

# Washington DSM Advisory Group June 29, 2023

(with updates/revisions since the meeting highlighted in red)



- Follow-ups from last meeting
- 2024-2025 Target Setting - Condition 3c
- Production Efficiency - thermal
- 2022 Annual Report
- 2022-2023 DSM Forecast and Adaptive Management - Condition 3d, 3e
- Clean Energy Implementation Plan (CEIP)
- CEIP Progress Report – energy efficiency CBI metrics, utility actions – condition 9b
  
- Updates
  - CETA: Equity Advisory Group
  - Demand Response
  - Procurement: Delivery Contracts (Home Energy Savings, Wattsmart Business)
  - Wrap-up

# Follow-ups from last meeting

Nancy Goddard

## Tree planting conservation - condition 10c

- Revisit once IRP selections complete
  - Tree planting conservation was selected
- Including a request for Tree Planting Conservation in the upcoming Home Energy Savings Program Delivery RFP

# 2024-2025 Target Setting

Peter Schaffer



# 2023 IRP Selections

LT\_13338\_23I.LT.RP.20.PA1\_.EP.MM.PP-D3 29 v109.9

## Energy Efficiency (excluding Home Energy Report)\*

**Cumulative Energy Efficiency Energy (MWh) Selected by State and Year**

State	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
WA	53,112	92,825	139,678	176,285	217,245	263,078	307,593	352,688	391,869	438,353

- Energy efficiency bundles are selected on a net cost of capacity basis. To develop capacity estimates:
  - Use CPA energy (MWh) volumes and convert to capacity (MW) volumes using load shapes.
  - Adjust load shapes to align with load forecast for temperature dependent measures so that the hottest day aligns with the highest load for cooling measures and vice versa for heating measures.
  - This methodology results in slight variations between cumulative and 1<sup>st</sup> year energy efficiency. 1<sup>st</sup> year energy cannot be calculated by subtracting cumulative energy from the prior year because the hourly shapes change from year to year.

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## Energy Efficiency (excluding Home Energy Report)\*

**1st Year Energy Efficiency Energy (MWh) Selected by State and Year**

State	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
WA	53,112	40,313	47,072	35,018	39,718	45,721	45,802	48,201	47,697	44,313

- Accounting for annual shapes of energy efficiency increases annual selections by 2% over the 10 yr period.
- Preferred portfolio in WA includes social cost of carbon and non-energy impacts.
- Totals do NOT include Home Energy Reports

# HER forecast/adjustment

Pacific Power Washington (@gen kWh)			
Treatment Group Category	2023	2024	2025
2020 Email kWh	1,803,573	1,584,991	1,387,944
2020 Paper kWh	546,994	500,693	453,316
2021 Paper&Email kWh	788,188	654,670	536,226
Total kWh	3,138,755	2,740,354	2,377,486
2020 Email Users	16,886	14,821	13,007
2020 Paper Users	15,902	14,456	13,141
2021 Paper&Email Users	9,768	8,059	6,642

# NEEA forecast/adjustment

Pacific Power's Share		NEEA Reported Savings Estimate (aMW)		
		2024	2025	Total
<b>Total for NEEA's Portfolio</b>		<b>0.51</b>	<b>0.65</b>	<b>1.16</b>
Program Measures		0.35	0.39	0.74
Residential	Total	0.33	0.38	0.71
	<a href="#">Ductless Heat Pumps</a>	0.06	0.08	0.14
	<a href="#">Extended Motor Products</a>	0.02	0.02	0.03
	<a href="#">Heat Pump Water Heaters</a>	0.06	0.08	0.14
	<a href="#">Manufactured Homes</a>	0.00	0.00	0.01
	<a href="#">Refrigerators/Freezers</a>	0.04	0.04	0.08
	<a href="#">Clothes Washers</a>	0.06	0.06	0.12
	<a href="#">Clothes Dryers</a>	0.03	0.03	0.06
	<a href="#">Room Air Conditioners</a>	0.00	0.00	0.00
	<a href="#">Televisions</a>	0.06	0.06	0.12
	Air Cleaners	TBD	TBD	TBD
Home Audio	TBD	TBD	TBD	
Commercial	Total	0.02	0.02	0.04
	<a href="#">Extended Motor Products</a>	0.01	0.01	0.03
	<a href="#">High Performance HVAC</a>	0.00	TBD	0.00
	<a href="#">Luminaire Level Lighting Controls</a>	0.00	0.01	0.01
Codes & Standards		0.16	0.25	0.42
Residential	Total	0.10	0.14	0.24
	<a href="#">Residential New Construction</a>	0.09	0.14	0.23
	<a href="#">Consumer Products (Standards)</a>	0.00	0.01	0.01
Commercial	Total	0.07	0.11	0.17
	<a href="#">Commercial New Construction</a>	0.05	0.10	0.15
	<a href="#">Commercial Products (Standards)</a>	0.01	0.01	0.03
Industrial	Total	0.00	0.00	0.00
	<a href="#">Industrial Products (Standards)</a>	0.00	0.00	0.00

NEEA forecast provided on 6/14/2023 is up by about 3,400 MWh compared to the previous biennium.

Increases are primarily from the recently adopted WA energy code. Delays in energy code implementation have potential to reduce code impacts during the biennium.

# RTF Adjustments

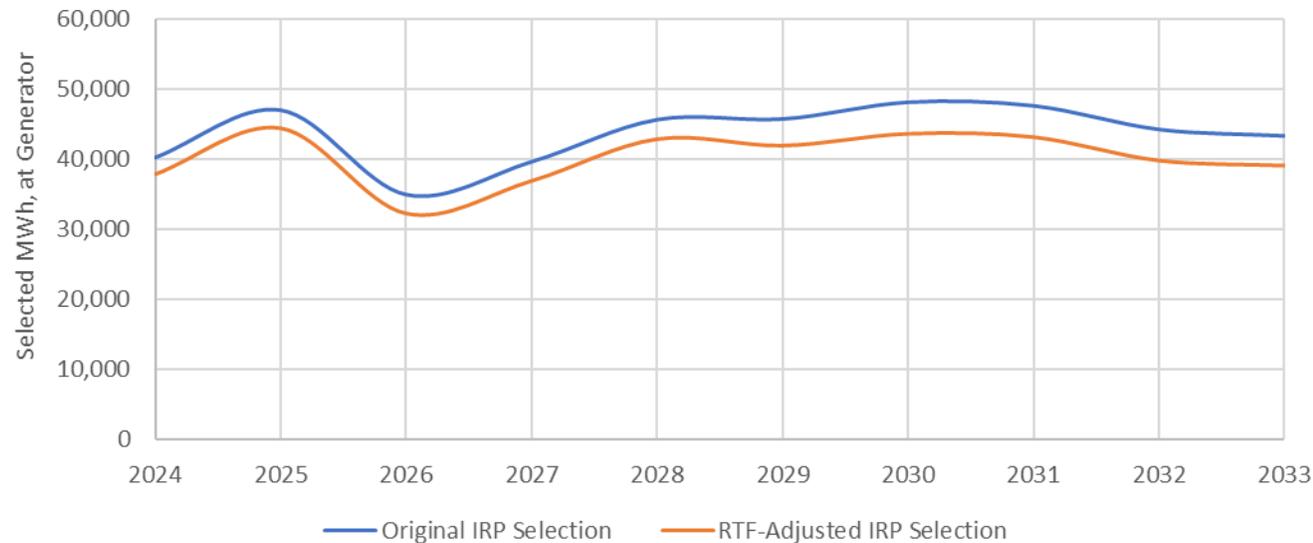
- Recent updates (through 5/23 meeting) to RTF UES workbooks were reviewed; any resultant savings changes were incorporated as adjustments to 2023 CPA measure savings.
- Biggest changes in lighting:
  - Removal of general service/exempted savings from all segments except residential low income.
  - Reductions in linear lighting savings based on NonResLightingMidstream v6.1 updated on 3/29/2023.
- Irrigation hardware/maintenance measures updated to Eastern WA/OR hours of use from RTF.

Adjustments to IRP Selections (MWh, At Gen)	Sector/Segment	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Ducting - Repair and Sealing	Residential	(7.2)	(14.3)	(23.2)	(35.6)	(49.8)	(62.7)	(72.6)	(77.7)	(77.4)	(71.5)
Connected Thermostat - Line-Voltage	Residential	(1.4)	(2.5)	(4.1)	(6.2)	(8.8)	(11.3)	(14.6)	(17.9)	(21.0)	(23.3)
General Service Lighting	Res - Non-LI Segments	(268.1)	(282.8)	(162.5)	-	(0.1)	-	-	-	(0.7)	(1.0)
General Service Lighting	Res - LI Segments	-	-	-	-	-	-	-	-	-	-
Exempted Lighting	Res - Non-LI Segments	(1.1)	(1.5)	(0.3)	(0.3)	-	-	-	-	-	-
Exempted Lighting	Res - LI Segments	-	-	-	-	-	-	-	-	-	-
Grocery - Display Case - LED Lighting	Commercial	(1.4)	(1.7)	(2.0)	(2.3)	(2.6)	(2.9)	(2.8)	(2.6)	(2.2)	(1.6)
Grocery - On-Demand Overwrappers	Commercial	(0.6)	(0.8)	(0.9)	(1.1)	(1.4)	(1.6)	(1.3)	-	-	-
Agriculture - Thermostatically Controlled Outlets	Industrial	0.0	0.1	0.1	0.1	0.2	0.3	0.3	0.4	0.5	0.5
Agriculture - Efficient Stock Watering Tanks	Industrial	(0.0)	(0.0)	(0.0)	-	-	-	-	-	-	-
General Service Lighting	Non-Residential	(519.2)	(143.6)	(157.7)	(73.8)	-	(0.2)	(3.0)	(4.7)	(6.0)	(5.1)
Exempted Lighting	Non-Residential	(4.0)	(1.2)	(0.9)	(0.7)	-	-	(0.0)	(0.0)	(0.1)	-
Linear Lighting	Non-Residential	(886.1)	(1,363.1)	(1,433.7)	(1,495.9)	(1,537.2)	(2,540.8)	(3,225.9)	(3,220.4)	(3,234.2)	(3,135.9)
Motors - Variable Frequency Drive	Irrigation	(854.6)	(852.5)	(850.5)	(848.2)	(760.9)	(606.3)	(482.8)	(384.4)	(306.0)	(243.6)
Wheel/Hand - Leveler Maintenance	Irrigation	4.0	3.9	3.9	3.8	3.8	3.7	3.7	3.5	3.4	3.4
Wheel/Hand - Drain Replacement	Irrigation	10.8	10.7	10.6	10.4	10.3	9.8	9.6	9.6	9.5	9.4
Wheel/Hand - Gasket Replacement	Irrigation	15.0	15.0	15.0	14.9	14.9	14.2	14.2	14.1	14.0	14.0
Wheel/Hand - Nozzle Replacement	Irrigation	24.2	24.2	24.2	24.1	24.1	23.0	22.9	22.8	22.7	22.6
Wheel/Hand - New or Rebuilt Impact Sprinkler	Irrigation	2.1	2.1	2.0	2.0	2.0	2.0	1.9	1.8	1.8	1.8
Center Pivot/Linear - Sprinkler Package Replacement	Irrigation	72.5	71.5	70.6	69.7	68.8	67.9	64.3	63.6	63.0	62.4
Center Pivot/Linear - Sprinkler Package Upgrade	Irrigation	21.9	27.5	20.4	20.2	23.6	25.8	26.2	24.6	21.0	15.6
<b>Total Residential Adjustments for Targeted Measures</b>	Residential	<b>(278)</b>	<b>(301)</b>	<b>(190)</b>	<b>(42)</b>	<b>(59)</b>	<b>(74)</b>	<b>(87)</b>	<b>(96)</b>	<b>(99)</b>	<b>(96)</b>
<b>Total Non-Residential Adjustments for Targeted Measures</b>	Non-Residential	<b>(2,115)</b>	<b>(2,208)</b>	<b>(2,299)</b>	<b>(2,277)</b>	<b>(2,155)</b>	<b>(3,005)</b>	<b>(3,573)</b>	<b>(3,472)</b>	<b>(3,412)</b>	<b>(3,256)</b>

# RTF Adjustments – Summary

Summary of RTF Adjustments (MWh at Generator)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024-33
Residential Adjustments	(278)	(301)	(190)	(42)	(59)	(74)	(87)	(96)	(99)	(96)	<b>(1,322)</b>
Non-Residential Adjustments	(2,115)	(2,208)	(2,299)	(2,277)	(2,155)	(3,005)	(3,573)	(3,472)	(3,412)	(3,256)	<b>(27,772)</b>
Overall RTF Adjustment	(2,393)	(2,509)	(2,489)	(2,319)	(2,213)	(3,079)	(3,660)	(3,567)	(3,512)	(3,352)	<b>(29,094)</b>
Adjustment as Percent of Original IRP Selection	-6%	-5%	-7%	-6%	-5%	-7%	-8%	-7%	-8%	-8%	<b>-7%</b>

WA IRP Selections, Pre- and Post-RTF Adjustment



# Other Adjustments

## High efficiency Co-generation

- Using reciprocating engines for cost screening as this technology is cheaper and includes 98% co-gen of potential.
- Costs are derived from Appendix C – Washington Co-Generation Levelized Costs in 2022 Private Generation Study.
- Excluding SCC adders or renewable gas costs, levelized cost is \$91.33/MWh in 2024 with 10 year potential equal to 38 MWh and 6 MWh in the biennial period.
- Working with IRP team to get levelized \$/MWh cost of highest selection (corresponding with net cost of capacity used for inputs to perform final comparison).

# Draft IRP Target Summary

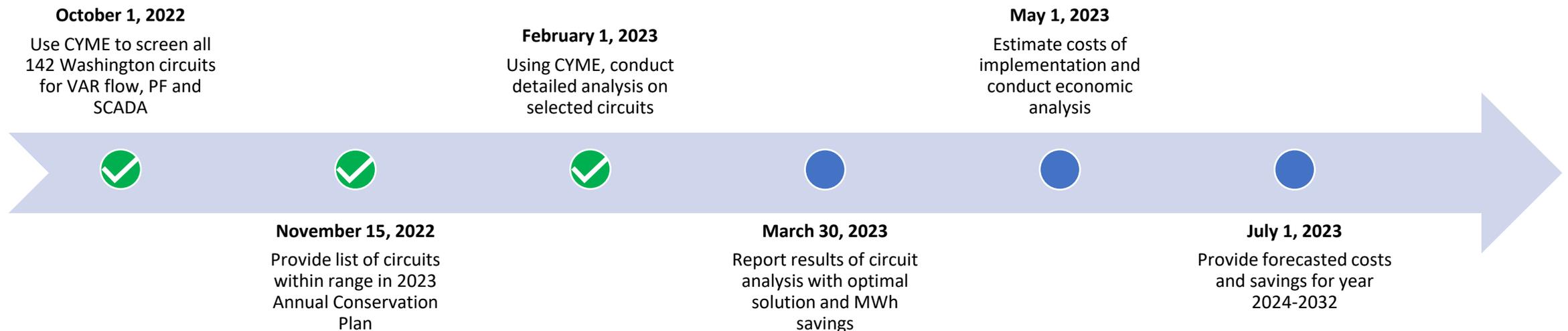
Category	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024-2033 Cumulative
Adjusted Energy Efficiency	37,924	44,494	32,321	37,000	42,948	42,016	43,712	43,226	39,879	39,164	402,684
High-Efficiency Co-Generation	3	3	3	3	4	4	4	4	5	5	38
Home Energy Reports	2,740	2,377	2,063	1,790	1,553	1,347	1,169	1,014	880	763	15,695
Distribution Efficiency TBD											
Production Efficiency TBD											
<b>Total</b>	<b>40,667</b>	<b>46,875</b>	<b>34,387</b>	<b>38,793</b>	<b>44,504</b>	<b>43,366</b>	<b>44,885</b>	<b>44,244</b>	<b>40,764</b>	<b>39,933</b>	<b>418,417</b>
										Pro-rata - 20%	83,683
										First two years	87,542

Values are preliminary, target will likely use first two years of IRP selections instead of pro-rata share for savings.

# 2024-2025 Biennial Volt/VAR Reduction Study

## Next Steps

- Complete detailed cost/benefit analysis from 2024 through 2032 for solutions identified.
- Solutions that pass that screening will proceed to projects that will be included in Biennial Conservation Plan by July 1, 2023.
- Projects reported will proceed to detailed scoping, estimating, and construction in 2024-2025 pending funding approval.
- After completion of projects, analysis will be performed to verify projected efficiency savings and will be reported in DSM annual reports.



# 2024-2025 Target Setting – WAC rule and Condition 3c

Docket UE-210830 Order 01 Attachment A	3c	PacifiCorp must consult with the Advisory Groups starting no later than July 1, 2023, to begin to identify achievable conservation potential for 2024-2033 and to begin to set annual and biennial targets for the 2024-2025 biennium, including necessary revisions to program details and the quadrennial 2022-2025 CEIP target. See RCW 19.285.040(1)(b); WAC 480-109-120; and WAC 480-100-640(11).
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WAC 480-109-100	2	(2) Ten-year conservation potential. By January 1, 2010, and every two years thereafter, a utility must project its cumulative ten-year conservation potential.
WAC 480-109-100	2a	(a) This projection must consider all available conservation resources that are cost-effective, reliable, and feasible.
WAC 480-109-100	2b	(b) This projection must be derived from the utility's most recent IRP, including any information learned in its subsequent resource acquisition process, or the utility must document the reasons for any differences.
WAC 480-109-100	2b	(b) (cont.) When developing this projection, utilities must use methodologies that are consistent with those used in the Northwest Conservation and Electric Power Plan.
WAC 480-109-100	2c	(c) The projection must include a list of each measure used in the potential, its unit energy savings value, and the source of that value.
WAC 480-109-100	3a,b	(3) Biennial conservation target. Beginning January 2010, and every two years thereafter, a utility must establish a biennial conservation target. (a) The biennial conservation target must identify, and quantify in megawatt-hours, all available conservation that is cost-effective, reliable, and feasible. (b) The biennial conservation target must be no lower than a pro rata share of the utility's ten-year conservation potential.

# Production Efficiency - thermal

C.W. Franz



# Production Efficiency – WAC rule and Condition 12c

<b>WAC 480-109-100</b>
<b>Energy efficiency resource standard.</b>
(1) <b>Process for pursuing all conservation.</b>
(b) <b>Types.</b> Types of conservation include, but are not limited to:
(i) End-use efficiency;
(ii) Behavioral programs;
(iii) High-efficiency cogeneration;
(iv) Production efficiency;
(v) Distribution efficiency; and
(vi) Market transformation.

Docket UE-210830 Order 01 Attachment A	12c	Recovery through an Electric Conservation Service Rider	Recovery of costs associated with distribution and production efficiency initiatives are not funded through the Electric Conservation Tariff Rider because these programs are not customer conservation initiatives. These are company conservation programs. As such, these costs are recovered in the general rate making process over time and may be requested through a general rate case, a deferred accounting petition or other allowed mechanism. The method of cost recovery in no way diminishes its obligation as required in RCW 19.285 and WAC 480-109.
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# Production Efficiency

- “means investments and actions that save electric energy from power consuming equipment and fixtures at an electric generating facility.” WAC 480-109-060 (27)
- For 2022-2023 biennium:
  - Studies were updated in 2021 for Chehalis and Hermiston for any changes in operating profiles, equipment changes and escalate costs. All identified projects were evaluated using the economic models specific to generation.
  - No opportunities existed for Chehalis
  - Two Hermiston projects passed for proposal to joint owner(s) to participate which include lighting and compressed air system upgrades

# Production Efficiency

- Hermiston projects were presented to the joint owners in December of 2021
  - Lighting upgrades to LED
    - Field lighting is approximately 70% complete with intent to be at 100% within the next 12-months
    - Main warehouse was completely converted in 2022
    - Raw water building is scheduled to be converted in 2023
    - Plan to report savings in 2022-2023 biennium. No other saving opportunities available after these lighting upgrades are complete.
  - Compressed Air System
    - New dew-point demand controls for the air dryers were not cost effective at this time and not approved by the joint owners

# Production Efficiency

For 2024-2025, propose following approach:

- Projects need to be in generating facilities allocated to Washington:
  - Thermal (coal): Jim Bridger and Colstrip
  - Thermal (gas): Chehalis and Hermiston
- No further analysis of any projects at Bridger or Colstrip
  - 2023 IRP shows Jim Bridger and Colstrip allocations to Washington ending by 2025 meaning recovery of investments would not be possible in the reduced lifespan.
- Studies were updated in 2021 for Chehalis and Hermiston
  - New production efficiency opportunities unlikely
    - Production plant systems are established and not likely to change
  - Engineering to review 2021 identified projects to determine if the economics have changed
    - Update project estimates
    - Re-run project evaluation using the generation economic models
    - Plan to report back at the July DSM Advisory Group meeting

# 2022 Annual Report

Nancy Goddard



**Table 3: Washington Gross Results January 1, 2022 – December 31, 2022<sup>16</sup>**

Energy Efficiency Program	2022 from 2022-2023 PacifiCorp Washington DSM Business Plan			2022 PacifiCorp Washington DSM Actual		
	kWh Savings (at site)	kWh Savings (at gen)	Estimated Systems Benefit Expenditures	kWh Savings (at site)	kWh Savings (at gen)	Estimated Systems Benefit Expenditures
Low Income Weatherization (114)	169,130	182,112	\$ 937,500	261,515	281,589	\$ 747,702
Home Energy Savings (118)	9,610,833	10,348,560	\$ 9,274,502	2,625,379	2,826,903	\$ 3,629,851
Home Energy Reports (N/A)	4,099,518	4,414,197	\$ 372,430	4,289,670	4,618,945	\$ 137,990
<b>Total Residential Programs</b>	<b>13,879,481</b>	<b>14,944,869</b>	<b>\$ 10,584,432</b>	<b>7,176,564</b>	<b>7,727,437</b>	<b>\$ 4,515,543</b>
Wattsmart Commercial (140)	21,044,900	22,644,733	\$ 6,469,109	21,570,220	23,209,989	\$ 6,779,816
Wattsmart Industrial (140)	13,046,890	13,936,036	\$ 3,359,433	4,727,777	5,049,975	\$ 1,486,005
Wattsmart Irrigation (140)	868,229	934,874	\$ 272,733	552,321	594,717	\$ 173,602
<b>Total Business Program</b>	<b>34,960,019</b>	<b>37,515,643</b>	<b>\$ 10,101,275</b>	<b>26,850,318</b>	<b>28,854,680</b>	<b>\$ 8,439,423</b>
Northwest Energy Efficiency Alliance	3,078,115	3,313,583	\$ 862,100	3,328,800	3,582,421	\$ 905,984
Distribution Efficiency		82,000		24,611	26,453	
<b>Total Other Conservation Initiatives</b>	<b>3,078,115</b>	<b>3,395,583</b>	<b>\$ 862,100</b>	<b>3,353,411</b>	<b>3,608,875</b>	<b>\$ 905,684</b>
Be Wattsmart, Begin at Home			\$ 64,523			\$ 64,523
Customer outreach/communication			\$ 250,000			\$ 217,121
Program Evaluations (& savings verification)			\$ 549,524			\$ 276,541
Potential study update / analysis			\$ 120,115			\$ 117,239
System Support			\$ 166,735			\$ 70,863
End use load research & RTF Funding			\$ 109,500			\$ 58,090
<b>Total Portfolio – Level Expenses</b>			<b>\$ 1,260,397</b>			<b>\$ 804,378</b>
<b>Total PacifiCorp Conservation</b>	<b>48,839,500</b>	<b>52,542,512</b>	<b>\$ 21,946,104</b>	<b>34,051,493</b>	<b>36,608,571</b>	<b>\$ 13,759,344</b>
<b>Total System Benefits Charge Conservation</b>	<b>51,917,615</b>	<b>55,856,095</b>	<b>\$ 22,808,204</b>	<b>37,380,293</b>	<b>40,190,992</b>	<b>\$ 14,665,328</b>

# 2022

## Pac kWh

70% of Business Plan (11/1/2021)

- Residential kWh 52% of Plan
- Business kWh 77% of Plan

- Price increases (inflation), supply chain and workforce issues stemming from the pandemic impacted projects and results

## Pac \$

63% of Business Plan (11/1/2021)

*Note: %'s are % of DSM Business Plan, not % of EIA penalty threshold*

## Includes updates on Utility Actions, Pilots

On-Bill Financing for owned manufactured homes located on rented space and homes on Tribal trust lands in addition to current offer for owned homes, Manufactured Homes Targeted Delivery, Geo-Targeted Energy Efficiency, Non-Residential Lighting Controls, Clean Buildings Accelerator

# 2022-2023 DSM Forecast

Nancy Goddard



# 2023

## Source of 6/2023 Forecast

- **Orange** = from 2023 Annual Conservation Plan
- **Green** = implementer forecasts from 6/2023

## Pac kWh

90% of 2023 ACP

- Residential kWh - 101% of savings in 2023 ACP
- Business kWh - 88% of savings in 2023 ACP
- Price increases (inflation), supply chain (long lead times) and workforce issues stemming from the pandemic continue to impact projects (including **significant projects**)

## Pac \$

96% of 2023 ACP

*Note: %'s are % of 2023 Annual Conservation Plan, not % of EIA penalty threshold*

Program or Initiative	2022-2023 Business Plan 11/1/2021		2023 Annual Conservation Plan 11/15/2022		Forecast as of June 20, 2023	
	Gross kWh/Yr Savings @site	Estimated Expenditures	Gross kWh/Yr Savings @site	Estimated Expenditures	Gross kWh/Yr Savings @site	Estimated Expenditures
Low Income Weatherization (114)	169,130	\$ 1,043,750	130,100	\$ 1,193,659	130,100	\$ 1,193,659
Home Energy Savings (118)	10,202,760	\$ 9,687,465	3,600,300	\$ 5,665,780	3,676,704	\$ 5,826,230
Home Energy Reports (N/A)	(169,081)	\$ 383,545	3,558,528	\$ 462,996	3,558,528	\$ 462,996
<b>Total Residential Programs</b>	<b>10,202,809</b>	<b>\$ 11,114,759</b>	<b>7,288,928</b>	<b>\$ 7,322,434</b>	<b>7,365,332</b>	<b>\$ 7,482,884</b>
wattSmart Business (140) - Commercial	21,612,900	\$ 6,593,203	24,052,821	\$ 8,838,620	26,826,604	\$ 9,389,457
wattSmart Business (140) - Industrial	12,896,890	\$ 3,372,053	16,179,211	\$ 4,591,939	7,975,477	\$ 2,791,460
wattSmart Business (140) - Irrigation	868,229	\$ 274,861	766,007	\$ 264,069	1,450,087	\$ 507,538
<b>Total Business Programs</b>	<b>35,378,019</b>	<b>\$ 10,240,117</b>	<b>40,998,039</b>	<b>\$ 13,694,628</b>	<b>36,252,168</b>	<b>\$ 12,688,455</b>
Northwest Energy Efficiency Alliance	3,695,655	862,100	3,664,463	877,438	3,664,463	877,438
Distribution Efficiency						-
<b>Total Other Conservation Initiatives</b>	<b>3,695,655</b>	<b>\$ 862,100</b>	<b>3,664,463</b>	<b>\$ 877,438</b>	<b>3,664,463</b>	<b>\$ 877,438</b>
Be wattsmart, Begin at Home	-	\$ 64,523	-	\$ 70,008		\$ 70,008
Customer outreach/communication	-	\$ 250,000	-	\$ 250,000		\$ 282,879
Program Evaluations (& savings verification)	-	\$ 259,662	-	\$ 254,497		\$ 254,497
Potential study update/analysis	-	\$ 15,368	-	\$ 15,368		\$ 15,368
System Support	-	\$ 157,543	-	\$ 98,378		\$ 98,378
End use load research & RTF funding		\$ 65,500		\$ 65,500		\$ 65,500
<b>Total Portfolio-Level Expenses</b>	<b>-</b>	<b>812,596</b>	<b>-</b>	<b>753,750</b>		<b>786,629</b>
<b>Total PacifiCorp Conservation</b>	<b>45,580,828</b>	<b>\$ 22,167,473</b>	<b>48,286,967</b>	<b>\$ 21,770,812</b>	<b>43,617,500</b>	<b>\$ 20,957,968</b>
<b>Total System Benefit Charge Conservation</b>	<b>49,276,483</b>	<b>\$ 23,029,573</b>	<b>51,951,430</b>	<b>\$ 22,648,250</b>	<b>47,281,963</b>	<b>\$ 21,835,406</b>

# Jun 2023 Forecast for 2022-2023

Shows 2022 and 2023 data on prior slides together:

**2022 results are from filed annual report**

**2023 is our current forecast**

- **Orange** = from 2023 Annual Conservation Plan
- **Green** = implementer forecasts from 6/2023
- *Note: shifted Customer Outreach \$ from 2022 to 2023, adding earned media campaign to reach Spanish speaking small businesses*

Next slide shows higher level 2022-2023 view

Program or Initiative	2022 PacifiCorp Washington Conservation Estimates (6/1/2023 Final Report for 2022)			2023 PacifiCorp Washington Conservation Estimates (Forecast)			2022 + 2023	2022 + 2023
	Gross kWh/Yr Savings @site	Gross kWh/Yr Savings @gen	Estimated Expenditures	Gross kWh/Yr Savings @site	Gross kWh/Yr Savings @gen	Estimated Expenditures	Gross MWh Savings @site	Estimated Expenditures
Low Income Weatherization (114)	261,515	281,589	\$ 747,702	130,100	140,086	\$ 1,193,659	392	1,941,361
Home Energy Savings (118)	2,625,379	2,826,903	\$ 3,629,851	3,676,704	3,958,928	\$ 5,826,230	6,302	9,456,081
Home Energy Reports (N/A)	4,289,670	4,618,945	\$ 137,990	3,558,528	3,831,681	\$ 462,996	7,848	600,985
<b>Total Residential Programs</b>	<b>7,176,564</b>	<b>7,727,437</b>	<b>\$ 4,515,543</b>	<b>7,365,332</b>	<b>7,930,695</b>	<b>\$ 7,482,884</b>	<b>14,542</b>	<b>11,998,427</b>
Wattsmart Business (140) - Commercial	21,570,220	23,209,989	\$ 6,779,816	26,826,604	28,865,963	\$ 9,389,457	48,397	16,169,273
Wattsmart Business (140) - Industrial	4,727,777	5,049,975	\$ 1,486,005	7,975,477	8,519,006	\$ 2,791,460	12,703	4,277,465
Wattsmart Business (140) - Irrigation	552,321	594,717	\$ 173,602	1,450,087	1,561,395	\$ 507,538	2,002	681,140
<b>Total Business Programs</b>	<b>26,850,318</b>	<b>28,854,680</b>	<b>\$ 8,439,423</b>	<b>36,252,168</b>	<b>38,946,364</b>	<b>\$ 12,688,455</b>	<b>63,102</b>	<b>21,127,878</b>
Northwest Energy Efficiency Alliance	3,328,800	3,582,421	905,984	3,664,463	3,941,523	877,438	6,993	1,783,422
Distribution Efficiency	24,611	26,453			83,000	-	25	-
<b>Total Other Conservation Initiatives</b>	<b>3,353,411</b>	<b>3,608,874</b>	<b>\$ 905,984</b>	<b>3,664,463</b>	<b>4,024,523</b>	<b>\$ 877,438</b>	<b>7,018</b>	<b>1,783,422</b>
Be wattsmart, Begin at Home			\$ 64,523			\$ 70,008		134,531
Customer outreach/communication			\$ 217,121			\$ 282,879		500,000
Program Evaluations (& savings verification)			\$ 276,541			\$ 254,497		531,038
Potential study update/analysis			\$ 117,239			\$ 15,368		132,607
System Support			\$ 70,863			\$ 98,378		169,241
End use load research & RTF funding			\$ 58,090			\$ 65,500		123,590
<b>Total Portfolio-Level Expenses</b>			<b>804,378</b>			<b>786,629</b>		<b>1,591,007</b>
<b>Total PacifiCorp Conservation</b>	<b>34,051,493</b>	<b>36,608,571</b>	<b>\$ 13,759,344</b>	<b>43,617,500</b>	<b>46,960,059</b>	<b>\$ 20,957,968</b>	<b>77,669</b>	<b>34,717,312</b>
<b>Total System Benefit Charge Conservation</b>	<b>37,380,293</b>	<b>40,190,992</b>	<b>14,665,328</b>	<b>47,281,963</b>	<b>50,901,582</b>	<b>\$ 21,835,406</b>	<b>84,662</b>	<b>36,500,734</b>
<b>Total Conservation</b>	<b>37,380,293</b>	<b>40,190,992</b>	<b>\$ 14,665,328</b>	<b>47,281,963</b>	<b>50,901,582</b>	<b>\$ 21,835,406</b>	<b>84,662</b>	<b>36,500,734</b>

# 2022-2023 Forecast

	Target 2022-2023	2023 Annual Conservation Plan (11/15/2022)		June 2023 Forecast	
	Gross MWH/yr @ site	Gross MWH/yr @ site	% of Target	Gross MWH/yr @ site	% of Target
Pro-rata share of 10-year conservation potential	94,210				
EIA Target	94,210	89,647	95%	84,662	90%
Decoupling threshold	4,711				
Total Utility Conservation Goal	98,921	89,647	91%	84,662	86%
Excluded programs (NEEA)	(6,774)	(6,777)		(6,993)	
Utility Specific Conservation Goal	92,147	82,870	90%	77,669	84%
EIA Penalty Threshold (EIA target minus NEEA savings)	87,436	82,870	95%	77,669	89%
EIA penalty threshold plus decoupling	92,147	82,870	90%	77,669	84%

<u>2022-2023 Expenditure Forecast (including NEEA):</u>	
2023 Annual Conservation Plan (ACP)	\$38,573,826
June 2023 forecast	\$36,500,700 (94% of ACP)

# 2022-2023 Forecast – Conditions 3d and 3e

Providing the forecast at DSM Advisory Group meetings to meet this condition:

Docket UE-210830 Order 01 Attachment A	3d	DSM Advisory Group	PacifiCorp must inform the Advisory Group members when its projected expenditures indicate that PacifiCorp will spend more than 120 percent or less than 80 percent of its annual conservation budget.
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Events beyond PacifiCorp’s reasonable control stemming from the COVID-19 pandemic continue from the 2020-2021 biennium into 2022-2023

Docket UE-210830 Order 01 Attachment A	3e	DSM Advisory Group	If PacifiCorp believes that an event beyond its reasonable control has occurred that may prevent it from meeting its combined EIA Penalty Threshold and Decoupling Penalty Threshold, PacifiCorp will confer with the Advisory Group members as soon as possible to determine a path forward. See RCW 19.285.040(1)(e) and RCW 19.285.060(2).
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# Adaptive Management

Nancy Goddard/Jay Olson



# Adaptive Management – Home Energy Savings

Jay Olson

## Efforts to Drive Savings in H2 2023

	YTD as of 5/31/2023	Forecast June-Dec 2023 kWh	2023 Forecast kWh
Home Energy Savings (118)	1,043,827	2,632,877	3,676,704

Units are gross kWh at the customer site/meter

# Brief Update – Limited Time Offer – Smart Thermostats

- 489 participated in the Limited Time Offer - November 2022
  - 15% were ineligible (based on response to f/u survey)
    - Offers to customers who don't use electric heating or made previous purchase; savings not reported
- Resulted in comprehensive review of the delivery model and adaptive management actions to be enacted
- Earth Day LTO – April 2023
  - 396 participants plus 4 ineligible customers (1%)
  - 80 customers located in HIC, 23 Tribal customers, 17 cities and towns

**PACIFIC POWER.**

**CONTROL YOUR savings**

Stay cozy and save money this winter. Now through November 30, Pacific Power customers can save up to 99% on ENERGY STAR® certified smart thermostats, with Google Nest smart thermostats for as low as \$0.99. [Get yours today](#) while supplies last.

Smart thermostat benefits include:

- Easy to install and set up.
- Saves energy and helps lower heating and cooling costs.
- Learns and adjusts to your preferences.
- Control remotely from anywhere.

Get your smart thermostat below. To learn more about smart thermostats and energy savings, call 1-855-805-7231.

**SAVE NOW**

This offer is available to Pacific Power residential customers in Washington with ducted electric heating only (forced air furnace or heat pump). Limit one (1) thermostat per customer service address. Additional restrictions may apply. If your home is heated with gas, check out these incentives offered by Cascade Natural Gas: [cngc.com/energy-efficiency](http://cngc.com/energy-efficiency). Google Nest is a trademark of Google LLC.

Have questions? [Contact Us](#) | 1-855-805-7231 | Español 1-888-225-2611

**PACIFIC POWER.**

**CONTROLA TUS ahorros**

Mantén tu hogar a una temperatura agradable y ahorra dinero esta temporada de invierno. Comenzando hoy y hasta el 30 de noviembre, los clientes de Pacific Power pueden ahorrar hasta un 99% en termostatos inteligentes certificados por ENERGY STAR®, con termostatos inteligentes Google Nest desde \$0.99. [Obtén el tuyo hoy](#) hasta agotar existencias.

- Los termostatos inteligentes son fáciles de instalar.
- Ahorra energía y ayuda a reducir los costes de calefacción y refrigeración.
- Aprende y se ajusta a tus preferencias.
- Controlalo manualmente desde cualquier lugar.

Para obtener más información sobre termostatos inteligentes y ahorro de energía, visita [nuestro sitio web](#) o llama al 1-888-225-2611.

Ten en cuenta que esta oferta está disponible únicamente para clientes residenciales de Pacific Power en Washington con calefacción eléctrica por conductos (calentador o bomba de calor de aire forzado). Límite de un (1) termostato por dirección donde se ofrece servicio al cliente. Pueden aplicar restricciones adicionales. Si tu hogar se calienta con gas natural, consulta estos incentivos que ofrece Cascade Natural Gas: [cngc.com/energy-efficiency](http://cngc.com/energy-efficiency) (sitio solo disponible en inglés).

¿Tiene preguntas? Utilice nuestro [formulario de contacto](#) o llame al 1-888-225-2611

# Adaptive Management – Home Energy Savings

## Initiatives for 2023

- Ongoing work with HVAC trade allies (Estimated savings: 1.4 million kWh June-Dec)
- Smart Thermostat Limited Time Offer
  - Earth Day LTO – 396 participants, 101,000 kWh savings
  - Black Friday LTO scheduled for November 2023
    - **Estimated savings: 400 units, 100,000 kWh**

## New Initiatives for 2023

- Adding air purifiers as a retail coupon offer to launch in August
  - **Estimated savings: 50 units, 6,200 kWh**
- Adding heat pump water heaters as a retail coupon offer with direct delivery for DIY or installation by a trade ally – launching in September
  - **Estimated savings: 60 units, 89,300 kWh**

# Adaptive Management – Home Energy Savings

## Direct Install Program Updates

- Continue to focus on manufactured homes - Yakima and Walla Walla areas
  - Total customers served in 2022: 450
  - Number of duct sealing projects completed to date in 2023: 779
    - ~300,000 kWh estimated savings to date
    - 1,945 lightbulbs and 5 smart thermostats installed to date
    - 101 more homes currently scheduled
- Expansion of direct-install to include single family homes
  - 121 duct sealing projects to date (140,000 kWh estimated savings), with 18 currently scheduled
  - 232 bulbs and 3 smart thermostats installed to date
  - Greatly expanded to single family homes in HIC

# Adaptive Management – Home Energy Savings

## Outreach

- Added Staff
  - C+C – Trade Ally Manager (Crystal Bunting)
  - RI – Bilingual Market Engagement Lead (Alejandra Tapia)
- Combined business and residential training in March 2023 to streamline event and bring all vendors together in one event. Saw increased cross promotion and collaboration in all outreach staff.
- Cross Promotion of small business non-lighting program with Residential HVAC vendors (**new initiative**)
- Expanded Customer Eligibility Site for vendors: (**new initiative**)
- Updates/Streamlined Trade Ally Connect



### Customer Eligibility Site is now available for Home Energy Savings Vendors!

Home Energy Savings vendors, we have important updates for you.

- The [Washington residential customer eligibility site](#) is now for all Home Energy Savings Vendors. This site helps quickly determine customer eligibility for enhanced incentives.
- See if your customers are located in a Named Community and their eligibility for [Enhanced Incentives for Highly Impacted Communities](#) by entering a meter number into the tool.

Enter any active Washington Pacific Power residential meter into the site at the link above to see if that customer is eligible for enhanced incentives. Below is an example of an eligibility result. In this example, the meter is eligible for the green offers.

# Adaptive Management – Home Energy Savings

## Emphasis on Low-Performing Segments and Vulnerable Populations

- Emphasis on multifamily property managers and owners
  - Multifamily property management company – large window project in progress
  - Area college - large student housing window project in progress
  - Three-phase ductless heat pump replacement – 256-unit apartment in progress
- Outreach to Window/Insulation vendors via email, phone, and in-person visits
- Promoting Craft3 financing through bill insert, newsletter and TA events
  - # of vendors participating with Craft3 has doubled since Jan 2023.

# Adaptive Management – Home Energy Savings

## Marketing Efforts

- Community organization - brochure design (**new initiative – in development**)
- Spanish Pop-Up Banners (**new initiative – in development**)
- Boosting Coupons Program
  - Google Ads – Paid Keywords – restarted June 2023
  - Email to customers that requested a coupon but didn't redeem (in development)
- Promoting Tax Credits
  - Program Website – individual measure pages: insulation, windows, central air, heat pump water heaters and heat pumps
  - Trade ally newsletter for all measures
  - Customer mailer covering heat pump tax credits (in production)

# Promotion/Leverage Tax Credits

- Heating and cooling
  - Incentives for heating and cooling
  - Central air conditioners**
  - Duct sealing and duct insulation
  - Ductless heat pumps
  - Electric line voltage thermostats
  - Evaporative coolers
  - Heat pumps
  - Smart thermostats

### Central air conditioners



**Get \$93 cash back**

APPLY ONLINE APPLY BY MAIL FIND A CONTRACTOR

**Get ready for summer savings**

Beat the summer heat and save with efficient central air conditioning. Earn cash back on central AC systems designed to keep you and your energy bill in a comfortable place. Program-qualified systems are approximately 15 percent more efficient than standard central AC solutions.

Qualifications & Incentives	Customer Eligibility	How to Apply				
<table border="1"> <thead> <tr> <th>Equipment Purchases and Services</th> <th>Customer Incentive</th> </tr> </thead> <tbody> <tr> <td>                     Central air conditioner equipment                     <ul style="list-style-type: none"> <li>15+ SEER</li> <li>Minimum 12.0 EER for split system or minimum 12.5 EER for packaged system</li> </ul> </td> <td>\$93</td> </tr> </tbody> </table>	Equipment Purchases and Services	Customer Incentive	Central air conditioner equipment <ul style="list-style-type: none"> <li>15+ SEER</li> <li>Minimum 12.0 EER for split system or minimum 12.5 EER for packaged system</li> </ul>	\$93		
Equipment Purchases and Services	Customer Incentive					
Central air conditioner equipment <ul style="list-style-type: none"> <li>15+ SEER</li> <li>Minimum 12.0 EER for split system or minimum 12.5 EER for packaged system</li> </ul>	\$93					

**Tax credits may also be available for these upgrades.**

To learn more about these tax credits visit the [ENERGY STAR® website](#).

**Choose a Qualified Trade Ally from the Wattsmart Vendor Network**

- The Wattsmart Vendor Network (Network) is a collaboration between Pacific Power and local contractors, distributors, manufacturers, engineers.

### About ENERGY STAR

- About ENERGY STAR
- ENERGY STAR Impacts
- How ENERGY STAR Works
- How ENERGY STAR Protects the Environment
- Federal Tax Credits
  - Tax Credit Legislation
  - Definitions
  - Tax Credits FAQs
  - Tax Credits for Homeowners**
  - Air Source Heat Pumps
  - Battery Storage Technology

## Tax Credits for Homeowners

Information updated 12/30/2022

Under the Inflation Reduction Act of 2022, federal income tax credits for energy efficiency home improvements will be available through 2032. A broad selection of ENERGY STAR certified equipment is eligible for the tax credits. Independently certified to save energy, ENERGY STAR products are a smart investment for energy efficiency you can count on. Taking advantage of tax credits, along with any available rebates, is a good way to help make the transition to a clean energy future more affordable. Most of the six elements of an ENERGY STAR Home Upgrade are covered.

## Heating & Cooling Tax Credits



Air Source Heat Pumps



Central Air Conditioners

# Promotion/Leverage Tax Credits



**Weatherization**

- Incentives for Weatherization
- Insulation**
- Windows

## Insulation



Get up to \$0.62/sq. ft. cash back

APPLY ONLINE APPLY BY MAIL

FIND A CONTRACTOR

### Don't Hesitate. Insulate.

Upgrade your insulation and earn cash back for every square foot. There's no easier way to prepare your home for the chill of winter and the dog days of summer. By installing qualified insulation, you can save hundreds of dollars a year on heating and cooling, which makes this simple upgrade the very definition of Wattsmart.

Pacific Power partners with local agencies to provide free weatherization services to income-qualifying homeowners and renters living in mobile homes. Based on the home's needs, a variety of measures can be installed, including insulation, energy-efficient showerheads, LED light bulbs and more. All of these measures are designed to lower your electric bills while keeping your home comfortable. Learn more: <https://www.pacificpower.net/liveweatherization>

Qualifications & Incentives	Customer Eligibility	How to Apply
	Electrically Heated Homes Customer Incentive	Electrically Cooled Homes Customer Incentive
Attic insulation	Up to \$0.46/sq. ft.	Up to \$0.07/sq. ft.
Wall insulation	Up to \$0.62/sq. ft.	No incentive available
Floor insulation	Up to \$0.31/sq. ft. (Final insulation: R-19 or greater) Up to \$0.46/sq. ft. (Final insulation: R-30 or greater)	No incentive available

Restrictions apply. See application for more details.

Tax credits may also be available for these upgrades.

To learn more about these tax credits visit the [ENERGY STAR® website](#).

## Weatherization

- Incentives for Weatherization
- Insulation
- Windows**

## Windows



Get up to \$10.00/ sq.ft. cash back

APPLY ONLINE APPLY BY MAIL

FIND A CONTRACTOR

### Enjoy energy savings with a view



Pacific Power partners with local agencies to provide free weatherization services to income-qualifying homeowners and renters living in mobile homes. Based on the home's needs, a variety of measures can be installed, including insulation, energy-efficient showerheads, LED light bulbs and more. All of these measures are designed to lower your electric bills while keeping your home comfortable. Learn more: <https://www.pacificpower.net/liveweatherization>

Qualifications & Incentives	Customer Eligibility	How to Apply
	Service & Requirements	Customer Incentive
	Replacing any unspecified pre-condition, any home type	\$1/sq-ft of qualifying windows U-Factor of no more than 0.25
	Replacing single pane wood/metal window Requires pictures of pre-condition windows, single family homes only	\$5/sq-ft of qualifying windows U-Factor of no more than 0.30
	Replacing double pane metal window Requires pictures of pre-condition windows, single family homes only	\$10/sq-ft of qualifying windows U-Factor of no more than 0.22
		\$3/sq-ft of qualifying windows U-Factor of no more than 0.30
		\$6/sq-ft of qualifying windows U-Factor of no more than 0.22

Tax credits may also be available for these upgrades.

To learn more about these tax credits visit the [ENERGY STAR® website](#).

# Promotion/Leverage Tax Credits

PACIFIC POWER. POWERING YOUR GREATNESS

APPLY FOR INCENTIVES NOT A WASHINGTON RESIDENT? CHANGE STATE

FIND SAVINGS FIND A CONTRACTOR APPLICATION STATUS CUSTOMER SUPPORT FINANCING

Water heating

Incentives for water heating

**Heat pump water heaters**



**Heat pump water heaters**

Get up to \$900 cash back

APPLY ONLINE APPLY BY MAIL

FIND A CONTRACTOR

### A hot deal on heat pump water heaters

Save big when you upgrade to a high-performance heat pump water heater. Earn cash back on your purchase and watch your water heating costs drop. Qualified models can save the average household \$100 a year on electric bills.

Qualifications & Incentives	Customer Eligibility	How to Apply
Equipment Purchases and Services		Incentive
Heat pump water heater: Tier 3 and above		\$600
<del>Heat pump water heater: Tier 3 and above</del>		\$900

Tax credits may also be available for these upgrades.

To learn more about these tax credits visit the ENERGY STAR® website.

#### Ensure the home qualifies:

- Incentives are available for single-family and manufactured homes. Incentives are not available for multifamily homes.
- Work completed must comply with all building codes and standards.

#### Requirements for heat pump water heaters:

- Heat pump water heater must meet the NEEA Tier 3 or above [Advanced Water Heating Specifications](#).
- Must be on the [Qualified Product List](#) at time of purchase.
- Work must be completed by a Wattsmart® Vendor Network contractor or self-installed by customer. Find a program-qualified contractor with the [Find A Vendor tool](#). Contractors must be on the list at the time of equipment installation.
- Heat pump water heater must be installed according to the specifications outlined in the [Washington Technical Specifications Manual](#).
- Previous water heater must have been an electric storage water heater (incentive does not apply when replacing an existing heat pump water heater).
- Gas system conversions do not qualify.

PACIFIC POWER. POWERING YOUR GREATNESS

APPLY FOR INCENTIVES NOT A WASHINGTON RESIDENT? CHANGE STATE

FIND SAVINGS FIND A CONTRACTOR APPLICATION STATUS CUSTOMER SUPPORT FINANCING

Heating and cooling

Incentives for heating and cooling

Central air conditioners

Duct sealing and duct insulation

Ductless heat pumps

Electric line voltage connected thermostats

Evaporative coolers

**Heat pumps**

Smart thermostats

**Heat pumps**



Get up to \$3,250 cash back

APPLY ONLINE APPLY BY MAIL FIND A CONTRACTOR

### Save big on high-efficiency heat pumps

Score serious cash back when you convert to an energy-efficient heat pump. Program-qualified heat pumps are up to 20 percent more efficient than older models. With proper selection, installation and maintenance, you can gain big savings on your heating and cooling costs. Cash incentives are available for heat pump conversions and upgrades.

Effective January 1, 2023, all heat pump conversion projects will be subject to [pre-approval](#) to confirm the customer's primary heat source that is being replaced with a heat pump. This pre-approval must take place before the contractor removes any equipment from the customer's home. Please reach out to [pacifcpower@wattsmartsavings.net](mailto:pacifcpower@wattsmartsavings.net) for additional information.

Heat pumps replacing oil, propane, wood, or other non-electric and non-gas fuel source are eligible for increased incentives. [Apply for fuel switching incentives here.](#)

Qualifications & Incentives	Customer Eligibility	How to Apply
Equipment Purchases and Services		Customer Incentive*
Existing Heat Pump to a 9.0+ HSPF Heat Pump Upgrade		\$250
<a href="#">Federal Standard Heat Pump Conversion</a>		\$2,000-\$2,250
9.0+ HSPF Heat Pump Conversion		\$2,500-\$2,750
12.0+ HSPF Heat Pump Conversion		\$3,000-\$3,250
Heat pump installed in a new manufactured home		\$1,300
Heat pump (fuel switching)		\$2,250-\$3,500

\* Incentive level is dependent upon various factors including whether or not the customer is residing in a Highly Impacted Community. If you have questions, talk to an approved Wattsmart Home Energy Savings vendor.

Tax credits may also be available for these upgrades.

To learn more about these tax credits visit the ENERGY STAR® website.

# Promotion/Leverage Tax Credits

Washington Edition - April 2023



Item	Federal Tax Credit (30% of total cost, up to cap listed below)	2023 Pacific Power Incentive
Insulation	Up to \$1,200	<a href="#">Get up to \$0.62/sq. ft. cash back</a>
Windows	Up to \$600	<a href="#">Get up to \$10.00/sq. ft. cash back</a>
Heat pump (warms and cools spaces)	Up to \$2,000	<a href="#">Get up to \$3,250 cash back</a>
Heat pump water heater (aka hybrid water heater)	Up to \$2,000	<a href="#">Get up to \$900 cash back</a>
Central air conditioning	Up to \$600	<a href="#">Get \$93 cash back</a>

Note: Requirements for federal tax credits and Pacific Power incentives may differ. There is an annual cap on federal tax credits of \$1,200, with sub-caps on individual items. Homeowners can also receive up to \$2,000 (not under the \$1,200 cap) for a heat pump or a heat pump water heater.

To learn more about these tax credits visit the [ENERGY STAR website](#).

# Adaptive Management – Wattsmart Business – H2 2023

Nancy Goddard

## Key initiatives by Channel (and portion of current forecast for Jun-Dec)

- **Managed Account delivery** (15.7 million kWh)
  - Shared key initiatives at March 30<sup>th</sup> DSM AG meeting
- **Commercial trade ally delivery** (7.15 million kWh)
- **Small business** (2.9 million kWh)
- **Industrial/ag trade ally, project facilitation** (2.9 million kWh)

	YTD as of 5/31/2023	Forecast June-Dec 2023 kWh	2023 Forecast kWh
Wattsmart Business	7,512,046	28,740,122	36,252,168

Units are gross kWh at the customer site/meter

# Adaptive Management – Wattsmart Business – H2 2023

## Managed Account delivery (15.7 million kWh)

- 5 Key initiatives shared March 30<sup>th</sup> continue
- Packaging Corporation of America (PCA) paper mill idled recently
  - Potential loss of **significant projects** in 2023, 2024
  - 2021 CPA estimated approximately 3,117 MWh of potential savings for the customer in 2022 and 3,442 MWh in 2023.

Wattsmart Business Channel	YTD as of 5/31/2023	Forecast Jun-Dec	Forecast 2023
Managed Acct - Capital	1,377,197	10,622,819	12,000,016
Managed Acct - EM	-	5,082,509	5,082,509

EM = Energy Management

[PCA idles Wallula paper mill, lays off hundreds of workers | Northwest | union-bulletin.com](https://www.union-bulletin.com/news/local-news/pca-idles-wallula-paper-mill-lays-off-hundreds-of-workers)

The screenshot shows a news article from Union-Bulletin. The title is "PCA idles Wallula paper mill, lays off hundreds of workers". The byline is "By Wendy Culverwell Tri-City Herald May 10, 2023". Below the text is a photograph of an industrial facility, likely the Wallula paper mill, with smokestacks and buildings under a cloudy sky. A "Buy Now" button is visible at the bottom right of the image.

[As Wallula plant idles, union says its offering support to workers \(tricitiesbusinessnews.com\)](https://www.tricitiesbusinessnews.com/news/local-news/as-wallula-plant-idles-union-says-its-offering-support-to-workers)

## As Wallula plant idles, union says it's offering support to workers

Sara Schilling | May 2023

PCA confirmed in May that it was temporarily idling the plant and laying off workers due to "economic conditions." The Illinois-based company said it expects to resume operations later this year, though it hasn't provided a timeline. Its corrugated products facilities in Richland and Wallula aren't affected.

# Adaptive Management – Wattsmart Business – H2 2023

## Both commercial trade ally and small business

- **Added new local outreach staff** – one outreach manager, one summer intern (both bilingual)

## Commercial trade ally delivery (7.15 million kWh)

1. **Add limited time lighting vendor incentive bonus** – potential for 800,000 kWh
  - Also increase Advanced Networked Lighting Controls vendor incentive
2. Outreach to large customers and managed accounts (more on next slide)
3. Focusing on building types such as warehouses and schools (instead of office space given issues with vacancy rates stemming from pandemic)
4. Assisting customers with navigating long lead times (e.g., running additional scenarios for higher cost equipment with shorter lead time)
5. And more continued efforts (including lighting controls vendor training in fall w/NEEA)

## Small business (2.9 million kWh)

### Small Business Lighting (bulk of small business forecast)

1. Continue to support 6 active approved vendors on Yakima side; continue joint sales calls with vendors for Spanish speaking customers/highly impacted communities
2. Grow savings results on Walla Walla side with one recently approved vendor
3. New multi-cultural earned media campaign this summer – Spanish, named communities

### Small Business Non-lighting

1. Following up one-on-one with customers who completed a lighting project and received postcard about non-lighting opportunities
2. Cross promoting small business non-lighting with residential HVAC vendors

Wattsmart Business Channel	YTD as of 5/31/2023	Forecast Jun-Dec	Forecast 2023
Commercial trade ally	2,549,223	7,148,564	9,697,787
Small Business	2,306,592	2,949,480	5,256,072



# Adaptive Management – Wattsmart Business

## Lighting Retrofits

- Wattsmart Business Utility Actions directed at **small business lighting offer**
  - Brought higher level of attention to small business customers
- Adaptively managing to keep focus on both large and small businesses
- Recent outreach to large and managed accounts:

## May: Personal emails and follow-up

- 16 large customers w/no recent lighting project
- One good lead so far



Pacific Power WA still has incentives funds available for energy efficiency upgrades. This includes LED lighting, HVAC equipment, and roof insulation + reflective roof membranes ("Cool Roof") projects.

What are your upgrade plans for 2023?  
We'd be glad to work with you to secure Pacific Power energy efficiency incentive funds for your projects.

Here's a link that outlines what is possible.  
[https://www.pacificpower.net/content/dam/pcorp/documents/en/pacificpower/savings-energy-choices/wattsmart-business/washington/WA\\_wattsmart\\_Business\\_Incentive\\_Lists.pdf](https://www.pacificpower.net/content/dam/pcorp/documents/en/pacificpower/savings-energy-choices/wattsmart-business/washington/WA_wattsmart_Business_Incentive_Lists.pdf)

Please contact us with any questions.  
Thanks!

William Gatchel | Senior Energy Specialist  
Wattsmart Business Vendor Network | Wattsmart Business  
Pacific Power

## June:

### Email to large customers

- 391 emails sent 6/2/2023
- Link to email in Spanish
- No response as of 6/23/2023, planning one-on-one follow-up



**PACIFIC POWER.**

LET US LIGHT UP *your life*

[Ver este correo electrónico en Español.](#)

Upgrading to new energy-efficient lighting, fixtures and controls can save energy, improve safety and productivity, enhance product displays and more. If your facility has older T12, T8 or T5 fluorescent lighting, metal halide or high-pressure sodium fixtures, you can save up to 50% or more on your lighting energy costs by upgrading to new LEDs with controls! New LEDs last longer and have lower maintenance costs, too.

Pacific Power offers significant cash incentives – up to 70% of eligible costs – to help with the up-front costs of your project. Often the monthly energy cost savings pay for the out-of-pocket costs not covered by incentives in one to two years.

A trained network of Pacific Power Wattsmart Business vendors can provide a project proposal, including an incentive offer and estimated project payback. Using a Pacific Power Wattsmart Business vendor is recommended (but not required) for most lighting projects.

**Get started!** Contact a program lighting specialist (hablamos Español): Call 385-300-0150 and press 5, or email [wattsmartbusiness@pacificpower.net](mailto:wattsmartbusiness@pacificpower.net).

**Need help with project financing?** Pacific Power teams up with the [National Energy Improvement Fund \(NEIF\)](#) to help businesses pay for energy upgrades.

Have questions? [Contact Us](#) | 1-855-605-7231 | Español 1-888-225-2611

# Adaptive Management – Wattsmart Business – H2 2023

## Industrial/ag trade ally, project facilitation (2.9 million kWh)

1. **Focus on engaging commercial customers on Energy Management measures** - Use Commercial Energy Management Tool to implement Find-and-Fix measures.
  - Also functions as a quick-hitting method to support Clean Buildings compliance.
  - Started with outreach to 5 large unmanaged commercial customers.
2. **Vendor refresh/recruit campaign** - Dairy, compressed air, irrigation, VFDs, fast acting door, refrigeration vendors
  - **Personal outreach** - Reach out to vendors who haven't been involved with Wattsmart recently. Research and contact new vendors. Research specific persons to contact in vendor organizations and reach out directly by mail, email, phone, and in-person to clarify or re-clarify the value of Wattsmart technical assistance and incentives. Elicit current projects for immediate participation.
  - **Produce new industry-specific case studies** - Featured projects completed by others in a similar line of business is a way of communicating concisely and inspiring imitation.
  - **Refine the vendor database** - Add features to the database that track outreach to vendors to support periodic reporting to the vendors on the magnitude of incentives paid to their customers.
3. **Expand relationships with industry associations** - Research and reach out to industry associations. Get on their speaking schedule and in their newsletters.

### Plus continue ongoing work:

- **Close active projects** (~2.7 million kWh of the 2.9 million in the Jun-Dec forecast), seek add'l projects w/current participants (customers and trade allies)
- **Systematically call on all dormant project leads** - ~88 projects, ~4 million kWh

Wattsmart Business Channel	YTD as of 5/31/2023	Forecast Jun-Dec	Forecast 2023
Cascade trade ally/ project facilitation	1,279,034	2,936,751	4,215,785



**PACIFIC POWER**  
WATTSMART BUSINESS

**Save on Energy Cost and Improve Control**  
**Add a Variable Speed Drive to your Irrigation Pump**

- High electric bills?
- Need to operate at various flowrates?
- Problems with surge at startup?

**Variable Speed Drives can help**  
A VSD maintains target flow or pressure by changing pump speed as conditions in the system change. Constant system pressure can be maintained even as the number of irrigated zones changes or a pivot's end gun cuts in and out. If a pump provides more pressure than is actually needed, the drive can be programmed to run slower, saving significantly on energy cost.

**Pacific Power pays for energy savings**  
Pacific Power helps cover your cost to install energy-saving VSDs with funding from the Wattsmart Business program. Why? Reducing load on the electric system is less costly than building new generation and transmission. You get reduced electric bills and improved control. The utility gets energy savings.

**Would it work in my operation?**  
Some situations are good candidates for a VSD; others are not. It depends on the details – required flow, pressure, lift, runtime. We are happy to talk over these details with you and provide an estimate of savings and incentive.

Following is a sample of VSD projects installed in 2022 near Yakima and Walla Walla.

Case	hp	Crop	Energy Savings, kWh/yr	Incentive	Project Cost	Annual Energy Cost Savings	Payback, years	% Cost Covered by Incentive
1)	20	pasture	7,477	\$1,794	\$2,615	\$503	1.6	69%
2)	30	hay	24,549	\$5,892	\$9,230	\$1,652	2.0	64%
3)	40	alfalfa	34,699	\$6,246	\$11,361	\$2,241	2.3	55%
4)	50	wheat	28,652	\$6,523	\$9,318	\$1,928	1.4	70%
5)	60	pasture	17,167	\$4,120	\$7,586	\$1,155	3.0	54%
6)	60	potatoes	31,326	\$5,639	\$10,264	\$2,108	2.2	55%
7)	125	fruit	24,989	\$4,498	\$9,543	\$1,682	3.0	47%
8)	250	fruit	85,688	\$20,565	\$32,305	\$5,767	2.0	64%
9)	400	hops	117,744	\$28,259	\$53,261	\$7,924	3.2	53%

**How does the funding process work?**  
Our energy engineer will provide a free assessment of energy savings potential for your particular site. If you wish to proceed, you work with your contractor/vendor of choice to select the drive and any auxiliary equipment and get it installed. After installation, we check the as-installed operating conditions and revise the savings and incentive calculation to match actual conditions, if actual conditions differ from pre-installation representations. The incentive is paid by check after installation. Then you continue to save on your energy bill year after year. Call or email today for a free assessment of your pump's savings potential.

971-244-8148  
bewattsmart.com  
wattsmartbusiness@pacificpower.net

# Clean Energy Implementation Plan

Stephanie Meeks



# Clean Energy Implementation Plan

## CEIP Approval Process- Update



# Clean Energy Implementation Plan

## CEIP Filings

### **2023 CEIP Public Participation Plan – filed May 1, 2023**

Update on our participation plan for our engagement spaces on outreach, timing, methods, addressing barriers, and providing accessibility for participation to seek feedback on our CEIP

### **1<sup>st</sup> Annual Clean Energy Progress Report – filed July 3rd**

Informational annual clean energy progress report regarding our progress in meeting its targets during the preceding year, which this year is focused on 2022

Interim Targets and Specific Targets: renewable target, energy efficiency, and demand response

Provide the required hourly and monthly data regarding Washington retail load and generation serving that load.

Additionally, we will provide an update on customer benefit indicators (CBIs)

### **CEIP Biennial Update – filed November 1, 2023**

File an update on our CEIP for any determined targets and CBIs that need to be addressed

There will be a meeting in August and an additional one ahead of the November filing

# Clean Energy Implementation Plan Progress Report

# CBI Metrics and Utility Actions

Nancy Goddard/Jay Olson



# Refresher: CEIP CBI Metrics

(from 12/30/2021 Clean Energy Implementation Plan)

Customer Benefit Indicator (CBI)	Metric(s)
Participation in company energy and efficiency programs and billing assistance programs	<ul style="list-style-type: none"><li>• Number of households/businesses, including named communities, who participate in company energy/efficiency programs</li></ul>
Efficiency of housing stock and small businesses, including low-income housing	<ul style="list-style-type: none"><li>• Number of households and small businesses that participate in company energy/efficiency programs</li><li>• Energy efficiency expenditures</li></ul>

**Highly impacted community (HIC):** a community designated with a score of 9 or 10 based on the DOH cumulative impact analyses or a census tract that is fully or partially on sovereign tribal territory. Scores are assigned based on several indicators that express: 1) environmental exposures, 2) environmental effects, 3) sensitive populations, and 4) socioeconomic factors. This information is available on the Washington Department of Health’s Information by Location Environmental Health Disparities (EHD) map.

# CEIP Energy Efficiency CBI Metrics – 2020 (from CEIP) and 2022

Energy / Efficiency Program 2020 (baseline)	HIC		Tribal Lands		All Customers	
	Count	Expenditures	Count	Expenditures	Count	Expenditures
Low Income Weatherization	11	\$78,756	4	\$23,805	40	\$295,907
Home Energy Savings	103	\$83,968	27	\$5,350	976	\$855,941
Wattsmart Business	61	\$892,458	13	\$22,392	221	\$2,485,993
Wattsmart Small Lighting	22	\$105,182	1	\$1,400	43	\$228,158
"Very small": <30,000 kWh annual usage	10	--	--	--	19	--
"Small": 30,000+ kWh annual usage	12	--	--	--	24	--
<b>Grand Total</b>	<b>197</b>	<b>\$1,160,364</b>	<b>45</b>	<b>\$52,947</b>	<b>1,280</b>	<b>\$3,865,999</b>

Energy Efficiency Program 2022 participation	HIC		Tribal Lands		All Participants	
	Site Count	Expenditures	Site Count	Expenditures	Site Count	Expenditures
Low Income Weatherization	29	\$160,076	16	\$89,449	140	\$637,517
Home Energy Savings	317	\$305,915	48	\$88,647	2,499	\$1,619,949
Wattsmart Business	86	\$2,048,657	13	\$279,391	189	\$3,455,821
Wattsmart Small Business	105	\$1,462,492	18	\$179,212	137	\$1,827,348
Very Small Business (<= 30k kWh)	37	\$213,674	4	\$22,380	45	\$263,234
Small Business (<= 145k kWh)	58	\$833,304	12	\$124,594	75	\$996,981
Small Business (<= 200k kWh)	10	\$415,515	2	\$32,238	17	\$567,133
<b>Grand Total</b>	<b>537</b>	<b>\$3,977,141</b>	<b>95</b>	<b>\$636,699</b>	<b>2,965</b>	<b>\$7,540,635</b>

2022 data revised since the 3/30/23 DSM AG meeting

HIC includes both

- HIC for health disparity score of 9 or 10, and
- HIC for Tribal lands

Tribal Lands broken out separately too for additional visibility

Significant increases from 2020 to 2022

# Refresher: CEIP CBI Metrics

(from 12/30/2021 Clean Energy Implementation Plan)

Customer Benefit Indicator (CBI)	Metric(s)
Community-focused efforts and investments	<ul style="list-style-type: none"><li>• Workshops on energy related programs</li><li>• Headcount of staff supporting program delivery who are women, minorities, and/or can show disadvantage*</li></ul>

\* In this metric, program delivery is defined as related to energy efficiency programs, with exception to the low income weatherization program

# Workshops CBI Metric 2020 (from CEIP) and 2022

## Community-Focused Efforts and Investment

The purpose of this CBI is to focus investments so that communities more equitably receive benefits. Impacts from these investments will have positive implications on non-energy benefits and will also reduce burdens for Washington customers. One metric for this CBI will focus on tracking workshops on energy-related programs.

**Table 2.11 – Workshops on Energy Related Programs in Washington, 2020**

Workshop	HIC	Non-HIC
Wattsmart Business vendor program training March 11, 2020 in Walla Walla	No	Yes
Wattsmart Business vendor program training March 12, 2020 in Yakima	Yes	No

## Workshops on Energy Related Programs in Washington, 2022

Workshop	Focus	Date	Location	HIC Location	Non-HIC Location	Vulnerable Population
Clean Buildings Roundtable hosted by Yakima County Development Association	Business	1/27/2022	Online	1		
Wattsmart Business vendor program training	Business	3/15/2022	Walla Walla		1	
Wattsmart Business vendor program training	Business	3/16/2022	Yakima	1		
Clean Buildings Accelerator Coffee chat	Business	4/5/2022	Online	1	1	
Clean Buildings Accelerator Coffee chat	Business	4/18/2022	Online	1	1	
Workshop for employees at fruit packing plant (2 presentations)	Residential	4/25/2022	Tieton		1	Ag workers (196)
Workshops for employees at fruit packing plant (3 presentations)	Residential	4/27/2022	Yakima		1	Ag workers (314)
Workshops for employees at fruit packing plant (4 presentations)	Residential	4/28/2022			1	
Workshop for employees at fruit packing plant (2 presentations)	Residential	4/29/2022			1	
Clean Buildings Accelerator Coffee chat	Business	5/2/2022	Online	1	1	
Clean Buildings Accelerator Coffee chat	Business	5/9/2022	Online	1	1	
Workshop for employees at fruit packing plant	Residential	5/10/2022	Grandview		1	Ag workers (70)
Clean Buildings Accelerator, first cohort, Workshop 1 - Accelerator Kickoff	Business	5/26/2022	Online	1	1	
Clean Buildings Accelerator, first cohort, Workshop 2 - Energy Bootcamp	Business	6/30/2022	Online	1	1	
Clean Buildings Accelerator, first cohort, Workshop 3 - O&M Ramp Up	Business	7/28/2022	Online	1	1	
Clean Buildings Accelerator, first cohort, Workshop 4 - Engagement	Business	8/18/2022	Online	1	1	
Clean Buildings Accelerator Coffee chat	Business	10/20/2022	Online	1	1	
Clean Buildings Accelerator Coffee chat	Business	11/1/2022	Online	1	1	
Clean Buildings Accelerator Coffee chat	Business	12/7/2022	Online	1	1	

13 17

For online workshops, HIC location is based on location of participants

# Program Delivery Staff Headcount CBI Metric – 2020 (from CEIP) and 2022

As of 10/2021, from CEIP

In addition to tracking workshops, PacifiCorp will track the number of staff supporting program delivery for Home Energy Savings and Wattsmart Business energy efficiency programs in Washington. PacifiCorp obtained this information as of October 2021 from its program delivery vendors. The headcounts are based on third party program delivery staff who are customer and or vendor/trade ally facing (either in person, via email/mail, web meeting or phone) and are focused on engaging customers in outreach, technical, and back-office functions. The total headcount for program delivery is 32.

PACIFICORP – 2021 DRAFT CLEAN ENERGY IMPLEMENTATION PLAN

**Table 2.12 – Headcount of Staff Supporting Program Delivery in Washington**

	All Employees/Staff
Women	17
Minority	3
Can show disadvantage in some other way	1
<b>Total</b>	<b>21</b>

As of 10/2022, CEIP Progress Report

Washington Wattsmart Business and Home Energy Savings programs, primary team members supporting program delivery	
	Headcount*
All primary team members supporting program delivery	34
Women	15
Minority	3
Can show disadvantage in some other way	1
* Headcounts include third party program delivery staff who are customer/trade ally facing (either in person, via email/mail, web meeting or phone).	

# Utility Actions

- Same Utility Actions included in both 2021 filings:
  - 2022-2023 DSM Business Plan (appendix in Biennial Conservation Plan) and
  - Clean Energy Implementation Plan
- Intent is for text on Utility Actions in 2022 DSM Annual Report and the CEIP Progress Report to be the same
  - 2022 DSM Annual Report includes section on Utility Actions (but not CBI metrics)

# Home Energy Savings – Utility Actions

Jay Olson

## 1<sup>st</sup> Action

- Enhanced incentives for windows in multi-family units were added to the program in 2022 with an initial focus on Highly Impacted Communities.

## Result

- The enhanced incentives were added to the program effective 1/1/2022; but no window replacement projects were enrolled in the program.
- This utility action is ongoing.

## Reflection

- Cost, ROI, and tenant coordination
- Program is looking into storm window AKA snap-in windows
- South/Southwest facing windows
- Multifamily properties owners currently considering options

# Home Energy Savings – Utility Actions

## 2<sup>nd</sup> Action

- Continue direct install residential lighting in multifamily units. Continue focus on Highly Impacted Communities.

## Result

- The program installed 510 LED bulbs and TLEDs in apartment units and common areas of four apartment buildings achieving 15,960 kWh in savings.

## Reflection

- Limited savings achieved through this offer.
- Bring more comprehensive offerings to multifamily customers with direct-install a single component.
- Greater emphasis on multifamily as a subsector.

# Home Energy Savings – Utility Actions

## 3<sup>rd</sup> Action

- Maintain and expand if possible general-purpose lamp buydown in “dollar stores” in Highly Impacted Communities.

## Result

- Discounted lighting was available only at approved value retailers located in Highly Impacted Communities but results are questionable.

## Reflection

- This delivery channel is under review per feedback that controls to limit sales per customer might not being held by all retailers.
- Consider removing this offering, limiting retailers, installing tighter controls.
- Consider other options (Kits offering that can identify HIC and Tribal)

# Home Energy Savings – Utility Actions

## 4<sup>th</sup> Action

- Continue manufactured home direct install duct sealing and lighting. Continue focus on Highly Impacted Communities.

## Result

- In 2022, the program served **415,450** customers with duct sealing achieving ~279,000 kWh in energy efficiency savings. Direct install lighting accounted for 46,222 kWh in energy savings.

## Reflection

- Direct-install is a highly effective channel for reaching customers in highly impacted communities and remains a key approach.
- We are tracking the ongoing opportunity potential to determine if or when we will reach saturation.

# Home Energy Savings – Utility Actions

## 5<sup>th</sup> Action

- Continue promoting new construction offerings for multifamily and single-family units. Continue focus in Highly Impacted Communities.

## Result

- Ongoing effort to recruit and engage builders and raters with a focus on Highly Impacted Communities. Program had two new home projects but they were not located in Highly Impacted Communities.

## Reflection

- Focus on new home construction should be holistic and make sure that builders and raters are aware of program services and support regardless of area.

# Home Energy Savings – Utility Actions

## 6<sup>th</sup> Action

- Serve named community residential customers who use non-electric and non-natural gas fuel sources in their primary heating systems by decommissioning these systems and installing ductless heat pumps. RESULT.

## Result

- There were no completed ductless heat pump projects in 2022 involving decommissioning of non-electric or non-natural gas heating.

## Reflection

- Incentives for 2023 are higher for this measure for residential customers located in highly impacted communities but effectiveness of results may require greater marketing and communications.

# Wattsmart Business – Utility Actions

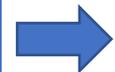
Nancy Goddard

## Utility Actions from CEIP

*Non-residential:*

Wattsmart Business:  
 Increase outreach and participation for small businesses and named community small businesses identified by census tract and rate schedule.

- Create a new offer within the [current small business enhanced incentive offer](#) targeting the smallest businesses using less than 30,000 kilowatt-hours per year and Named Community small businesses on Schedule 24.
  - Offer a higher incentive and increase the incentive cap for this new offer from 90 percent to 100 percent of project costs to reduce the customer out-of-pocket cost barrier.
- Target a portion of company initiated proactive outreach to small businesses located in highly impacted communities. Continue to tie proactive outreach to approved small business vendor capacity to respond to customer inquiries.
- Offer approved small business lighting vendors a higher vendor incentive for completed lighting retrofit projects with small businesses located in highly impacted communities.



### 2022 Results:

- Participation went up overall, and went up by more for small businesses located in HICs (incl. Tribal lands)
- Proactive outreach tied to vendor capacity to respond:
  - Program staff made joint sales calls with vendors (including to provide Spanish translation)
  - Postcards sent ahead of vendor outreach to the customer
    - Of 108 postcards sent, 85 went to customers in HICs



Results reflected in CBI metrics for Small Business	2020	2022	Increase
HIC and non-HIC participating small biz	43 sites	137 sites	Over 3x
HIC (health score and Tribal Lands)	22 sites	105 sites	Over 4x
Tribal Lands	1 site	18 sites	18x



### Reflections:

- Utility Actions for small business worked
  - Participation largely driven by approved vendors
  - Higher customer incentives sent clear signal to vendors to target small businesses in HICs
  - Higher vendor incentive (\$500 per project vs \$300) also helped send clear signal to vendors

## Condition 9b – improved participation for Named Communities

b) PacifiCorp must consider how and whether existing conservation programs serve the highly impacted communities and vulnerable populations identified in its CEIP. In addition, PacifiCorp must adjust existing conservation programs or design new programs and offerings so that the portfolio of programs ensures an improvement in the equitable distribution of energy and nonenergy impacts to the same communities identified in its CEIP. See WAC 480-100-640(4).

# Updates

Nancy Goddard



- CETA: Equity Advisory Group
- Demand Response
- Procurement: Delivery Contracts (Home Energy Savings, Wattsmart Business)
- Wrap-up
  - Recent filings, recent drafts, upcoming drafts due to the DSM Advisory Group
  - 2023 DSM Advisory Group meetings

# Clean Energy Transformation Act Washington Equity Advisory Group

Kimberly Alejandro





WHAT NUTRIENTS ARE AVAILABLE IN YOUR SOIL?

**Water Quality**

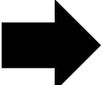
**Soil Fertility & Availability**

**Sustainable Solutions**

Want a career in Agriculture?

Photo Location: The Sustainable Living Center/ Water & Environmental Center (Walla Walla, WA)

# Washington Equity Advisory Group 2023 Meeting Schedule

Date / Time / Meeting Format	Proposed Agenda Topics*
January 12th, 1pm-4pm (PST) <a href="#">Online</a>	Washington Rate Case; Craft3 WA Home Energy Loan Program Community Connections
February 9th, 1pm-4pm (PST) <a href="#">Online</a>	Wattsmart Small Business Lighting (Utility Actions Update) Demand Response Core Concepts WA Residential Survey: Closing the Feedback Loop
March 9th, 1pm-4pm (PST) <a href="#">Hybrid: Perry Technical Institute (Yakima)</a>	Transportation Electrification Washington Plan Filing, Feedback, and CBI Update Demand Response Washington Filing and CBI Update Community Spotlight
April 13th, 1pm-4pm (PST) <a href="#">Online</a>	Communications Team Vision & Updates; Comms CBI Update Energy Efficiency Updates Community Connections
May 2-4 (Yakima & Walla Walla)	Local, in-person visits with the WA Equity Advisory Group
June 8th, 1pm-4pm (PST) <a href="#">Online</a>	CEIP Annual Progress Report Check In; WA Survey Updates from the Communications Team and Energy Efficiency Team Community Connections
 July 13th, 1pm-4pm (PST) <a href="#">Hybrid: Sustainable Living Center (Walla Walla)</a>	Filed CEIP Annual Progress Report Filing & Feedback; WA Non-Energy Impacts Updates Community Connections
<b>August</b>	<b>No Meeting</b>
September 14th, 1pm-4pm (PST) <a href="#">Online</a>	Energy Efficiency Updates (Preview Biennial Conservation Plan and program changes) Community Connections
October 12th, 1pm-4pm (PST) <a href="#">Hybrid: Location TBD</a>	Energy Efficiency Updates Community Connections
<b>November</b>	<b>No Meeting</b>
December 7th, 1pm-4pm (PST) <a href="#">Online</a>	End of the Year Survey and Reflection; 2024 Planning

June 2023						
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29	30	31	1	2	3
4	5	6	7	8	9	10
				<a href="#"><u>ONLINE – Washington Equity Advisory Group Meeting 1pm-4pm (PST)</u></a>	<a href="#"><u>Chinook Fest ALL-DAY @ Jim Sprick Community Park, 13680 WA-410, Naches, WA 98937</u></a>	<a href="#"><u>Yakima Pride Parade &amp; Festival 10am-6pm @Naches Parkway</u></a>
11	12	13	14	15	16	17
<a href="#"><u>Chinook Fest ALL-DAY @ Jim Sprick Community Park, 13680 WA-410, Naches, WA 98937</u></a>				<a href="#"><u>Yakima Downtown Summer Nights 5:30pm-9pm @ 129 S 2nd St, Yakima, WA 98901</u></a>		<a href="#"><u>Downtown Walla Walla Farmer's Market 9am-1pm @ 106 West Main Street Walla Walla, WA, 99362</u></a>
18	19	20	21	22	23	24
<a href="#"><u>Downtown Yakima Farmer's Market 9am-1pm @ 15 W Yakima Ave, Yakima, WA 98901</u></a>				<a href="#"><u>Yakima Downtown Summer Nights 5:30pm-9pm @ 129 S 2nd St, Yakima, WA 98901</u></a>		<a href="#"><u>Sunnyside Summer Ale Festival 5pm-10pm @ Centennial Square Sunnyside, WA 98944</u></a>
25	26	27	28	29	30	1
<a href="#"><u>Downtown Yakima Farmer's Market 9am-1pm @ 15 W Yakima Ave, Yakima, WA 98901</u></a>				<a href="#"><u>Yakima Downtown Summer Nights 5:30pm-9pm @ 129 S 2nd St, Yakima, WA 98901</u></a>		
2	3	Notes	<a href="#"><u>College Place Farmers &amp; Artisan Market 4pm-7pm @ 625 S. College Avenue College Place, WA 99324</u></a>			
		<a href="#"><u>BLUE - Pacific Power Outreach</u></a>				

# Demand Response

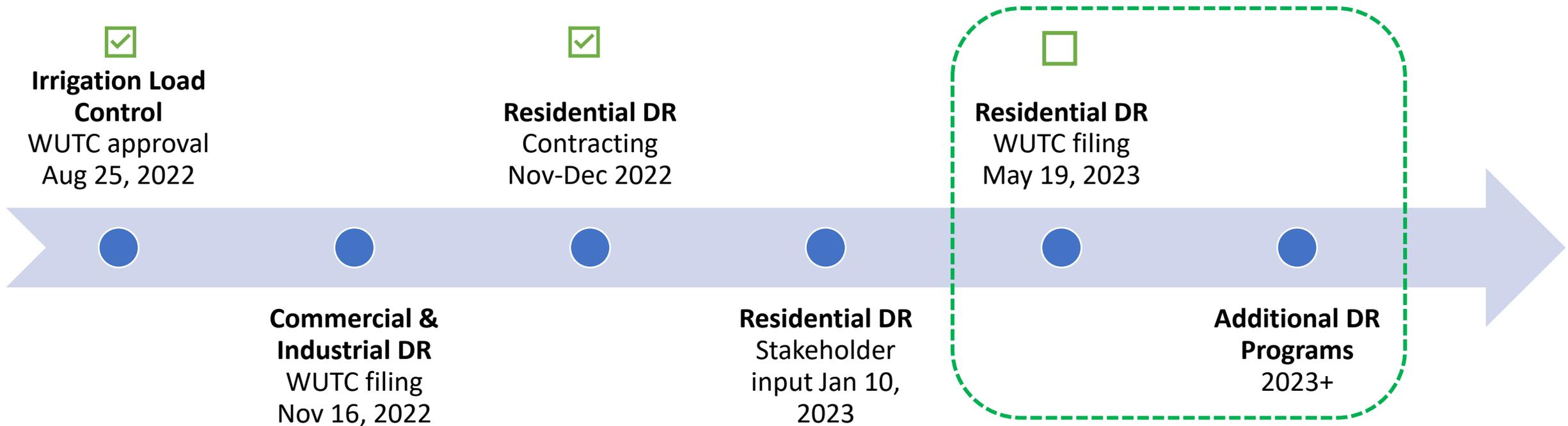
Alex Osteen



# Pacific Power's Demand Response Programs in Washington

Demand Response (DR) helps manage the grid by offering financial incentives to participating customers to reduce their energy usage during peak times. Two status updates for the group regarding the DR portfolio:

1. PacifiCorp filed for cost recovery for the Residential DR program for smart thermostats and water heaters and requested an effective date of June 30, 2023; it is on the agenda for the June 29<sup>th</sup> Public Meeting
2. PacifiCorp plans to issue an RFP for EV Managed Charging to shift charging load off peak (see subsequent slide)



## Progress & Next steps

- **Jan 10, 2023** – hosted technical workshop
  - Jan 24, 2023 – posted workshop notes
  - Addressed ~20 or so comments and questions
- **Feb 9, 2023** – Met with WA EAG
- **Week of Feb 20, 2023** -- Worked to increase incentive for enrolling thermostat to \$50
- **Mar 9, 2023** – Met with WA EAG
- **Week of Mar 13, 2023** – Began drafting Washington filing for Res DR

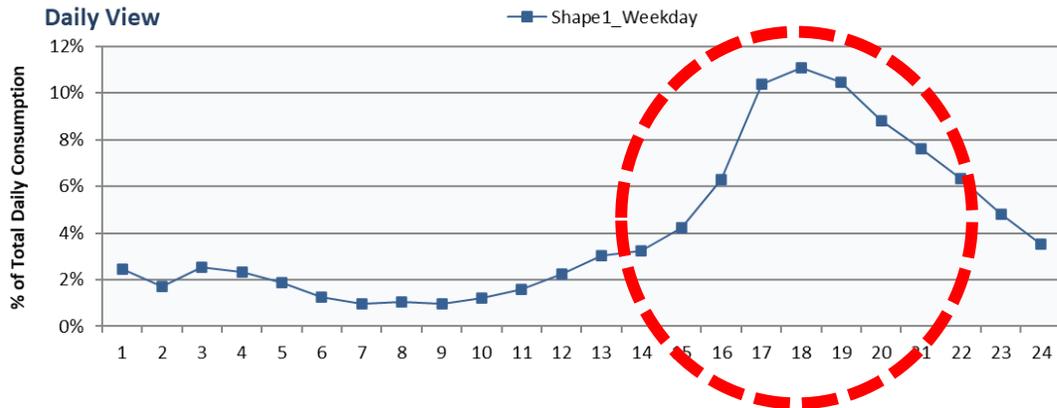
- **Week of Mar 20, 2023** – Began updating cost effectiveness model for res DR program
- **Week of Apr 19, 2023** -- Posted draft filing for res DR for stakeholder & WA EAG review
- **Week of May 5, 2023** – Deadline for receiving feedback on draft filing
- **May 19, 2023** – Filed res DR with WUTC\*
- **June 30, 2023** – Expected effective date for res DR
- **Summer 2023** -- Report DR progress in biennial CEIP update to receive formal “approval” from WUTC\*
- **Summer 2023** – Release RFP for Managed Charging pilot (per TE Plan)

\*In its most recent [approval for C&I DR](#), WUTC requested PacifiCorp use the CEIP docket as the vehicle/proceeding to get new DR programs / strategy formally “approved,” while working with EAG and other advisory groups in the interim to launch new offerings. The “ask” in program filings to the WUTC is that the programs use the same DR funding vehicle.

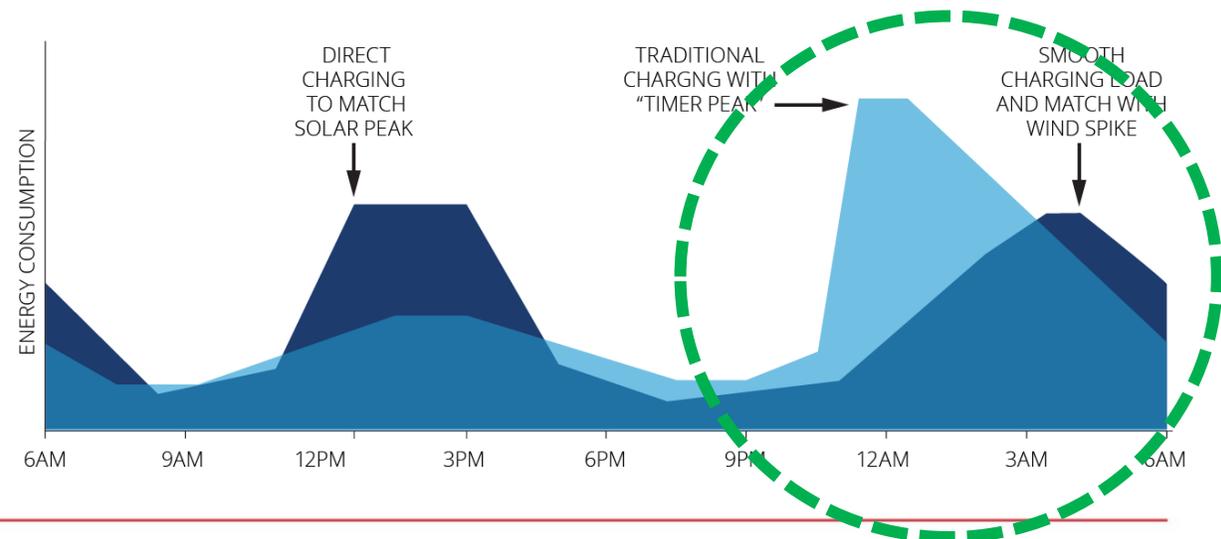
# EV Managed Charging Pilot

- EV owners who participate will agree to allow their EV charging to shift to off-peak hours
- PacifiCorp will control the EV charging via either EV telematics or EVSE, similar to BYOT
- PacifiCorp will pay participants financial incentives upon sign-up and then seasonally or annually for ongoing, “active” participation, allowing for a degree of opt-outs and maintaining minimum charging threshold

**Pre** – most residential charging occurs after work, coinciding with peak hours



**Post** – residential charging is “flexed” to evening / overnight hours, outside peak



# Procurement: Delivery Contracts

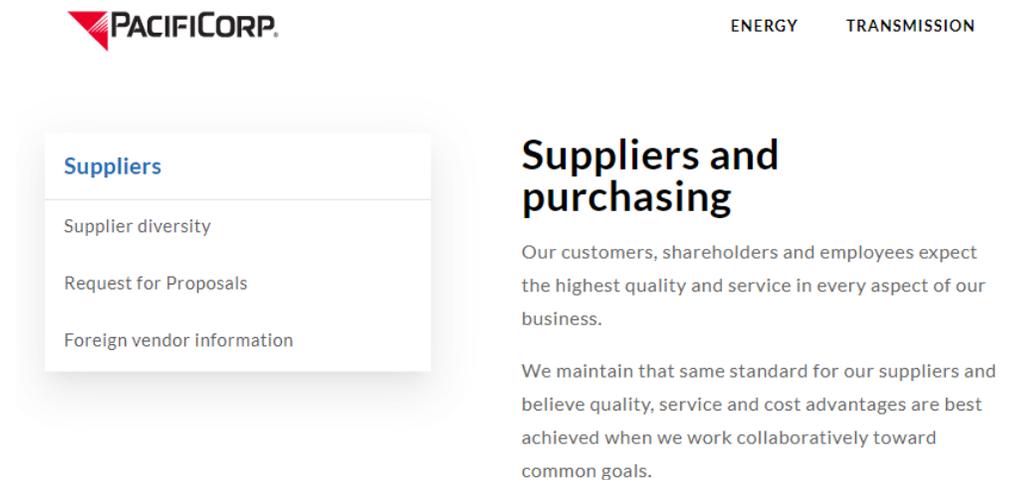
Nancy Goddard



# Procurement: Delivery Contracts

Action	Target Date
Establish a web page and post notice seeking comments on general proposal evaluation and selection criteria	Completed 4/7/2023

- Added [new page](#) with notice on April 7, 2023
  - Includes RFP background information
  - Requested comments on general proposal evaluation and selection criteria by April 30, 2023
    - Received one public comment
  - Sent link to DSM AG on 4/7/2023 and to EAG



<https://www.pacificcorp.com/suppliers.html>

# Procurement: Delivery Contracts

Action	Target Date
Company and DSM Advisory Group outreach to build bidders list;	Completed 4/30/2023
Bidders list submitted to Procurement, Procurement registering bidders in procurement system	Completed 5/31/2023

- Bidders list completed as of 5/31/2023
  - Emailed DSM AG 4/7/2023 with info about providing potential bidder names and contact info
  - DSM Team shared link to RFP announcement with potential bidders in early April
- Bidders must be registered with PacifiCorp and on the bidders list prior to the RFP. Only companies on the bidders list receive the RFP.
- Identified some companies interested in being a subcontractor and receiving the RFP as FYI via email (and not on bidders list)

# Procurement: Delivery Contracts

- Wattsmart Business & Home Energy Savings Delivery contracts end 3/31/3024
  - Transition arrangements in current contracts would start 4/1/2024
- Incorporate Competitive Procurement Framework
  - In 2022-2023 Biennial Conservation Plan

Action	Target Date/Status
Establish a web page and post notice seeking comments on general proposal evaluation and selection criteria	Completed 4/7/2023
Provide DSM Advisory Group with key components of RFP for review and comment	Completed at 3/30/23 meeting
Company and DSM Advisory Group outreach to build bidders list	Completed 4/30/2023
Bidders list submitted to Procurement, Procurement registering bidders in procurement system	5/31/2023
Provide RFP to Procurement	asap
Procurement releases RFP	asap
Proposals due	8 weeks from release date
Selection	1/31/2024
Contract(s) complete	3/31/2024

# Reference: Competitive Procurement Framework 2022-2023 Biennial Conservation Plan Appendix 6

## Appendix 6 - Competitive procurement framework for Washington Conservation and Efficiency Resources

November 1, 2021 FINAL

Provided for review and comment to DSM AG in August 2021  
Final version filed as appendix to biennial conservation plan

### Background:

This framework is provided as required by [WAC 480-107-085](#). Acquisition of conservation and efficiency resources, and is consistent with the rule. The rule text is included for reference below following the framework.

Acquisition of Washington conservation and efficiency resource(s) in sufficient quantities to achieve EIA targets and the specific targets for energy efficiency described in PacifiCorp's Clean Energy Implementation Plan requires on-going relationships with customers, trade allies, distributors, contractors, professional associations and other market actors. Third party delivery contractors performing this work for the company in Washington (in addition to other Pacific Power states) benefit from a reasonable level of contractual continuity as they develop and maintain these relationships. Contractual continuity enables adaptive management of program delivery. Most importantly, continuity is critical for customers who require knowledgeable and timely response to project related needs. Both customers and implementation team rely on trusted relationships to maintain implementation schedules and continued participation.

Contractual continuity needs to be proactively balanced with the need for innovation, best pricing and opportunities for new providers. The company has a robust procurement process that provides services to ensure business units such as Customer Solutions can effectively manage these multiple objectives. In some cases, pricing, delivery and innovation may be enhanced by contracting for delivery across multiple Pacific Power states. A robust and competitive procurement process typically requires nine months from RFP & bidder list development to contract execution.

This framework is specific to delivery contracts with reportable energy savings and does not include support services including but not limited to marketing, energy education, on bill repayment services, or advisory group facilitation/support.

### Frequency of competitive bidding for conservation and efficiency resource programs, in whole or part:

Third party delivery contracts for conservation and efficiency resources in Washington follow company guidance for duration; they are typically, five-year contracts with a three-year minimum term and an option for one two-year extension provided performance is acceptable during the first three years. Delivery contracts are intended to be I be re-bid no less frequently than every five years. They may be re-bid more often. Start/end dates

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for contracts are staggered when possible to minimize potential delivery disruption. The current delivery contracts and end dates are listed below.

- Bidgely - Home Energy Reports - December 31, 2022
- Resource Innovations (formerly Nexant) - Home Energy Savings, Wattsmart Business commercial trade ally engagement/incentive processing, small business - March 31, 2024
- Cascade Energy - Wattsmart Business industrial/ag trade ally management/incentive processing - March 31, 2024
- Cascade Energy - Wattsmart Business managed accounts - May 31, 2024.

Further detail on the scope of these contracts is provided in our annual reports.

Re-procurement for current contracts will commence ahead of and are intended to be complete prior to the end dates listed. As part of the biennial framework update, current contracts and end dates will be reviewed and updated as required.

### Unsolicited proposals received outside of a conservation RFP

Proposals received by the company outside of a conservation RFP process, including through an all-source RFP, will be evaluated provided, at a minimum they a) are additive to (not duplicative of or displace) current delivery activities; b) contain an integration plan with existing offers and c) are economic or cost-effective additions to the current program portfolio.

### Public participation, outreach, and communication of evaluation and selection criteria

The company will establish or modify a current web page for public engagement and post a notice prior to releasing competitive procurement solicitations seeking public comment on general proposal evaluation and selection criteria. The company will review and incorporate comments as appropriate.

Respondents to a conservation RFP must be registered in the company procurement system. Public participation and outreach prior to the release of RFP will be focused on having new bidders register in this system. DSM AG members may encourage bidders to register in the system.

Company outreach may include queries to third parties such as ESource for a current list of providers delivering similar services. This information will be compared with current list in the procurement system and non-listed firms may be invited to register.

Company outreach may also include providing the DSM AG with the key components of an upcoming RFP for review and comment ahead of the formal release of the RFP.

The RFP will describe bid evaluation and selection criteria and information related to these criteria will be requested from bidders to ensure the best possible responses.

Appendix 6 - Competitive procurement framework for Washington Conservation and Efficiency Resources  
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Criteria weighting or additional metrics with the potential to reduce competitiveness of proposals (as determined by the company's DSM group and procurement group) will not be provided in the RFP.

### Support from DSM Advisory Group:

This framework will be provided to the DSM AG during the biennial planning process (odd numbered years) with a request for comment. Comments will be reviewed by the company and incorporated into the version filed as part of the biennial conservation plan. Comments received and their disposition in an easily trackable (comments, responses and redlines in MS word) will be provided to demonstrate DSM AG participation and support.

### Current and Planned Exemptions:

Recognizing the unique nature of services provided and the absence of alternative providers, the company will continue their current practice of exempting a) contracts with community action agencies delivering low-income services, and b) Northwest Energy Efficiency Alliance's delivery of market transformation services. The practice of exempting these providers will be reviewed with each biennial procurement framework update. The default will be to continue these exemptions for additional biennial periods UNLESS changed in consultation with the DSM AG.

# Wrap-up

Nancy Goddard



# Recent Filings

	Draft to you	Comments due	Response to Comments	Filed	Approval Decision
System Benefits Charge – request for exception to requirement to file for an adjustment (UE-230293) <a href="#">UTC Case Docket Document Sets   UTC (wa.gov)</a>	4/3/2023	April 18	None needed	4/27/2023	Consent Agenda 5/25/2023 open meeting
2022 Annual Report on Conservation, Commerce Report ( <a href="#">UE-210830</a> )	5/1/2023	May 15	6/2/2023	6/1/2023	
Low Income Weatherization program change - add smart thermostat measure <a href="#">(UE-230453)</a>	April 28	May 29		June 7, 2023 Requested effective date July 14, 2023	July 13, 2023 open meeting

## Recent Drafts

	Draft to you	Comments requested by	Response to comments	Final due
Home Energy Savings and Wattsmart Business Program Delivery Request for Proposals (RFP) request for 1) comments on draft general proposal evaluation and selection criteria, and 2) potential bidder names	4/7/2023	4/30/2023	None needed	
Home Energy Savings and Wattsmart Business 7/1/2023 program change documents – request for comments	4/17/2023	April 28	5/10/2023	Website announcements posted 5/15/2023 <ul style="list-style-type: none"> <li>• <i>State energy code implementation delayed</i></li> <li>• <i>Program changes still effective 7/1/2023</i></li> </ul>
Residential Demand Response Program Filing	4/19/2023	5/5/2023	Initial response 5/8/2023	PacifiCorp filed on 5/19/23 and requested an effective date of 6/30/23*

\*In its most recent [approval for C&I DR](#), WUTC requested PacifiCorp use the CEIP docket as the vehicle/proceeding to get new DR programs / strategy formally “approved,” while working with EAG and other advisory groups in the interim to launch new offerings. The “ask” to the WUTC is that the new DR program can use the same funding vehicle.

# Drafts coming soon

	Draft to you	Comments requested by	Response to comments	Final due
Home Energy Savings and Wattsmart Business 1/1/2024 program change documents	9/1/2023	9/15/2023		
Draft 2024-2025 Biennial Conservation Plan and draft tariffs (if any)	10/1/2023	10/15/2023		11/1/2023

# Planned 2023

## DSM Advisory Group Meetings, Drafts for DSM AG Review, Filings

March

**Advisory Group meeting #1, Mar 30**  
System Benefits Charge Review (Schedule 191), Distribution Efficiency

**Schedule 191 (SBC) Filing**

If no change, draft request for exception to DSM AG by Mar 31, file by May 1

~~If change needed, draft filing to DSM AG by May 1, file by June 1~~

April

**Apr 17:**  
Draft Wattsmart Business/Home Energy Savings program details to DSM AG for review (for July 1 Washington State Energy Code change)

**Apr 28:**  
Comments on program changes due

**Apr 28:**  
Low Inc Wx draft filing to add smart thermostats to DSM AG

May

**May 1:**  
SBC Exemption filing

**May 1:**  
Draft 2022 Annual Report to DSM AG

**May 15:**  
Comments on 2022 Annual Report due

May 15:  
Post notice of July 1 program changes on website

**May 29:**  
Comments on Low Income Wx draft filing due

June

**June 29:**  
Advisory Group meeting #2 (by July 1)

Begin 2024-2025 Target Setting Production Efficiency - thermal

**June 1:**  
File 2022 Annual Conservation Report and Commerce Report



July

**July 27:**  
Advisory Group meeting #3 (by Aug 1)

Draft ten-year conservation potential, revised four-year target, and two-year target Production Efficiency Distribution Efficiency

**July 1:**  
File CEIP Progress Report

July 1:  
Wattsmart Business, Home Energy Savings changes effective

**BCP:** Biennial Conservation Plan  
**CEIP:** Clean Energy Implementation Plan  
**DSM AG:** Demand-side Management Advisory Group

# Planned 2023

## DSM Advisory Group Meetings, Drafts for DSM AG Review, Filings

August

### Advisory Group meeting #4 (by Sept 1)

Draft program details, program budgets (2024-2025)

Preview Utility Actions

Preview 2024 program changes

Note: This meeting to be broadened to include all advisory groups and the public

September

### Advisory Group meeting #5

Preview Biennial Conservation Plan

**Sept 1:**  
Program change documents to DSM AG

**Sept 15:**  
Comments on program change docs due

October

**Oct 1:**  
Draft 2024-2025 Biennial Conservation Plan (BCP) and draft tariffs (if any) to DSM AG

**Oct 15:**  
Comments on draft BCP due

November

**Nov 1:**  
File 2024-2025 Biennial Conservation Plan

**Nov 15:**  
Program changes announced on website

December

### Advisory Group meeting #6

Draft 2024 Communications Plan

**BCP:** Biennial Conservation Plan  
**CEIP:** Clean Energy Implementation Plan  
**DSM AG:** Demand-side Management Advisory Group

# 2023 DSM Advisory Group Meetings

	Key Topics	Updates
#1 March 30 1:30-4:30pm	<ul style="list-style-type: none"> <li>• System Benefits Charge Review</li> <li>• 2022-2023 DSM Forecast</li> <li>• Procurement: Delivery Contracts (Home Energy Savings, Wattsmart Business)</li> <li>• Distribution Efficiency</li> <li>• Preview: 7/1/2023 program changes</li> </ul>	<ul style="list-style-type: none"> <li>• Home Energy Reports</li> <li>• Demand Response</li> <li>• CETA: Equity Advisory Group</li> <li>• CEIP: Utility Actions/Customer Benefit Indicator Metrics</li> <li>• Pilots</li> <li>• Wrap-up</li> </ul>
#2 June 29 1-4pm	<ul style="list-style-type: none"> <li>• 2024-2025 Target Setting</li> <li>• Production Efficiency - thermal</li> <li>• 2022 Annual Report</li> <li>• 2022-2023 DSM Forecast and adaptive management</li> <li>• Clean Energy Implementation Plan (CEIP)</li> <li>• CEIP Progress Report – energy efficiency CBI metrics, utility actions</li> </ul>	<ul style="list-style-type: none"> <li>• CETA: Equity Advisory Group</li> <li>• Demand Response</li> <li>• Procurement: Delivery Contracts (Home Energy Savings, Wattsmart Business)</li> <li>• Wrap-up</li> </ul>
#3 July 27 1-4pm	<ul style="list-style-type: none"> <li>• Draft ten-year conservation potential, revised four-year target, and two-year target</li> <li>• Production Efficiency – wind and thermal</li> <li>• Distribution Efficiency</li> <li>• 2022-2023 DSM Forecast</li> </ul>	
#4 August	<ul style="list-style-type: none"> <li>• Draft program details, program budgets (2024-2025)</li> <li>• Preview of planned program changes for 2024 (condition 5b)</li> <li>• Preview of Utility Actions</li> </ul>	
#5 September	<ul style="list-style-type: none"> <li>• Draft 2024-2025 Biennial Conservation Plan</li> <li>• 2022-2023 DSM Forecast</li> </ul>	
#6 December	<ul style="list-style-type: none"> <li>• 2024 communications and outreach plan</li> <li>• 2022-2023 DSM Forecast</li> </ul>	

# Thank you

