



Scaling from Annual Budgets to Multiyear Planning with Rolling Forecasts

Wednesday, May 27, 2026

Agenda

- Background on Energy Trust of Oregon
- Annual Budgets with Year-End Forecasts
- 5-Year Financial Plan
- 6-Quarter Rolling Forecasts
- Adaptive Management Dashboard



About Us

Independent
nonprofit

Serving 2.5 million customers of
Portland General Electric,
Pacific Power, NW Natural,
Cascade Natural Gas and Avista

Providing
access to
affordable
energy

Generating
homegrown,
renewable
power

Building a
stronger Oregon
and SW
Washington

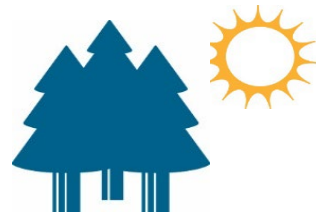
Clean and Affordable Energy Since 2002

From Energy Trust's investment of \$3.4 billion in utility customer funds:



856,000 sites transformed

into energy efficient, healthy, comfortable and productive homes and businesses



34,000 clean energy systems

generating renewable power from the sun, wind, water, geothermal heat and biopower



\$9.5 billion in savings

on participant utility bills from energy efficiency and solar investments



48.7 million metric tons of CO₂e emissions kept out of our air, equal to removing 13.2 million cars from our roads for a year

For every \$1 invested in energy efficiency, ratepayers save \$2.76.

A clean energy power plant

1,080 average megawatts saved

166 aMW generated

115 million annual therms saved

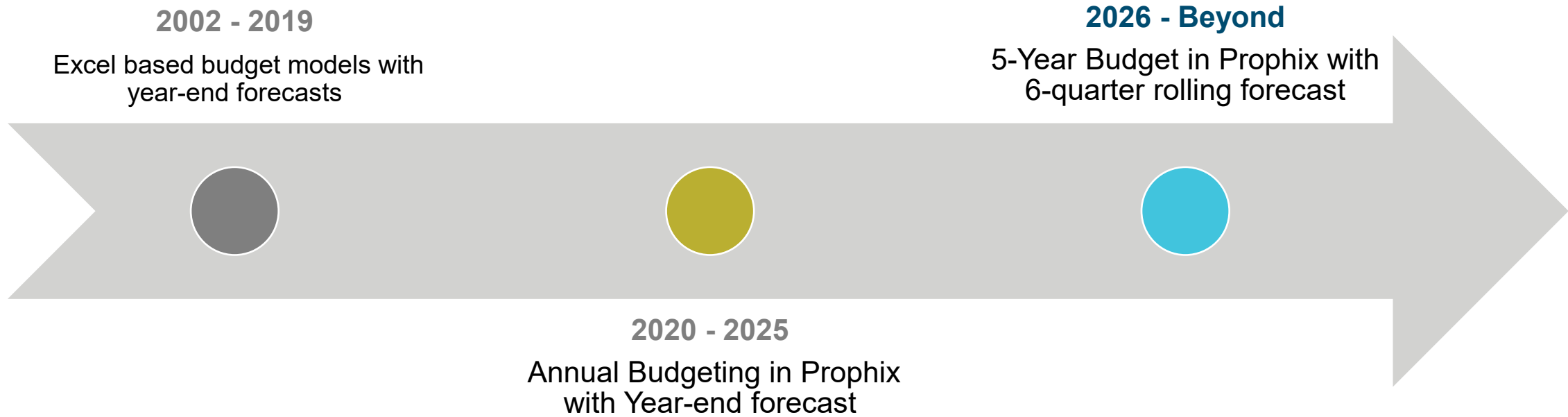
Enough energy to power **1,100,000** homes
and heat **185,000** homes for a year

Avoided **48.7** million metric tons of carbon dioxide

Budget and Forecast Process Evolution

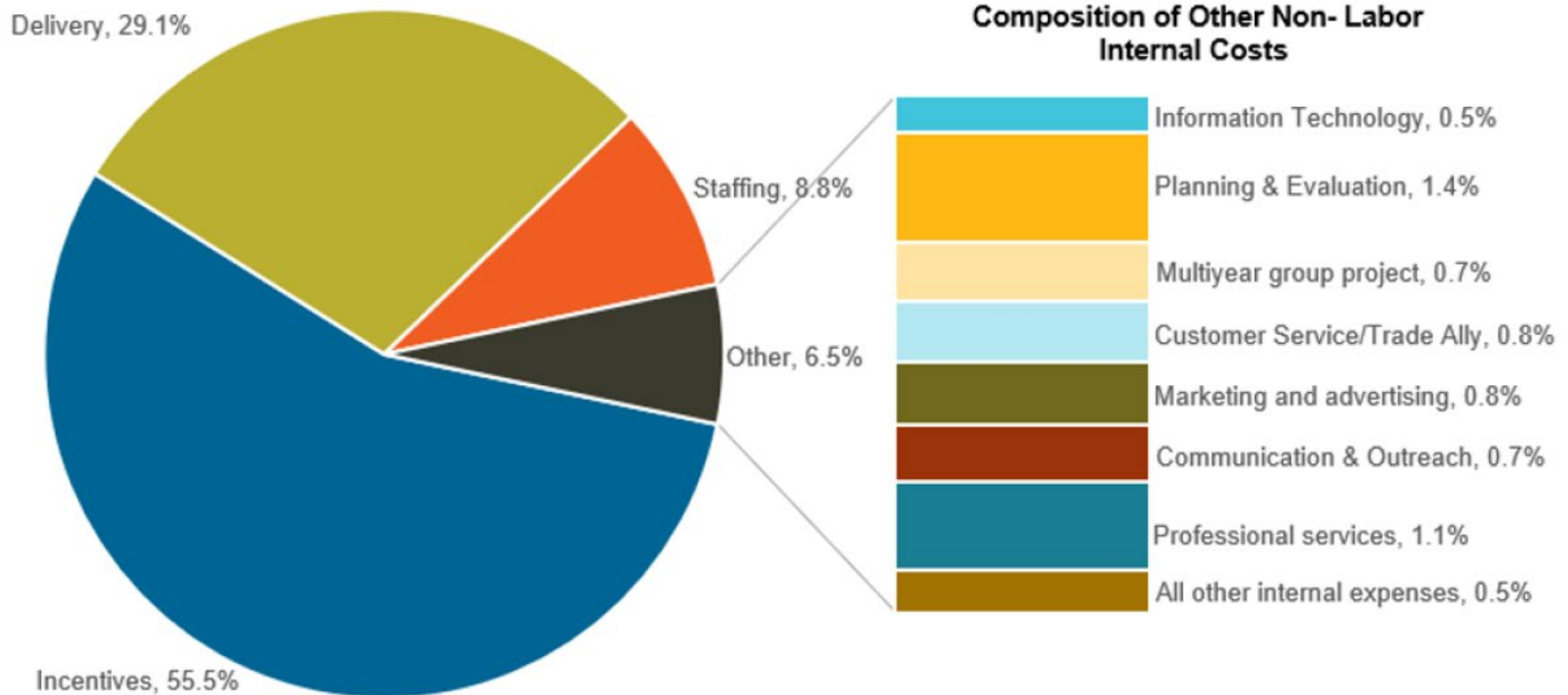
High Level Timeline

Budget and Forecast Process Evolution



Focus On Materiality

Figure 4: Total organizational expenditures with internal expense breakout¹⁵





Excel-Based Annual Budgets with Year-end Forecasts

- Annual Budget + 2nd Year Projection
 - Spread total annual amount into months using historical timing
- Year-end Forecasts in July and October
 - No Forecasts produced in the first half of the year
- Draft → Final budget, 6-months to complete
 - Public comment periods, stakeholder engagement, public budgeting process

Excel Based Budgets Input Template

A	B	C	D	E	F	G	H	I	
2	program	Finance-Compl	2018	2019	2020	step 3: General ledger charges			
3	author	Pati Presnail	Notes for Internal Use ONLY	2018 R3 Total	2019 Total	2020 Total			
4	formal version	2019-2					Timing	Account builder	
5	date	July 2018					from table	Natural	Dpt
6							required	required	required
7	line #	Activity Notes - Pull in to BI	Notes	Total cost Y0	Total cost Y1	Total Cost Y2	Timing	Acct	Dpt
48	7.00 Meetings								
49		Retreat		\$ 250	\$ 1,000	\$ 1,000	q1	8510	00
50		3 Quarterly mini retreats			\$ 300	\$ 300	Q1 - Q4	8510	00
51									00
52		Meetings total		\$ 250	\$ 1,300	\$ 1,300			
53	8.00 Fees								
54		US Bank Safekeeping		\$ 1,500	\$ 1,500	\$ 1,500	Q2	8620	00
55		bank charges, late pay		\$ 212			Q1 - Q4	8620	00
56									00
57		Fees total		\$ 1,712	\$ 1,500	\$ 1,500			
58	9.00 Other								
59		Supplies		\$ 400	\$ 500	\$ 500	Q1 - Q4	7710	00
60		Check Stock and MICR toner		\$ 2,500	\$ 2,500	\$ 2,500	Q1 - Q4	7710	00
61		CT12 / 990		\$ 2,400	\$ 2,400	\$ 2,400	Q3	8920	00
62		Other total		\$ 5,300	\$ 5,400	\$ 5,400			
63	Grand Total before allocation			\$ 153,531	\$ 315,325	\$ 217,325			





Prophix Annual Budgets with Year-end Forecasts

- Annual Budget + 2nd Year Projection
 - Spread total annual amount into months using historical timing
- Year-End Forecasts in July and October
 - No Forecasts produced in the first half of the year
- Draft → Final budget, 6-months to complete
 - Public comment periods, stakeholder engagement, public budgeting process



5-Year Budgets + 6-Quarter Rolling Forecast

- 5-Year Budget
 - Spread annual amounts into quarters using historical timing of spending
- 6-quarter Rolling Forecasts updated once per quarter
 - 6-Quarter Rolling Forecast published in March, June, September, and December
- Draft → Final 5-year Budget, 12-months to complete
 - Public comment period, stakeholder engagement, public budgeting process, only occurs once every 5 years

The Shift to Multiyear Planning

How We Used to Work

- Annual budget cycle
- Set energy targets for one year
- Two year-end forecasts per year (generated in Q2 and Q3)
- Year-end assessment and adjustment
- Start over each January

How We Work Now

- Five-year financial plan (2026-2030)
- Set energy targets for entire five years
- Four 6-quarter rolling forecasts per year (generated in Feb, Apr, Jul, Oct)
- Quarterly assessment and potential adjustments
- Plan and budget in place for five years

From Annual Mindset to Multiyear Mindset

Before

Annual
Planning
Cycle

- Targets set for one year
- Two forecasts per year
- Year-end assessment & adjustment

Annual reset

Now

2026-2030
One Integrated Adaptive
Management Arc

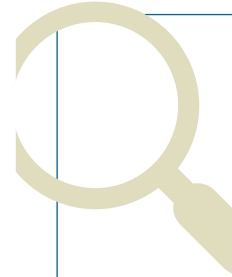
- Targets set for five years
- Forecast and adjust continuously across all five years
- The work is **continuous**; the planning horizon is what changed

*Outcome:
Deliver on
5-Year
Strategic Plan*

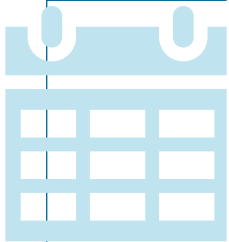
The Quarterly Rolling Forecast Process



What it is: A forecast that looks out six quarters combining actual results to date with projected savings, generation, and expenditures



How it works: Every quarter, we compare our actuals + forecast against the MYP timing curves to identify any variance



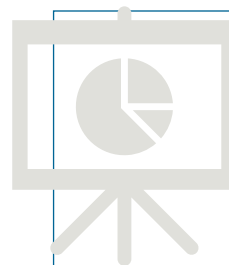
Four forecasting cycles per year:

- February
- April
- July
- October



What we track:

- Energy efficiency savings and generation
- Expenditures by program and utility
- Variance from expected timing curves



Presented via dashboard to OPUC, Board, Finance & Audit Committee and the utilities

How will the rolling forecast be different than our historical forecasting process?

- Moving from two year-end forecasts per year (in July & October) to four 6-quarter rolling forecasts per year
- For non-labor expenses, centralized financial planning process for support departments



Forecasting Timeline Overview

- The process will **occur once per quarter** and will take **approximately 5 weeks**.
- Trial run, training ran through the new process (including how to use the new templates)

Trial Run	10/20-10/24	10/27-10/31	11/3-11/7	11/10-11/14	11/17-11/21
Budget Admin Pre-populate forecasts					
Budget managers enter/review forecasts					
Budget approvers review and approve					
FP&A publish forecasts					
OMT reviews forecasts					
Share reports with stakeholders					

*subject to change based on 2026 monthly close calendar

Key Roles and Responsibilities

Role	Responsibility
FP&A Team	<ul style="list-style-type: none">• Initial population of forecast templates• Producing a 6Q forecast report• Generate material to present to stakeholders
Budget Managers	<ul style="list-style-type: none">• Input Marketing and IT software spend<ul style="list-style-type: none">• All other internal expense forecast data generated using economic models.• Review preliminary forecasts and update as appropriate
Budget Approvers	<ul style="list-style-type: none">• Review, modify, and approve forecast templates using workflows
Executive Team/ Board/ Utilities	<ul style="list-style-type: none">• Inform on results of each quarterly forecast



Inputs to 6Q Rolling Forecast

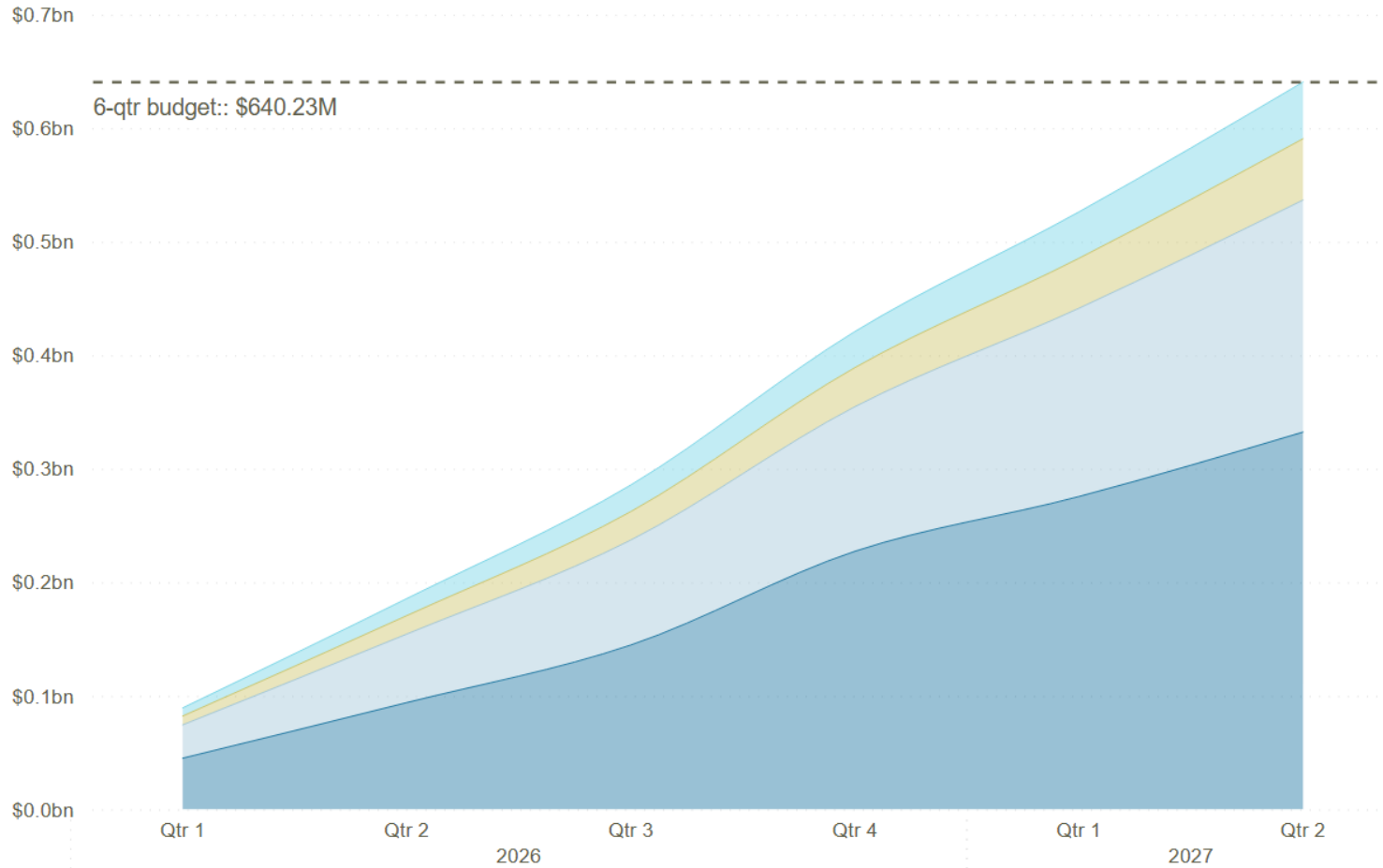
Category	Input	Where the data will come from
Savings Targets	Projected savings	Data will be imported from Energy & Incentive Monthly Forecasting
Generation Targets	Projected generation	
Incentive	Projected incentive spend	
Delivery	Projected program delivery contractor spend	Budget Managers will provide quarterly estimates at the funder & program group level
Staffing	Salary, benefits, and labor tax projected spend	Data be imported from the staffing updates provided to the labor model.
Internal – Marketing, Software	Projected internal cost category expenses	Budget Managers will provide forecasts by quarter into specific input templates
Internal – all other categories	Projected internal cost category expenses	Data will be generated using an economic model to forecast expense based on historical actuals
Revenue	Projected revenue by funding source	FP&A will forecast revenue using current trend against 5-Year Financial Plan

6-Quarter Forecast Outputs

(DASHBOARD) Q1 2026: Total Expenditures Forecast

Total Org Expenditures by Cost Type: 6-qtr rolling forecast (with actuals) to 6-qtr budget

Expenditure Type — Incentives — Program Delivery Contractors — Employee Salaries & Fringe Benefits — Internal Costs



Expenditure Results by Expenditure Type

Expenditure Type	Actuals	6-qtr forecast with actuals	6-qtr budget	% to 6-qtr budget
▲				
Incentives		\$332.1M	\$332.8M	100%
Program Delivery Contractors		\$204.4M	\$201.0M	102%
Employee Salaries & Fringe Benefits		\$54.0M	\$58.4M	92%
Internal Costs		\$49.9M	\$48.1M	104%
Total		\$640.4M	\$640.2M	100%

Expenditure Results by Initiative

Initiative	Actuals	6-qtr forecast with actuals	6-qtr budget	% to 6-qtr budget
☐ Grants and Contracts		\$38.7M	\$41.9M	92%
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☐ OPUC		\$596.4M	\$593.2M	101%
Demand Side Management (DSM)		\$21.5M	\$24.5M	88%
Interruptible Gas		\$930.1K	\$904.5K	103%
OPUC General		\$573.9M	\$567.8M	101%
☐ Shared		\$39.2K	\$43.0K	91%
Business Development		\$39.2K	\$43.0K	91%
☐ Washington Energy Efficiency		\$5.3M	\$5.0M	104%
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Total		\$640.4M	\$640.2M	100%

(DASHBOARD) Q1 2026: Total Expenditures Forecast

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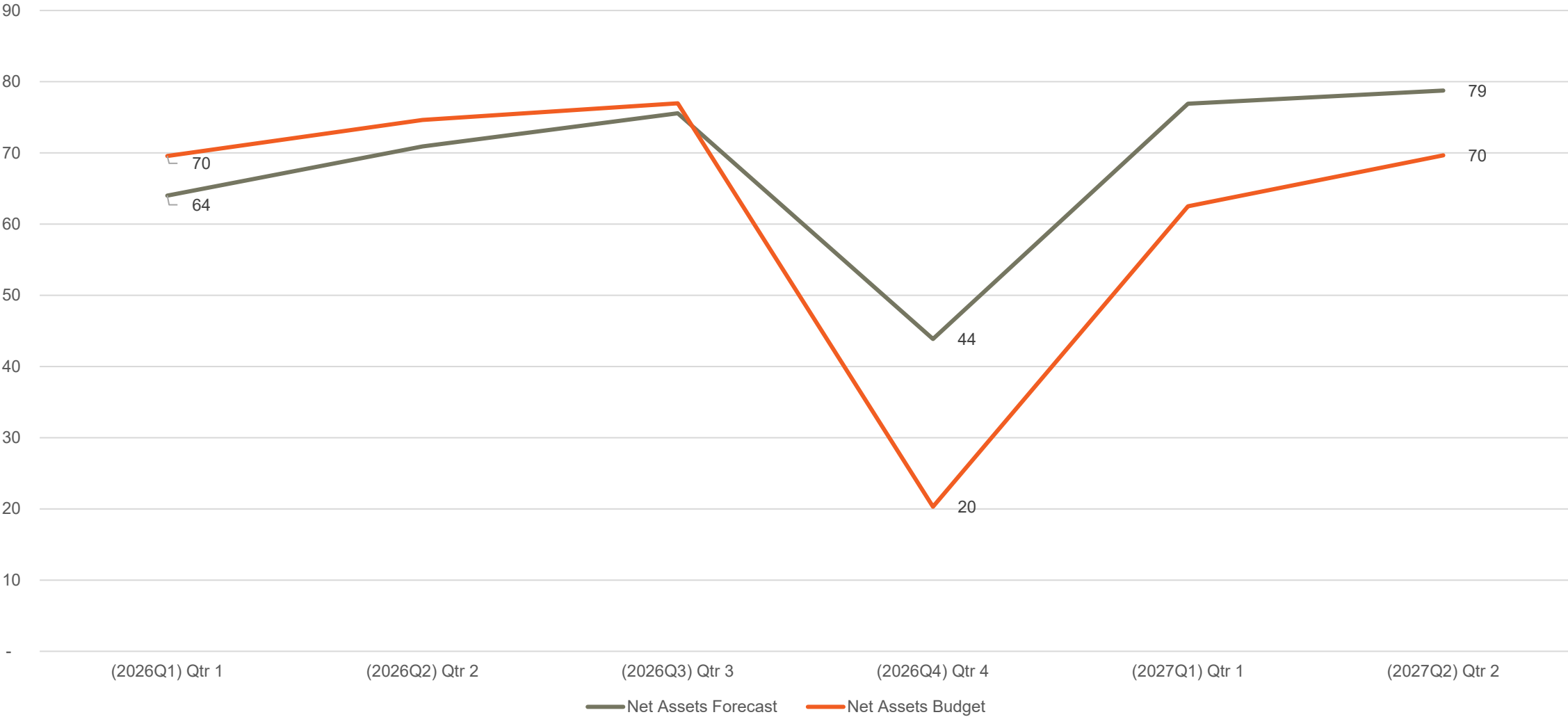
(DASHBOARD) Q1 2026: Total Expenditures Forecast

Expenditure Results by Initiative

Initiative	Actuals	6-qtr forecast with actuals	6-qtr budget	% to 6-qtr budget
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Q1 2026: Oregon Public Utility Commission Efficiency Net Assets

OPUC Efficiency Funders (M)





Thank you!

Devin Liebmann

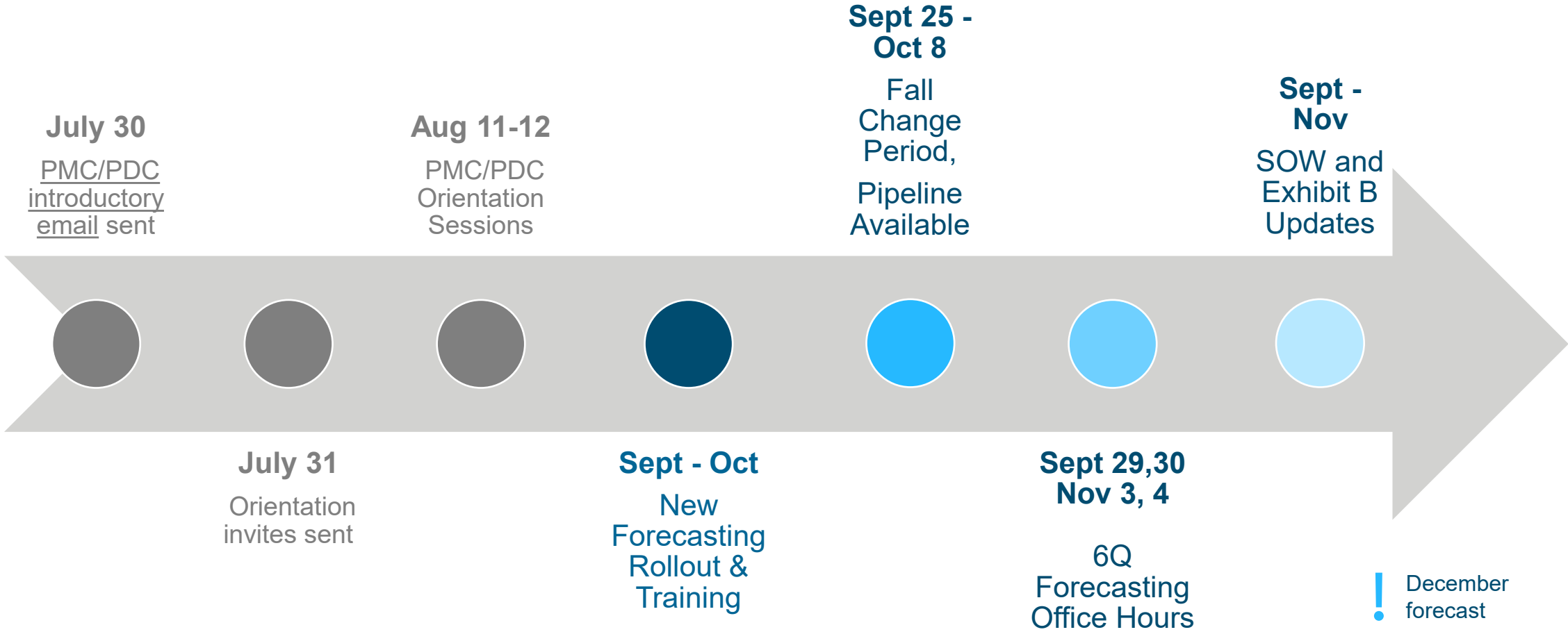
Manager Financial Planning and Analysis

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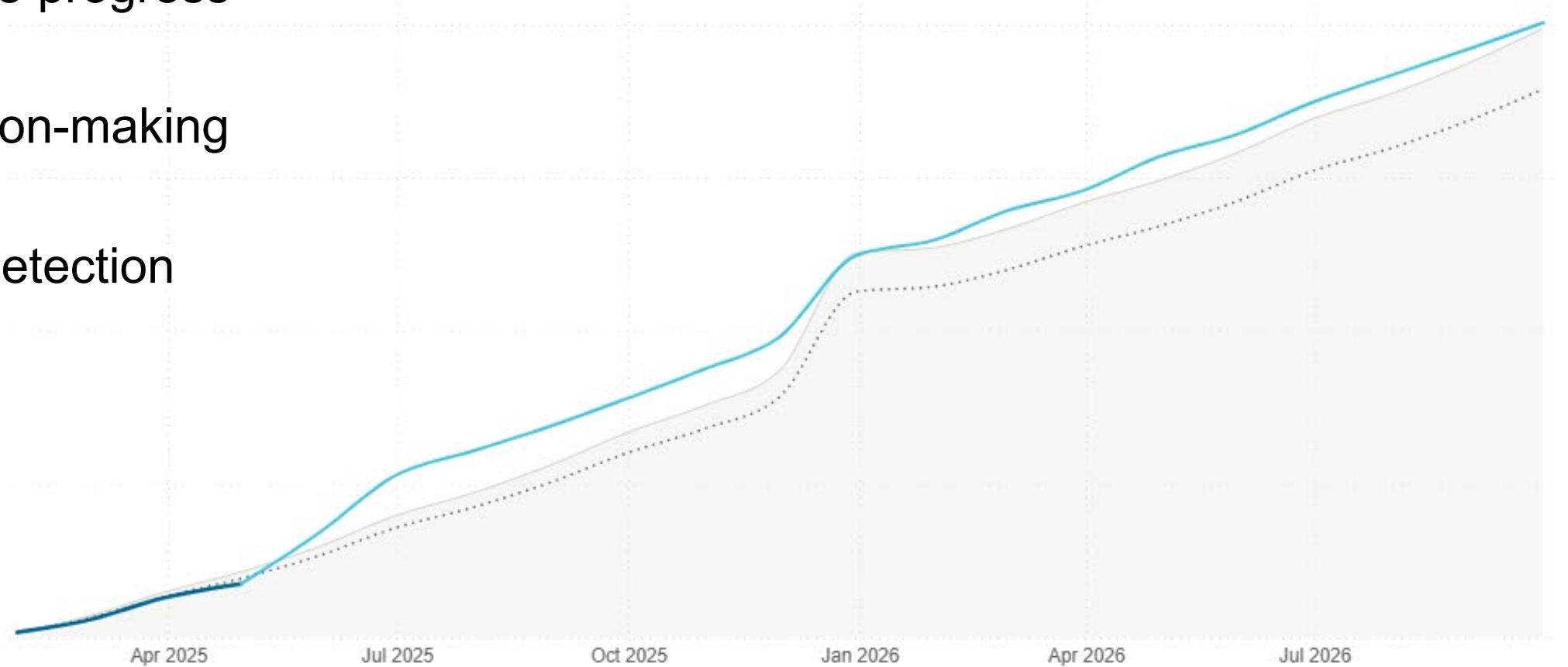
Appendix

Energy and Incentive Forecasting High Level Timeline



Why Forecasting?

- Communicate progress
- Inform decision-making
- Early issue detection



Two E&I Forecast Pipelines

2025 Energy and Incentives Forecasting Pipeline

Residential Incentives (Electric)

Sponsor, ProgramGL Name	Completed	Estimated (unweighted)	Proposed (unweighted)	Committed (unweighted)	Total (unweighted)	Total (weighted excl. short cycle)	Short cycle	Total (weighted incl. short cycle)	Budget	%Budget
▣ PAC	\$10,201,467	\$7,200	\$804,715	\$771,673	\$11,785,055	\$11,785,055	\$7,379,026	\$19,164,081	\$15,319,581	125%
▣ PGE	\$9,113,604	\$21,968	\$798,119	\$284,558	\$10,218,249	\$10,218,249	\$9,466,713	\$19,684,962	\$17,115,097	115%
Total	\$19,315,071	\$29,168	\$1,602,834	\$1,056,231	\$22,003,304	\$22,003,304	\$16,845,739	\$38,849,043	\$32,434,678	120%

6 Quarter Energy and Incentives Forecasting Pipeline

Residential Incentives (Electric)

Sponsor, ProgramGL Name	Completed	Estimated (unweighted)	Proposed (unweighted)	Committed (unweighted)	Total (unweighted)	Total (weighted excl. short cycle)	Short cycle	Total (weighted incl. short cycle)	Target	%Target
▣ PAC	\$10,201,467	\$7,200	\$830,515	\$786,673	\$11,825,855	\$11,013,661	\$21,000	\$11,034,661	\$58,461,537	19%
▣ PGE	\$9,113,604	\$46,346	\$798,119	\$284,558	\$10,242,627	\$9,678,115	\$1,650	\$9,679,765	\$63,224,236	15%
Total	\$19,315,071	\$53,546	\$1,628,634	\$1,071,231	\$22,068,482	\$20,691,776	\$22,650	\$20,714,426	\$121,685,773	17%

What goes into current year forecasting?



Completed Projects

+



Projects in Development

×

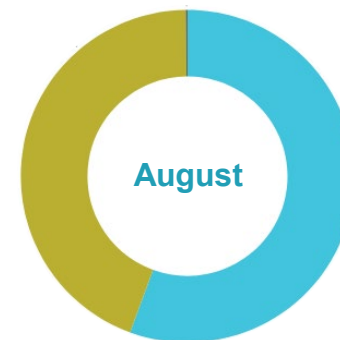
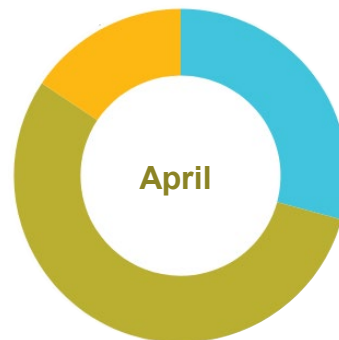
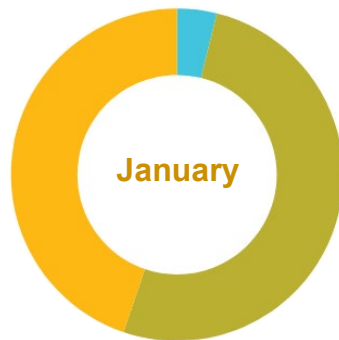


Confidence Factor

+



Short Cycle



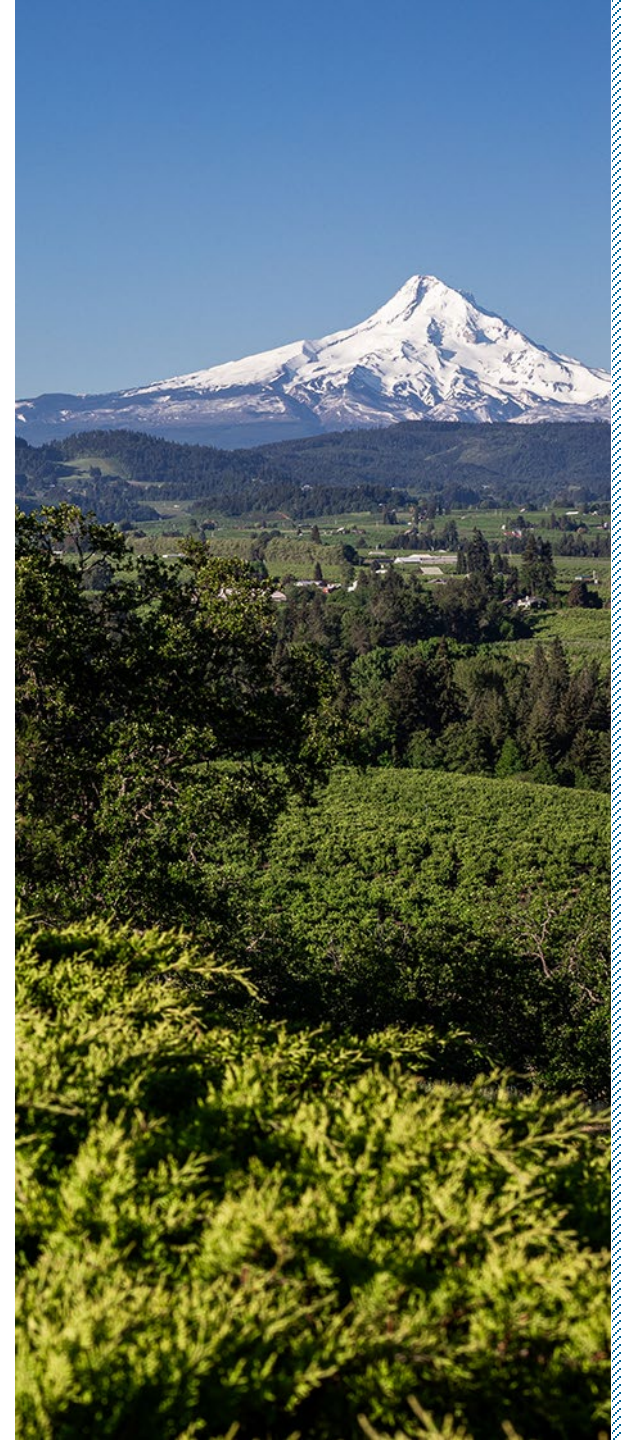
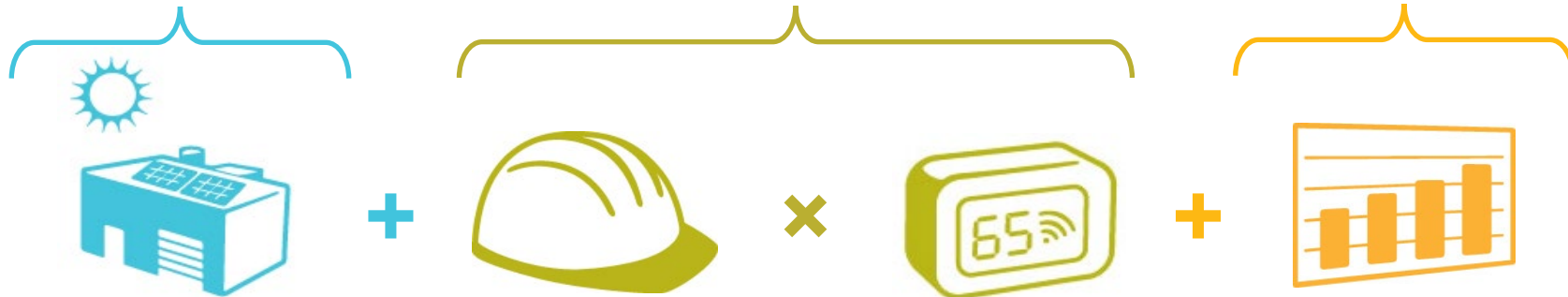
How will the 6Q forecast differ?

- Completed projects will accumulate over time and will serve as an ever-increasing baseline for the 6Q forecasts.
- Projects in development will not change significantly, except that we will now see projects with expected completion dates beyond year-end.
- Historical trends analysis will always be used to forecast activity on the ever-advancing horizon.
- Budgets/Targets will comprise the forecasted accumulation of projects from Jan 1, 2026, until six quarters beyond the forecast date.

Accumulation of completed projects since Jan 1, 2026

Projects currently in development, with **Confidence Factors** - the likelihood that they will be completed - applied

Short Cycle: Future project trends as predicted by historical analysis



Forecast Pipeline Roles



Forecast Management

- Manages Forecast QC for a clean monthly snapshot
- Works with program & delivery teams to resolve QC flags



Forecast Data Entry

- Records Confidence Factors and Short Cycles in templates
- QCs pipeline ensuring data is captured



Forecast Approver

- Reviews and approves pipeline (or requests revisions)
- Provides comments on significant changes month to month



Operations Analysts

- Manage data entry and approval contact lists
- Support all roles and responsibilities via coaching and training
- Support forecasting schedule awareness and all snapshot deliverables

Forecast Manager: Forecast QC Report



QC - Project Forecast

Next Snapshot Date

Monday, September 29, 2025

Selections

- COM
 - Existing Buildings PMC
 - Lighting PDC
 - NEEA
 - New Buildings PMC
- IND
 - Industrial PMC
 - Lighting PDC
 - NEEA
- REN
 - Commercial Solar
 - Community Solar
 - New Buildings Solar PMC
 - Other Renewables
 - Residential Solar
- RES
 - NEEA
 - Residential PMC

0 Missing Sponsor	13 Sponsor Mismatch	1 Incorrect Contract or Initiative	42 Estimated Pay Date In Past
0 Incorrect GL Combination	0 Missing Reportable Factor	1 Pending Complete, No Payment	2 Not Complete, With Payment
2 Forecasts With Inactive Projects	0 Suspicious Estimated Pay Date	1 Missing Site	0 Forecasts With Inactive Sites
0 Forecasts With Completed Projects	0 Lighting Forecast with Gas		
51 Forecast Sites Missing Market	387 Suspicious Electric Run Rate	113 Suspicious Gas Run Rate	369 Estimated Pay Date Before Snapshot ...

Required

Important But Not Required

Data Entry and Approvers: 6Q Forecasting Pipeline Report Components

6Q Target Starts 1/1/2026 thru 6-Q

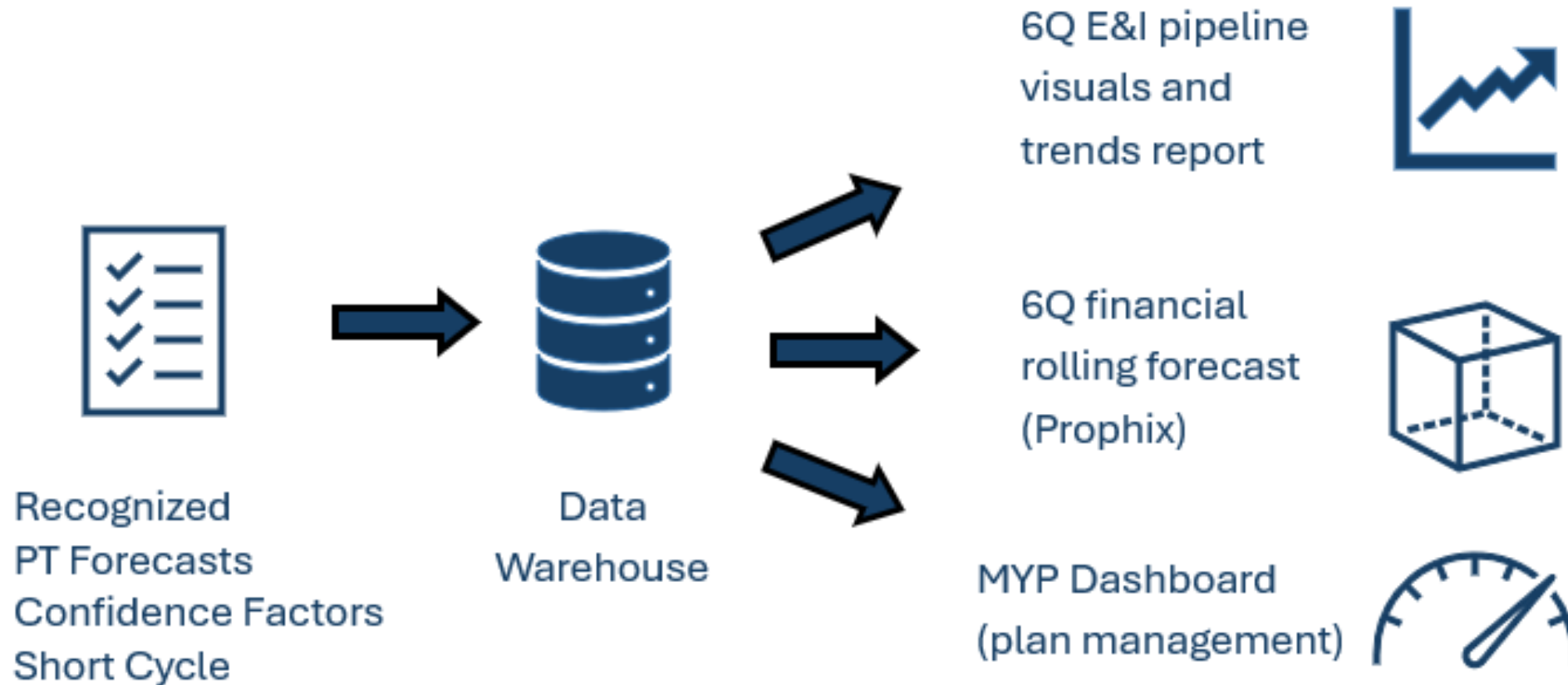
Recognized Starting 1/1/2026
 Forecasts in PT thru 6-Q
 Recognized & Forecasted
Data Entry CF and SC thru 6-Q

Industrial Incentives (Electric)

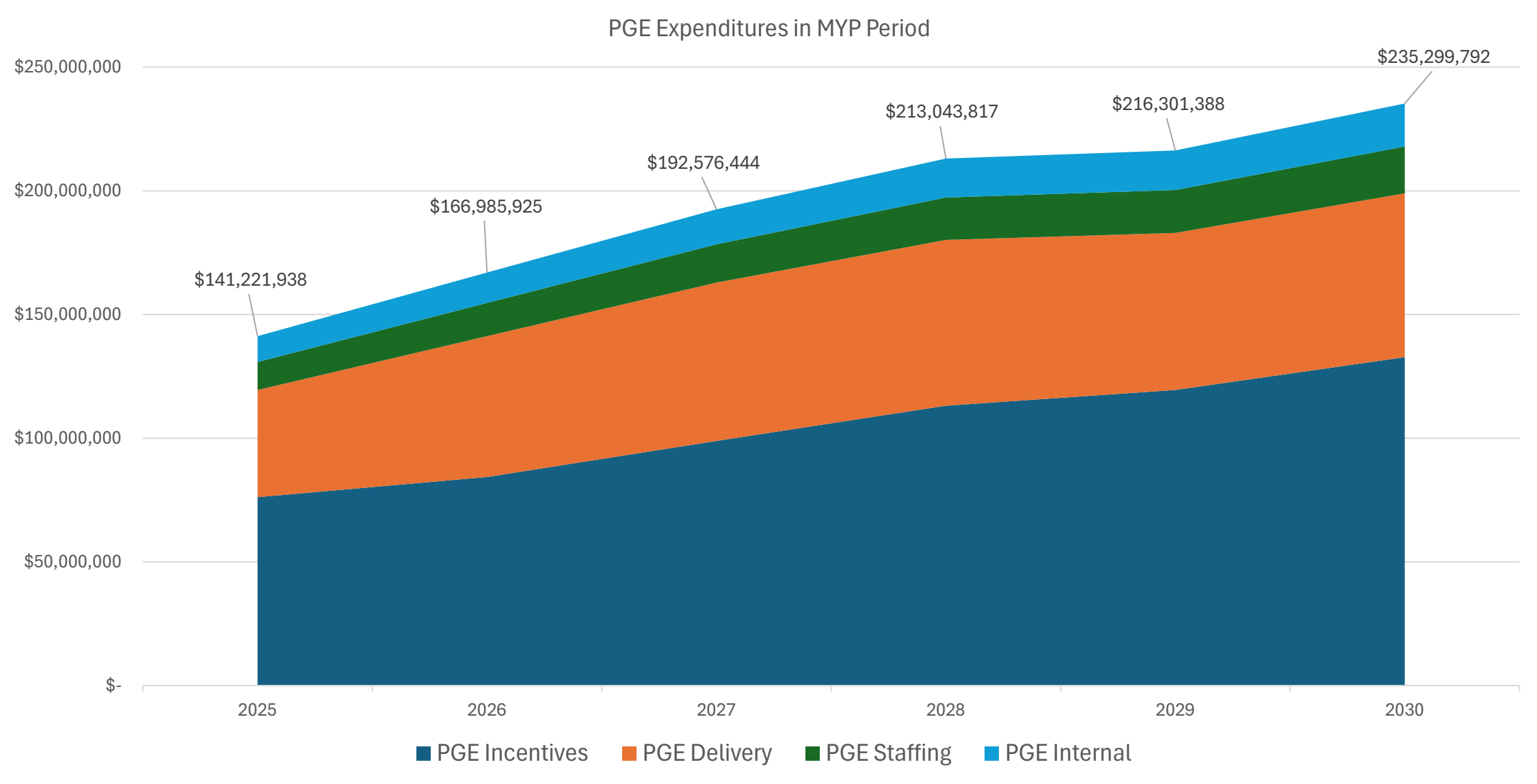
Funder, Sponsor, Track	Completed	Estimated (unweighted)	Proposed (unweighted)	Committed (unweighted)	Total (unweighted)	Total (weighted excl. short cycle)	Shortcycle	Total (weighted incl. short cycle)	Target	%Target
⊖ PAC	\$7,044,738	\$5,426,711	\$969,750	\$9,043,789	\$22,484,988	\$14,764,863	\$81,000	\$14,845,863	\$49,030,320	30%
⊖ PAC	\$7,044,738	\$5,426,711	\$969,750	\$9,043,789	\$22,484,988	\$14,764,863	\$81,000	\$14,845,863	\$49,030,320	30%
Custom	\$2,332,335	\$5,298,747	\$735,222	\$6,275,597	\$14,641,901	\$8,487,118	\$3,000	\$8,490,118	\$23,786,472	36%
Lighting Direct Install	\$599,990	\$2,964	\$0	\$198,766	\$801,720	\$700,855	\$3,000	\$703,855	\$489,794	144%
Lighting Downstream	\$1,538,167	\$0	\$0	\$549,644	\$2,087,811	\$1,812,989	\$3,000	\$1,815,989	\$6,231,702	29%
Lighting Midstream/Buydown	\$343,762	\$0	\$0	\$0	\$343,762	\$343,762	\$3,000	\$346,762	\$5,017,164	7%
Mega-Project	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000	\$3,000	\$0	N/A
NEEA	\$0	\$0	\$0	\$0	\$0	\$0	\$60,000	\$60,000	\$0	N/A
Small Industrial	\$1,556,659	\$125,000	\$95,696	\$782,981	\$2,560,336	\$2,058,498	\$3,000	\$2,061,498	\$9,836,041	21%
Strategic Energy Mgmt	\$673,825	\$0	\$138,832	\$1,236,801	\$2,049,458	\$1,361,642	\$3,000	\$1,364,642	\$3,669,147	37%
⊖ PGE	\$9,025,739	\$1,965,786	\$2,275,848	\$14,214,465	\$27,481,838	\$18,253,789	\$81,000	\$18,334,789	\$72,761,620	25%
⊖ PGE	\$9,025,739	\$1,965,786	\$2,275,848	\$14,214,465	\$27,481,838	\$18,253,789	\$81,000	\$18,334,789	\$72,761,620	25%
Total	\$16,070,477	\$7,392,497	\$3,245,598	\$23,258,254	\$49,966,827	\$33,018,652	\$162,000	\$33,180,652	\$121,791,940	27%

QC #1
 QC #2
QC #3
QC #4

What the snapshot feeds

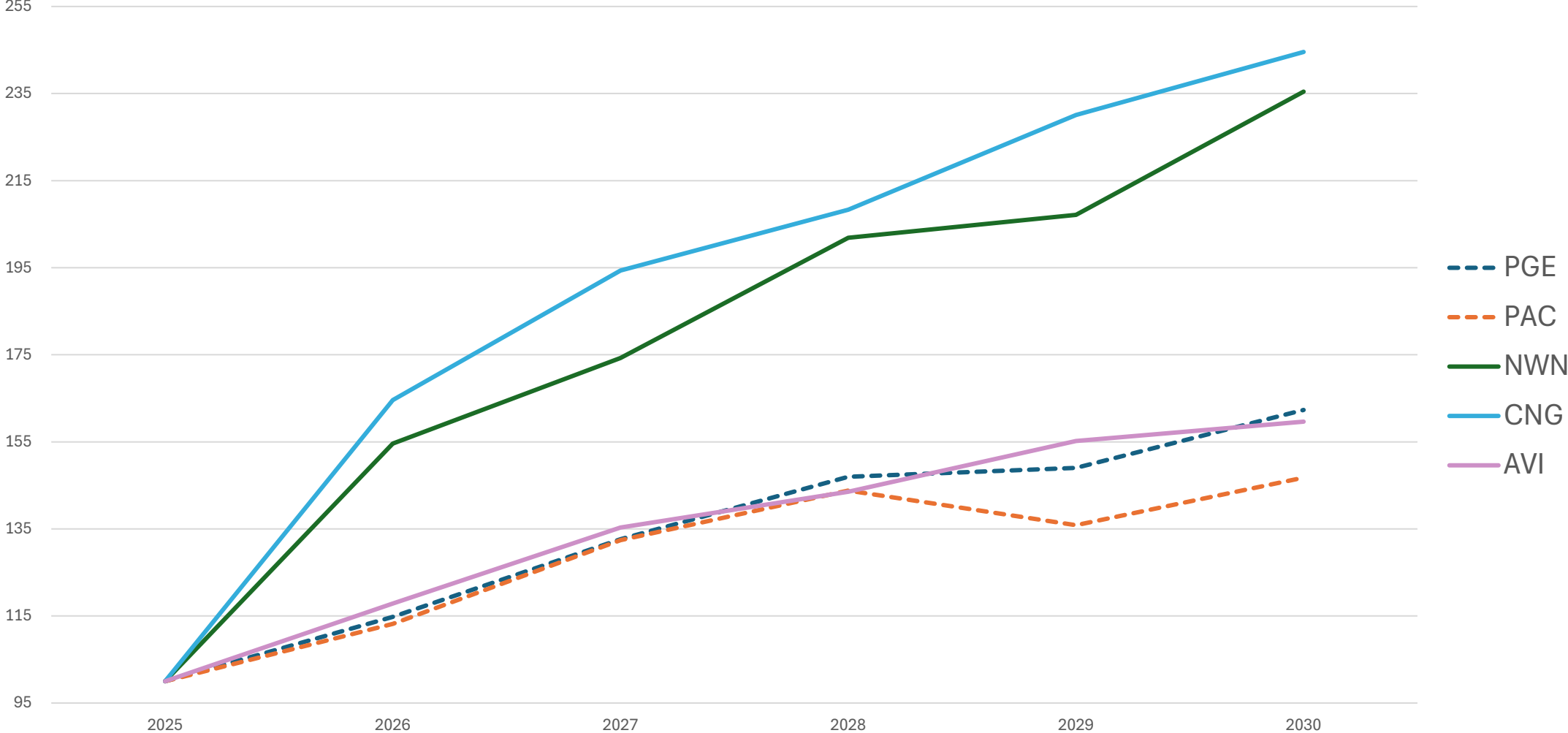


PGE expenditures – 2026-2030



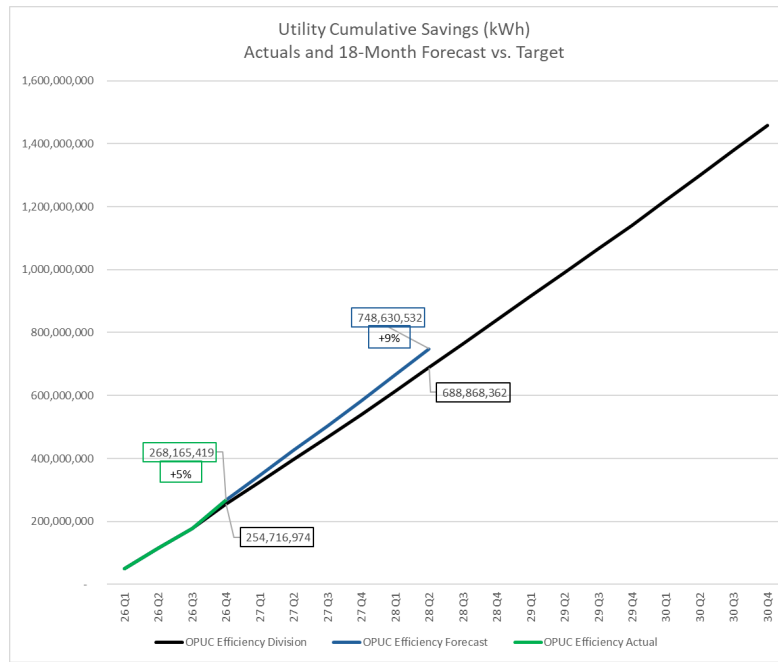
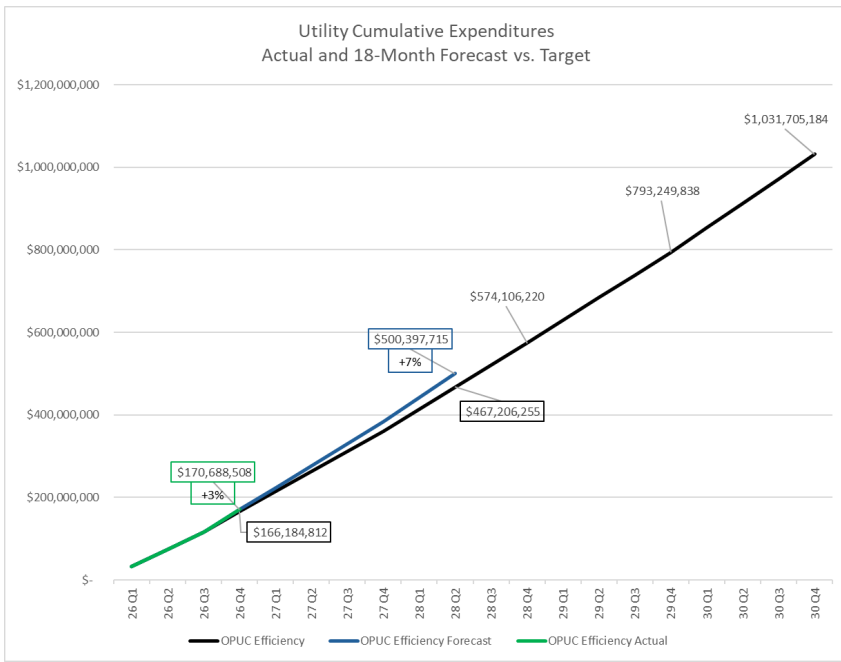
Projected revenue – 2026-2030

Utility Revenue Growth
2025 = 100



Example outcomes from rolling forecast process

- **Visualization:** 6-quarter forecast chart (e.g., October 2025–March 2027)
 - **Includes:** Savings, Generation, Revenue, Incentive costs, Delivery costs, Internal costs, and Staffing costs.
- **Comparison:** Data will compare progress of forecast + actuals to the 5-year financial plan.



Budgeting and Forecasting for Staffing



BUDGETING:

- The multiyear plan set staffing costs to an average of 8.74% of OPUC expenditures over the five-year period.
- This represents a reduction compared to 2025 budget, where staffing costs are 8.9% of OPUC expenditures.

FORECASTING:

- Staffing needs will be assessed and projected every six months.
- Requests for new staffing will be reviewed, compared to budget and decided upon by Operational Management Team.
- Before adding new employees, we will first consider how we could consolidate, streamline or automate work to increase efficiency.

Budgeting and Forecasting for Professional Services



BUDGETING:

- A baseline of 2024 actual expenditures was used.
- This baseline was inflated at an annual rate of 5% to get to 2026, and then for the multiyear period.

FORECASTING:

- Automated functionality in Prophix will produce system-generated forecasts.
- No input required by budget managers.
- Requirements for expenditures in excess of the budget amount should first be raised with FP&A

Budgeting and Forecasting for Other Internal Expenses

All other internal expenses, 0.5%

BUDGETING:

- For training and travel, an amount per person was provided by People Services.
- For all others, a baseline of 2024 actual expenditures was used.
- This baseline was inflated at an annual rate of 5% to get to 2026, and then for the multiyear period.

FORECASTING:

- Automated functionality in Prophix will produce system-generated forecasts.
- No input required by budget managers.
- Requirements for expenditures in excess of the budget amount should first be raised with FP&A

