

Clean Energy Transformation Act

Washington Equity Advisory Group & Demand Side Management Advisory Group
September 2024 Meeting

September 12, 2024



Washington Equity Advisory Group & Demand Side Management Advisory Group Meeting

1:00 -4:00 pm PT, September 12, 2024

For a Better Meeting Experience



Use Gallery View (icon at top right) when in group discussion



For technical support, chat “Tag Galvin-Darnieder/ E Source” as recipient, and send your message



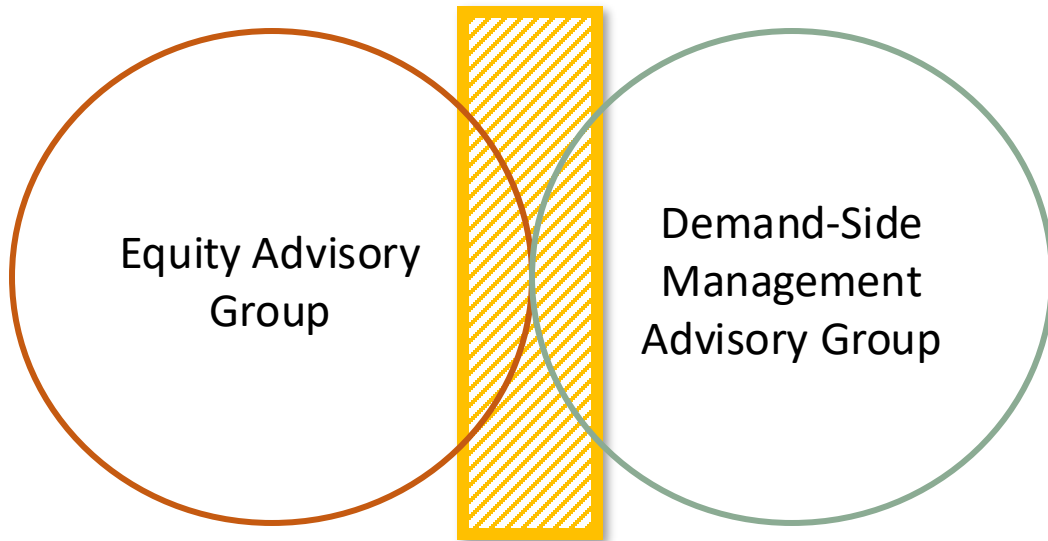
Questions are welcome at any time
Please mute until speaking
Speak by clicking the "Raise Hand" in the tool bar

Joint Agenda

TIMING	TOPIC
1:00pm	Objectives & Presenters
	Community Spotlight BMAC
	Check In & Closing the Loop
	Energy Efficiency: <ul style="list-style-type: none">• Communications• Low-Income Weatherization Updates
2:30pm	Break
	Demand Response Program
	Updates: Integrated Resource Planning, Vulnerable Populations Workshop & General
3:40pm	Public Comment
3:45pm	Check Out, Summary & Next Steps

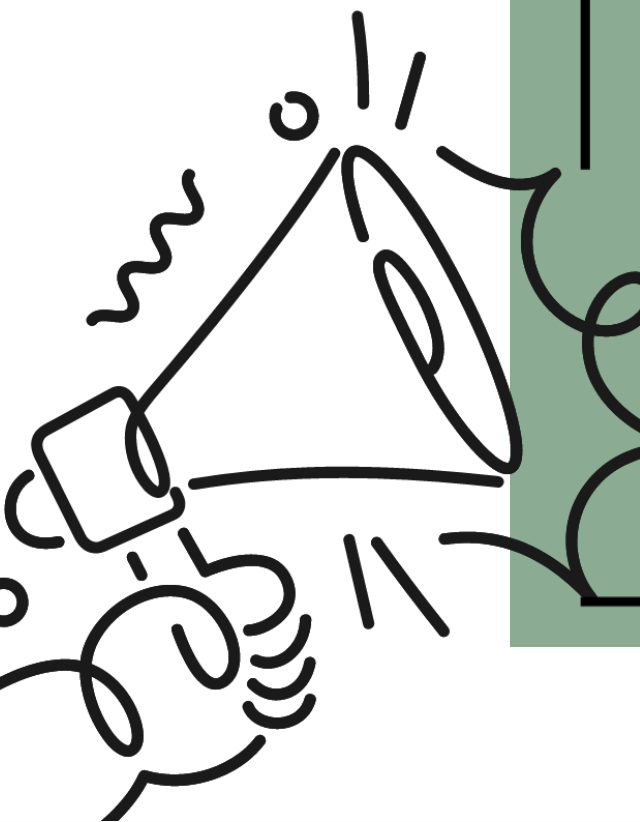
Today's Shared Objectives

Why we're here today:



1. Preview the 2025 Annual Conservation Plan
2. Communicate Demand Response Program, Integrated Resource Planning, and General updates

PacifiCorp Updates & Announcements



PacifiCorp is happy to announce the updated organizational structure, which includes a dedicated team that will be focused on clean energy planning activities to meet energy policy requirements in Oregon & Washington.

Clean Energy Planning Team



Rohini Ghosh
Director,
Clean Energy Planning



Kimberly Alejandro
Regulatory Manager,
Clean Energy Planning



Christina Medina
Stakeholder Policy &
Engagement Manager



Omar Granados
Sr. Communications
Representative



Jay Olson
Sr. Customer Solutions
Program Manager



Laura James
Sr. Customer Solutions
Program Manager



Melissa Huynh
Sr. Communications
Representative



Nancy Goddard
Sr. Customer Solutions
Program Manager



Charity Spires
Low Income Program
Manager

BMAC:

Sylvia Schaeffer
Energy & Rent
Assistance Director

Ted Koehler
Senior Director of Housing
and Operations

Collaborators

Source Facilitation Team



Jeffrey Daigle



Morgan Westberry



Zanya Morgan

Blue Mountain Action Council

Blue Mountain Action Council (BMAC) is a nonprofit organization based in Walla Walla, Washington, dedicated to alleviating poverty and fostering self-sufficiency among residents of Southeastern Washington. Established in 1966, BMAC offers a wide range of services to support individuals and families in need.

BMAC's mission is to collaborate with community partners to deliver equitable services and support, aiming to build stable and thriving communities free from the oppression of poverty.

Services provided by BMAC include:

- *Food Assistance:* Operating food banks and providing emergency food supplies.
- *Affordable Housing:* Offering housing solutions and support for those facing homelessness.
- *Energy Assistance:* Helping with utility bills and home weatherization to reduce energy costs.
- *Employment & Job Training:* Providing job training programs and employment services.
- *Adult Literacy & Tutoring:* Offering educational programs to improve literacy and skills.
- *Pro Bono Legal Services:* Connecting individuals with free legal assistance.
- *Supportive Services for Veteran Families:* Assisting veterans and their families with various needs.
- *Home Repair:* Providing essential home repairs to ensure safe living conditions.

Check-In

Check In Question

What was your favorite childhood meal or snack?



Community Calendar

SEPTEMBER 2024						
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6	7
Walla Walla Fair & Frontier Days @ Walla Walla County Fairgrounds					Outdoor Summer Artist Market @ the Yakama Nation Cultural Center 8am - 5pm	Downtown Farmers Market @ Walla Walla Transit Center 9am-1pm
8	9	10	11	12	13	14
Downtown Yakima Farmers Market @ Rotary Marketplace 9am - 1pm				ONLINE - Pacific Power's Equity Advisory Group Meeting 1pm-4pm		Downtown Farmers Market @ Walla Walla Transit Center 9am-1pm
15	16	17	18	19	20	21
Downtown Yakima Farmers Market @ Rotary Marketplace 9am - 1pm			Fall Book Fair and Market @ Encore Books 12pm - 4pm			Downtown Farmers Market @ Walla Walla Transit Center 9am-1pm
22	23	24	25	26	27	28
Downtown Yakima Farmers Market @ Rotary Marketplace 9am - 1pm						Downtown Farmers Market @ Walla Walla Transit Center 9am-1pm
29	30	Notes				
Downtown Yakima Farmers Market @ Rotary Marketplace 9am - 1pm						

Closing the Feedback Loop

Closing the Loop

July Themes:

- Learn about Net Metering
- Present Pacific Power's Clean Energy Implementation Plan Annual Progress Report (2023 data)

July Feedback Highlights:

- Members shared mixed thoughts surrounding changing the billing logic
- The group brainstormed ideas for a potential net metering successor program
- Agencies have discovered difficulties in community members visiting pay stations to submit cash bill payments

Impacts:

- Using current engagement spaces to continue driving growth and building feedback into planning
- Weekly hour-long meetings to follow up and recenter members in between monthly meetings
- **(In Progress):** Revisiting pay station locations and information to enhance access

Language Access Plan

Docket UE-230172 Settlement Stipulation OP 22

The Company will develop a Language Access Plan as detailed below:

Develop a draft language access plan within six months of the Commission's final order in this proceeding and share the draft Language Access Plan with the Low-Income Advisory Group (LIAG), Demand Side Management (DSM) Advisory Group, and Equity Advisory Group (EAG).

- a. PacifiCorp will work with the LIAG, DSM Advisory Group, and the EAG to further develop the Language Access Plan and seek consensus on a final Language Access Plan.
- b. PacifiCorp will make best efforts to implement the Language Access Plan prior to the filing of PacifiCorp's next general rate case and will provide this timeline to the LIAG, DSM Advisory Group, and EAG after the Language Access Plan is finalized.
- c. In each LIBA annual report, PacifiCorp will report on the accomplishment of any objectives in the Language Access Plan and assess the need to update the Language Access Plan.

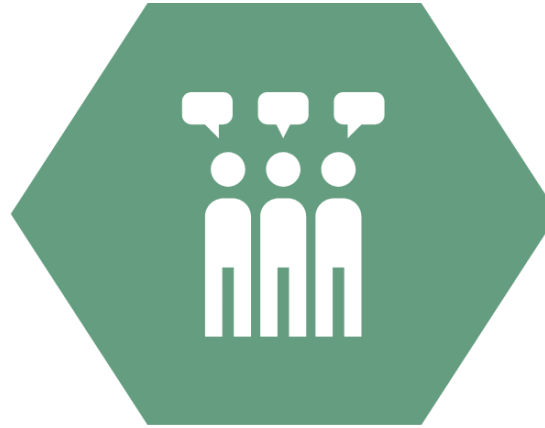


Next Steps



Draft Plan for Review

PacifiCorp will distribute a draft of the plan to Advisory Groups on or before September 17th



Feedback Session

During the October meeting a feedback discussion will take place



Accessibility Considerations

As requested, PacifiCorp will work to remove accessibility obstacles (i.e., translations)

Preview of the Draft 2025 Annual Conservation Plan

Draft 2025 Annual Conservation Plan

compared to DSM Business Plan filed last year

Nancy Goddard

Category	2024-2025 Targets	2024-2025 DSM Business Plan 11/1/2023	2025 Annual Conservation Plan 11/15/2024 Draft	2025 Annual Conservation Plan Forecast % of Target
	Gross MWh Savings @site	Gross MWh Savings @site	Gross MWh Savings @site	
i. Ten-year potential:	406,486			
ii. Two-year EIA target (includes NEEA):	84,971	91,123	90,207	106%
iii. Two-year EIA Penalty Threshold (excludes NEEA):	74,839	80,991	81,314	109%
iv. Two-year Decoupling Penalty Threshold (5% of EIA Target):	4,249	-		
v. Two-Year Utility Conservation Goal (EIA Target + Decoupling):	89,220	91,123	90,207	101%
NEEA	10,132	10,132	8,894	
Two-year targets subject to penalty (EIA penalty threshold + decoupling penalty threshold)	79,088	80,991	81,314	103%

MWh Savings Summary

- Still projecting to meet or exceed 2024-2025 targets
- Projected kWh savings relative to EIA target is down somewhat from last year's plan (primarily due to revised NEEA forecast)
- Projected kWh savings relative to targets subject to penalty is up slightly

Draft 2025 Annual Conservation Plan

compared to DSM Business Plan filed last year

DSM Business Plan filed 11/2023

Table 2 –DSM Business Plan Savings and Expenditure Forecast

2024-2025 DSM Business Plan Savings and Expenditures Forecast		
	MWh @ site	\$
Residential efficiency programs	17,750	\$ 18,395,915
Non-residential efficiency program	63,013	\$ 27,426,680
Northwest Energy Efficiency Alliance (NEEA)	10,132	\$ 1,939,531
Distribution Efficiency	227	
Production Efficiency	1	
Portfolio expenses		\$ 1,553,887
Total	91,123	\$ 49,316,013
2024-2025 Total Portfolio Benefit Cost Ratios (including NEEA and Non-Energy Impacts)		
PacifiCorp Total Resource Cost Test (PTRC)		1.52
Utility Cost Test		1.42

Updated Draft Plan

Draft 2025 Annual Conservation Plan Savings and Expenditures Forecast		
	MWh @ site	\$
Residential efficiency programs	17,707	\$ 16,155,121
Non-residential efficiency program	63,378	\$ 28,643,050
Northwest Energy Efficiency Alliance (NEEA)	8,894	\$ 1,961,891
Distribution Efficiency	227	
Production Efficiency	1	
Portfolio expenses		\$ 1,528,966
Total	90,207	\$ 48,289,027
2024-2025 Total Portfolio Benefit Cost Ratios (including NEEA and Non-Energy Impacts)		
PacifiCorp Total Resource Cost Test (PTRC)		1.57
Utility Cost Test		1.49

	Business Plan Nov. 1, 2023	2025 Annual Conservation Plan Nov. 15, 2024	Variance	Business Plan Nov. 1, 2023	2025 Annual Conservation Plan Nov. 15, 2024	Variance		
	2024-2025			2024-2025				
Program or Initiative	Gross MWH Savings @ site			Estimated Expenditures			MWH variance	\$ variance
Low Income Weatherization (114)	359	266	(93)	\$ 3,138,560	\$ 2,083,251	\$ (1,055,309)	-26%	-34%
Home Energy Savings (118)	9,438	9,202	(236)	\$ 14,588,826	\$ 13,370,586	\$ (1,218,240)	-3%	-8%
Home Energy Reports (N/A)	7,953	8,240	287	\$ 668,529	\$ 701,284	\$ 32,755	4%	5%
Total Residential Programs	17,750	17,707	(42)	\$ 18,395,915	\$ 16,155,121	\$ (2,240,794)	0%	-12%
Wattsmart Business (140) - Commercial	48,406	48,112	(295)	\$ 21,627,709	\$ 21,930,592	\$ 302,882		
Wattsmart Business (140) - Industrial	13,242	12,811	(430)	\$ 5,239,309	\$ 5,601,983	\$ 362,674		
Wattsmart Business (140) - Irrigation	1,365	2,455	1,090	\$ 559,661	\$ 1,110,475	\$ 550,814		
Total Business Programs	63,013	63,378	365	\$ 27,426,680	\$ 28,643,050	\$ 1,216,370	1%	4%
Northwest Energy Efficiency Alliance	10,132	8,894	(1,238)	\$ 1,939,531	\$ 1,961,891	\$ 22,360	-12%	1%
Distribution Efficiency	227	227	-	\$ -	\$ -	\$ -	0%	
Production Efficiency	1	1	-	\$ -	\$ -	\$ -	0%	
Total Other Conservation Initiatives	10,360	9,122	(1,238)	\$ 1,939,531	\$ 1,961,891	\$ 22,360	-12%	1%
Be wattsmart, Begin at Home	-	-	-	\$ 145,310	\$ 145,310	\$ -		0%
Customer outreach/communication	-	-	-	\$ 500,000	\$ 500,000	\$ -		0%
Program Evaluations (& savings verification)	-	-	-	\$ 461,469	\$ 445,503	\$ (15,966)		-3%
Potential study update/analysis	-	-	-	\$ 145,000	\$ 145,000	\$ -		0%
Systems Support	-	-	-	\$ 136,832	\$ 136,832	\$ -		0%
End use load research	-	-	-	\$ 63,900	\$ 66,820	\$ 2,920		5%
Regional Technical Forum (RTF) funding	-	-	-	\$ 101,376	\$ 89,500	\$ (11,876)		-12%
Total Portfolio-Level Expenses	-	-	-	\$ 1,553,887	\$ 1,528,966	\$ (24,922)		-2%
Total PacifiCorp Conservation	80,991	81,314	323	\$ 47,376,482	\$ 46,327,136	\$ (1,049,345)	0.4%	-2%
Total System Benefits Charge Conservation	91,123	90,207	(915)	\$ 49,316,013	\$ 48,289,027	\$ (1,026,986)	-1%	-2%

2024-2025
DSM Business
Plan
(11/1/2023)
vs
Draft 2025
Annual
Conservation
Plan

Notes:
Total PacifiCorp Conservation line is everything except NEEA.
Total System Benefits Charge Conservation is everything including NEEA.

	2024 PacifiCorp Washington Conservation Estimates		2025 PacifiCorp Washington Conservation Estimates		2024 + 2025	2024 + 2025
Program or Initiative	Gross kWh/Yr Savings @site	Estimated Expenditures	Gross kWh/Yr Savings @site	Estimated Expenditures	Gross MWh Savings @site	Estimated Expenditures
Low Income Weatherization (114) ¹	128,010	\$ 937,378	138,210	\$ 1,145,873	266	\$ 2,083,251
Home Energy Savings (118) ²	4,447,210	\$ 6,815,118	4,754,332	\$ 6,555,468	9,202	\$ 13,370,586
Home Energy Reports (N/A) ³	4,498,656	\$ 346,277	3,741,000	\$ 355,007	8,240	\$ 701,284
Total Residential Programs	9,073,876	\$ 8,098,773	8,633,542	\$ 8,056,347	17,707	\$ 16,155,121
Wattsmart Business (140) - Commercial	23,241,495	\$ 11,350,821	24,870,175	\$ 10,579,771	48,112	\$ 21,930,592
Wattsmart Business (140) - Industrial	6,431,399	\$ 3,024,714	6,379,815	\$ 2,577,269	12,811	\$ 5,601,983
Wattsmart Business (140) - Irrigation	1,222,498	\$ 579,814	1,232,498	\$ 530,661	2,455	\$ 1,110,475
Total Business Programs	30,895,392	\$ 14,955,349	32,482,488	\$ 13,687,701	63,378	\$ 28,643,050
Northwest Energy Efficiency Alliance ⁴	3,851,715	\$ 966,152	5,042,177	\$ 995,739	8,894	\$ 1,961,891
Distribution Efficiency	-		227,000		227	
Production Efficiency	630		630		1	
Total Other Conservation Initiatives	3,852,345	\$ 966,152	5,269,807	\$ 995,739	9,122	\$ 1,961,891
Be wattsmart, Begin at Home		\$ 71,758		\$ 73,552		\$ 145,310
Customer outreach/communication		\$ 250,000		\$ 250,000		\$ 500,000
Program Evaluations (& savings verification) ⁵		\$ 286,001		\$ 159,503		\$ 445,503
Potential study update/analysis ⁶		\$ 120,000		\$ 25,000		\$ 145,000
System Support ⁷		\$ 68,416		\$ 68,416		\$ 136,832
End use load research		\$ 25,981		\$ 40,839		\$ 66,820
Regional Technical Forum (RTF) funding		\$ 46,100		\$ 43,400		\$ 89,500
Total Portfolio-Level Expenses		\$ 868,256		\$ 660,710		\$ 1,528,966
Total PacifiCorp Conservation ⁸	39,969,898	\$ 23,922,378	41,343,660	\$ 22,404,759	81,314	\$ 46,327,136
Total System Benefits Charge Conservation	43,821,613	\$ 24,888,530	46,385,837	\$ 23,400,497	90,207	\$ 48,289,027

Draft 2025 Annual Conservation Plan

Pac kWh

- Home Energy Savings
 - ~90% HVAC
- Wattsmart Business
 - ~40/60 Lighting/Non-lighting
 - ~20% from small business offer

Pac \$

- Home Energy Savings, Wattsmart Business
 - RFP was underway last year, so there was uncertainty with delivery \$
 - Contracts now completed

Notes:

This is our current 2024-2025 forecast.

Total PacifiCorp Conservation line is everything except NEEA.

Total System Benefits Charge Conservation is everything including NEEA.

Draft 2025 Annual Conservation Plan: Direct Benefit to Customers

	2024 + 2025	2024 + 2025	2024 + 2025
Program or Initiative	Estimated Expenditures	Direct Benefit to Customer (\$)	Direct Benefit to Customer (%)
Low Income Weatherization (114)	\$ 2,083,251	\$ 1,776,740	85%
Home Energy Savings (118)	\$ 13,370,586	\$ 5,743,460	43%
Home Energy Reports (N/A)	\$ 701,284		
Total Residential Programs	\$ 16,155,121	\$ 7,520,200	47%
Watts mart Business (140) - Commercial	\$ 21,930,592	\$ 15,794,212	
Watts mart Business (140) - Industrial	\$ 5,601,983	\$ 3,809,815	
Watts mart Business (140) - Irrigation	\$ 1,110,475	\$ 571,208	
Total Business Programs	\$ 28,643,050	\$ 20,175,235	70%
Northwest Energy Efficiency Alliance	\$ 1,961,891	\$ 1,358,770	69%
Distribution Efficiency	\$ -		
Production Efficiency	\$ -		
Total Other Conservation Initiatives	\$ 1,961,891		
Be watts mart, Begin at Home	\$ 145,310		
Customer outreach/communication	\$ 500,000		
Program Evaluations (& savings verification)	\$ 445,503		
Potential study update/analysis	\$ 145,000		
Systems Support	\$ 136,832		
End use load research	\$ 66,820		
Regional Technical Forum (RTF) funding	\$ 89,500		
Total Portfolio-Level Expenses	\$ 1,528,966		
Total PacifiCorp Conservation	\$ 46,327,136	\$ 27,695,435	60%
Total System Benefits Charge Conservation	\$ 48,289,027	\$ 29,054,204	60%

Trying to keep this % high, in balance with more administratively complex equity work

Direct benefits include

- Costs associated with direct installation of measures
 - Low Income Weatherization
 - Home Energy Savings
- Customer and Vendor Incentives
 - Home Energy Savings
 - Watts mart Business
- Energy engineering services provided for specific business customer sites
 - Watts mart Business

Note - NEEA direct benefits are assumed to be 70% of NEEA expenditures

Note – these are direct benefits from program expenditures and don't include energy cost savings and other non-energy benefits

2025 Annual Conservation Plan

Table 5: Portfolio-Level Benefit/Cost Ratios - PY2024 and PY2025

Program	PTRC	TRC	UCT	PCT	RIM
Total Portfolio	1.25	1.13	1.38	2.75	0.54
Total Portfolio with NEIs	1.46	1.35	1.38	3.09	0.54
Total Portfolio with NEEA	1.36	1.24	1.49	3.07	0.55
Total Portfolio with NEEA and NEIs	1.57	1.45	1.49	3.41	0.55

Table 9: Total Portfolio with NEIs Cost-Effectiveness Results - PY2024 and PY2025 (Including NEEA)

Cost-Effectiveness Test	Levelized \$/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	\$0.0758	\$52,101,285	\$81,922,997	\$29,821,712	1.57
Total Resource Cost Test (TRC) No Adder	\$0.0758	\$52,101,285	\$75,459,415	\$23,358,130	1.45
Utility Cost Test (UCT)	\$0.0629	\$43,259,208	\$64,635,822	\$21,376,614	1.49
Participant Cost Test (PCT)		\$31,512,133	\$107,449,191	\$75,937,058	3.41
Rate Impact Test (RIM)		\$117,214,750	\$64,635,822	(\$52,578,928)	0.55
Lifecycle Revenue Impacts (\$/kWh)					\$0.0017414
Discounted Participant Payback (years)					3.48

Table 10: Benefit/Cost Ratios by Program - PY2024 and PY2025

Program	PTRC	TRC	UCT	PCT	RIM
Home Energy Savings	0.48	0.44	0.65	1.37	0.35
Home Energy Savings with NEIs	0.66	0.61	0.65	1.65	0.35
Home Energy Reports	1.63	1.48	1.48	0.00	0.68
Wattsmart Business	1.77	1.61	1.77	3.51	0.60
Wattsmart Business with NEIs	2.02	1.86	1.77	3.89	0.60
NEEA	4.49	4.08	4.08	0.00	0.65

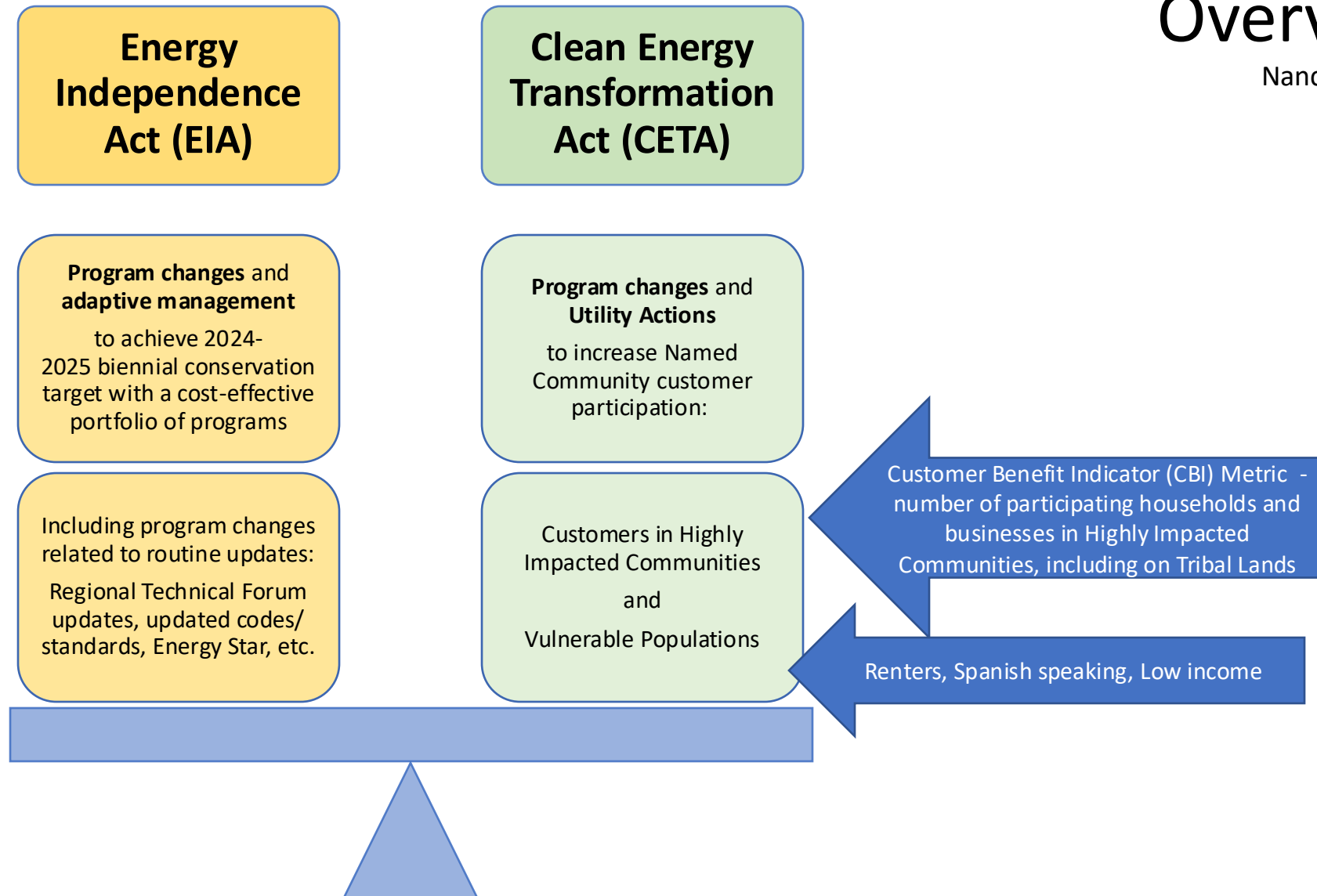
- Portfolio passes the primary benefit cost tests, which are the PTRC, TRC, and UCT
- All programs pass primary benefit cost tests except Home Energy Savings
 - This is similar to prior years and what we see in other states for residential programs
- We will continue to report on all tests to understand impacts

2025 Program Changes, Adaptive Management, Utility Actions, Pilots



Overview

Nancy Goddard



2025 Program Change Highlights - Home Energy Savings

Jay Olson

Energy Independence Act (EIA)

- **Program changes** to achieve 2024-2025 biennial conservation target



Customer/partner Incentive increases

- LED fixture direct install

Adding

- Tree planting program
- Door sweeps as direct install for multifamily
- Packaged Terminal Heat Pump (PTHP) for multifamily

- **Program changes** related to routine updates



Alignment with RTF updates

- Align with Regional Technical Forum (RTF) updates
 - Unit Energy Savings measures
 - Standard Protocols
- Align with updated standards (Energy Star, etc.)

- Removal of all LED bulbs direct install
- Split the existing “Duct Sealing and Insulation” measure into two separate measures: “Duct Sealing” and “Duct Insulation”

2025 Adaptive Management Highlights - Home Energy Savings

Energy Independence Act (EIA)

- **Adaptive management** to achieve 2024-2025 target

Vendor Incentives

- Maintain the increased direct-install payment for smart thermostats

Continued Efforts

- Use a web platform for direct delivery of Heat Pump Water Heaters to customers
 - Sharing results with NEEA's Products Coordinating Committee and other utility members
- No cost LED bulb kits distributed to vulnerable population communities
 - Opportunity is to introduce underserved customers to energy efficiency services and support

2025 Utility Actions – Home Energy Savings

Clean Energy Transformation Act (CETA)

Utility Actions to increase Named Community customer participation

- **Highly Impacted Community customers**
 - Goal: continue to increase energy efficiency Customer Benefit Indicator (CBI) Metric results for households in Highly Impacted Communities, including those on Tribal Lands

Highly Impacted Communities (Customer Benefit Indicator (CBI) Metrics)

- NEW - Introduce Tree-planting program in Highly Impacted Communities
- Continue direct-install duct sealing with focus on HIC **single-family** homes
- Continue Low-E storm windows with focus on Highly Impacted Communities
- Continue with increased incentives for customers in Highly Impacted Communities for HVAC measures
 - Ductless Heat Pump replacing heating systems that use oil, wood, or propane
 - Ductless Heat Pump replacing electric heating
- Customers and contractors in Highly Impacted Communities are able to confirm HIC eligibility for an enhanced incentives through a web-based confirmation screening application
- **2025 Estimated Total Home Energy Savings CETA Incremental Costs: \$487,171**

2025 Utility Actions – Home Energy Savings

Clean Energy Transformation Act (CETA)

Utility Actions to increase Named Community customer participation

- **Vulnerable Populations**
 - Renters
 - Spanish speaking (limited English)

New/continuing program services, support, and enhanced incentives

- NEW - Introduce direct-install door sweeps for multi-family units on residential rate schedules
- Continue enhanced incentives for windows in multi-family units on residential rate schedules.
- Maintain the smart thermostat per unit amount paid to direct install contractors to address higher labor and product costs so they remain motivated to install as many units in HIC homes as possible
- Continue Community Based Distribution offering that provides LED bulbs to Tribal and Vulnerable Population customers at no cost. (This program offering replaced the “value retailer” bulb buy-down in 2024.)

Outreach, marketing, communications to support customers that use Spanish as primary language

- Continue efforts to reach Spanish speaking customers through all aspects of program delivery including:
 - Customer facing staff fluent in Spanish
 - Pacific Power representation at cultural events, associations, community groups, and media
 - Provide communications, marketing, web, and program materials in Spanish

2025 Planned Program Change Highlights - Wattsmart Business

Nancy Goddard

Energy Independence Act (EIA)

- **Program changes** related to routine updates
 - Align with Regional Technical Forum (RTF) updates
 - Unit Energy Savings measures
 - Standard Protocols
 - Align with updated standards (Energy Star, etc.)
- **Adaptive management** to achieve 2024-2025 target



Proposed Program Change

New measures

- Connected thermostats

Remove three food service measures

- Electric insulated holding cabinet, electric convection oven, electric combination oven



Adaptive Management

Customer Incentives

- Continue customer incentives at the same level as 2024

Vendor Incentives

- Continue vendor incentives in 2025

2025 Planned Utility Actions - Wattsmart Business

Clean Energy Transformation Act (CETA)

- **Utility Actions** to increase Named Community customer participation
 - Highly Impacted Community customers
 - Goal: continue to increase energy efficiency Customer Benefit Indicator (CBI) Metric results for businesses in Highly Impacted Communities, including those on Tribal Lands



Continue to increase the number of businesses in Highly Impacted Communities and small businesses that participate
2025 results to be reflected in the energy efficiency CBI metrics

- Continue **enhanced customer incentives** for Small Businesses in Highly Impacted Communities and Very Small Businesses
- **Enhanced vendor incentives** - Continue to offer approved small business lighting vendors a higher vendor incentive for completed lighting retrofit projects with Small Businesses in Highly Impacted Communities and Very Small Businesses.
- **Targeted outreach**
 - Continue to target a portion of company initiated proactive outreach to Small Businesses in Highly Impacted Communities and Very Small Businesses; continue to tie proactive outreach to approved small business vendor capacity to respond to customer inquiries.
 - Target a portion of company initiated proactive outreach to business customers located on Tribal land.

Continue development of program materials in Spanish; continue and increase outreach to *Latine* business customers, vendors and community groups.

Description of Incremental Cost	2024	2025
Estimated Incremental Cost of CETA utility action - Wattsmart Business - increased incentives for small businesses located in a Highly Impacted Community and very small businesses	\$ 122,461	\$ 337,203

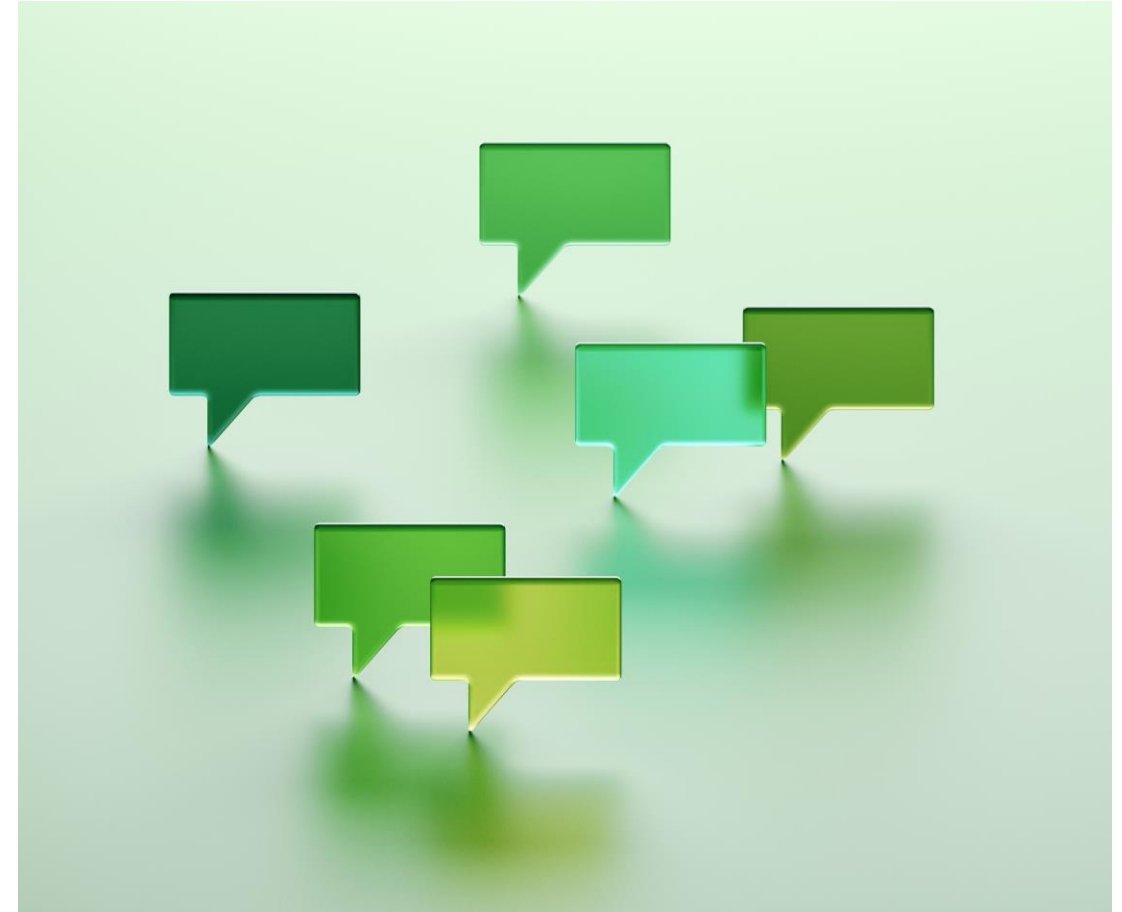
Communications – CEIP Utility Actions

Melissa Huynh

Continue and improve on Utility Actions

Continue to support programs with an increased equity focus using effective communication strategies to reach Named Communities.

- Continue to increase culturally and linguistically responsive outreach and marketing to increase awareness of energy and conservation programs
- Continue to expand in-language services across written, spoken, and visual services
 - As appropriate, include Spanish versions of collateral and/or posters at community events that Pacific Power is sponsoring. Have interpreters and translated materials at public meetings.
 - Promote energy efficiency programs on Spanish TV, radio and newspapers with local, trusted messengers, with call to action to the Spanish website and phone number.





Low Income Weatherization – Clean Energy Implementation Plan Utility Actions

Charity Spires

Continue Utility Actions, focus on low-income Vulnerable Populations

- Continue to allow reimbursement for **repairs** up to 30% of the annual reimbursement on energy efficient measures received (increased from 15% in 2022)
- Continue to allow installation of electric heat to replace permanently installed electric heat, space heaters or any fuel source except natural gas with adequate combustion air as determined by the Agency
 - This is designed to promote the installation of electric heat and minimize use of wood heat, solid fuels or natural draft equipment in specific applications where combustion safety (and indoor air quality) cannot be maintained.

	2024	2025
Incremental Cost of CETA utility action - Low Income Weatherization - additional funding for repairs and electric heat installations	\$ 65,000	\$ 65,000

Participation Tracking CEIP Utility Actions

Nancy Goddard

All tracking-related utility actions continue...

Low Income Weatherization

- CBI metric:
 - Participants located in a Highly Impacted Community, including Tribal lands
- Vulnerable Population:
 - Language - primary language is other than English
 - Asking question for the **household**
 - Renters – participants where the occupant is a renter (tenant)
 - Low income – all participants
- Participants living in a manufactured home

Home Energy Savings

- CBI metric:
 - Participants located in a Highly Impacted Community, including Tribal lands
- Vulnerable Population:
 - Language - primary language is other than English
 - Asking question for the **household**
 - Renters
 - Participants where the **home is a rental**
 - Participants living in a multi-family unit
- Participants living in a manufactured home

Wattsmart Business

- CBI metric:
 - Participants located in a Highly Impacted Community, including Tribal lands
- Language - primary language is other than English
 - Asking primary language spoken at the project site location
- Small Business - Participants who are smaller businesses
 - (e.g., account associated with project receives electric service on Schedule 24)

Draft 2025 Annual Conservation Plan - Pilots

Nancy Goddard

Pilot	Status	Sector	Ties
On-Bill Financing	On hold	Residential	
Manufactured Homes Targeted Delivery	Continuing	Residential	
Heat Pump Water Heater Online Platform/Direct Delivery	Continuing	Residential	NEEA Heat Pump Water Heater initiative
Geo-Targeted Energy Efficiency	Continuing	All	
Non-Residential Lighting Controls	Continuing	Commercial, industrial	NEEA Luminaire Level Lighting Controls initiative
Clean Buildings Accelerator	Continuing with changes	Commercial	Washington Clean Building Performance Standard

Drafts to Advisory Groups

	Draft emailed to you	Comments received	Response to comments	Filing	Commission Decision
2023 DSM Annual Report, 2022-2023 Biennial Conservation Report Docket UE-210830	5/1/2024	5/16/2024	5/23/2024 5/24/2024	5/31/2024	8/22/2024 meeting
System Benefits Charge (Schedule 191) Docket UE-240393	5/1/2024	5/10/2024	5/21/2024	5/24/2024 7/9/2024 – request to extend	8/29/2024 meeting
Home Energy Savings, Wattsmart Business program changes for 1/1/2025	9/16/2024	Comments by 9/30/2024			
Draft 2025 Annual Conservation Plan	10/15/2024	Comments by 10/30/2024		11/15/2024	

Break

Demand Response Portfolio

Regulatory Updates



2023 Demand Response Annual Report



Washington

FINAL

Issued June 27, 2024



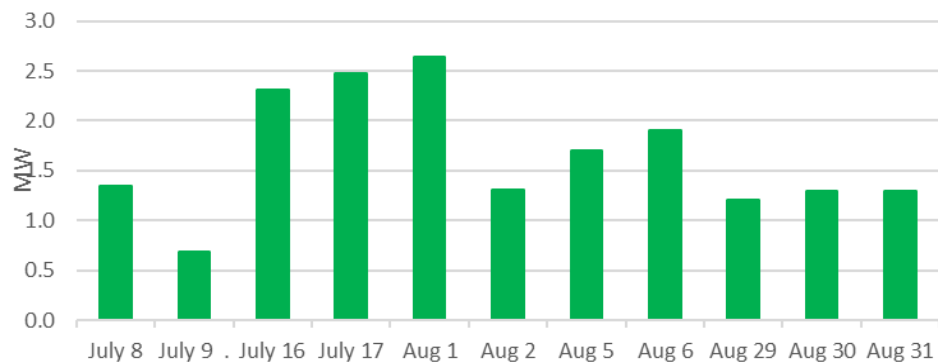
6/27/2024	UE-220550	Pacific Power filed Demand Response Annual Report for 2023
8/29/2024 open meeting	UE-240393	Washington Utilities & Transportation Commission approved filing to increase the SBC rate, and incorporating expenses for approved demand response programs

Irrigation Load Control (ILC)

2024 Season - Preliminary Results

	2023 Season	2024 YTD
Devices enrolled	75	299
Avg Capacity Available (MW)	1.1	4
Events	5	11
Average Duration (Hours)	3.1	3.4
Avg Capacity Controlled (MW)	0.1	1.7
Avg Capacity per device (kW)	4.9	7.5
Opt-out Rate (% MW)	~50%	~50%

2024 Season – Capacity by Event



- 224 new participants
- Increased use by ESM team
- Average capacity curtailed and available increased due to continued successful recruitment and enrollment



- Capacity per device below target of 15 kw
- Opt-out rate continues to be around 50% of capacity, including several of largest pumps
- Great majority of capacity in 20-min notice group, above target 1/3
- 34 participants unenrolled
- Likely not cost-effective

Irrigation Load Control (ILC)

- PacifiCorp will follow the procedure for changes to program design detailed in the filing to establish Schedule 106
- Notification will be sent to DSM AG, EAG, and the distribution list for dockets 220550 and 220848
- Comments can be emailed to demandresponse@pacificorp.com
- Response to comments will be posted
- The final changes will be posted to the PacifiCorp website for 45 days

Objectives for 2025	Potential Program Changes
<ul style="list-style-type: none">• Improve usability for Energy Supply Management• Reduce opt-outs by improving predictability for participants• Improve cost-effectiveness by reducing cost and increasing average capacity per pump	<ul style="list-style-type: none">• Streamline parameters by merging 3 notice options into single 4-hour notice• Limit eligible days and hours to weekdays from 2 to 9 PM (instead of all days, 12 PM – 10 PM)• Set single incentive level (\$30/kw-yr), with 50% bonus option for 0 opt-outs

Commercial & Industrial Demand Response

2024 – Mid-Year Result

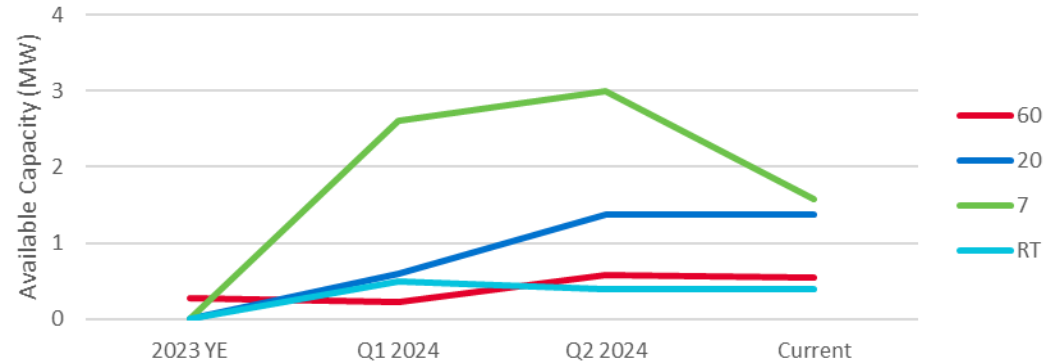
Product	Events	Avg Curtailment* (kw)	Performance – First 2024 Event	Performance – Latest 2024 Event
60 Min	4	430	-85%	84%
20 Min	5	339	-97%	63%
7 Min	4	1,043	105%	84%
Real Time	n/a	n/a	n/a	n/a

*Final performance analysis not yet available for all participants



- Usage by ESM increasing
- Enrolled capacity increasing
- Available capacity more stable, based on performance history
- Participant performance improving with experience

Change in Available Capacity



- Rate of enrollment slower than expected due to difficulty re-engaging customers, site-specific issues
- Big box retailer pulled out of DR programs nation-wide, possibly temporarily (reduced 60 Min capacity by 33%)

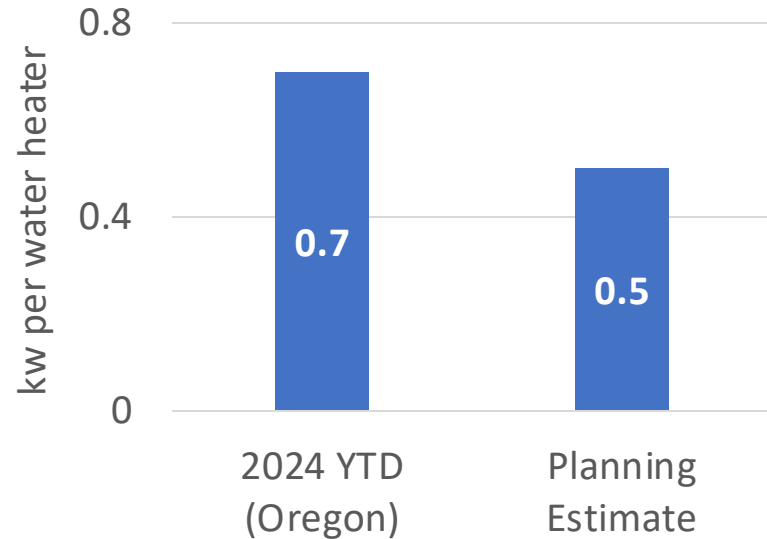
Commercial & Industrial Demand Response

Focus areas for Quarter 4:

- Identify bottlenecks in recruitment and enrollment
- Launch survey to assess participant experience, especially in regard to curtailment execution and coaching needs
- Develop adaptive management strategies to maintain forecast growth in capacity and improve event performance



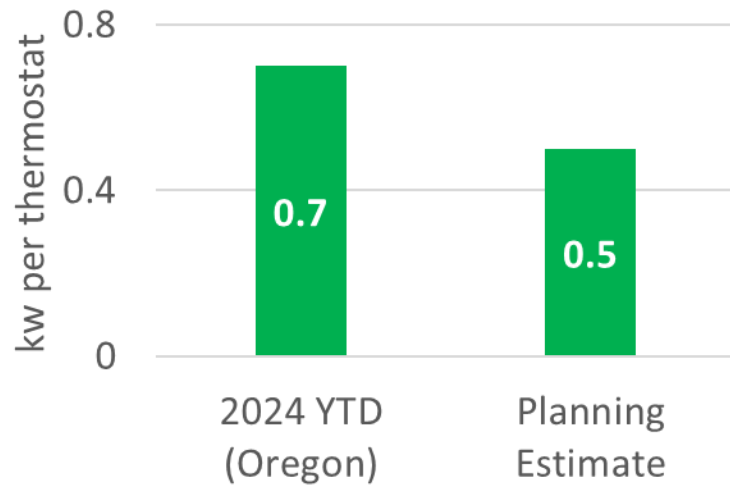
Optimal Time Rewards – Water Heaters



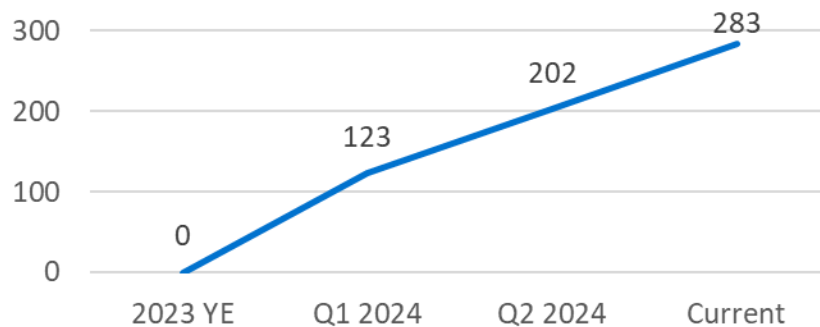
- Data from 2024 events shows per unit capacity **70% lower than expected**
 - Referenced programs with higher capacity estimates may be relying on winter capacity
 - 0.3 kw in line with other PNW programs
- WiFi-based communication presents significant barrier to enrollment
 - Residents unwilling/unable to connect device to personal WiFi
 - Some residents do not have in-unit WiFi
- Cellular communication adds significant cost
- **Marginal (per added device) cost-effectiveness below 1.0**

PacifiCorp is currently evaluating the future and cost-effectiveness of the water heater program

Optimal Time Rewards – Smart Thermostats



Enrolled Thermostats by Quarter



- Steady growth in enrollments continues
- Capacity per device is **40% higher** than expected, based on preliminary analysis of Oregon AMI data
- Without water heaters, cost-effectiveness is dependent on enrolled thermostat volume
- Quarter 4 Focus:
 - Develop strategies to maximize growth, per-unit capacity to ensure positive cost-effectiveness

Demand Response Program Review Workshop



Full portfolio review

- Data from 2024 summer season
- Strategies for adaptive management
- Updates on new program ideas
- Updated forecast for CEIP target

When: October 29, 2024

Time: 9:00 – 12:00

Format: Online

Visit the [PacifiCorp CEIP website](#) for registration details.

Battery Demand Response Program

- Program Overview
- Incentives
- Projected Costs & Load
- Sample Batteries
- Battery Data
- Next Steps



Battery Program - Overview

Battery Utilization

- Utility grid management
- Peak load management
- Frequency response
- Contingency reserve
- Daily load cycling

Battery Dispatch

- Distributed Battery Grid Management Solution (DBGMS)
 - Allows for flexibility in battery control – total grid management
 - Currently configured with Sonnen batteries – scalable to other manufacturers
 - Integrated with PacifiCorp's Energy Management System
 - ISO 270001 security compliance
 - Real-time battery connectivity reports

PacifiCorp has successfully implemented battery programs since 2019

Battery Program Incentives



Enrollment Incentive

\$100 per kW upfront during commitment period (4 years)

Early program termination will require prorated repayment of upfront incentive



Annual Incentives “up to”

\$15 per kW during commitment period years 2 – 4

\$50 per kW after year 4



Example incentives for 5 kW battery

Enrollment incentive: \$2,000 (5kW x \$100 x 4 years)

Annual incentive years 2 – 4: \$75 (5kW x \$15)

Annual incentive year 5 and beyond: \$250 (5kW x \$50)



Potential future lease option

Lease option will be evaluated based on customer feedback and participation levels

Battery Program Costs / Participation

Estimated/preliminary program costs

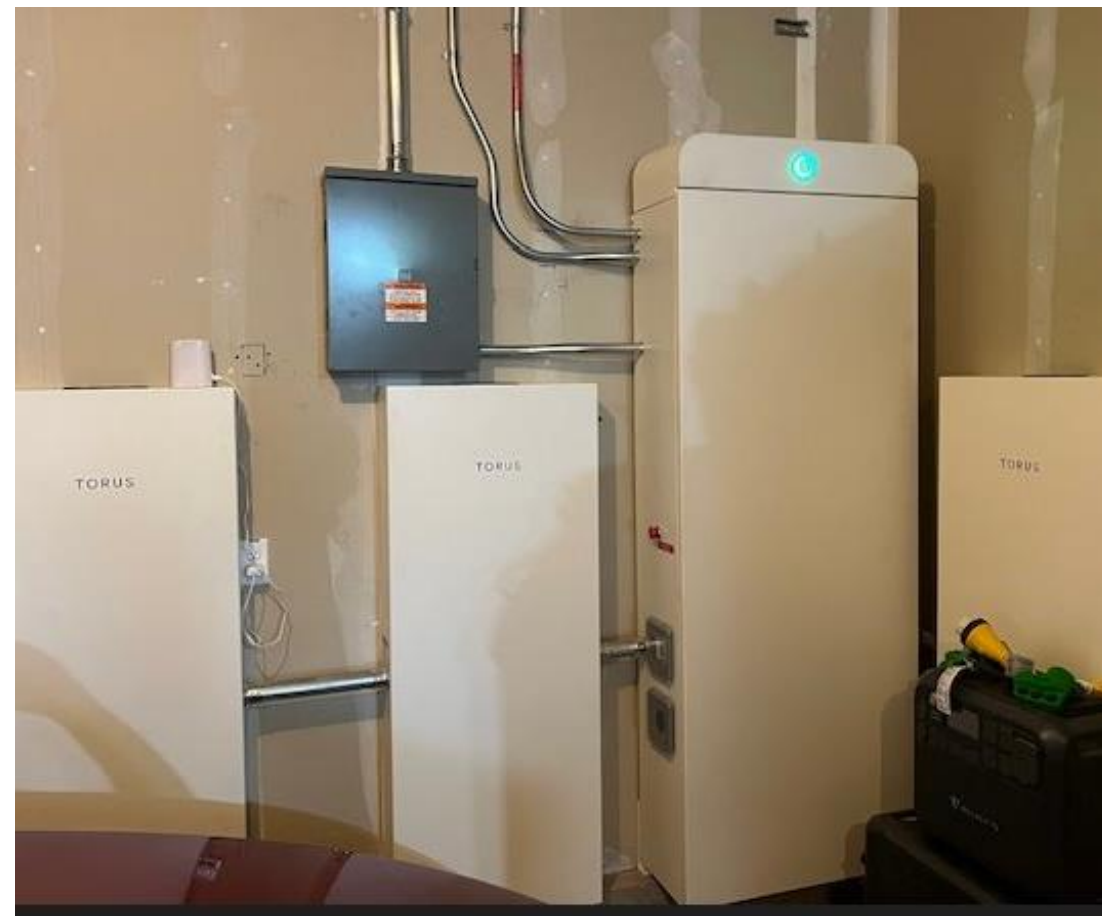
Cost Category	2025	2026	2027
Program Administration	\$10,000	\$15,000	\$20,000
Software Costs	\$5,000	\$10,000	\$15,000
Marketing	\$5,000	\$5,000	\$5,000
Total Incentives	\$100,000	\$200,000	\$400,000
Total Program Costs	\$120,000	\$230,000	\$440,000

- Low fixed costs
- Year over year increase driven by participation assumptions
- 90% of estimated costs are customer incentives
- High incentives for early adopters – incentives projected to decrease over time

Estimated/preliminary program participation

Year	Estimated Battery Participation	Estimated kW - Cumulative
2025	50	250
2026	100	750
2027	200	1,750
2028	200	2,750
2029	500	5,250
2030	750	9,000

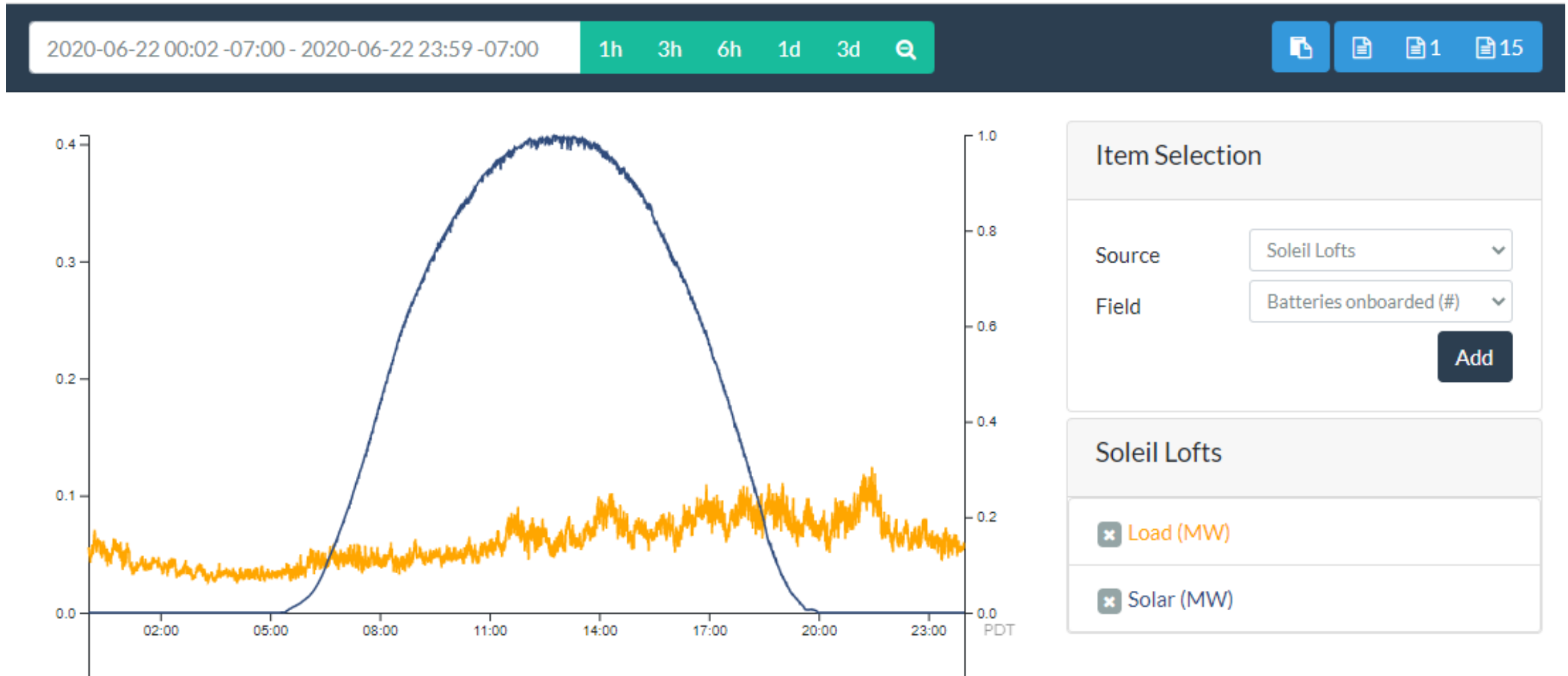
Sample PacifiCorp Battery Projects



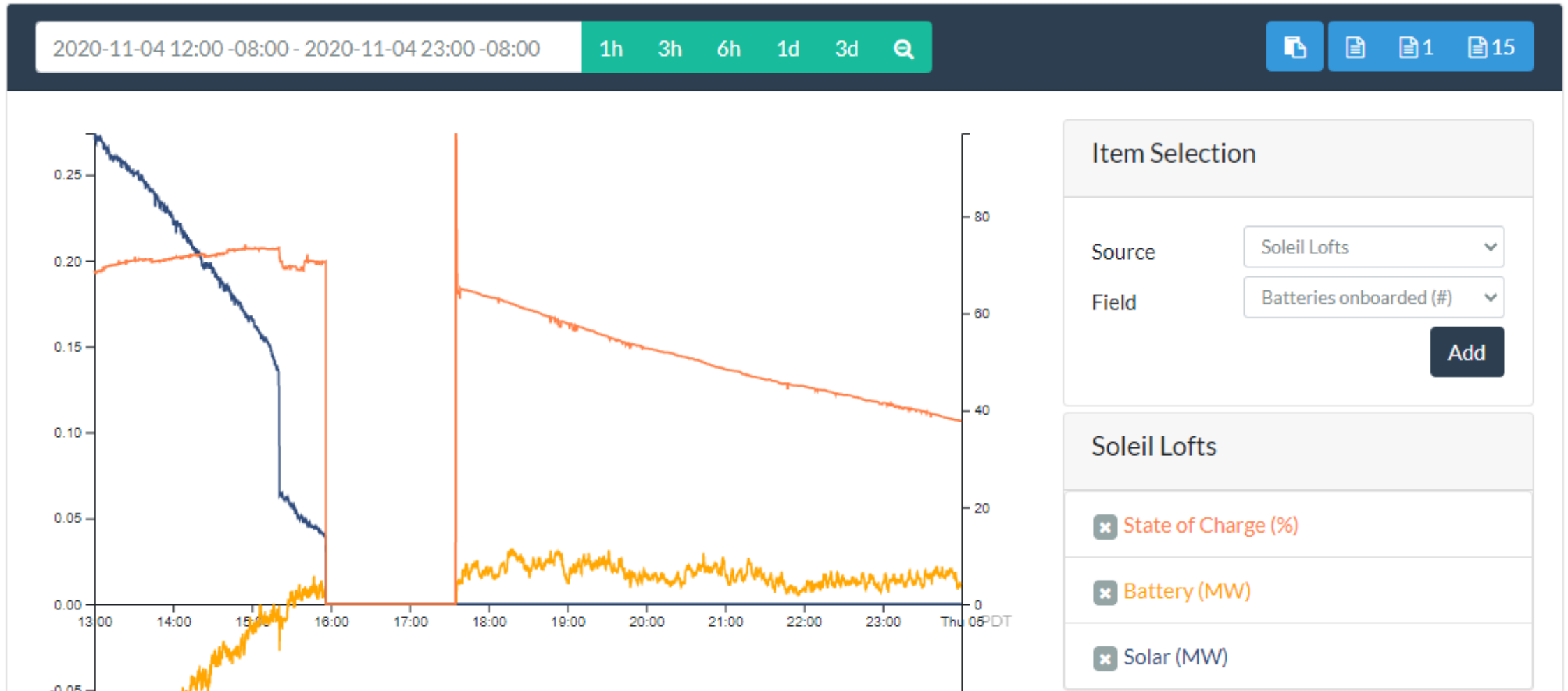
Sample PacifiCorp Battery Projects



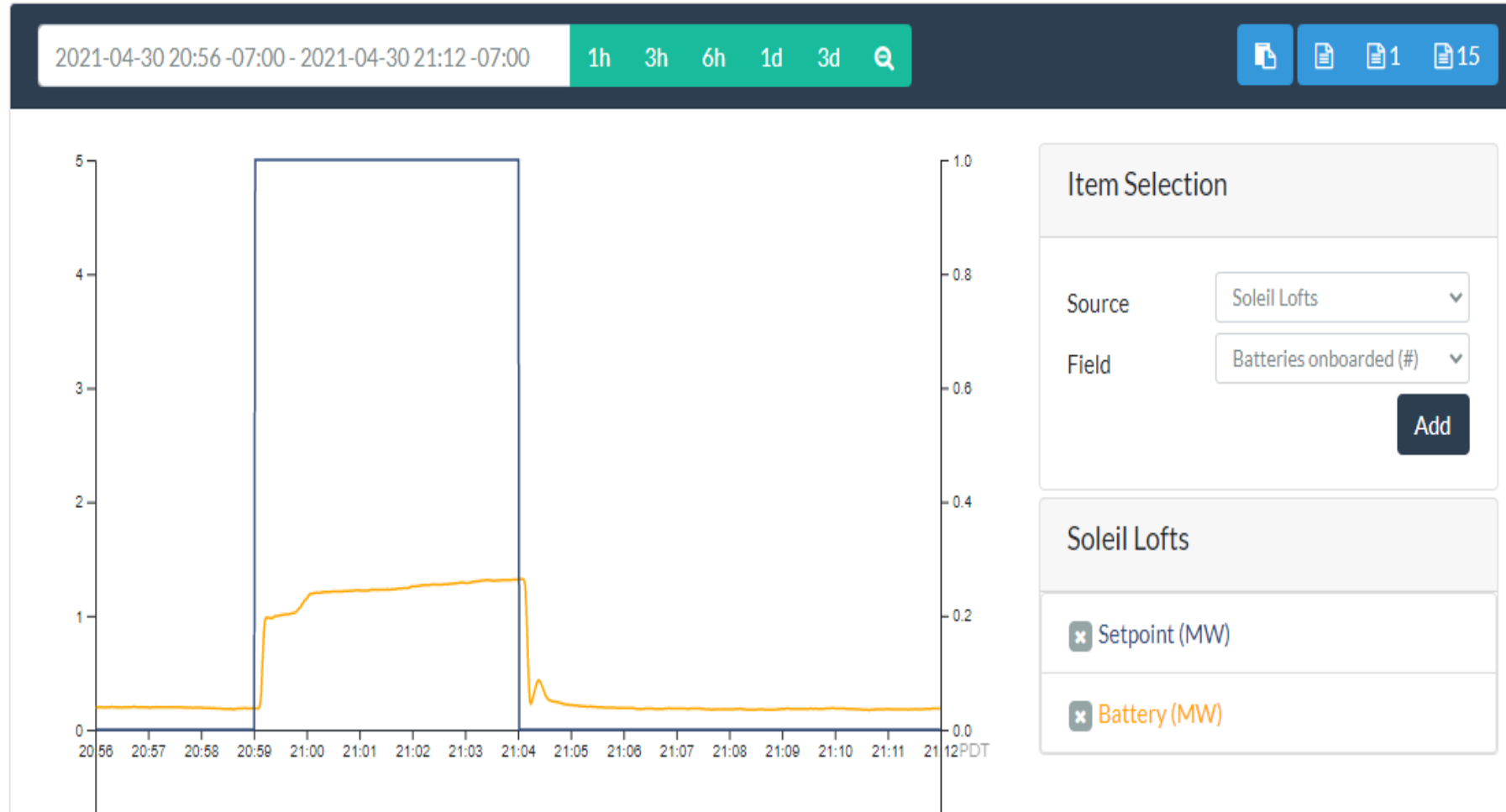
Sample Solar and Load Shape



Battery Backup - Power Outage



Battery Frequency Response Event

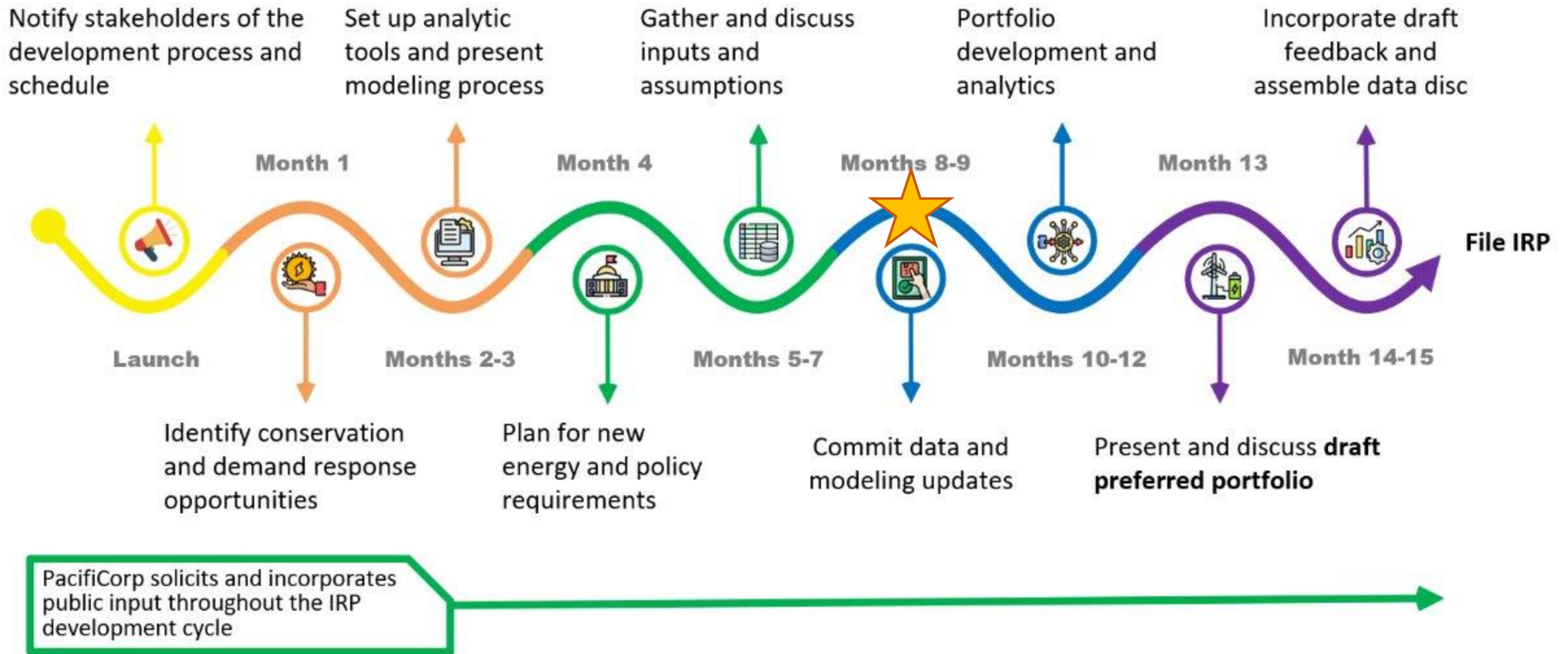


Peak Load Management



Integrated Resource Planning (IRP) Updates

Integrated Resource Plan Updates



Learn more about PacifiCorp's IRP at www.pacificorp.com/irp

Integrated Resource Plan Updates

Key Dates:

- Model assumptions locked down for Draft IRP:
 - September 25, 2024
 - Next opportunity to provide feedback will be January 1, 2025 – March 1, 2025

Next Steps:

- Clean Energy Implementation Plan Engagement Series Meeting 4:
 - October 29, 2024 | 9am – 11am (PST) | [Online via Zoom](#)
 - Expand on outcomes from the 2025 IRP
 - Revisit analysis

<i>2025 IRP Upcoming Meeting Dates and Milestones</i> <i>Calendar Year 2024</i>	
Wed-Thurs September 25-26, 2024 – General Public Input Meeting 7	
➤ September 25 – Assumptions locked down for Nov and Dec model runs	
<i>Calendar Year 2025</i>	
➤ January 1, 2025 - Distribution of the 2025 Draft IRP	
Wed-Thurs January 22-23, 2025 – General Public Input Meeting 8	
Wed-Thurs February 26-27, 2025 – General Public Input Meeting 9	
➤ March 31, 2025 – Filing of the 2025 IRP	

General Updates

Upcoming Vulnerable Populations Workshop



- Workshop #2 Recap:
 - August 28, 2024, from 1pm - 3pm
 - Online via Zoom: https://esource.zoom.us/meeting/register/tZAsc-upqzMpEt0tDNNycL3WwHjf-x_OiUON
 - The team walked through Pacific Power's Settlement Condition factors
 - Collaborated with interested parties to develop alternatives and the identification of a preferred methodology to identifying/tracking Vulnerable Populations in WA
- Workshop #3:
 - Date TBD (2-hour session)
 - More details to come via email
 - The team will review results from the workshops and discuss next steps



The Washington Utilities and Transportation Commission (WUTC) has the authority to approve the Biennial CEIP Update, with or without conditions, or reject the CEIP. You have the opportunity to comment on this filing as described below.

PacifiCorp customers can comment to the UTC in several ways including:

- Calling in via telephone
- Joining via Zoom

Public participation is a critical part of the UTC's process. The UTC considers the impacts on customers and their families as they make a decision.

Public Comment Hearing


October 10, 2024 | 6:00 pm

Zoom: <https://utc-wa-gov.zoom.us/j/87699859487?pwd=dACi2r9YziBZI9THkaeNpaAEnxcaOK.1>

Meeting Code: 876 9985 9487	Password: 762251
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Call-In Number: (253) 215-8782

Washington Equity Advisory Group 2024 Meeting Schedule (Present/Future)

Date / Time / Meeting Format	Proposed Agenda Topics*
July 11, 2024 (1pm-4pm) Online	Clean Energy Implementation Plan (CEIP) Annual Progress Report Presentation & Discussion: Arrearage Management Plan / Billing Logic Presentation: Net Metering
August (Weekly 1 – hour sessions; Thursdays)	Low Income & Equity Advisory Group Joint Meeting <ul style="list-style-type: none"> <i>Low Income Bill Assistance (LIBA), Arrearage Management Plan (AMP), Outreach Program, Billing Logic</i>
September 12, 2024 (1pm-4pm) Hybrid: Marcus Whitman Hotel 2nd Floor Boardroom	Community Connections: <i>Blue Mountain Action Council Presentation</i> Energy Efficiency Updates: <ul style="list-style-type: none"> <i>(Preview 2025 Annual Conservation Plan including potential updates to Utility Actions and preview 2025 program changes)</i> Integrated Resource Planning (IRP) Update Demand Response Program Update
 October 10, 2024 (1pm-4pm) Online	Low Income & Equity Advisory Group Joint Meeting <ul style="list-style-type: none"> Share out of August activities and identify next steps together Multi-Family Electric Vehicle Supply Equipment (EVSE) Program Communications Update: Presentation of Pacific Power's Draft WA Language Access Plan
November	No Meeting
December 12, 2024 (1pm-4pm) Online	End of the Year Reflection; 2025 Planning

Planned 2024

DSM Advisory Group Meetings, Drafts for DSM AG Review, Filings, CEIP Engagement meetings

August

August 6:
CEIP Engagement Meeting
2025 IRP/CEIP Updates, CEIP Progress Report, continue the discussion into Distribution System Planning.

September

Sept 12
Advisory Group meeting #3
(joint with Equity Advisory Group)
1/1/2025 program changes
2025 Annual Conservation Plan



Sept 16:
Program change documents to DSM AG
(incorporating RTF UES and protocols expected as of 10/1/2024 RTF cutoff date)

Sept 30:
Comments on program change docs due

October

Oct 15:
Draft 2025 Annual Conservation Plan

Oct 30:
Comments on draft ACP due

November

Nov 15:
File 2025 Annual Conservation Plan

Nov 15:
Home Energy Savings and Wattsmart Business program changes for 1/1/2025 announced on website

December

Dec 12
Advisory Group meeting #4
(joint with Equity Advisory Group)

Draft 2025 Communications Plan

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

Public Comment

Next Steps

Equity Advisory Group Calendar

October 10, 2024, 1pm – 4pm

Online: <https://esource.zoom.us/j/87141030073?pwd=ES1TrkjMyWakqN3V5C6HJJ0wSqGnFP.1>

Meeting ID	Passcode
871 4103 0073	407927

December 12, 2024, 1pm – 4pm

Online:
<https://esource.zoom.us/j/87141030073?pwd=ES1TrkjMyWakqN3V5C6HJJ0wSqGnFP.1>

Meeting ID	Passcode
833 3427 8010	708043

Meeting materials can be found online on PacifiCorp's [Washington Clean Energy Transformation Act](#) webpage. Spanish materials will also be available following each session.

Pacific Power Washington Resources

For more information:

[Washington Clean Energy Implementation Plan](#)

Washington Feedback Tracker:

[Washington CEIP Feedback Tracker](#)

Energy Resource Center:

[Energy Resource Center \(pacificpower.net\)](#)

Equity Advisory Group & Demand Side Management Advisory Group Post-Meeting Survey

Link: <https://forms.office.com/r/9eRMsgCsT3>

