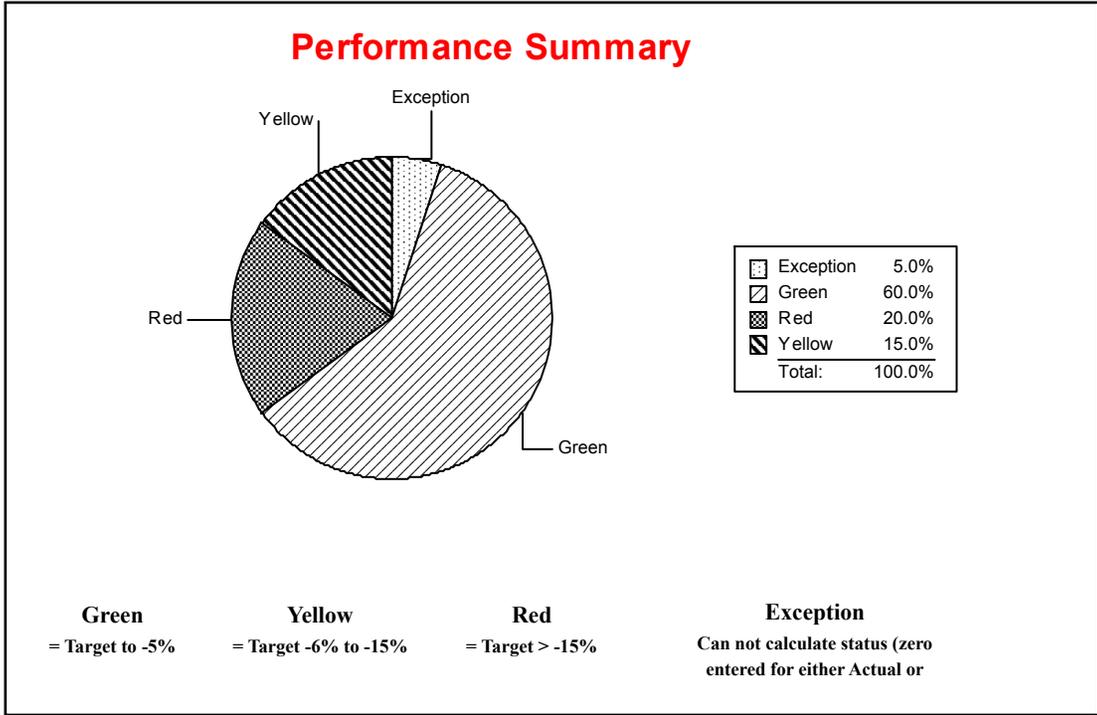
Finalize Date: 9/24/2015

2014-2015 KPM #	2014-2015 Approved Key Performance Measures (KPMs)
1	Water Utilities - Percentage of rate regulated water companies with rate designs promoting efficient use of water resources.
2	Price of Electricity -Average price of electricity for residential users from Oregon Investor Owned Utilities as a percent of the national average price.
3	Electric Energy - Percentage of business customers' electric energy usage supplied by alternative suppliers.
4	Utility Pricing - Number of new utility pricing programs.
5	Electric Utility Operations – Effectiveness of staff audits in preventing injuries caused by electric utility operations per 100,000 utility customers.
6	Unsafe Acts - Effectiveness of Utility and PUC promoted education in preventing injuries from unsafe acts per 100,000 utility customers.
7	Natural Gas Operations - Personal injuries related to Natural Gas Operations per 100,000 utility customers.
8	Switched Access Lines - Percent of total switched access lines provided by competitive local exchange carriers, statewide.
9	Evidentiary Record - Percent of Consumer Complaint Orders issued within 30 days of close of evidentiary record.
10	Oregon Telephone Assistance Program – Percentage of Supplemental Nutrition Assistance Program (SNAP) recipients participating in the Oregon Telephone Assistance Program.
11	Access to Telephone Services – Percentage of disabled senior citizens (65 years and older) with access to the Telecommunications Devices Access Program.
12	Complaint Investigation - Percent of complaint investigation cases open 50 days or less.
13	Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent” in overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.
14	Best Practices - Percent of total best practices met by the Board of Maritime Pilots.

2014-2015 KPM #	2014-2015 Approved Key Performance Measures (KPMs)
15	Vessel Incidents - The number and severity of incidents involving vessels under the direction of licensees, and as a percentage of total vessels piloted annually.
16 a	Extent to which the Energy Trust of Oregon meets 12 of 14 established internal performance measures.
16 b	Extent to which the Energy Trust of Oregon meets the established internal performance measures; Obtaining an annual unqualified financial audit.
16 c	Extent to which the Energy Trust of Oregon meets the established internal performance measures; Keep administrative and programs support costs below 9 percent of annual revenue.
16 d	Extent to which the Energy Trust of Oregon meets the established internal performance measures; Reporting the benefit/cost ratio for conservation programs based on utility system societal perspective.
16 e	Extent to which the Energy Trust of Oregon meets the established internal performance measures; Reporting significant mid-year changes to benefit/cost performance as necessary in quarterly reports.

New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2015-2017
	Title: Rationale:

PUBLIC UTILITY COMMISSION		I. EXECUTIVE SUMMARY	
Agency Mission: Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates while fostering the use of competitive markets to achieve these objectives.			
Contact:	Marilyn IntVeld	Contact Phone:	503-373-7949
Alternate:	Michael Dougherty	Alternate Phone:	503-373-1303



1. SCOPE OF REPORT

Agency programs/services addressed by key performance measures: Utility Program, Residential Service Protection Fund (RSPF), Policy and Administration, and Board of Maritime Pilots (OBMP). Agency programs/services, if any, not addressed by key performance measures: N/A.

2. THE OREGON CONTEXT

Higher level outcome(s) or benchmarks linked to the agency: Mission Statement OMB #58 Independent Living: Percentage of seniors living independently. OBM #61 Disabled Living in Poverty: Percent of Oregonians with lasting, significant disabilities living in households with incomes below the federal poverty level. OBM #69 Drinking Water: Percent of Oregonians served by public drinking water systems that meet health-based standards. OBM #74 Housing: Percentage of low income households spending more than 30 percent of their household income on housing (including utilities). HLO #001, Enhanced consumer protection through timely and adequate customer service. HLO: #002, Create a sustainable Oregon by reducing energy consumption. HLO #003, Secure effective and appropriate administration of public purpose funds by the Energy Trust. Government performance and accountability.

3. PERFORMANCE SUMMARY

Making Progress: Water Utilities, Price of Electricity, Electric Energy, Utility Pricing, Residential Energy Efficiency, Commercial Energy Efficiency, Industrial Energy Efficiency, Renewable Resource Development, Energy Trust Administrative Efficiency, Electric Utility Operation, Unsafe Acts, Natural Gas Operations, Switched Access Lines, Evidentiary Record, Oregon Telephone Assistance Program, Access to Telephone Services, Best Practices (OBMP), Vessel Incidents. Progress Unclear: Customer Service Survey, Complaint Investigation.

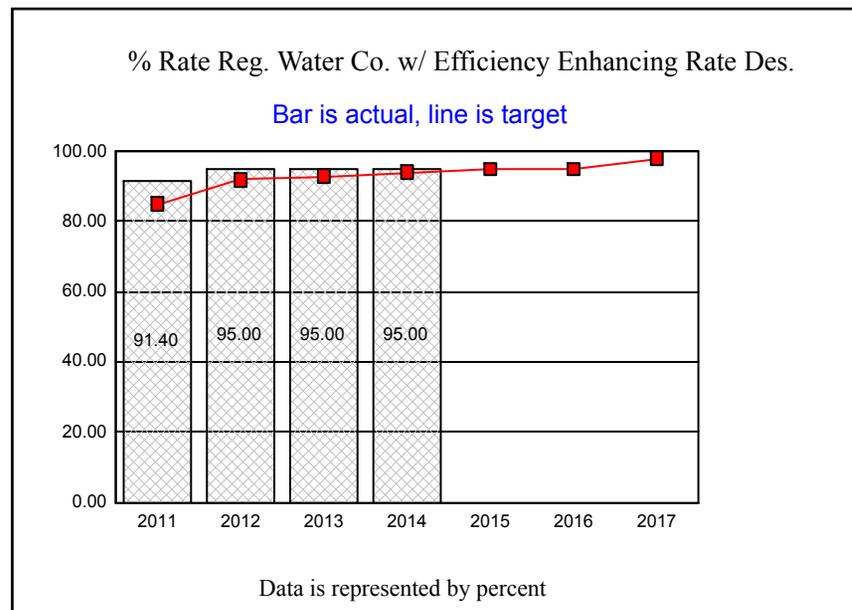
4. CHALLENGES

Crafting good performance measures for the agency is challenging because outcomes can be difficult to measure (for example, success in setting fair and reasonable utility rates) and because other factors affect outcomes (such as the level of competition in a market). RSPF: The continued changing technology is rendering equipment obsolete while it is still in use, impacting RSPF in its efforts to ensure functionally equivalent equipment is available to consumers. It also impacts the Oregon Telecommunications Relay as the FCC mandates more effective, and sometimes more expensive, methods of communication for the disabled. Growth in the number of eligible Oregonians challenges staff to find ways to process and maintain the records of an increasing number of OTAP recipients. Over the next few years, Consumer Services will most likely have an increasing workload due to the growth of evolving technologies and changing regulatory relationships. For example, it seems likely that the FCC will implement some level of consumer protection oversight of the "broadband pipeline" and allow states to opt-in to some degree of consumer protection regulation. In addition, the ever-present possibility of a Consumer Protection Bill of Rights for wireless consumers would undoubtedly involve state commissions. All of these factors, and more, will require ongoing training and development of existing staff, and the possibility of additional future staffing.

5. RESOURCES AND EFFICIENCY

PUC's budget amount for the 2015-17 Biennium is \$111,379,241. Two key performance measures are efficiency measures. KPM #12, Complaint Investigation, measures the percent of complaint investigation cases open 50 days or less. In 2014, this measure slightly exceeded target. KPM #13, Customer Service Survey, is a measure that gauges customer satisfaction with the service provided by the agency. Customer satisfaction ratings in all areas showed improvement over the prior survey period.

KPM #1	Water Utilities - Percentage of rate regulated water companies with rate designs promoting efficient use of water resources.	2011
Goal	To promote the efficient use of water.	
Oregon Context	Oregon statutes provide the Public Utility Commission with regulatory oversight for select types of water systems. For such systems, one objective of regulation is the efficient use of scarce resources such as water.	
Data Source	Regulated water utility tariffs on file at the PUC.	
Owner	Utility Program, Retail Telecom and Water Regulation, Bruce Hellebuyck, 503-373-7905	



1. OUR STRATEGY

To use opportunities as they arise to have the utility convert from a nonmetered system to a metered system. Typically these opportunities arise when utilities file for general rate changes.

2. ABOUT THE TARGETS

There are only a few water systems that are not metered and the targets reflect year-by-year improvement. Our ultimate goal is 100%.

3. HOW WE ARE DOING

The PUC has been fairly effective in encouraging non-metered systems to install meters and providing timely recovery of such costs.

4. HOW WE COMPARE

National data is not available providing breakdowns between metered and unmetered systems.

5. FACTORS AFFECTING RESULTS

The timing of general rate filings by non-metered water systems is typically outside the control of the PUC.

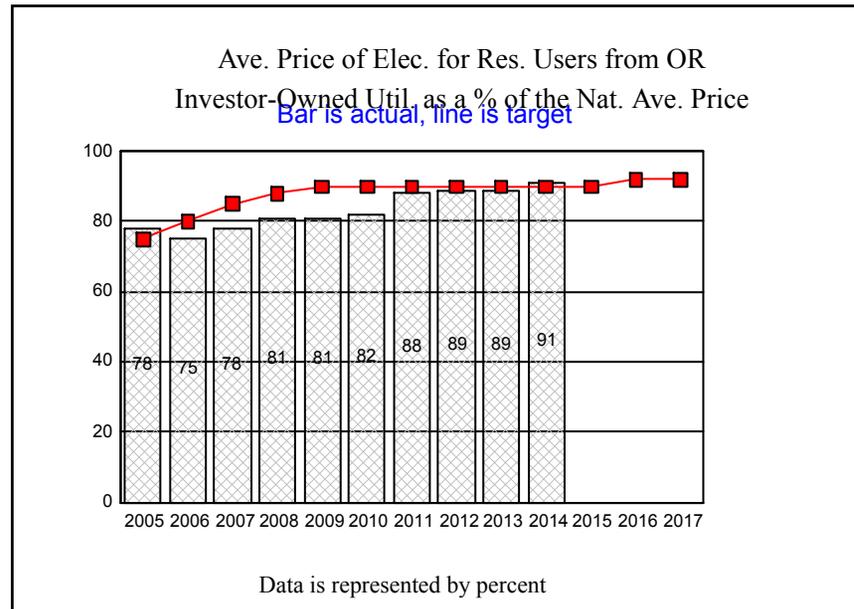
6. WHAT NEEDS TO BE DONE

There are at least two rate regulated water systems that are not metered and the PUC needs to look for opportunities to encourage the systems to add meters should they not be expected to file general rate cases.

7. ABOUT THE DATA

The data is 100 percent verifiable as metered systems are necessary to charge metered rates.

KPM #2	Price of Electricity -Average price of electricity for residential users from Oregon Investor Owned Utilities as a percent of the national average price.	1993
Goal	To preserve the benefits of the region's low cost resources for all Oregonians.	
Oregon Context	OBM #74 Housing: Percentage of low income households spending more than 30 percent of their household income on housing (including utilities). OBM #61 Disabled Living in Poverty: Percent of Oregonians with lasting, significant disabilities living in households with incomes below the federal poverty level.	
Data Source	Energy Information Administration's Electric Power Monthly and the Oregon PUC's annual Oregon Utility Statistics.	
Owner	Utility Program, Energy Resources and Planning Division, Aster Adams, 503-378-5363	



1. OUR STRATEGY

Rigorously review rate requests by regulated electric utilities and press for a fair share of the benefits of the federal hydroelectric system for customers of those utilities.

2. ABOUT THE TARGETS

This performance measure shows the extent to which Oregon investor-owned utilities' (IOUs) residential customers' rates for electricity are below the national average. The lower rates are largely due to the region's retention of federal hydro power system benefits and other hydroelectric resources. The PUC authorizes utilities to include only prudently incurred cost in rates.

3. HOW WE ARE DOING

The 2014 performance was slightly under target. On a national level, wholesale market prices for electricity have recently declined due to the economic recession and to decreases in the price of natural gas used to fuel electricity generating plants. Additionally, 2014 performance is below target due to a power cost credit that ended during the year and to an upward trend in utility service rates as electricity demand started increasing in response to the economic recovery.

4. HOW WE COMPARE

The average residential electricity rates for Oregon's IOUs remain below national average rates.

5. FACTORS AFFECTING RESULTS

As new generating resources are added to meet load growth and Oregon Renewable Portfolio Standards (RPS), hydroelectric resources now comprise a smaller percentage of the IOUs resource mix. This effect tends to progressively move Oregon's residential electricity rates towards the national average.

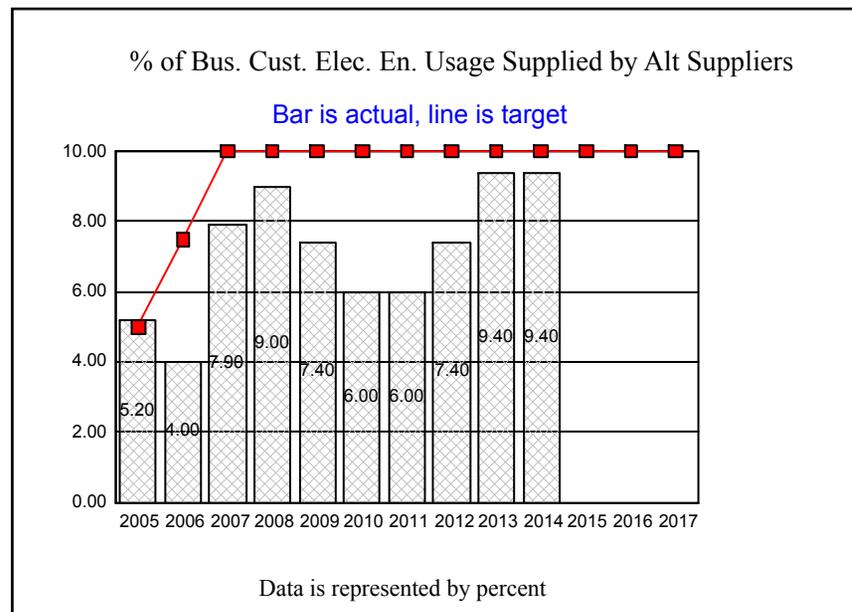
6. WHAT NEEDS TO BE DONE

The PUC continues to participate in BPA proceedings to advocate for a fair allocation of federal hydroelectric system benefits to the residential and small farm customers of the IOUs. The PUC rigorously reviews all rate requests filed by the regulated electric utilities.

7. ABOUT THE DATA

The data is compiled from publicly available sources.

KPM #3	Electric Energy - Percentage of business customers' electric energy usage supplied by alternative suppliers.	2002
Goal	To promote the development of competitive markets and ensure fair and reasonable rates.	
Oregon Context	Mission Statement - Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates while fostering the use of competitive markets to achieve these objectives.	
Data Source	Electric Industry Restructuring Status Reports submitted to the Public Utility Commission.	
Owner	Utility Program, Energy Resources and Planning Division, Aster Adams, 503-378-5363	



1. OUR STRATEGY

To provide annual and multi-year purchasing options for eligible customers and to set transition rates that are fair to both customers departing from, and remaining on, regulated cost-of-service rates.

2. ABOUT THE TARGETS

The metric is the percentage of Portland General Electric and PacifiCorp non-residential load served by alternative Energy Service Suppliers.

3. HOW WE ARE DOING

The slow economy has reduced the number of business customers pursuing market-based pricing options. However, starting with 2013, the load served by Energy Service Suppliers continues to increase.

4. HOW WE COMPARE

The success of electric industry restructuring has varied greatly across the United States. Oregon's approach to restructuring can be characterized as cautious or risk-averse.

5. FACTORS AFFECTING RESULTS

The economic recession has severely impacted the industrial sector and reduced participation in the direct-access programs. As the economy continues to improve, the results continue to improve as well.

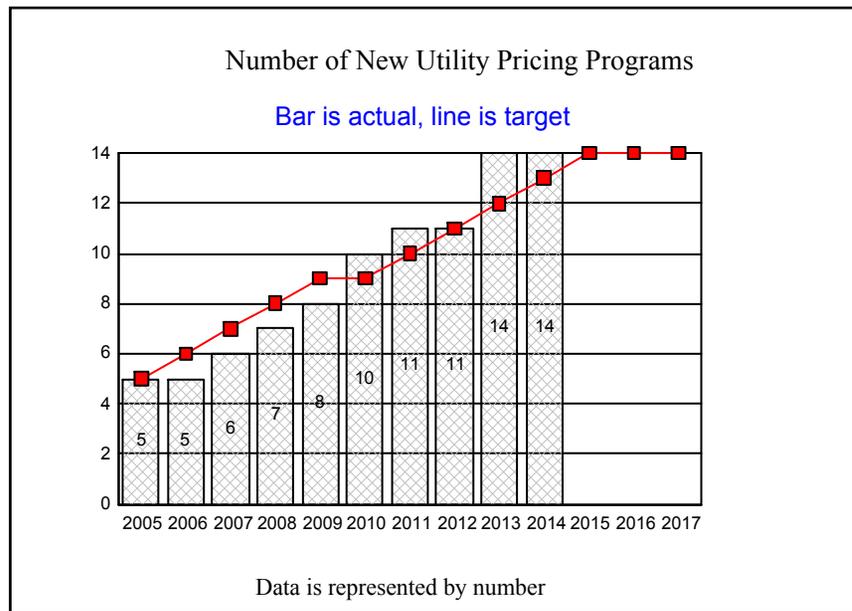
6. WHAT NEEDS TO BE DONE

The Commission completed an investigation into the utilities direct access programs (Docket UM 1587), which resulted in a five-year opt-out program for direct access customers and continues to work with the utilities and other stakeholders through rate and tariff filings to identify options to promote competition in Oregon.

7. ABOUT THE DATA

The data is compiled from publicly available sources.

KPM #4	Utility Pricing - Number of new utility pricing programs.	2004
Goal	Encourage sustainable and cost-effective resource use through utility pricing options.	
Oregon Context	Mission Statement - Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates while fostering the use of competitive markets to achieve these objectives.	
Data Source	Utility tariff information compiled by the PUC's Energy Resources and Planning Division.	
Owner	Utility Program, Energy Resources and Planning Division, Aster Adams, 503-378-5363	



1. OUR STRATEGY

To work with utilities to identify pricing options that would reduce or shift demand for power during high-cost hours.

2. ABOUT THE TARGETS

The metric is the number of pricing programs. These pricing programs are cost-effective substitutes to buying power or building generating plants to serve customers during peak times.

3. HOW WE ARE DOING

The PUC recently enacted a critical peak pricing pilot for Portland General Electric and reauthorized seasonal time-of-use rates for specific customer classes of Idaho Power Company. Although no new programs were implemented in 2014, a number of existing programs were refined to provide better benefits to participants and ratepayers.

4. HOW WE COMPARE

Public or private industry standards do not exist for the number of utility pricing programs.

5. FACTORS AFFECTING RESULTS

The number of new pricing programs should increase with the use of advanced metering technology. Both Portland General Electric and Idaho Power Company have completed installation of advanced meters in their service territories.

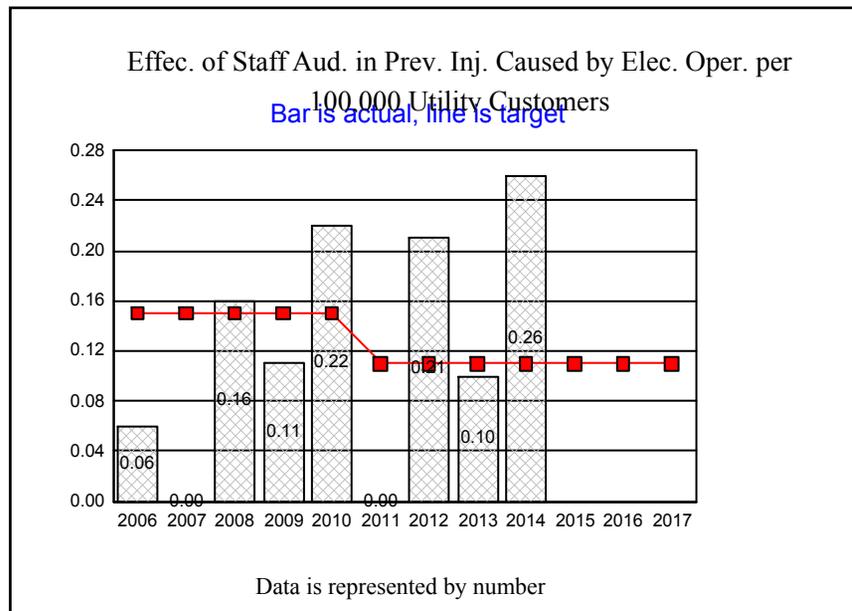
6. WHAT NEEDS TO BE DONE

Continue to encourage the utilities to identify, design and offer cost-effective pricing programs.

7. ABOUT THE DATA

These are cumulative results compiled from the utility tariffs on a calendar-year basis.

KPM #5	Electric Utility Operations – Effectiveness of staff audits in preventing injuries caused by electric utility operations per 100,000 utility customers.	2006
Goal	Protect the Health and Safety of Utility Personnel and Citizens of Oregon - Personal Injuries - Personal injuries related to electric utility operations (Per 100,000 utility customers).	
Oregon Context	Mission Statement - Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates while fostering the use of competitive markets to achieve these objectives.	
Data Source	Incident and accident reports submitted by the electric utilities of Oregon - OAR 860-024-0050 require all electrical operators in the State of Oregon to report accidents to staff. Upon receipt of the data, Staff analyzes the information provided and codes the information received. All reported incidents are presented and discussed at the bi-monthly Oregon Utility Safety Committee meeting. Since 2006, all incident data attributed to electric utility operations have been recorded and compiled for reporting under this performance measure.	
Owner	Utility Program, Utility Safety, Reliability and Security Division, Lori Koho, 503-378-8225	



1. OUR STRATEGY

Conduct audits and safety inspections of electrical utility operations, investigate accidents, and ensure utility personnel are properly trained.

2. ABOUT THE TARGETS

The measure is an indication of the effectiveness of the agency's audit and inspection program of electrical utility operations statewide. The current threshold level for this KPM is 0.11 incidents per 100,000 electric customers.

3. HOW WE ARE DOING

Accidents in the field typically result in serious injuries or fatalities and are tragic. Any incidents are unacceptable. Staff's audits address many, but not all, of the factors that can lead to injuries. However, there have not been any reportable incidents related to violations found and subsequently corrected as a result of staff's field inspections. Staff continues to discuss these issues in industry safety forums to focus attention on robust training programs.

4. HOW WE COMPARE

There is no public or private industry standard data with which to compare Oregon's statistics.

5. FACTORS AFFECTING RESULTS

The Oregon Public Utility Commission's Electric Safety Unit conducts ongoing audit safety inspections and investigations, as well as safety training statewide to ensure compliance with Oregon safety regulations. Unfortunately, the audit investigations may not always detect anomalies before an incident may happen. There are many variables that could affect the network without knowledge of the operator and staff's annual audit inspections. However, undesirable incidents do occur. Staff will continue to diligently conduct its audit inspections with the goal of helping prevent injuries related to electric utility facilities and operations.

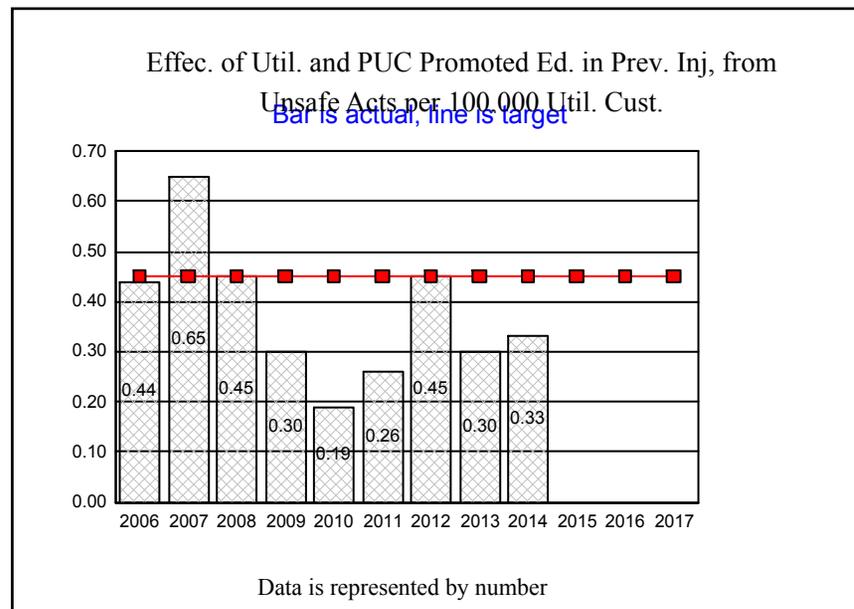
6. WHAT NEEDS TO BE DONE

The agency's electric safety staff will continue its comprehensive electric safety education and inspection program, including field inspections of operators' electrical facilities statewide to ensure compliance with Oregon State Safety Statutes and Administrative Rules.

7. ABOUT THE DATA

The annual data for this performance measure reflect electric utility related accident injuries per 100,000 utility customers. This measure addresses the personal injuries directly caused by electric utility operations. (This is a subset of the reportable incidences required by OAR 860-024-0050.)

KPM #6	Unsafe Acts - Effectiveness of Utility and PUC promoted education in preventing injuries from unsafe acts per 100,000 utility customers.	2006
Goal	Protect the Health and Safety of Utility Personnel and Citizens of Oregon - Personal Injuries - Personal injuries related to electric and natural gas operations due to "unsafe acts". (Per 100,000 electric and gas utility customers combined).	
Oregon Context	Mission Statement - Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates while fostering the use of competitive markets to achieve these objectives.	
Data Source	Incident and accident reports submitted by the electric and natural gas utilities of Oregon - OAR 860-024-0050 require all operators in the State of Oregon to report accidents to staff. Upon receipt of the data staff analyzes the information provided and codes the information received. All reported incidents are presented and discussed at the bi-monthly Oregon Utility Safety Committee (OUSC) meeting. Since 2006, all incident data attributed to both electric and gas network system failure or improper operation have been recorded and compiled for reporting under this performance measure.	
Owner	Utility Program, Utility Safety, Reliability and Security Division, Lori Koho, 503-378-8225	



1. OUR STRATEGY

Promote use of the One-Call Center to locate underground utility facilities before digging. Also, continue promoting educational programs in electricity and natural gas to K-12 schools, fire departments, police departments, business communities via presentations, safety brochures and TV safety ads. Present information on all reportable incidents at the Oregon Utility Safety Committee meetings for open discussion with the operators in the state.

2. ABOUT THE TARGETS

Unsafe acts are difficult to control from preventive and/or proactive safety education programs, as the current level of incidents clearly shows. People have different levels of learning habits and often times forget or do not apply proper precaution in their work activity near or around electric or natural gas facilities. It is important to maintain an active level of safety education in our state. We expect the number of unsafe acts to be larger than the combined number of incidents from natural gas or the electric utility operations measures. This measure will aid staff in better informing and working with the Natural Gas and Power Operators in the state regarding their safety education program.

3. HOW WE ARE DOING

The incident rate has been at or below the threshold value of 0.45 incidents per 100,000 customers since 2008. In an effort to drive the rate lower, staff will continue to work with utilities on public education programs. Every month, during the Oregon Utility Safety Committee meetings, staff presents the number of incidents for discussion with the operators. Education and information regarding safety with all operators, builders, contractors, and the population at large is a priority for staff. We will make use of every means available to get the safety message across to help mitigate the number of incidents caused by unsafe acts.

4. HOW WE COMPARE

There is no public or private industry standard data with which to compare Oregon's statistics.

5. FACTORS AFFECTING RESULTS

Staff works with the operators on their safety education programs, encourage TV and Radio advertisements, share incidents information at the OUSC meetings, and conducts audits of the IOUs bi-annually on all their programs and activities, of which safety education is a key component. Investigates all incidents to ascertain the root cause and address future prevention measures.

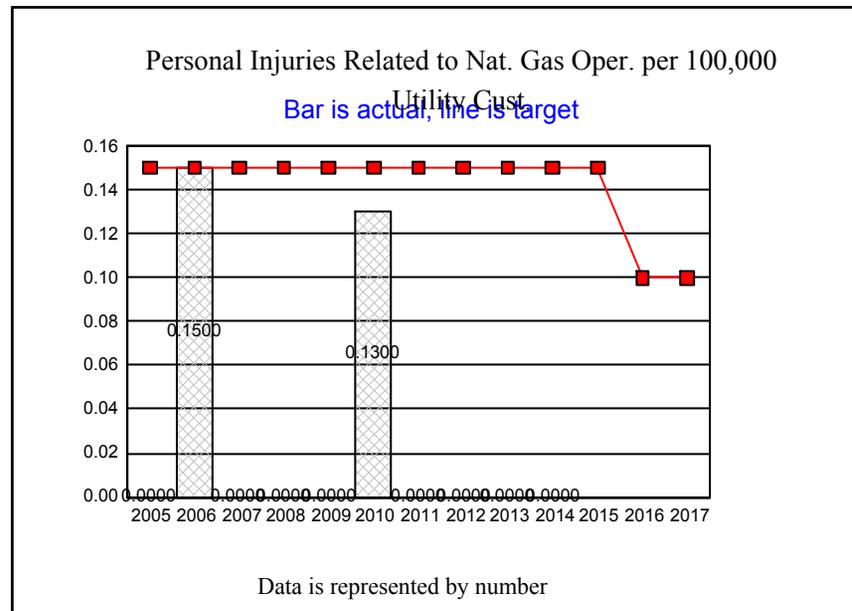
6. WHAT NEEDS TO BE DONE

Staff will continue its work with the operators and the Oregon Utility Safety Committee (OUSC) promoting education to the public and will present the reported incidents at the OUSC meetings for debate and to heighten the awareness of all operators so the information can be carried back to each of their companies.

7. ABOUT THE DATA

OAR 860-024-0050 and 49 CFR 191 require all operators in the State of Oregon to report accidents to staff. The data is compiled and analyzed annually to distinguish between system failures (auditing programs) and incidents due to unsafe acts (education/training).

KPM #7	Natural Gas Operations - Personal injuries related to Natural Gas Operations per 100,000 utility customers.	1993
Goal	Protect the Health and Safety of Utility Personnel and Citizens of Oregon - Personal Injuries - Personal injuries related to natural gas operations (Per 100,000 utility customers).	
Oregon Context	Mission Statement - Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates while fostering the use of competitive markets to achieve these objectives.	
Data Source	Incident and accident reports submitted by the natural gas utilities of Oregon - OAR 860-024-0050 require all operators in the State of Oregon to report accidents to staff. Upon receipt of the data staff analyzes the information provided and codes the information received. All reported incidents are presented and discussed at the bi-monthly Oregon Utility Safety Committee (OUSC) meeting. Since 2006, all incident data attributed to gas network system failure or improper operation have been recorded and compiled for reporting under this performance measure.	
Owner	Utility Program, Utility Safety, Reliability and Security Division, Lori Koho, 503-378-8225	



1. OUR STRATEGY

Conduct safety inspections of natural gas facilities, investigate accidents, and ensure utility personnel are properly trained.

2. ABOUT THE TARGETS

The measure is an indication of the effectiveness of the agency's audit and inspection program of natural gas facilities statewide. The current threshold level for this KPM is 0.15 incidents per 100,000 gas customers. Based on the historical performance, staff is reducing the threshold for the 2015-2017 biennium to 0.10.

3. HOW WE ARE DOING

In 2013 and 2014, we had no equipment failures with people getting injured, giving our program an index of zero incidents per 100,000 gas customers.

4. HOW WE COMPARE

There is no public or private industry standard data with which to compare Oregon's statistics.

5. FACTORS AFFECTING RESULTS

The Oregon Public Utility Commission's Gas Safety Unit conducts ongoing safety inspections and investigations, as well as safety training statewide to ensure compliance with federal pipeline safety regulations. Unfortunately, the audit investigations may not always detect anomalies before an incident may happen. There are too many variables that could affect the network without knowledge of the operator and staff's annual audit inspections. However, undesirable incidents do occur. Staff will continue to diligently conduct its audit inspections with the main goal of helping prevent network system failures.

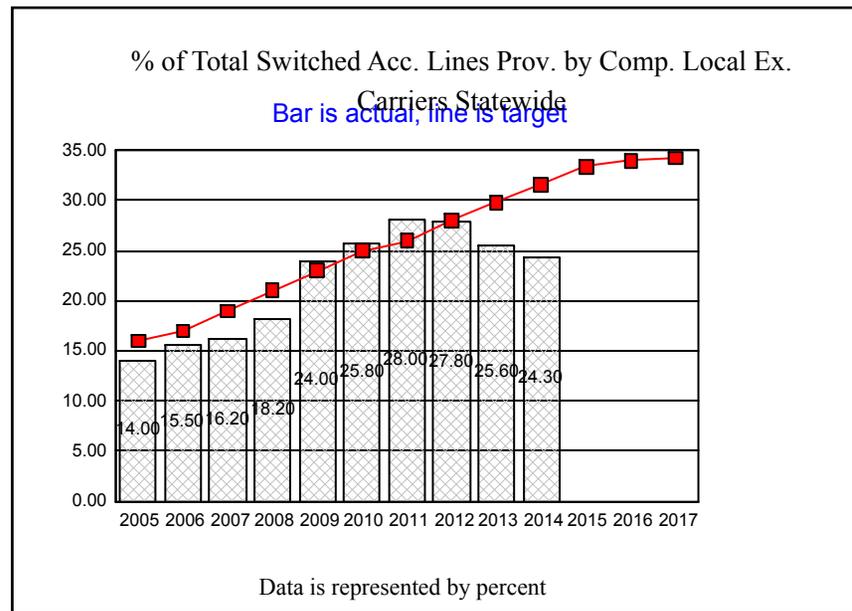
6. WHAT NEEDS TO BE DONE

The agency's gas safety staff will continue its comprehensive gas safety education and inspection program, including field inspections of operators' pipeline facilities statewide to ensure compliance with federal regulations.

7. ABOUT THE DATA

The annual data for this performance measure reflect gas utility related accident injuries per 100,000 utility customers, regardless of the cause. It differs from the reportable incidents required by statute, from the stand point that only personal injuries are counted.

KPM #8	Switched Access Lines - Percent of total switched access lines provided by competitive local exchange carriers, statewide.	2002
Goal	Development of Competitive Markets & Promote the development of competitive markets to help ensure fair and reasonable rates to Oregon's citizens.	
Oregon Context	Mission Statement - Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates while fostering the use of competitive markets to achieve these objectives.	
Data Source	Annual report filed April 1st.	
Owner	Utility Program, Telecommunications and Water Division, Bryan Conway, 503-378-6200	



1. OUR STRATEGY

To create a business environment that fosters competition in the provision of telecommunications service.

2. ABOUT THE TARGETS

The market share of 2014 Competitive Local Exchange Carrier (CLEC) switched access lines is 24.3%, compared to 31.6% forecast (target). The goal is to promote the development of competitive markets to help ensure fair and reasonable rates to Oregon's citizens. The performance directly measures the degree of competition in Oregon's switched access telecommunications market. The measurements are conducted through monitoring the change of market shares, and observing competitive entry into the telecommunications market across regions in Oregon, as well as looking into competitor's capital investment. The performance measure focuses on switched access telecommunications market competition. PUC's survey and analysis support the Commission in evaluating the role of regulation and/or deregulation in developing policies that will encourage utilities to provide high-quality services at fair and reasonable rates.

3. HOW WE ARE DOING

The actual performance measure for CLEC market share in 2014 is 24.3%, compared to 31.6% forecast (target). CLEC market share has decreased from 25.6% of switched access lines in 2013. The PUC study follows closely the competitive telecom market, the study results reflect market reality, provide an overview of telecom competition developments in Oregon, and effectively reaches its goal.

4. HOW WE COMPARE

During the past 15 years, CLEC switched access lines had an annual average increase of 6.9%, and market share had an annual average increase of 13%. Incumbent Local Exchange Carrier (ILEC) switched lines had an annual average change (decrease) of -6.2%.

5. FACTORS AFFECTING RESULTS

A combination of factors driven by fundamental shifts in the telecommunications industry is affecting the results. For the first time since data collection began in 1998, CLEC market share has decreased rather than increased. The primary reason for the decrease appears to be due to greater utilization of VoIP services.

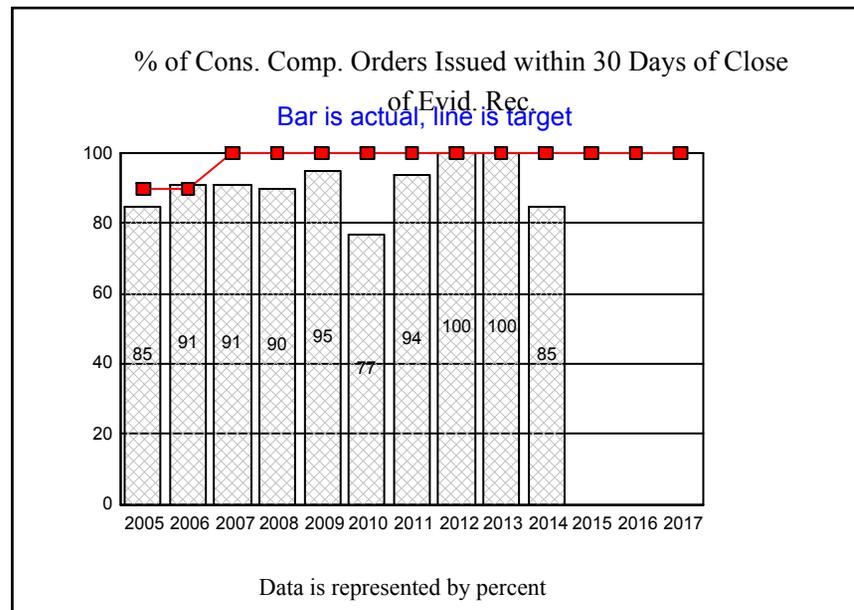
6. WHAT NEEDS TO BE DONE

No action is needed at this time.

7. ABOUT THE DATA

Data is from PUC's annual "Telecommunication Competition Survey" (annual report) from 155 companies for the year 2014.

KPM #9	Evidentiary Record - Percent of Consumer Complaint Orders issued within 30 days of close of evidentiary record.	2005
Goal	To enhance consumer protection through timely and adequate resolution of complaints regarding utility rates and service	
Oregon Context	HLO #001 Enhanced consumer protection through timely and adequate customer service.	
Data Source	Staff's analysis of information on agency's database.	
Owner	Administrative Hearings Division, Michael Grant, 503-378-6102	



1. OUR STRATEGY

Set internal guidelines to prioritize and track processing of complaint.

2. ABOUT THE TARGETS

Targets designed to expedite resolution of customer complaints.

3. HOW WE ARE DOING

In 2014 we missed the target. We held just 7 consumer complaint hearings in 2014, and issued decisions within 30 days for all but one docket.

4. HOW WE COMPARE

This measure exceeds statutory requirements and is comparable to performance standards adopted by other agencies.

5. FACTORS AFFECTING RESULTS

In creating this KPM, we recognized that some factors beyond the reasonable control of the Administrative Hearings Division may cause delays in processing of cases. These include the complexity of the issues, and availability of other Commission employees.

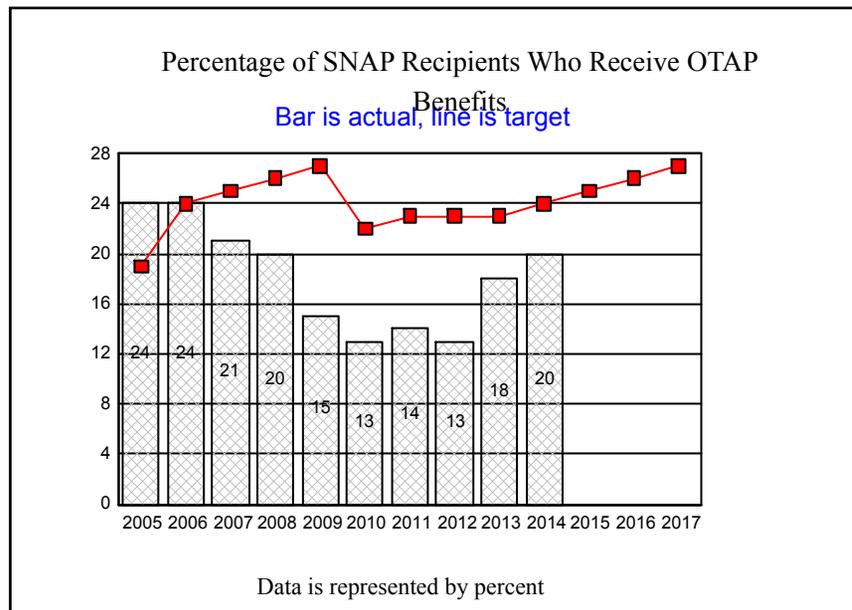
6. WHAT NEEDS TO BE DONE

Maintaining emphasis on processing of consumer complaints in order to meet target of 100 percent compliance.

7. ABOUT THE DATA

The data used for this measure is automatically tracked in the Commission's internal docketing database.

KPM #10	Oregon Telephone Assistance Program – Percentage of Supplemental Nutrition Assistance Program (SNAP) recipients participating in the Oregon Telephone Assistance Program.	2000
Goal	Reasonable and equitable access to products and services and provide all Oregonians reasonable and equitable access to telecommunications products and services.	
Oregon Context	OMB #74 Housing: Percentage of low income households spending more than 30 percent of their household income on housing (including utilities).	
Data Source	Monthly Adult & Family Services reports that are published on the Department of Human Services Web site, Branch and Services Delivery Area Data historical Program informaton by Branch and County, specifically, Supplemental Nutrition Assistance Program (SNAP) cases by each month, totaled and divide the number by twelve to get an annual average.	
Owner	Residential Service Protection Fund Program (RSPF), Jon Cray, 503-373-1400	



1. OUR STRATEGY

PUC strategy for this performance measure is to make sure that eligible Oregonians who can benefit from Oregon Telephone Assistance Program (OTAP), which is the state counterpart to the federal Lifeline program, are aware of the program and can apply. We have partnered with the Department of Human Services to ensure that eligible Oregonians can be identified and so that PUC can measure the progress toward our goals of participation in the program. Since all SNAP recipients are eligible for the OTAP program, we are measuring success by recording the increase in the percentage of SNAP recipients that are receiving OTAP.

2. ABOUT THE TARGETS

The chart reflects the percentage of SNAP recipients that are receiving benefits from the OTAP program. The goal is to reach a higher percentage of SNAP recipients.

3. HOW WE ARE DOING

The PUC experienced an unprecedented growth of OTAP (which is the state counterpart to the federal Lifeline program) recipients in 2013 due to the appeal of a "free" federal Lifeline service offered by two prepaid wireless service providers. However, in 2014, the number of recipients began to decline as a result of two providers preparing to leave the market as a national policy.

4. HOW WE COMPARE

The number of customers peaked at 92,155 in 2013, but began to decline to an average of 86,000 in 2014.

5. FACTORS AFFECTING RESULTS

Factors impacting the penetration rate of OTAP among eligible SNAP recipients include the Oregon economy, the number of SNAP recipients who also have service with a participating telecommunications provider, and the outreach efforts of telecommunications providers and DHS.

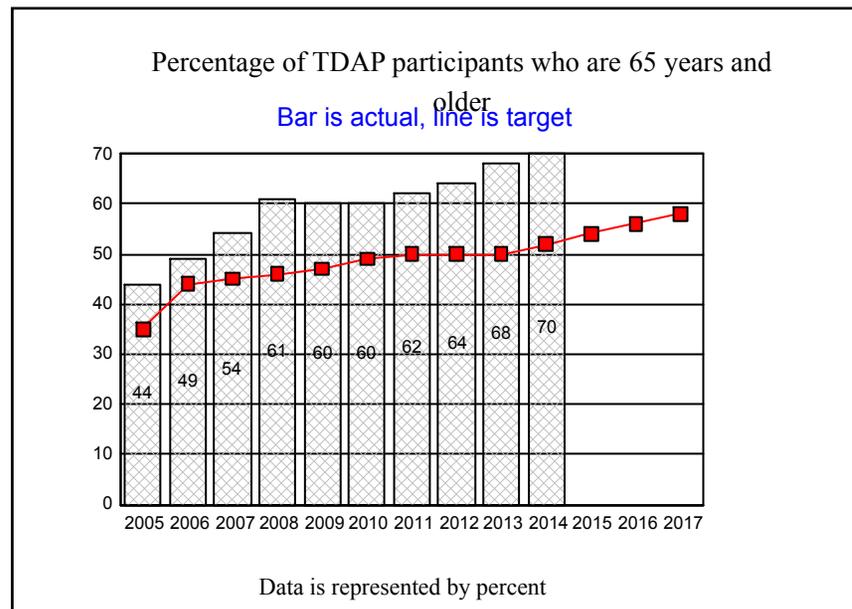
6. WHAT NEEDS TO BE DONE

The PUC will continue its outreach programs designed to reach the target population. In addition, staff will continue to work with telecommunication providers and DHS staff to ensure the relevant population is informed about the OTAP benefit when they sign up for SNAP.

7. ABOUT THE DATA

The reporting cycle for this program is the calendar year. Weaknesses in this data are that economic factors and telecommunications provider outreach can impact the figures in this measure. When a shift in demographics, economy or telecommunications provider participation shifts, our progress may appear to shift because of factors beyond PUC control. The strength of this data is that SNAP recipients are always eligible for OTAP if they receive telephone service with participating telecommunications provider, and that population is measurable through DHS statistics. PUC staff reviews its database in comparison with telecommunications provider databases of eligible recipients to ensure that terminations are made timely and appropriately and that errors do not continue to compound.

KPM #11	Access to Telephone Services – Percentage of disabled senior citizens (65 years and older) with access to the Telecommunications Devices Access Program.	1999
Goal	Reasonable and equitable access to products and services and provide all Oregonians reasonable and equitable access to telecommunications products and services.	
Oregon Context	OBM #58 Independent Living: Percentage of seniors living independently.	
Data Source	Number of known seniors currently in our Telecommunications Devices Access Program (TDAP) database that we have been tracking since 1998 and compared with the total number of participants with known ages in our database since 1998.	
Owner	Residential Service Protection Fund (RSPF), Jon Cray, 503-373-1400	



1. OUR STRATEGY

Aging Oregonians need more access to telephones than ever to make emergency calls to 911, the doctor, or family members who may be assisting them. By providing assistive telecommunications equipment to people with hearing, vision, speech cognitive or mobility impairments, PUC is increasing their chances of being safe and healthy. PUC partners with various organizations to identify appropriate outreach for these Oregonians.

2. ABOUT THE TARGETS

Due to our outreach efforts, the metric shows the growth of senior citizens participating in the program.

3. HOW WE ARE DOING

PUC has consistently achieved its goal of reaching the senior and aging population of Oregon. This population has not been aware of our services since they were not previously disabled. Various outreach programs with organizations or the disabled and with our various partners has helped to keep this goal moving toward parity.

4. HOW WE COMPARE

There is no industry standard for providing adaptive telecommunications equipment to elderly individuals although approximately 69% have a hearing, vision, speech, cognitive or mobility impairment. This makes increasing the number of TDAP recipients, who are elderly, an important goal.

5. FACTORS AFFECTING RESULTS

Our upward trend is aided by Oregon's commitment to offering a wider selection of adaptive telecommunications equipment to seniors with various needs.

6. WHAT NEEDS TO BE DONE

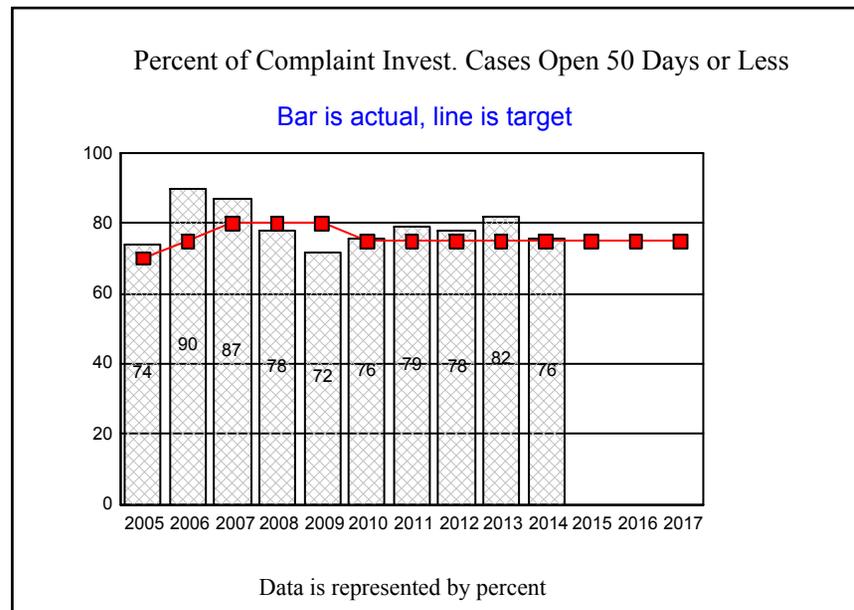
PUC will maintain its peer group outreach/training program for its target audience.

7. ABOUT THE DATA

The reporting cycle for this performance measure is the calendar year. Weaknesses in the data include the fact that prior to the inception of the performance measures, the PUC did not track the age of telephone equipment recipients. This prevents noting historical data. The PUC gathers data automatically through

its Information Systems to ensure that current data is captured. The PUC maintains ongoing records of the distribution of its equipment to the public. Additional statistics are available from Residential Service Protection Fund (RSPF) staff at the PUC.

KPM #12	Complaint Investigation - Percent of complaint investigation cases open 50 days or less.	1999
Goal	Timely customer service and to ensure timely customer service by completing complaint investigations in an average of 50 days or less.	
Oregon Context	HLO: #001 Enhanced consumer protection through timely and adequate customer service.	
Data Source	Staff's analysis of information on agency's database.	
Owner	Utility Program, Consumer Services, Phil Boyle, 503-373-1827	



1. OUR STRATEGY

Review, modify and document processes and procedures to ensure that complaints are completed timely.

2. ABOUT THE TARGETS

The target of 50 days or less was selected as one measurement tool for providing timely customer service. By increasing the percentage of cases closed in 50 days or less, the likelihood increases that consumers will feel their concerns were addressed timely.

3. HOW WE ARE DOING

In 2014, 76% of investigations were completed in 50 days or less, slightly exceeding our target.

4. HOW WE COMPARE

In 2009 we surveyed all state commissions. Of twenty-one responses received, thirteen had no internal performance measures. The remaining eight ranged from 95 percent of cases closed within 15 days to 70 percent of cases closed within 70 days with Oregon averaging in the middle.

5. FACTORS AFFECTING RESULTS

Case cycle time directly effects the achievement of this goal. From 2006 through 2009, we saw a steady decline in goal achievement. In 2006, case cycle time averaged 19 days, but increased to an average of 33.5 days from 2009 through 2012. Several factors combined to cause the increase in cycle time - the number of public contacts had increased dramatically over the prior three year period, there were fewer workdays available due to furloughs, increasing utility intransigence, new technologies (VoIP, digital phone, smart meters, etc.), and staff turnover. For 2013, case cycle time took a dramatic drop to 23 days, primarily caused by a reduced number of complaints and inquiries registered with the PUC and less staff turnover. For 2014, case cycle time again increased to an average of 30 days. Due to staff turnover and reorganization, Consumer Services operated with two fewer FTEs during all of 2014, resulting in higher than normal individual caseloads. The reorganization resulted in the loss of one FTE on a permanent basis.

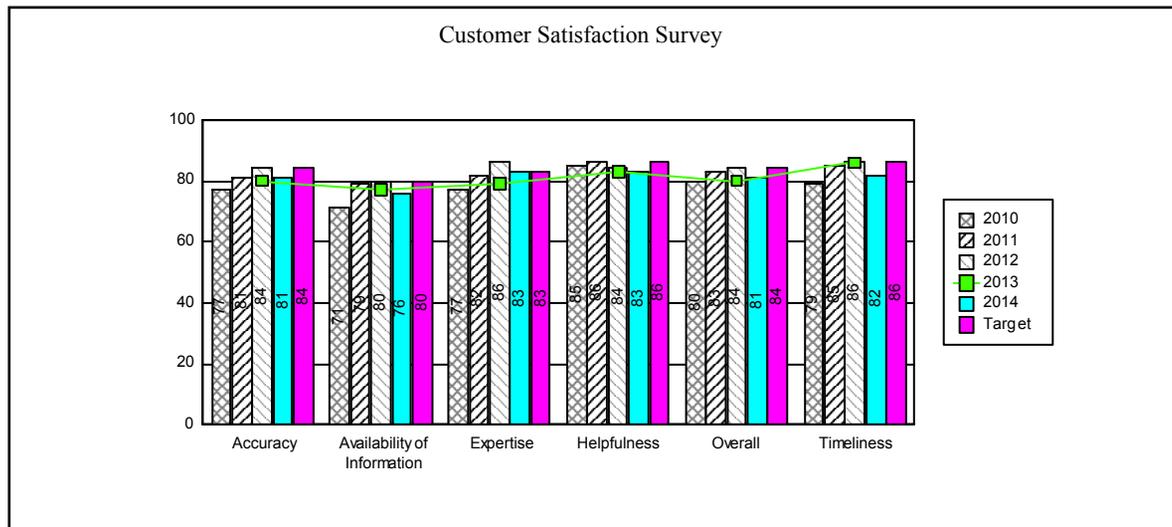
6. WHAT NEEDS TO BE DONE

Individual performance is monitored and workloads are adjusted as necessary to achieve the target. In 2015, individual caseloads remain high. Although we added two new staff members, the learning curve for these positions is long. It is not anticipated that the new additions will lead to significantly reduced caseloads for the rest of staff during the remainder of 2015 and case cycle times will likely continue to increase in the near term. Once the two new staff members are fully trained and effective in the position, caseloads and cycle times should come down, assuming no additional turnover.

7. ABOUT THE DATA

The reporting cycle is on the calendar year. The reports are internally generated and the data is reliable.

KPM #13	Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent” in overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	2006
Goal	Improve customer satisfaction.	
Oregon Context	Mission Statement - Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates while fostering the use of competitive markets to achieve these objectives.	
Data Source	Method, email-based survey.	
Owner	Utility Program, Consumer Services, Phil Boyle, 503-373-1827	



1. OUR STRATEGY

To survey customers of the PUC on an ongoing basis so that consumers can rate the PUC on its level of overall customer service.

2. ABOUT THE TARGETS

The target is to improve the PUC's level of customer satisfaction in each of the five areas listed, and to improve the overall average. It is important to note that PUC staff must often deliver news that the customer does not wish to hear, that their allegations are not supported by the evidence, and that the utility has acted correctly. Maintaining satisfaction ratings above 80% despite regularly delivering unpleasant news to customers is very difficult. It is for this reason that higher satisfaction ratings are not realistic. The current targets are stretch goals which have been narrowly missed the last two years.

3. HOW WE ARE DOING

The base year report was conducted in 2006. Since 2008, results showed a steady year-to-year increase in customer satisfaction, until 2013. In 2012, satisfaction ratings increased significantly over the prior year followed by a decline in 2013 and a leveling off in 2014. The 2014 results were slightly below target, but a slight improvement over 2013. The 2015 data is not yet available.

4. HOW WE COMPARE

Most other state utility commissions queried on this issue do not conduct customer satisfaction surveys. Of twenty-one commissions who responded to our inquiry, only five conduct a similar survey. Oregon's survey is the most in depth of all five states.

5. FACTORS AFFECTING RESULTS

The main reason for the 2014 results missing targets was that we reorganized the unit in 2014, eliminating a position and operating the entire year with two fewer staff than necessary. Two new staff were finally added in early 2015, but the learning curve for these positions is about two years. As a result, new staff will not have a significant impact on caseloads and case cycle times until mid-2016. As such, customer satisfaction ratings in 2015 should be similar to 2014, perhaps with slight improvement. Another factor is the increasing resistance of incumbent telecommunications carriers, regarding non-regulated, non-jurisdictional issues. Companies have become less willing to work with PUC staff to resolve these types of customer complaints, which has led to customer frustration and lower satisfaction ratings.

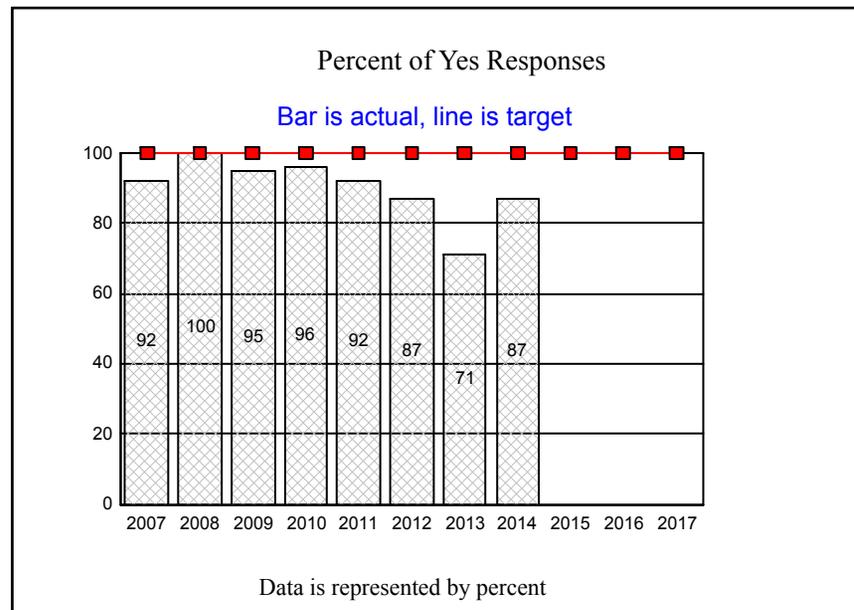
6. WHAT NEEDS TO BE DONE

Consumer Services staff needs to pay attention to providing customers with excellent service. When we are contacted about issues that are not within our jurisdiction, we do not simply turn them away, we will try to help on issues where we have established relationships with the involved company, or we try to refer consumers to the agency that can help them. Also, having a year with no staff turnover would greatly help with staff expertise and case cycle times.

7. ABOUT THE DATA

The 2014 survey sample size (132) was nearly 50 percent smaller than the 2013 sample size (279) causing the margin of error to increase and confidence level to decrease. For 2013, the margin of error was +/- 4.9 percent with a confidence level of 90 percent. For 2014, the margin of error was +/- 5.0 percent with a confidence level of 84 percent. The survey method is email-based, where all customers who give us an email address are asked to complete a survey. For 2014, 978 survey requests were emailed out, with 132 responding for a response rate of 13.5 percent.

KPM #14	Best Practices - Percent of total best practices met by the Board of Maritime Pilots.	2007
Goal	Meet or exceed Best Practices standards.	
Oregon Context	Government performance and accountability.	
Data Source	Forms filled out by individual Board Members.	
Owner	Board of Maritime Pilots, Susan Johnson, 971-673-1530	



1. OUR STRATEGY

To take the lead in setting policies and procedures that enhance maritime safety and security. This is done in conjunction with established policies, procedures, and recommendations from other state pilotage authorities, the U.S. Coast Guard, and the National Transportation Safety Board.

2. ABOUT THE TARGETS

The rationale for the targets is to continually strive for a goal of 100%.

3. HOW WE ARE DOING

The Board has implemented more stringent requirements to medical fitness standards for licensees and applicants; pilot selection, training and continuing education; incident investigations and communication between state pilotage authorities. The Board has hired an Executive Director to help with policy-making decisions and relieve public members of a significant workload. We have also adopted a number of internal performance measures used to generate an annual report.

4. HOW WE COMPARE

The Board has instituted fatigue mitigation standards that meet or exceed other state and federal models. The National Transportation Safety Board has required all pilot oversight organizations that had not already done so to implement fatigue mitigation and prevention programs, after an oil tanker collision in Texas that involved fatigue.

5. FACTORS AFFECTING RESULTS

The Board has limited resources that affect results, but the Legislature has given the Board additional significant resources to improve their oversight role.

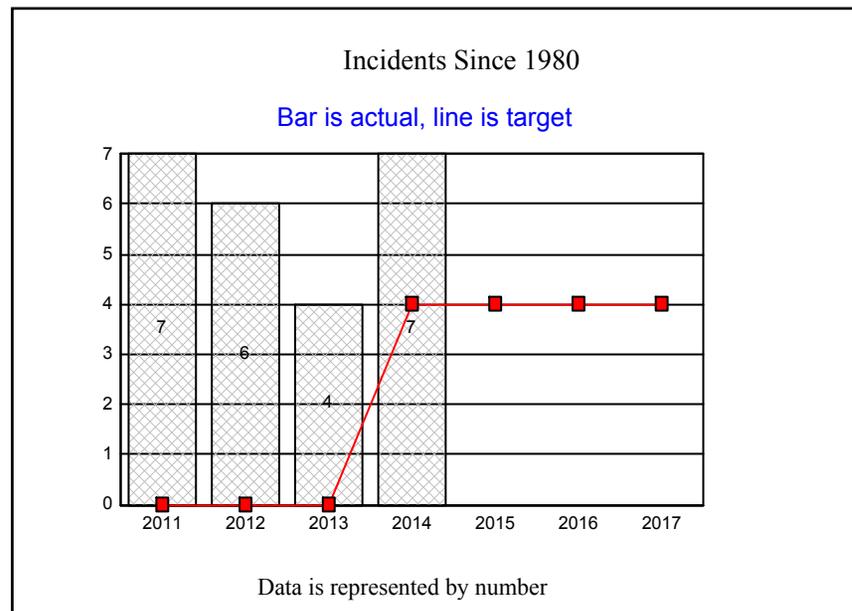
6. WHAT NEEDS TO BE DONE

The Board has been working on several initiatives in the last year, which included hiring an Executive Director, requiring professional medical oversight of licensees, and obtaining independent professional marine investigators for all reportable incidents.

7. ABOUT THE DATA

The data is reported for a calendar year and gathered using reporting guides provided by the state and tailored to the Board's needs.

KPM #15	Vessel Incidents - The number and severity of incidents involving vessels under the direction of licensees, and as a percentage of total vessels piloted annually.	2011
Goal	Promote public and waterway safety.	
Oregon Context	Public Safety.	
Data Source	Database of annual incidents investigated by the Board since 1980. Investigation results are a matter of public record and reflected in the Board's meeting minutes and investigation reports.	
Owner	Board of Maritime Pilots, Susan Johnson, 971-673-1530	



1. OUR STRATEGY

Regularly review and update our training programs and continuing professional development requirements to provide the most competent licensees; and

support system-wide technological improvements that enhance safety.

2. ABOUT THE TARGETS

The targets separate Category I incidents which are the most severe, and Category II incidents that often involve little or no damage but are more likely to occur.

3. HOW WE ARE DOING

In 2014, there was an increase in the average number of incidents reported due to an increase in incidents involving pilot injury. Three of the incidents led to pilot injury and one involved a ladder failure where the pilot was injured. There were also two groundings due to engine failure.

4. HOW WE COMPARE

In 1980, there were twenty incidents investigated in Oregon; in 1990 there were twelve, and in 2000 there were three. While there is no other industry standard for comparison in Oregon, there are in other maritime states. However, the incident reporting criteria differ from state to state. As an example, in Washington there were seven incidents and twenty-six marine safety occurrence reports in 2011.

5. FACTORS AFFECTING RESULTS

The majority of incidents occur due to mechanical failure, weather or hydrological conditions that are beyond anyone's ability to prevent.

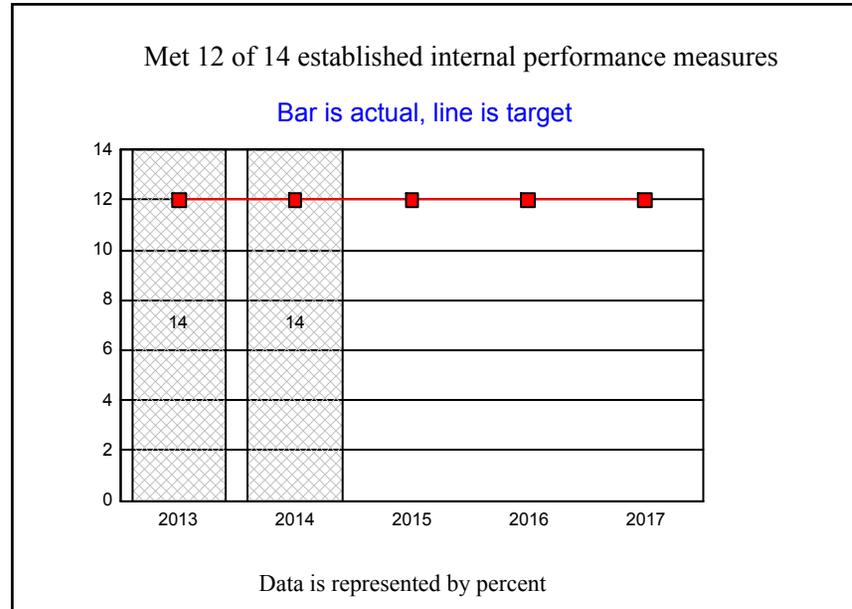
6. WHAT NEEDS TO BE DONE

The Board will continue to track incident trends and adjust training and education requirements to address emerging issues.

7. ABOUT THE DATA

OAR 856-010-0020 requires all licensees to report incidents to the Board.

KPM #16a	Extent to which the Energy Trust of Oregon meets 12 of 14 established internal performance measures.	2014
Goal	Ensure the Energy Trust of Oregon (ETO) meets established internal performance measures related to energy efficiency, renewable energy development, financial integrity, program delivery efficiency, customer satisfaction and benefit/cost ratios, as prescribed by the PUC.	
Oregon Context	In Oregon, all energy efficiency programs for Oregon's large investor-owned utilities (i.e., PGE, Pacific Power, Northwest Natural Gas and Cascade Natural Gas) are administered through a third-party nonprofit called the Energy Trust of Oregon. PUC staff develops performance measures for Energy Trust of Oregon each year. The key elements of PUC's oversight of Energy Trust are spelled out in a legal agreement, which is referred to as a grant agreement. Page 3 of the grant agreement states: "The Energy Trust and the PUC recognize the need for having valid and quantifiable performance measures that clearly define the PUC's expectation of the Energy Trust's performance. The performance measures are developed to clarify minimum expectations for Energy Trust on an ongoing basis and may be adjusted from time-to-time. The Energy Trust will regularly report to the PUC, comparing actual performance to the PUC established performance measures. Should the Energy Trust fail to meet the performance measures adopted by the PUC, the PUC, at its discretion, may issue a Notice of Concern. In choosing to issue such a Notice of Concern, the PUC will take into account reasonable causal factors and any mitigating actions taken by the Energy Trust." Each year PUC staff establishes 14 individual performance measures for Energy Trust that gauge performance. PUC staff updates Energy Trust performance measures every year.	
Data Source	Energy Trust provides annual reports to the Commission highlighting the organization's performance relative to current PUC performance measures, in addition to providing detailed results and performance against goals set during its budget process. These performance measures are verified by staff.	
Owner	Utility Program, Energy Resources and Planning Division, Elaine Prause, 503-378-6629	



1. OUR STRATEGY

The internal performance measures which are approved on an annual basis, provide a comprehensive measure of Energy Trust's performance, and accordingly, PUC's oversight of ETO programs.

2. ABOUT THE TARGETS

Below are the 14 measures for 2014: 1. For Portland General Electric - Obtain at least 32.0 average megawatts (aMW) of savings at a levelized cost not to exceed 3.2 cents per kilowatt-hour (kWh). 2. For Pacific Power - Obtain at least 17.1 aMW of savings at a levelized cost not to exceed 3.7 cents/kWh. 3. For Northwest Natural Gas - Obtain at least 4.53 million annual therms of savings at a levelized cost not to exceed 45.3 cents/therm. 4. For Cascade Natural Gas - Obtain at least 0.40 million annual therms of savings at a levelized cost not to exceed 52.0 cents/therm. 5. Related to renewable energy - For project and market development assistance, report annual results, including number of projects supported, milestones met and documentation of results from market and technology perspective. 6. Related to renewable energy - Obtain at least 0.70 average megawatts (aMW) in installed generation of net-metered standard projects including solar and small wind. 7. Related to renewable energy - For non-solar custom projects, the 3-year rolling average incentive is not to exceed \$29/allocated megawatt-hour (MWh). 8. Related to renewable energy - For innovative and custom solar projects, report sources of funding for projects and

the selection criteria. 9. Financial Integrity - The Commission expects Energy Trust to demonstrate its financial integrity by obtaining an unqualified financial audit opinion annually. 10. Program Delivery Efficiency - The Commission expects Energy Trust to demonstrate program delivery efficiency by keeping its administrative and program support costs below 9 percent of annual revenues. 11. Customer Satisfaction - Based on Fast Feedback results, over the full calendar year, for applicable sectors and programs, Energy Trust should maintain a minimum of 85 percent of customers indicating they are satisfied or very satisfied with "Interaction with program representatives." 12. Customer Satisfaction - Based on Fast Feedback results, over the full calendar year, for applicable sectors and programs, Energy Trust should maintain a minimum of 85 percent of customers indicating they are satisfied or very satisfied with "Overall satisfaction." 13. Benefit/Cost Ratios - The Commission expects Energy Trust to report the benefit/cost ratio for its conservation acquisition programs in its annual report based on the utility system perspective and societal perspective. 14. The Commission expects Energy Trust to report significant mid-year changes in benefit/cost performance as necessary in its quarterly reports.

3. HOW WE ARE DOING

The ETO has met 14 of 14 performance measures during 2014. Meeting targets is a combination of strong and focused program management by the ETO and effective oversight of the ETO by the PUC.

4. HOW WE COMPARE

There are a limited number of states that manage energy conservation and small renewable projects through a third party administrator. The ETO is sought out as an expert in program deployment and offers programs for two gas distribution companies in Oregon (NW Natural and Cascade Natural Gas) as well as to Oregon's two largest investor-owned electric utility companies (Portland General Electric and Pacific Power). Energy Trust has been approached to offer programs in other states.

5. FACTORS AFFECTING RESULTS

Customer interest in energy efficiency and small renewable projects is strong. The ETO is continuously finding means to ensure customer energy savings; increased energy efficiency in PGE, Cascade Natural Gas, NW Natural, and PacifiCorp territories; and cost-effective development of small renewable energy projects. Market conditions that are outside the control of Energy Trust can also impact results. Things like unexpected changes to tax credits, unexpected changes to natural gas prices, and unexpected new energy efficiency breakthrough technologies, can impact Energy Trust's ability to acquire conservation and/or to develop renewable energy projects. These factors need to be monitored along with Energy Trust's performance.

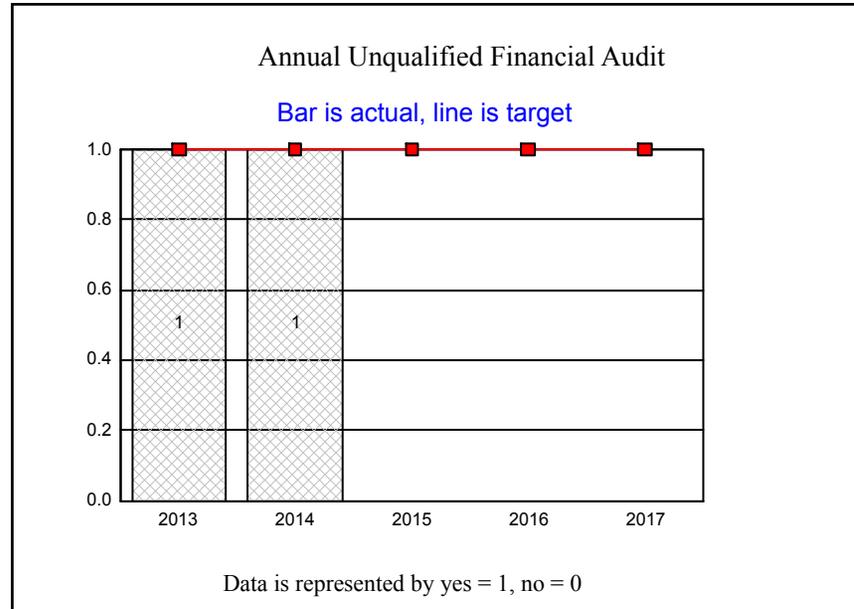
6. WHAT NEEDS TO BE DONE

In Order 12-094, the Commission approved a systematic approach to developing ETO performance measures. Staff and Energy Trust established a formula that ties performance measures to utility Integrated Resource Plan (IRP) targets and Energy Trust's goals for energy efficiency. Staff needs to continue to monitor Energy Trust's performance, not only at the end of the year, but throughout the year as market factors change and as quarterly reports are made to the Commission. Staff needs to continue to ensure that Energy Trust coordinates closely with the utilities to establish aggressive and realistic savings and generation targets that align with utility IRP goals. In this way, Energy Trust remains accountable and Oregon ratepayers get the most benefit from Energy Trust's programs.

7. ABOUT THE DATA

Relevant data is provided to the Commission yearly in annual reports and also quarterly as quarterly reports are provided to the Commission. The data indicates that the ETO is meeting its internal performance measures and fulfilling the terms and conditions of its grant agreement with the PUC.

KPM #16b	Extent to which the Energy Trust of Oregon meets the established internal performance measures; Obtaining an annual unqualified financial audit.	2014
Goal	Ensure Energy Trust of Oregon (ETO) operates in a fiscally responsible manner as demonstrated in an unqualified financial audit provided to PUC Staff.	
Oregon Context	<p>In Oregon, all energy efficiency programs for Oregon's large investor-owned utilities (i.e., PGE, Pacific Power, Northwest Natural Gas, and Cascade Natural Gas) are administered through a third-party nonprofit called the Energy Trust of Oregon. PUC staff develops performance measures for Energy Trust of Oregon each year. The key elements of PUC's oversight of Energy Trust are spelled out in a legal agreement, which is referred to as a grant agreement. Page 3 of the grant agreement states: "The Energy Trust and the PUC recognize the need for having valid and quantifiable performance measures that clearly define the PUC's expectation of the Energy Trust's performance. The performance measures are developed to clarify minimum expectations for Energy Trust on an ongoing basis and may be adjusted from time-to-time. The Energy Trust will regularly report to the PUC, comparing actual performance to the PUC established performance measures. Should the Energy Trust fail to meet the performance measures adopted by the PUC, the PUC, at its discretion, may issue a Notice of Concern. In choosing to issue such a Notice of Concern, the PUC will take into account reasonable causal factors and any mitigating actions taken by the Energy Trust." PUC staff establishes performance measures for Energy Trust that gauge performance and outline requirements for program delivery efficiency, financial integrity, and customer satisfaction. PUC staff is currently updating Energy Trust performance measures every year. PUC staff establishes 14 performance measures for Energy Trust. Of the 14 Energy Trust performance measures, performance measure number 9, titled Financial Integrity, states that the Commission expects Energy Trust to demonstrate its financial integrity by obtaining an unqualified financial audit opinion annually.</p>	
Data Source	Energy Trust provides annual reports to the Commission highlighting the organization's performance relative to current PUC performance measures, in addition to providing detailed results and performance against goals set during its budget process. Energy Trust provides copies of the yearly unqualified financial audits to the PUC as part of the annual report.	
Owner	Utility Program, Energy Resources and Planning Division, Elaine Prause, 503-378-6629	



1. OUR STRATEGY

The internal performance measures which are approved on an annual basis provide a comprehensive measure of Energy Trust's performance, and accordingly, PUC's oversight of ETO programs. PUC Staff will review the annual unqualified financial audit to make sure Energy Trust is operating in a fiscally responsible manner and to make sure Energy Trust implements any relevant suggestions made by the auditor.

2. ABOUT THE TARGETS

The PUC sets 14 annual performance measures for Energy Trust. Performance measure number nine is the following: Financial Integrity - The Commission expects Energy Trust to demonstrate its financial integrity by obtaining an unqualified financial audit opinion annually. This measure is non-negotiable and every year Energy Trust needs to receive an unqualified financial audit opinion.

3. HOW WE ARE DOING

Energy Trust has completed an unqualified financial audit every year since this requirement has been put in place.

4. HOW WE COMPARE

There are a limited number of states that manage energy conservation and small renewable projects through a third party administrator. The ETO is sought out as an expert in program deployment and offers programs for two gas distribution companies in Oregon (NW Natural and Cascade Natural Gas) as well as to Oregon's two largest investor-owned electric utility companies (Portland General Electric and Pacific Power). Energy Trust has been approached to offer programs in other states. Energy Trust is a non-profit. Not all non-profits obtain an unqualified financial audit every year, but it is best practice to do so. By requiring Energy Trust to obtain an audit, PUC is demonstrating above average prudence and oversight.

5. FACTORS AFFECTING RESULTS

The key factor affecting results is whether or not Energy Trust has an audit performed. In the audit, there may be recommendations for areas of improvement. PUC staff will review the recommendations and follow up on them in subsequent years. Accordingly, once the annual audit is obtained, another factor affecting results is PUC staff's follow-through on areas identified in the audit.

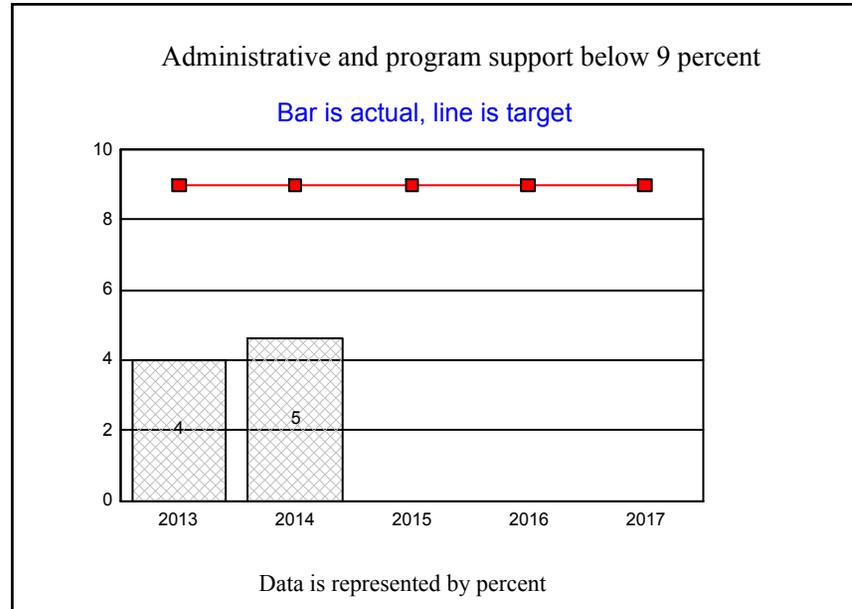
6. WHAT NEEDS TO BE DONE

PUC staff acknowledging that audit was performed and following through on recommendations from the auditor.

7. ABOUT THE DATA

The data indicates that the ETO is meeting its internal performance measures and fulfilling the terms and conditions of its grant agreement with the PUC.

KPM #16c	Extent to which the Energy Trust of Oregon meets the established internal performance measures; Keep administrative and program support costs below 9 percent of annual revenue.	2014
Goal	Ensure that Energy Trust of Oregon (ETO) keeps administrative and program support costs below 9 percent of annual revenue.	
Oregon Context	<p>In Oregon, all energy efficiency programs for Oregon's large investor-owned utilities (i.e., PGE, Pacific Power, Northwest Natural Gas, and Cascade Natural Gas) are administered through a third-party nonprofit called the Energy Trust of Oregon. PUC staff develops performance measures for Energy Trust of Oregon each year. The key elements of PUC's oversight of Energy Trust are spelled out in a legal agreement, which is referred to as a grant agreement. Page 3 of the grant agreement states: "The Energy Trust and the PUC recognize the need for having valid and quantifiable performance measures that clearly define the PUC's expectation of the Energy Trust's performance. The performance measures are developed to clarify minimum expectations for Energy Trust on an ongoing basis and may be adjusted from time-to-time. The Energy Trust will regularly report to the PUC, comparing actual performance to the PUC established performance measures. Should the Energy Trust fail to meet the performance measures adopted by the PUC, the PUC, at its discretion, may issue a Notice of Concern. In choosing to issue such a Notice of Concern, the PUC will take into account reasonable causal factors and any mitigating actions taken by the Energy Trust." OPUC staff establishes performance measures for Energy Trust that gauge performance and outline requirements for program delivery efficiency, financial integrity, and customer satisfaction. PUC staff is currently updating Energy Trust performance measures every year. PUC staff sets 14 performance measures for Energy Trust. Of the 14 Energy Trust Performance Measures, performance measure number 10, titled "Program Delivery Efficiency," is to keep administrative and program support costs below 9 percent of annual revenue.</p>	
Data Source	Energy Trust provides annual reports to the Commission highlighting the organization's performance relative to current OPUC performance measures, in addition to providing detailed results and performance against goals set during its budget process. These performance measures are verified by Staff.	
Owner	Utility Program, Energy Resources and Planning Division, Elaine Prause, 503-378-6629	



1. OUR STRATEGY

The internal performance measures which are approved on an annual basis provide a comprehensive measure of Energy Trust's performance, and accordingly, OPUC's oversight of ETO programs. We aim to track percent of administrative and program support costs and require changes if costs get too high as a percent of total revenues.

2. ABOUT THE TARGETS

Energy Trust Performance Measure 10 is as follows: Program Delivery Efficiency - The Commission expects Energy Trust to demonstrate program delivery efficiency by keeping its administrative and program support costs below 9 percent of annual revenues. Staff established this performance measure to ensure administrative and program support costs remain a small percentage of the total program costs.

3. HOW WE ARE DOING

Energy Trust consistently comes in well below this nine percent target. Energy Trust regularly reports administrative and program support costs at or below 6

percent, substantially below the 9 percent target.

4. HOW WE COMPARE

There is a limited number of states that manage energy conservation and small renewable projects through a third party administrator. The ETO is sought out as an expert in program deployment and offers programs for two gas distribution companies in Oregon (NW Natural and Cascade Natural Gas) as well as to Oregon's two largest investor-owned electric utility companies (Portland General Electric and Pacific Power). Energy Trust has been approached to offer programs in other states. Energy Trust's administrative and program support costs are in the low end of the range of comparable non-profits and utility efficiency programs. Because Energy Trust offers programs for multiple utilities, it is administratively more efficient in that each utility is not required to have a dedicated staff to manage these programs. Energy Trust's staff manages four utility programs and has demonstrated fiscal responsibility in managing its program management and administrative support costs.

5. FACTORS AFFECTING RESULTS

Factors affecting administrative and program support costs include things like turnover of key employees, the implementation of new computer systems that require additional staff time to get up and running, the complexity of efficiency programs, and the amount of management and administration time required to achieve savings.

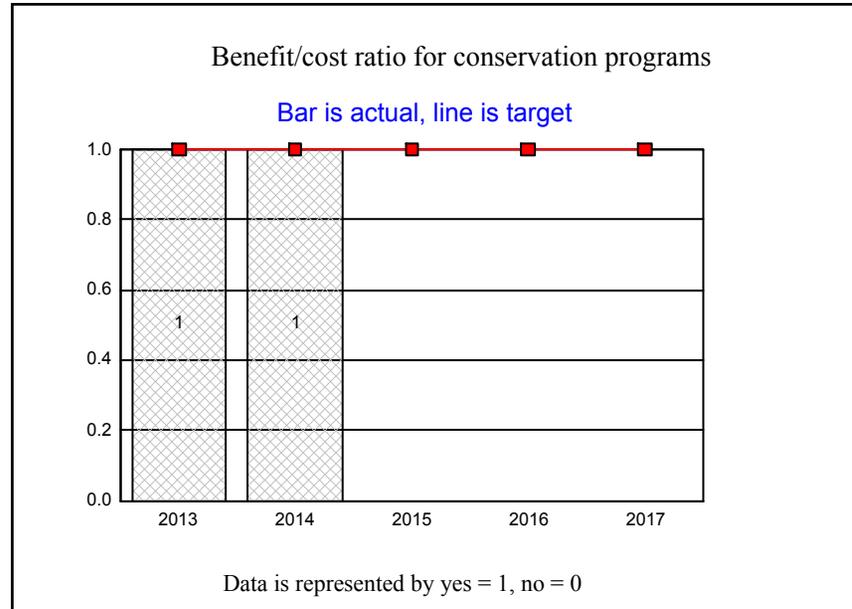
6. WHAT NEEDS TO BE DONE

PUC staff need to monitor the percentage of administrative and program support costs on a year by year basis and also monitor market conditions that could impact these percentages. Through monitoring and active oversight, staff can make sure Energy Trust is engaging in best practices and using rate payer dollars wisely.

7. ABOUT THE DATA

The data is readily available to staff in yearly reports and to date, data indicates that Energy Trust is meeting its performance measures related to administrative and program support costs and Energy Trust is fulfilling the terms and conditions of its grant agreement with the PUC.

KPM #16d	Extent to which the Energy Trust of Oregon meets the established internal performance measures; Reporting the benefit/cost ratio for conservation programs based on utility system societal perspective.	2014
Goal	Ensure that Energy Trust of Oregon (ETO) regularly reports the benefit/cost ratio for conservation programs based on both utility system and societal perspectives.	
Oregon Context	<p>In Oregon, all energy efficiency programs for Oregon's large investor-owned utilities (i.e., PGE, Pacific Power, Northwest Natural Gas, and Cascade Natural Gas) are administered through a third-party nonprofit called the Energy Trust of Oregon. PUC staff develops performance measures for Energy Trust of Oregon each year. The key elements of PUC's oversight of Energy Trust are spelled out in a legal agreement, which is referred to as a grant agreement. Page 3 of the grant agreement states: "The Energy Trust and the PUC recognize the need for having valid and quantifiable performance measures that clearly define the PUC's expectation of the Energy Trust's performance. The performance measures are developed to clarify minimum expectations for Energy Trust on an ongoing basis and may be adjusted from time-to-time. The Energy Trust will regularly report to the PUC, comparing actual performance to the PUC established performance measures. Should the Energy Trust fail to meet the performance measures adopted by the PUC, the PUC, at its discretion, may issue a Notice of Concern. In choosing to issue such a Notice of Concern, the PUC will take into account reasonable causal factors and any mitigating actions taken by the Energy Trust." PUC staff establishes performance measures for Energy Trust that gauge performance and outline requirements for program delivery efficiency, financial integrity, and customer satisfaction. PUC staff is currently updating Energy Trust performance measures every year. PUC staff sets 14 performance measures for Energy Trust. Of the 14 Energy Trust Performance Measures, performance measure number 13, titled Benefit/Cost Ratios, states that the Commission expects the Energy Trust to report the benefit/cost ratio for its conservation acquisition programs in its annual report based on the utility system perspective and societal perspective.</p>	
Data Source	Energy Trust provides annual reports to the Commission highlighting the organization's performance relative to current PUC performance measures, in addition to providing detailed results and performance against goals set during its budget process. These performance measures are verified by staff. As part of annual reports, Energy Trust reports on the benefit/cost ratio for conservation programs from a utility and societal perspective.	
Owner	Utility Program, Energy Resources and Planning Division, Elaine Prause, 503-378-6629	



1. OUR STRATEGY

The internal performance measures which are approved on an annual basis, provide a comprehensive measure of Energy Trust's performance, and accordingly, PUC's oversight of Energy Trust programs. We aim to track the benefit/cost ratio of Energy Trust programs from a utility and societal perspective on a yearly basis in order to ensure that Energy Trust continues to acquire conservation in a way that provides a net benefit to Oregon ratepayers and in accordance with utility Integrated Resource Plans (IRPs).

2. ABOUT THE TARGETS

Energy Trust Performance Measure 13 is the following: Benefit/Cost Ratios - The Commission expects Energy Trust to report the benefit/cost ratio for its conservation acquisition programs in its annual report based on the utility system perspective and societal perspective. The target here is for Energy Trust to report the benefit/cost ratio for its conservation programs from a utility and societal perspective on an annual basis.

3. HOW WE ARE DOING

Energy Trust has consistently provided this reporting to the Commission staff.

4. HOW WE COMPARE

There are a limited number of states that manage energy conservation and small renewable projects through a third party administrator. The ETO is sought out as an expert in program deployment and offers programs for two gas distribution companies in Oregon (NW Natural and Cascade Natural Gas) as well as to Oregon's two largest investor-owned electric utility companies (Portland General Electric and Pacific Power). Energy Trust has been approached to offer programs in other states.

5. FACTORS AFFECTING RESULTS

Factors affecting results are whether or not Energy Trust reports the utility and societal benefit/cost ratios.

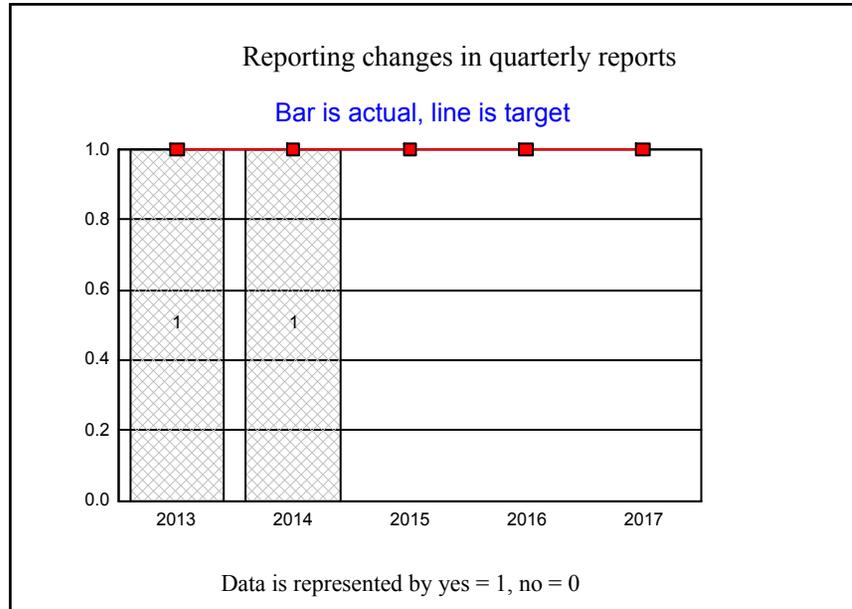
6. WHAT NEEDS TO BE DONE

Staff needs to review the annual reports and verify that ratios have been provided. If ratios have changed significantly from the previous year, staff needs to follow up with Energy Trust and understand why ratios have changed and, if necessary, require changes to Energy Trust programs.

7. ABOUT THE DATA

The data is readily available to staff in yearly reports and to date, Energy Trust has regularly provided benefit/cost ratios for its conservation acquisition programs from utility and societal perspectives. These results continue to demonstrate that Energy Trust programs are benefiting Oregon ratepayers. Through this and other reporting, Energy Trust is fulfilling the terms and conditions of its grant agreement with the PUC.

KPM #16e	Extent to which the Energy Trust of Oregon meets the established internal performance measures; Reporting significant mid-year changes to benefit/cost performance as necessary in quarterly reports.	2014
Goal	Energy Trust of Oregon (ETO) must report significant mid-year changes to benefit/cost performance as necessary in quarterly reports.	
Oregon Context	<p>In Oregon, all energy efficiency programs for Oregon's large investor-owned utilities (i.e., PGE, Pacific Power, Northwest Natural Gas, and Cascade Natural Gas) are administered through a third-party nonprofit called the Energy Trust of Oregon. PUC staff develops performance measures for Energy Trust of Oregon each year. The key elements of PUC's oversight of Energy Trust are spelled out in a legal agreement, which is referred to as a grant agreement. Page 3 of the grant agreement states: "The Energy Trust and the PUC recognize the need for having valid and quantifiable performance measures that clearly define the PUC's expectation of the Energy Trust's performance. The performance measures are developed to clarify minimum expectations for Energy Trust on an ongoing basis and may be adjusted from time-to-time. The Energy Trust will regularly report to the PUC, comparing actual performance to the PUC established performance measures. Should the Energy Trust fail to meet the performance measures adopted by the PUC, the PUC, at its discretion, may issue a Notice of Concern. In choosing to issue such a Notice of Concern, the PUC will take into account reasonable causal factors and any mitigating actions taken by the Energy Trust." PUC staff establishes performance measures for Energy Trust that gauge performance and outline requirements for program delivery efficiency, financial integrity, and customer satisfaction. PUC staff is currently updating Energy Trust performance measures every year. PUC staff sets 14 performance measures for Energy Trust. Of the 14 Energy Trust performance measures, performance measure number 14, titled Benefit/Cost Ratios, states that the Commission expects the Trust to report significant mid-year changes in benefit/cost performance as necessary in its quarterly reports.</p>	
Data Source	<p>In addition to annual reports, Energy Trust provides quarterly written reports to the Commission and makes quarterly presentations to the Commission at public meetings. Within these reports, Energy Trust reports on significant changes to their programs, such as significant mid-year changes that could impact benefit/cost performance. In this way, PUC staff and the Commissioners do not need to wait until the end of the year to learn of potential issues or problems that Energy Trust is encountering.</p>	
Owner	Utility Program, Energy Resources and Planning Division, Elaine Prause, 503-378-6629	



1. OUR STRATEGY

Stay current on issues Energy Trust is encountering that have the potential to impact benefit/cost ratios. Review written quarterly reports provided to the Commission and attend public meetings where verbal and PowerPoint presentations are made.

2. ABOUT THE TARGETS

The Commission has 14 performance measures by which they gauge Energy Trust's performance. Performance Measure 14 is: Benefit/Cost Ratios - The Commission expects Energy Trust to report significant mid-year changes in benefit/cost performance as necessary in its quarterly reports.

3. HOW WE ARE DOING

Energy Trust is doing well on this performance measure and it regularly provides very detailed and timely quarterly reports to the Commission.

4. HOW WE COMPARE

There are a limited number of states that manage energy conservation and small renewable projects through a third party administrator. The ETO is sought out as an expert in program deployment and offers programs for two gas distribution companies in Oregon (NW Natural and Cascade Natural Gas) as well as to Oregon's two largest investor-owned electric utility companies (Portland General Electric and Pacific Power). Energy Trust has been approached to offer programs in other states. Energy Trust operates in a very transparent and open way. Quarterly reports are not only provided to the Commission and Commission Staff, but they are also made available on Energy Trust's website. Energy Trust follows industry best practices in tracking and reporting.

5. FACTORS AFFECTING RESULTS

Factors affecting results are whether or not Energy Trust provides appropriate information to the Commission and Commission staff in its quarterly reports.

6. WHAT NEEDS TO BE DONE

Continue to review quarterly reports and attend quarterly presentations at Commission public meetings and continue to track issues and market conditions that have the potential to impact benefit/cost ratios.

7. ABOUT THE DATA

The data is readily available to staff in quarterly reports and to date, data indicates that Energy Trust is meeting its performance measures related to reporting significant mid-year changes to benefit/cost performance as necessary in quarterly reports. Energy Trust is fulfilling the terms and conditions of its grant agreement with the PUC.

PUBLIC UTILITY COMMISSION	III. USING PERFORMANCE DATA
Agency Mission: Ensure that safe and reliable utility services are provided to consumers at just and reasonable rates while fostering the use of competitive markets to achieve these objectives.	

Contact: Marilyn IntVeld	Contact Phone: 503-373-7949
Alternate: Michael Dougherty	Alternate Phone: 503-373-1303

The following questions indicate how performance measures and data are used for management and accountability purposes.

1. INCLUSIVITY	<p>* Staff: Facilitation of performance measures occurs centrally through the Chief Operating Officer's office with the performance coordinator, who then works with division staff. Staff is continually evaluating performance measures to ensure viability and effectiveness of the targets, formulas, and measures. If a measure needs revision or a new measure is created, a team is assigned to work on the measure.</p> <p>* Elected Officials: Elected Officials may receive correspondence or be requested to be on a committee to review or create new performance measures.</p> <p>* Stakeholders: Stakeholders may receive correspondence or be requested to be on a committee to review or create new performance measures.</p> <p>* Citizens: Citizens may receive correspondence or be requested to be on a committee to review or create new performance measures.</p>
2 MANAGING FOR RESULTS	<p>Within the PUC, each division assesses their performance measures. If there needs to be changes to the measure: to clarify how it is being reported; if the reporting of the measure needs to be revised to show more accurate results; or if the measure needs to be replaced, a team is assigned to develop the proposed revisions/changes. The recommendation is then presented to management who will review and approve the development process and submit the performance measure. In addition, if a measure is not met, analysis occurs which produces recommendations and/or action plans for improvement.</p>
3 STAFF TRAINING	<p>Our Performance Coordinator takes advantage of meetings and workshops available by the state. In turn, the Performance Coordinator trains staff on an ongoing basis.</p>
4 COMMUNICATING RESULTS	<p>* Staff: Performance measure information is posted on the agency web site. Review occurs through departmental correspondence, meetings, and/or access to the electronic version.</p>

* **Elected Officials:** Elected officials can obtain information about agency performance measures on the agency web site at <http://www.puc.state.or.us/Pages/commission/perform.aspx> or contact the agency directly.

* **Stakeholders:** Stakeholders may contact the agency or obtain any and all performance measure information electronically on the agency web site at <http://www.puc.state.or.us/Pages/commission/perform.aspx>.

* **Citizens:** Citizens are encouraged to view the agency performance measures on the PUC web site at <http://www.puc.state.or.us/Pages/commission/perform.aspx>.