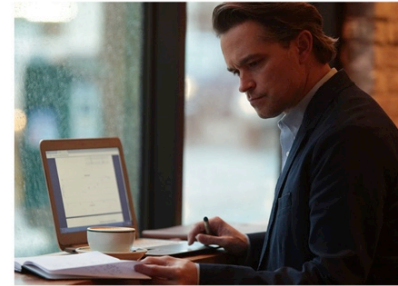


# Clean Energy Transformation Act

## Washington Equity Advisory Group EAG Meeting 6A

October 20, 2021



# PacifiCorp Equity Advisory Group (EAG) Meeting #6A October 20, 2021, 1pm-4pm Pacific Time

- RMI facilitators will change PacifiCorp, RMI, and Equity Advisory Group (EAG) participant names to First Name, Last Initial, PacifiCorp/RMI/EAG.
- We recommend using “Gallery View” (icon in top right) when in group discussions.
- If you called in with your phone, merge your audio and video.
- For technical support, click on “Chat” (icon in tool bar at bottom), toggle to “Erifili D, RMI” as the recipient, send your message.

## **EAG Members:**

- If you are able, please keep your camera on for as much of the meeting as possible (icon in bottom left) but stay muted unless speaking.
- Please use the chat at any time to engage in the conversation or ask questions.
- To raise your virtual hand to speak, click on "Reactions" in your tool bar, select “Raise Hand.”

## **Public Observers:**

- Thank you for joining us and observing this meeting.
- You can “Rename” yourself by clicking the “...” on your participant square.
- Please stay on mute with your camera off until the public comment period.
- Please use the chat for technical support by messaging “Erifili D, RMI,” but please do not ask questions or respond to prompts in the chat until the public participation period.

# Meeting #6A Objectives

- Bring together the pieces we have been working on in one complete story, highlighting the EAG's impact.
- Generate new implementation ideas from the EAG's experience working in and with Washington communities.
- Provide instructions for preparing feedback to the November 1 Draft Clean Energy Implementation Plan (CEIP).

## Since EAG Meeting #5, what have PacifiCorp and RMI done?

- Scheduled an additional EAG Meeting (#6B) on November 17
- Hosted the second of three public meetings on October 6
- Filed a petition with Washington Utilities and Transportation Commission (WUTC) to recommend an independent evaluator (IE) to oversee the 2022 all-source energy supply procurement process (also known as 2022AS RFP).
  - Updated our [Washington IE RFP website](#) to inform interested parties about the energy supply solicitation processes and how to participate in the IE selection
- Prepared Pacific Power's Draft 2022-2023 Biennial Conservation Plan and Demand-Side Management Business Plan
- Closely reviewed Joint Advocate customer benefit indicator (CBI) recommendations
- Obtained guidance from WUTC staff on "utility actions"

# How the EAG Has Influenced this Work

## Named Communities

- Definition of equity
- Validation and updates to highly-impacted communities (HICs)
- Identification of vulnerable populations
- Challenges and barriers to program entry
- Need for trusted messengers

## CBIs

- CBI outcomes related to challenges
- Prioritization of benefits flowing to named communities

## Utility Actions

- Community outreach and engagement actions
- New program considerations and design
  - Funding for residential energy efficiency (EE) repairs
  - Electric vehicle (EV) grant program

## Metrics

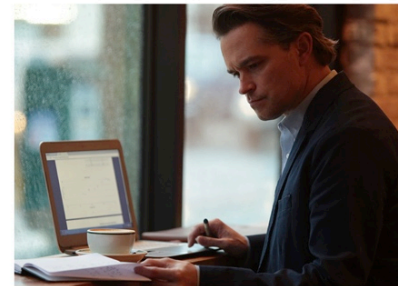
- Development of leading metrics
- Sharper focus on equity

# Meeting #6A Agenda

<b>Time (PT)</b>	<b>Description</b>
1:00 PM	Welcome and Meeting Overview: Updates, Objectives, Agenda
1:15 PM	EAG Check In
1:30 PM	Revised Draft Customer Benefit Indicators (CBIs) and Metrics
1:55 PM	Draft CEIP Utility Actions
2:15 PM	Break
2:25 PM	EAG Activity: Feedback on Implementing Actions
2:40 PM	Public Comment Period
3:00 PM	Preparing the EAG to Deliver Comments on the Draft CEIP
3:20 PM	EAG Check Out
3:35 PM	Next Steps



# Revised Draft Customer Benefit Indicators and Metrics



**Bold** benefit categories are specific to named communities

# Revised Draft CBIs and Metrics

CBI	Benefit Category	Metric
Households experiencing high energy burden	<ul style="list-style-type: none"> <li>• Cost Reduction</li> <li>• <b>Reduction of burden</b></li> </ul>	<ul style="list-style-type: none"> <li>• Number of customers suffering from high energy burden by: HICs, vulnerable populations, low-income bill assistance (LIBA) and Low-Income Weatherization participants, and other residential customers</li> </ul>
Participation in company energy and efficiency programs and billing assistance programs	<ul style="list-style-type: none"> <li>• Cost reduction</li> <li>• <b>Reduction of burden</b></li> <li>• <b>Non-energy benefit</b></li> <li>• <b>Energy benefit</b></li> </ul>	<ul style="list-style-type: none"> <li>• Number of households/businesses, including named communities, who participate in company energy/efficiency programs</li> <li>• Percentage of households that participate in billing assistance programs</li> <li>• Number of households/businesses who participate/enroll in demand response, load management, and behavioral programs</li> </ul>
Indoor air quality	<ul style="list-style-type: none"> <li>• Public health</li> <li>• <b>Non-energy benefit</b></li> </ul>	<ul style="list-style-type: none"> <li>• Number of households using wood as primary or secondary heating</li> </ul>
Frequency and duration of energy outages	<ul style="list-style-type: none"> <li>• Energy resiliency</li> <li>• Risk reduction</li> <li>• <b>Energy benefit</b></li> </ul>	<ul style="list-style-type: none"> <li>• SAIDI, SAIFI, and CAIDI* at area level including and excluding major events</li> </ul>
Residential customer disconnections	<ul style="list-style-type: none"> <li>• Energy security</li> </ul>	<ul style="list-style-type: none"> <li>• Number of residential customer disconnections including disconnections within named communities</li> </ul>

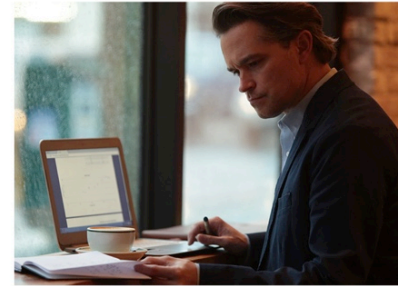


**Bold** benefit categories are specific to named communities

# Revised Draft CBIs and Metrics

CBI	Benefit Category	Metric
Culturally and linguistically responsive outreach and program communication	<ul style="list-style-type: none"> <li>• <b>Reduction of burdens</b></li> <li>• <b>Non-energy benefit</b></li> </ul>	<ul style="list-style-type: none"> <li>• Outreach in non-English languages</li> <li>• Percentage of responses to surveys in Spanish</li> </ul>
Community-focused efforts and investments	<ul style="list-style-type: none"> <li>• <b>Non-energy benefit</b></li> <li>• <b>Reduction of burden</b></li> </ul>	<ul style="list-style-type: none"> <li>• Workshops on energy related programs</li> <li>• Headcount of staff supporting program delivery in Washington who are woman, minority, or can show disadvantage for energy efficiency programs with exception to low income</li> </ul>
Efficiency of housing stock and small businesses, including low-income housing	<ul style="list-style-type: none"> <li>• <b>Energy benefit</b></li> </ul>	<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> <li>• Gas to electric conversions for Low-Income Weatherization program</li> </ul>
Renewable energy resources and emissions	<ul style="list-style-type: none"> <li>• Environmental</li> </ul>	<ul style="list-style-type: none"> <li>• Amount of renewables/non-emitting resources serving Washington</li> <li>• Washington allocated greenhouse gas emission from Washington allocated resources</li> <li>• Number of public charging stations in named communities</li> </ul>

# Draft CEIP Utility Actions



# What is a CEIP Utility Action?

**Utility actions** are a mix of **resources or programs** that can be implemented to meet specific requirements.

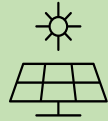
To be included in the CEIP as a utility action, a program or proposal must be **directly attributable to PacifiCorp's obligations under Washington statutes** RCW 19.405.040 and 19.405.050. These statutes create a number of obligations, including:

- Ensure that all retail sales to Washington electric customers are **GHG neutral** by January 1, 2030.
- Ensure that **non-emitting electric generation and renewable electricity** supply 100 percent of all sales of electricity by January 1, 2045.
- Ensure that **all customers benefit** from the transition to clean energy.

If a utility is required to offer a program or take an action by a different law, then that program or action will not be identified in the CEIP as a utility action, even if it is consistent with CETA.

For example, the Modified Low Income Bill Assistance program supports CETA objectives, but it is not included in the CEIP as a “utility action” because it is required by a different law.

# Types of CEIP Utility Actions



## RESOURCES

These actions support PacifiCorp to generate more electricity from carbon-free and non-emitting resources for its customers in Washington.



## COMMUNITY OUTREACH & ENGAGEMENT

These actions create greater opportunities for the communities PacifiCorp serves to reap the benefits of clean electricity programs, regardless of their economic or cultural circumstances.



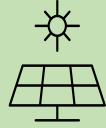
## ENERGY EFFICIENCY

These actions help customers transform their homes, offices, and businesses to use electricity more efficiently. This has the effect of lowering bills and creating more comfortable spaces.



## DEMAND RESPONSE

Demand response is when customers change their electricity usage at certain times to put less pressure on the grid. These actions help customers access more of the clean electricity produced by PacifiCorp's resources.



## RESOURCES

- By 2024, add battery storage capacity and new renewable (wind and solar) resources
- By 2026, add needed renewables and storage (those to be added before 2025 will be included in the CEIP)

Resources coming onto the PacifiCorp system will contribute to the Company's progress toward meeting the clean energy requirements in Washington.

Project Name	Technology Type	Location	Resource Capacity (MW)	Battery Capacity (MW)
Anticline	Wind	Wyoming	100.5	n/a
Cedar Springs IV	Wind	Wyoming	350.4	n/a
Rock Creek I*	Wind	Wyoming	190	n/a
Rock Creek II*	Wind	Wyoming	400	n/a
Boswell Springs	Wind	Wyoming	320	n/a
Two Rivers	Wind	Wyoming	280	n/a
Cedar Creek	Wind	Idaho	151	n/a
Rocket Solar II	Solar with Battery	Utah	45	12.5
Fremont	Solar with Battery	Utah	99	49.5
Rush Lake	Solar with Battery	Utah	99	49.5
Parowan	Solar with Battery	Utah	58	58
Hornshadow I	Solar with Battery	Utah	100	25
Hornshadow II	Solar with Battery	Utah	200	50
Green River I & II	Solar with Battery	Utah	400	200
Hamaker	Solar with Battery	Oregon	50	12.5
Hayden 2	Solar with Battery	Oregon	160	40
Dominguez I	Battery Storage System	Utah	n/a	200
Glen Canyon	Solar Photovoltaic	Utah	95	n/a



## COMMUNITY OUTREACH & ENGAGEMENT

- Provide the infrastructure for greater participation in utility programs (translation, outreach, incentives, bill assistance, grants, and education)
- Improve language accessibility



### Language

Improve language accessibility by assessing needs, reviewing current programs, identifying gaps, and developing clear plans and processes for action



### Education

Develop a webpage to host educational resources



### Outreach

Continue to identify and expand outreach to non-profits that provide services to named communities with the goal of increasing grant applications and approvals



### EV Grant

Establish an Electric Vehicle (EV) Supply Equipment Grant program that provides additional support for low income and customers living in multi-family dwellings





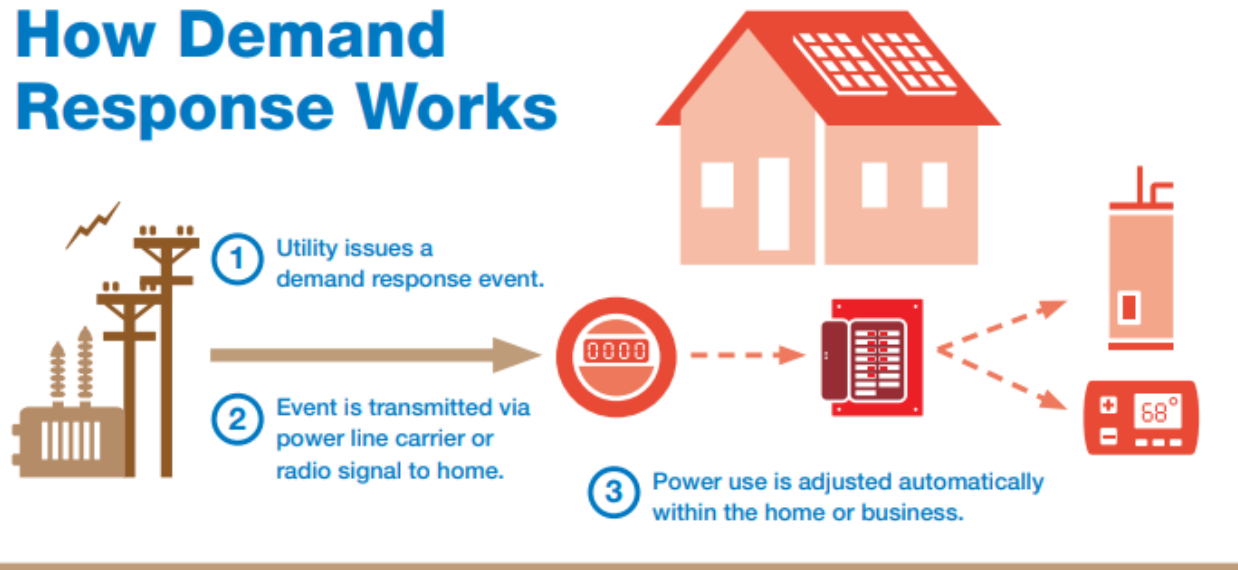
## DEMAND RESPONSE

- Add new demand response programs
- Make these new programs available to residential, business, and irrigation customers

### Deliver new demand response (DR) resources in WA by the end of 2025

- Proposed DR programs provide incentive payments to customers to induce lower electricity use during critical times.
- All demand response programs will be new to Washington, most programs are expected to launch in Q1 of 2022.
- Intend to make programs available for residential, commercial, industrial, and irrigation customers.

### How Demand Response Works





## ENERGY EFFICIENCY

- Deliver programs to help customers improve energy efficiency and save energy/money
- Target named communities



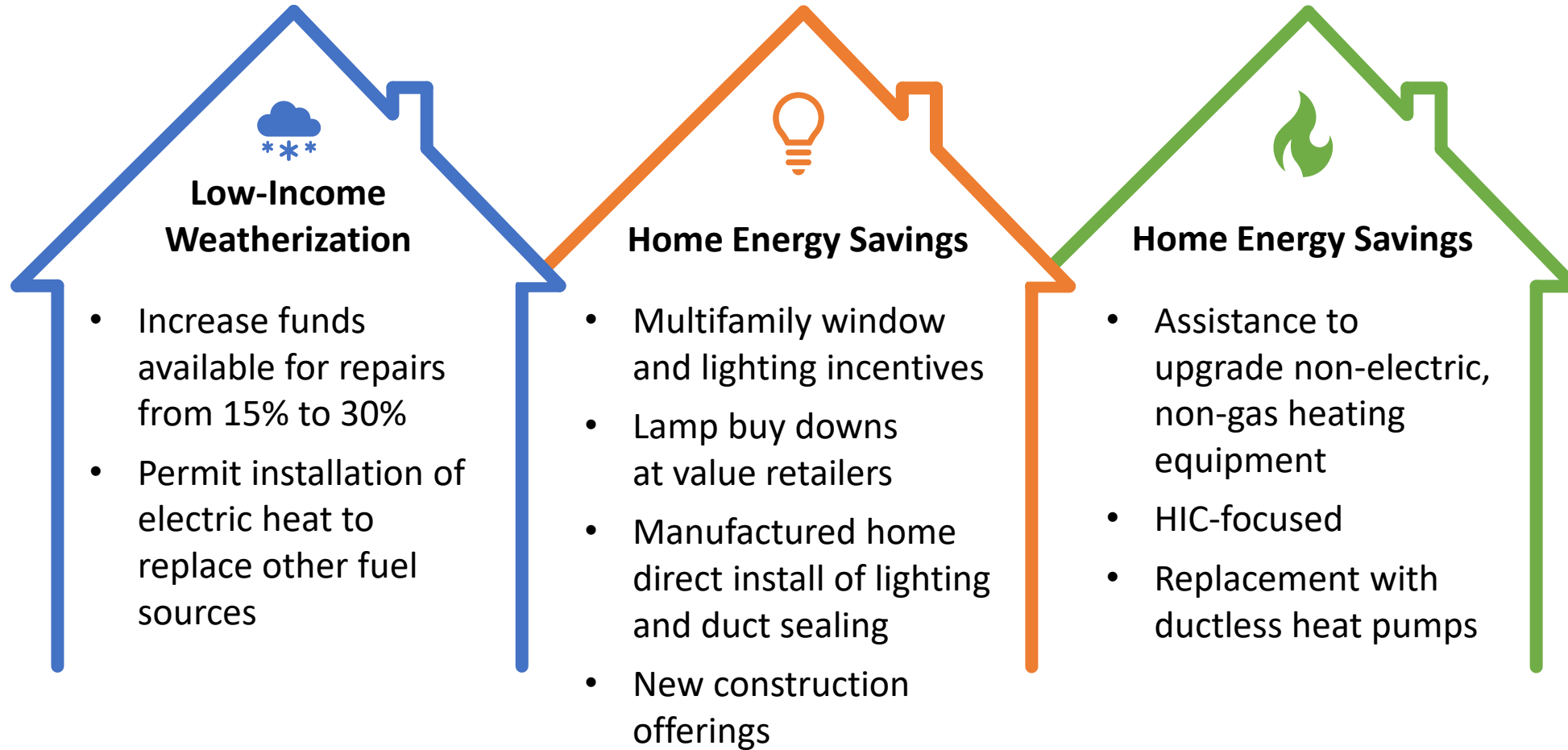
### Continue to deliver energy efficiency programs and savings\*

- Energy efficiency programs are available to residential, business, and irrigation customers
- Increased focus on delivery to named communities
- At least 202,367 MWh\* of energy efficiency by the end of 2025 (equivalent to energy use from approximately 26,000 homes)<sup>1</sup>
- Includes Home Energy Reports
- Exceeds sum of 2022-2025 energy efficiency selections (156,018 MWh) from the 2021 IRP preferred portfolio

<sup>1</sup> EPA Calculator: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>



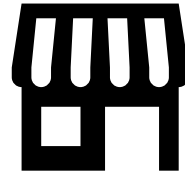
# Residential Customer Energy Efficiency Actions





# Business Customer Energy Efficiency Actions

## Small Business Offerings through Wattsmart Business



- Continue enhanced lighting retrofit incentives
- New offer for smallest of small businesses and those located in HICs
  - Higher incentive cap: up to 100% of project costs to reduce/eliminate out of pocket cost barriers

## Access



- Target small businesses in HICs with outreach campaign
- Offer higher vendor incentives for completed projects with small businesses in HICs



# Participation Tracking/Reporting CEIP Utility Actions Starting in 2022

## Low-Income Weatherization

- Participants:
  - Located in a highly-impacted community
  - Whose primary language spoken is other than English
  - Who rent or lease rather than own
  - Living in a manufactured home

## Home Energy Savings

- Participants:
  - Located in a highly-impacted community
  - Whose primary language spoken is other than English
  - Who rent or lease rather than own
  - Living in a manufactured home
  - Living in a multi-family unit

## Wattsmart Business

- Participants:
  - Located in a highly-impacted community
  - Whose primary language spoken is other than English
  - Who rent or lease rather than own
  - Who are small businesses



# Energy Efficiency Action Example – Wattsmart Business Program

Tactic

Target proactive vendor outreach and increase lighting retrofit incentives for highly-impacted community (HIC) small businesses, very small businesses

Applicable CBIs

Participation in company energy and efficiency programs and billing assistance programs

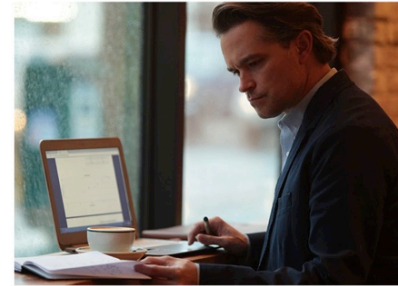
Measurement &  
Metrics

Number of projects completed at small businesses, including named communities

Number of projects completed at very small businesses, including named communities



# Preparing the EAG to Deliver Comments on the Draft CEIP



# Clean Energy Implementation Plan

## Interim and Specific Targets

PacifiCorp's **pathway to carbon-neutral by 2030** and **100% renewable and non-emitting by 2045**, including **what actions can be taken over the next four years** to move toward targets.

---

## Specific Actions and Narrative

Detailed actions for the next four years, including **projects (utility-scale and distributed), programs, company initiatives, and other compliance actions.**

---

## Incremental Cost and Rates Calculation

The **total cost to retail customers** of CETA compliance; incremental cost is the difference between the CETA-compliant portfolio and the alternative lowest reasonable cost portfolio.

---

## Public Participation

**Feedback** from the public, advisory groups, and other stakeholders, and PacifiCorp's plans to address barriers to participation in the future.

---

## Customer Benefit Indicators

Discussion of the co-development of **Customer Benefit Indicators, metrics, and weighting.**

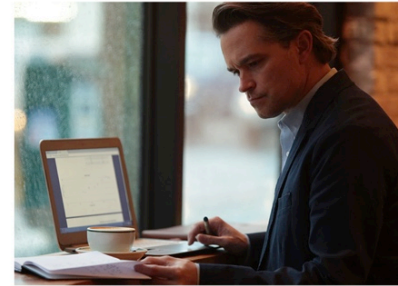
# Costs Associated with CETA

- CETA requires analysis of costs *incurred due to CETA*
- Additional costs that were not modeled as part of the IRP include:
  - Costs of CETA implementation like the EAG
  - Equity consideration in Demand-Side Management (DSM) program
- Based on an initial review, the IRP incremental portfolio and the additional costs are estimated to be in the \$5 million range annually
- For reference, the annual revenue collected from Washington customers in 2020 was approximately \$340 million
- The actual calculation of incremental cost is subject to ongoing discussions to decide on the best implementation of the rules for the PacifiCorp system. Methodologically, the process will not change.

# How Can the EAG and Public Contribute to the CEIP?

- Participate in the upcoming public and/or advisory group meetings and provide input:
  - 11/10/2021 – Public Participation Meeting from 6-8pm
  - 11/17/2021 – Equity Advisory Group meeting from 1-4pm
- Submit comments directly to PacifiCorp via email at [CEIP@PacifiCorp.com](mailto:CEIP@PacifiCorp.com)
- Once PacifiCorp has submitted the draft CEIP on November 1, file comments with the Washington UTC Records Center
- PacifiCorp will provide further information to the EAG on how to comment on draft CEIP in early November

# Next Steps



## Next Steps

- 1. Survey.** Please take a few minutes to complete the survey or send feedback directly to [CEIP@pacificorp.com](mailto:CEIP@pacificorp.com).
- 2. Materials.** Notes from this meeting will be shared and posted to the website next week. We will share and post EAG Meeting #6B materials in advance of the **next meeting on November 17, 1-4 pm Pacific Time.**
- 3. Third public meeting.** It will be on **November 10**. Please share with your communities this opportunity to learn more about this process.
- 4. Thinking Ahead.** Considerations for **EAG 2022** expectations and participation.



# Looking Ahead

Meeting	Topics
1. May 13	<b>Background and introduction</b> <ol style="list-style-type: none"><li>1. Background on PacifiCorp and the Clean Energy Transformation Act (CETA)</li><li>2. EAG member perspectives, backgrounds, and experiences</li></ol>
2. June 16	<b>Highly-impacted communities (HICs) and vulnerable populations</b> <ol style="list-style-type: none"><li>1. HICs and vulnerable populations</li><li>2. Potential benefits, burdens, and opportunities of clean energy for HICs and vulnerable populations</li></ol>
3. July 21	<b>Customer benefit indicators (CBIs)</b> <ol style="list-style-type: none"><li>1. List of vulnerable populations</li><li>2. Overview of PacifiCorp's Clean Energy Implementation Plan (CEIP), existing customer programs, and CBIs</li><li>2. CBI alignment with challenges for HICs and vulnerable populations</li><li>3. Initial draft of CBIs</li></ol>
4. Aug 18	<b>CBIs part 2</b> <ol style="list-style-type: none"><li>1. Public survey</li><li>2. CBI weighting</li><li>3. Introduction of CBI metrics</li></ol>
5. Sept 15	<b>CBI metrics, utility planning, and utility actions</b> <ol style="list-style-type: none"><li>1. Refined CBIs and CBI metrics</li><li>2. Overview of 2021 IRP and introduction of CEIP</li><li>3. Initial list of utility actions</li></ol>
6A. Oct 20	<b>Preparing for draft CEIP comments</b> <ol style="list-style-type: none"><li>1. Highlight EAGs input</li><li>2. Review CBIs and metrics and discuss utility actions</li></ol>
6B. Nov 17	<b>Draft CEIP review and comments</b> <ol style="list-style-type: none"><li>1. Feedback on the November 1 Draft CEIP</li></ol>
7. Jan 2022	<b>EAG next steps</b> <ol style="list-style-type: none"><li>1. Reflection on EAG process in 2021</li><li>2. Next steps for the EAG in 2022</li></ol>