



Pacific Power Equity Advisory Group (EAG)

September 2024 Meeting Notes

September 12, 2024, 1:00 – 4:00 pm, Pacific Time

These notes were synthesized and summarized by E Source, Pacific Power’s meeting facilitation partner.

Executive Summary

There were 37 participants in attendance at the joint Washington Equity Advisory Group (EAG) and Demand Side Management Advisory Group (DSM) meeting on September 12, 2024, including nine EAG and/or DSM Advisory Group members. The EAG is intended to elevate issues of energy equity in the planning process by providing a seat at the table to affected communities, whereas the DSMAG seeks to improve the analysis, planning, and delivery of demand side management resources. Both groups have come together in a hybrid setting with members in person at the Marcus Whitman Hotel and Conference Center in Walla Walla, Washington, and online via ZOOM.

The following is a summary of the content and feedback received during the public meeting.

2024 EAG & DSM Members	Organization
Jose Alvarez	Northwest Community Action Center
Stefan de Villiers	Washington State Office of the Attorney General Public Counsel (ATG)
Todd Hilmes	Northwest Community Action Center
Paul Koenig	Washington Utilities and Transportation Commission
Sylvia Schaeffer	Blue Mountain Action Council
Jaclynn Simmons	Washington Utilities and Transportation Commission
Shaylee Stokes	The Energy Project
Paul Tabayooyon	Asian Pacific Islander Coalition
Norman Thiel	SonBridge
Presenters	
Kimberly Alejandro	Clean Energy Planning Regulatory Manager
Rohini Ghosh	Clean Energy Planning Director

Nancy Goddard	Senior Customer Solutions Program Manager
Omar Granados	Senior Communications Representative
Shawn Grant	Customer Solutions Director
Melissa Huynh	Senior Communications Representative
Laura James	Senior Customer Solutions Program Manager
Christina Medina	Stakeholder Policy and Engagement Manager
Jay Olson	Senior Customer Solutions Program Manager
Sylvia Schaeffer	Energy & Rental Assistance Director
Charity Spires	Customer Solutions Program Manager
Jeffrey Daigle	Facilitator, E Source
Morgan Westberry	Facilitator, E Source
Pacific Power Affiliated Attendees	
Sheila Andreatta	Regional Business Manager
Jessica Augustus	Community Partnerships Program Manager
Hallie Gallinger	Senior Customer Solutions Program Manager
Sierra Gentry	Associate Customer Solutions Program Manager
Corrinna Griffis	IRP Program/Regulatory Specialist
Chris Kanoff	Customer Solutions Program Manager
Clay Monroe	Managing Director, Customer Solutions
Agustin Moreno	Field Services Representative
Alex Osteen	Senior Customer Solutions Program Manager
Marcelino Osorio	Wattsmart Diversity and Community Outreach Coordinator
Michael Snow	Customer Innovation Regulatory Manager
Alejandra Tapia	Market Engagement Lead
Tag Galvin-Darnieder	E Source, Facilitation Team
Zanya Morgan	E Source, Facilitation Team
Public Attendees	
Melisaa Castaneda-Kerson	Washington Utilities Trade Commission

Opening

Pacific Power's Kimberly Alejandro, Clean Energy Planning Regulatory Director, opened the meeting by greeting all attendees and thanking members for their continued participation.

E Source facilitator, Jeffrey Daigle, reviewed the agenda and shared meeting experience items, reiterating the joint structure of the meeting with the EAG and DSM advisory groups. Today's objectives are 1) preview the 2025 Annual Conservation Plan 2) Communicate Demand Response Program, Integrated Resource Planning, and General Updates.

Sylvia Schaeffer, Energy and Rent Assistance Director of Blue Mountain Action Council, introduced the community services and energy assistance programs offered through the state of Washington, SHEAP and LIHEAP.

- State Home Energy Assistance Program (SHEAP)
 - State appropriation provided solely for the department to administer grant funding through the existing network of federal low-income home energy assistance program grantees to provide low-income households with energy utility bill assistance. Under the grant program, each household accessing energy bill assistance must be offered an energy assessment that includes determining the household's need for clean cooling and heating system upgrades that improve safety and efficiency while meeting Washington's climate goals.
- Those who qualify are also eligible for Low-Income Home Energy Assistance Program (LIHEAP)
 - LIHEAP primarily assists households by making energy assistance grants directly to the energy provider on behalf of the eligible household. LIHEAP may also help repair or replace an unsafe, dysfunctional, and inoperative heating or cooling system in some situations.
 - Fixing, upgrading, replacing electrical furnaces at no cost to customers
 - Currently closed until October
 - Local funds are available in Colombia, Garfield, and Walla Walla

In addition to energy assistance programs, Blue Mountain Action Council also helps clients with utility bills and discount programs in Walla Walla and has a legal pro bono program, literacy, veterans, asset building, and water discount programs. The newest water discount program is CARES through Cascade Natural Gas which helps customers with past due bills. The primary focus right now is community outreach and advertising to get more people signed up for the program.

Meeting Discussion:

- Christina Medina asked what has been the most meaningful in working with BMAC?
 - Ms. Schaeffer has enjoyed helping people and is proud to have earned respect from the community, the vision and mission of BMAC aligns with personal values.
- Zanya Morgan asked how are the energy assistance programs capped? It is by enrollment quantity or by funding. What are the limitations?
 - Ms. Schaeffer shared that SHEAP qualifying customers can't have LIHEAP help and must be income eligible with an area median income at 80% or under. SHEAP is only for electric homes, while LIHEAP is for all field sources.

Check-In

E Source's Jeffrey Daigle "checked-in" with meeting attendees by posing the question: *What was your favorite childhood meal or snack?* Responses were reminiscent of quick, easy bites, meals tied to family traditions, feel-good snacks, and cultural classics.

- Toast with peanut butter and honey
- Chips and salsa
- Mom's homemade fettucine
- Cornbread on Friday nights
- Quesadillas on corn tortillas

- Pecan pinwheels

Community Calendar

Jeffrey Daigle presented the community calendar, including the following events:

September Events –

- [September 1 – Walla Walla Fair & Frontier Days @ Walla Walla County Fairgrounds](#)
- [September 6 – Outdoor Summer Artist Market @ Yakima Nation Cultural Center](#)
- [September 7 – Downtown Farmers Market @ Walla Walla Transit Center 9am – 1pm](#)
- [September 8 – Downtown Yakima Farmer’s Market @ Rotary Marketplace 9am-1pm](#)
- [September 12 – ONLINE – Pacific Power’s Equity Advisory Group Meeting 1pm – 4pm](#)
- [September 14 – Downtown Farmers Market @ Walla Walla Transit Center 9am – 1pm](#)
- [September 15 – Downtown Yakima Farmer’s Market @ Rotary Marketplace 9am-1pm](#)
- [September 18 – Fall Book Fair and Market @ Encore Books 12pm – 4pm](#)
- [September 21 – Downtown Farmers Market @ Walla Walla Transit Center 9am – 1pm](#)
- [September 22 – Downtown Yakima Farmer’s Market @ Rotary Marketplace 9am-1pm](#)
- [September 28 – Downtown Farmers Market @ Walla Walla Transit Center 9am – 1pm](#)
- [September 29 – Downtown Yakima Farmer’s Market @ Rotary Marketplace 9am-1pm](#)

Closing the Feedback Loop

Jeffrey Daigle gave a synopsis of some topics the group heard and saw in the July 2024 session. Themes, feedback, and impacts arising from the July meeting included:

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:

- 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

Language Access Plan

Christina Medina, Stakeholder Policy & Engagement Manager, reviewed the Language Access Plan (LAP) as a settlement stipulation of [Docket UE-230172](#). The company was asked to be intentional about a LAP to ensure the adoption of several approaches to communicate with customers. 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).

- 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.
- PacifiCorp will make their 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.
- 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.

The next steps include distributing a draft of the plan to Advisory Groups on or before September 17th. During the October meeting, the team will collect feedback and as requested, PacifiCorp will seek input in accessibility considerations, such as hearing impairments, and discovering new tools or methods that can be incorporated to provide a better opportunity for customers getting help. This is an opportunity for customer service and to meet customers where they are.

Meeting discussion:

- The Energy Project (TEP) expressed gratitude for laying out the Language Access Plan and giving key dates for feedback. PacifiCorp will be the first local utility to develop a Language Access Plan and TEP is advocating for this to be a standard method of approaching customer communications.

2025 Annual Conservation Plan

Nancy Goddard, Senior Customer Solutions Program Manager, previewed the Draft 2025 Annual Conservation Plan required by the Energy Independence Act (EIA). The plan includes forecasted energy savings and budgets for the energy efficiency portfolio of programs for the years 2024 and 2025. The purpose of the preview is to welcome comments ahead of the final draft which will be sent out in October.

The table below displays the forecast savings. The first column calls out the specific category discussed, the second column is the 2024-2025 targets, and the third column is the business plan numbers from last year. The green columns are the draft forecast numbers for 2025 with a projection that meets and/or exceeds targets.

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%

The following tables are a side-by-side snapshot of the savings and expenditures forecast of the 2024-2025 DSM business Plan, last year's plan, and the current forecast in the updated draft plan. In both residential energy savings are about 17 MWh, however in the new plan the costs are lower, down from \$18.4M to \$16.1M. A re-procurement was underway last year, and this year's forecast is based on a newly negotiated contract for Home Energy Savings.

Table 2 –DSM Business Plan Savings and Expenditure Forecast

2024-2025 DSM Business Plan Savings and Expenditures Forecast			Draft 2025 Annual Conservation Plan Savings and Expenditures Forecast		
	MWh @ site	\$		MWh @ site	\$
Residential efficiency programs	17,750	\$ 18,395,915	Residential efficiency programs	17,707	\$ 16,155,121
Non-residential efficiency program	63,013	\$ 27,426,680	Non-residential efficiency program	63,378	\$ 28,643,050
Northwest Energy Efficiency Alliance (NEEA)	10,132	\$ 1,939,531	Northwest Energy Efficiency Alliance (NEEA)	8,894	\$ 1,961,891
Distribution Efficiency	227		Distribution Efficiency	227	
Production Efficiency	1		Production Efficiency	1	
Portfolio expenses		\$ 1,553,887	Portfolio expenses		\$ 1,528,966
Total	91,123	\$ 49,316,013	Total	90,207	\$ 48,289,027
2024-2025 Total Portfolio Benefit Cost Ratios (including NEEA and Non-Energy Impacts)			2024-2025 Total Portfolio Benefit Cost Ratios (including NEEA and Non-Energy Impacts)		
PacifiCorp Total Resource Cost Test (PTRC)		1.52	PacifiCorp Total Resource Cost Test (PTRC)		1.57
Utility Cost Test		1.42	Utility Cost Test		1.49

The table below maps the variances between the business plans in MWh and dollars. It is important to note that the variances are not stark apart from Low-Income Weatherization. The Low-Income Weatherization program has a variance of 34% due to reduced energy savings per home and reduced count of homes projected which reduces the savings and costs.

	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	\$ 21,990,592	\$ 362,882		
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)	-	-	-	\$ 451,459	\$ 445,503	\$ (5,956)		-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%	-2%
Total Pacific 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%

The chart below shows the 2024 and 2025 most current forecasts.

Program or Initiative	2024 PacifiCorp Washington Conservation Estimates		2025 PacifiCorp Washington Conservation Estimates		2024 + 2025	2024 + 2025
	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	\$ 345,277	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

This table shows the direct benefits including customer and vendor incentives and costs associated with direct installation measures of the Low-Income Weatherization and Home Energy Savings programs. 60% of the money spent goes back to participating facilities, the goal is to keep that number as high as possible.

	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%
Wattsmart Business (140) - Commercial	\$ 21,930,592	\$ 15,794,212	
Wattsmart Business (140) - Industrial	\$ 5,601,983	\$ 3,809,815	
Wattsmart 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 wattsmart, 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%

Tables 5, 9, and 10 below highlight the draft estimated cost effectiveness, the final numbers are expected to be within the same range. Note that one program not continuously passing the cost-effective analysis is the Home Energy Savings program. Unfortunately, the only way to make the program cost effective would be to cut it. Instead of doing so, the company prioritizes program participation overachieving a cost-effective program.

program.

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

2025 Program Changes

Nancy Goddard, Charity Spires, and Jay Olson reviewed program changes, utility actions, and adaptive management for the energy efficiency programs in 2025. CETA related program changes include increasing Named Community customer participation such as customers in Highly Impacted Communities, including those on Tribal Lands, and Vulnerable Populations including renters, Spanish speaking, and Low-Income. EIA related program changes are intended to achieve 2024-2025 biennial conservation target with a cost-effective portfolio of programs.

Home Energy Savings program changes include customer and partner incentive increases, alignment with RTF updates, vendor incentives, new and continuing program services, new highly impacted communities efforts, and enhanced outreach methods as outlined below.

Customer/partner Incentive increases

- LED fixture direct install

Adding

- Tree planting program
- Door sweeps as direct install for multifamily
 - A lot of savings not expected
 - Quick & easy to install, introduce company to customers and to engage with multifamily households

- Packaged Terminal Heat Pump (PTHP) for multifamily

Alignment with RTF updates

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

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
 - Have not seen a lot of success but want to continue to push until 2025 to determine viability
- 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
 - Successful start in 2024, focus on VP

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

317 households served in 2022 in Highly Impacted Communities. This number increased to over 700 in 2023.

- NEW - Introduce Tree-planting program in Highly Impacted Communities
 - Will be on residential properties; homeowners must ensure trees are watered
- Continue direct-install duct sealing with focus on HIC **single-family** homes
- Continue Low-E storm windows with focus on Highly Impacted Communities
 - Cleaner air during fire season
- 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 can 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**

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

Meeting Discussion:

- Asian Pacific Islander Coalition made a note to ensure residents participating in the tree planting program have water rights and have created a schedule for maintenance. If the program is approached geographically, there will be many community benefits such as lower local temperatures. The downside to this is that if not approached correctly, the company can inadvertently create a heat desert due to incorrect species and placements.
 - Mr. Olson shared that all customers will be educated on care and maintenance and tree species will be native to the area with placement on the southside of all homes. Mr. Olson understands that situation and has had personal struggles with tree removal at his own homes. The team is open to bringing the advisory group members in on the planning, if interested.
- Northwest Community Action Center asked if in replacing gas and oil heat systems with ductless heat pumps, has any thought gone into analyzing the cost efficiency of a ducted system heat pump on low-income households in comparison to drilling holes in walls in several locations in one home? As a homeowner, fewer holes are typically preferred.
 - Charity Spires shared that when the program was first born in 2022, that was not considered at the time, however, after meeting with agencies it has now been discussed internally and investigated more closely to see whether it could be utilized (existing duct system, installing a system using what is already present).
- The Energy Project shared that single family home weatherization needs as much flexibility as possible so providers can site the best system for each home.

The Wattsmart Business Program has undergone a small set of changes, in accordance with the Energy Independence Act, to improve utility actions to increase Named Community customer participation. The changes are outlined below.

Proposed Program Changes
New measures <ul style="list-style-type: none"> • Connected thermostats
Remove three food service measures <ul style="list-style-type: none"> • Electric insulated holding cabinet, electric convection oven, electric combination oven
Adaptive Management
Customer Incentives <ul style="list-style-type: none"> • Continue customer incentives at the same level as 2024
Vendor Incentives <ul style="list-style-type: none"> • Continue vendor incentives in 2025

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.**

Meeting Discussion:

- Northwest Community Action Center asked what is the threshold for what PacifiCorp will consider a business?
 - Nancy Goddard explained that businesses are qualified based on the rate schedule in which service is delivered, eligible rates only – commercial, industrial or irrigation rates apply.

Melissa Huynh reviewed CEIP utility actions to supporting programs with an increased equity focus using effective communication strategies to reach Named Communities. Utility actions include:

- 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.

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

Meeting discussion:

- Blue Mountain Action Council asked about the available funding, what is the process when there is state funding available? Can services be multiplied?
 - Charity Spires explained that PacifiCorp partners with four agencies in Washington to provide free weatherization services, if funds have been exhausted the company is billed for all the work. Ms. Spires asked Northwest Action Community Center how do the funds come to work together?
 - Northwest Action Community Center explained that small agencies must braid funding sources, however, each stream has its own rules that must be considered.

Below is a list of pilot programs and the current available status.

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

Break

Demand Response Portfolio

Laura James, Senior Customer Solutions Program Manager, shared the most recent regulatory updates. On June 27, 2024, Pacific Power filed the Demand Response Annual Report for 2023. On August 29, 2024, the Washington Utilities and Transportation Commission approved filing to increase the SBC rate and incorporate expenses for approved demand response programs. This is an annual process to adjust rates as needed to keep up with program expenses.

The Demand Response team currently has 3 active programs, Irrigation Load Control, Commercial and Industrial Demand Response, and Optimal Time Rewards. Irrigation load control is used during high heat

days when demand is spiking on the grid to reduce demand without making greater investments. There were some positive findings, and some concerning findings, from this year's demand response season:

- Positive
 - 224 new participants
 - Increased use by ESM team
 - Average capacity curtailed and available increased due to continued successful recruitment and enrollment
- Concerning
 - 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 for this program year

For 2025, the Irrigation Load Control program will focus on improving usability for Energy Supply Management, reducing opt-outs by improving predictability for participants, and improving cost-effectiveness by reducing cost and increasing average capacity per pump. The company is also exploring potential program changes including streamlining parameters by merging 3 notice options into a single 4-hour notice, limiting eligible days and hours to weekdays from 2 to 9PM (instead of all days, 12 – 10PM), and setting single incentive level (\$30/kw-yr.) with 50% bonus option for 0 opt-outs.

Meeting discussion:

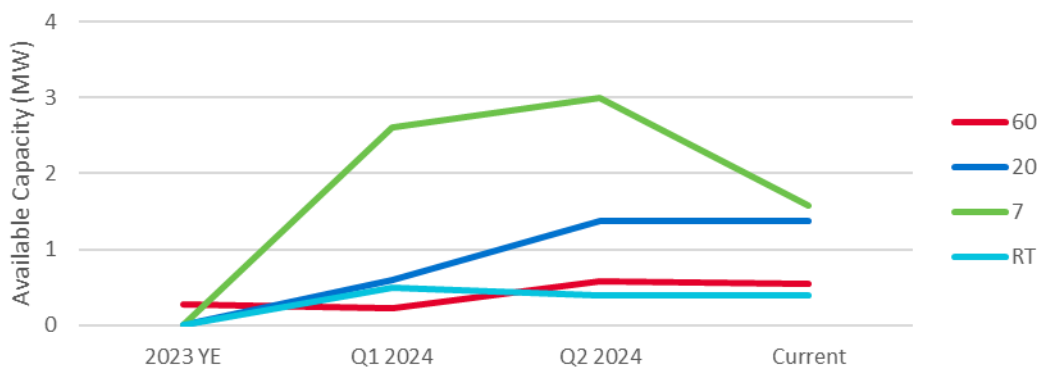
- Asian Pacific Islander Coalition asked what are the reasons for unenrollment? Were these industrial or local? It is important that the program is not dictated based on large industrial customers because historically they have exploited resources and funds have been misdirected.
 - Laura James explained that most participants in ILC unenrolled because they could not afford to lose the water that would pass by during curtailments. Also, after events, many growers would have to go back out to the system to manually restart it, which proved burdensome.

The second active program under Demand Response is Commercial and Industrial Demand Response. The program has 4 products (participation pathways), named based on the amount of notification the customer receives: Real-time (no notice), 7 minutes, 20 minutes, and 60 minutes. There were some positive findings, and some concerning findings, from this year's demand response season:

- Positive findings
 - Usage by ESM increasing – events in all product categories this year
 - Enrolled capacity increasing – all products now have enrolled capacity
 - Available capacity more stable, based on performance history
 - Participant performance improving with experience
- Concerning findings
 - Rate of enrollment has been slower than expected, due to difficulty reengaging customers that signed up several months earlier, or to site-specific issues
 - One big box retailer pulled out of the program, possibly temporarily, which reduced 60 min capacity by 30%

Preliminary results for events held year to date are in the table below. The chart shows how capacity is both increasing, as more customers enroll, but also sometimes decreasing as customer nominations are adjusted to a level they can sustainably maintain. One customer in the 7-min category had a significant adjustment, which reduced capacity by over 1 MW in that product.

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				



For quarter 4 of 2024, the program will focus on identifying bottlenecks in recruitment and enrollment, launching a survey to assess participant experience, especially regarding curtailment execution and coaching needs, and developing adaptive management strategies to maintain forecast growth in capacity and improve event performance.

The third Demand Response program, Optimal Time Rewards, has two components, water heaters and smart thermostats. The Water heaters program launched at the beginning of the year and garnered a lot of interest from property managers. Despite the interest, the company has been forced to reconsider program model viability because it is not cost-effective. The data from 2024 events shows per unit capacity as 70% lower than expected. Wi-Fi based connectivity is an additional barrier. Some residents were unable or unwilling to use their own Wi-Fi and others did not have Wi-Fi to use in unit and could not take on the additional associated costs.

The second component is smart thermostats. Smart thermostat capacity per device is 40% higher than expected as based on the preliminary analysis of Oregon AMI data. Since the program launched in early

2024, there has been steady enrollment growth with numbers increasing per quarter. However, without the water heater component of the program, it is not clear that the thermostat program will have enough volume to support the fixed costs of the program and remain cost-effective. Quarter 4 focus is developing strategies to maximize growth, per-unit capacity to ensure positive cost-effectiveness.

There will be a Demand Response full portfolio review on October 29, 2024, as part of the CEIP Engagement meeting from 9:00 – 12:00PM (Pacific Time). This review will share data from 2024 summer season, strategize adaptive management, and provide updates on new program ideas and forecasts for CEIP target.

For registration details, visit the [PacifiCorp CEIP website](#).

Meeting Discussion:

- The Utility Trade Commission questioned why the Washington programs are based on Oregon capacity? Do the different regions affect the data?
 - Laura James shared that the current available data is from Oregon because the granular data comes from AMI metering which is only in Oregon. Data will be investigated to come as it becomes available. The work is very preliminary in its current state and is based on data available, such as different home types and geographic location.

Shawn Grant, Electric Vehicle Program Manager, presented on the Battery Demand Response program sharing program overview, incentives, projected costs and load, sample batteries, and battery data. PacifiCorp has successfully implemented battery programs since 2019 in other states. Battery utilization is based on utility grid management, peak load management, frequency response, contingency reserve, and daily load cycling. Distributed Battery Grid Management Solution (DBGMS) allows for flexibility in battery control – and total grid management. It is currently configured with Sonnen batteries, scalable to other manufacturers and integrated with PacifiCorp’s Energy Management System with real-time battery connectivity reports.

The battery program has annual enrollment incentives to promote participation. Per commitment period of 4 years, customers receive \$100 per kW upfront, however, early termination will require a prorated repayment. Additionally, customers can receive \$15 per kW during commitment period years 2-4. After year 4, the incentive increases to \$50 per kW. Based on customer feedback, the company will also explore lease options.

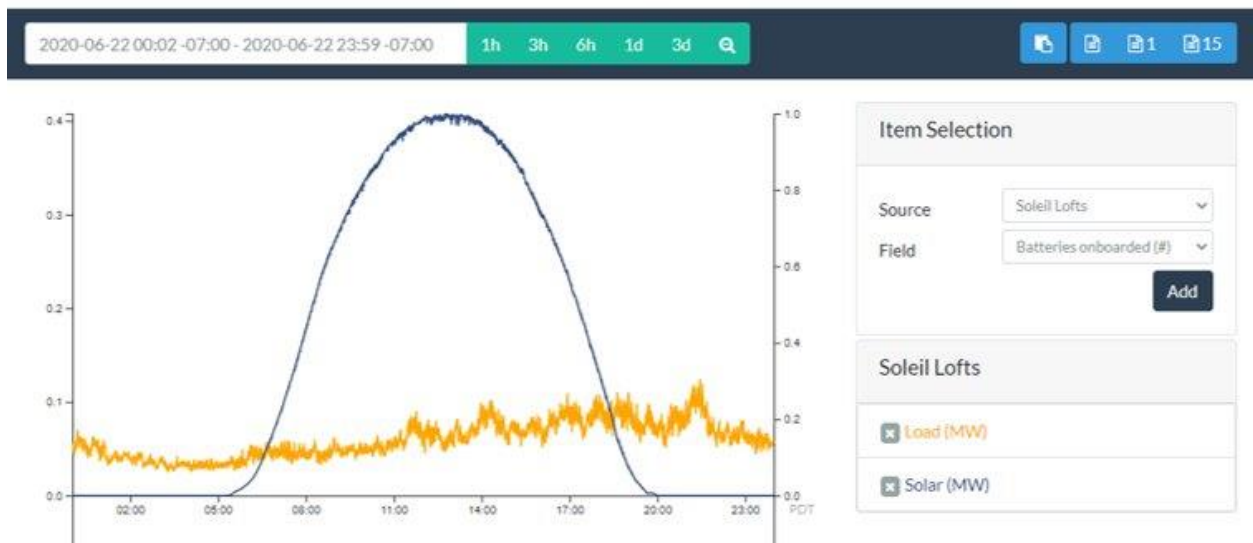
Below is a table of the estimated preliminary program costs and participation.

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

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

This graph is an example of sample solar generation and residential load shape, illustrating that when solar drops off the residential load increases and residential load peaks when solar stops.



The graph below is an example of battery backup power. During a power outage, a single battery can power a house for an extended period. But when paired with solar, the battery only needs to have enough power stored to survive for one night and then it will recharge as the sun comes back up. So the battery has lots of extra, unused capacity.



Mapped below is a battery frequency response event. PacifiCorp is the balancing authority, meaning the company is responsible for balancing frequency on the grid by reducing or injecting load into the grid within a few seconds when there is a frequency event. This response is integrated with energy management system and responds autonomously with an event. In those instances, the battery energy is used to power the house, so the house doesn't have to shut down.



Below is an example of peak load management. The yellow line represents solar production, using battery daily for peak load management. Instead of exporting excess solar, the energy is used to charge the battery, which then powers the home in the evening when solar production stops.



Meeting discussion:

- Morgan Westberry asked if there are any resources that identify best practices for an outage management plan?
 - Mr. Grant shared that each business or homeowner operates on an individual plan based on what works best for them.
- Asian Pacific Islander Coalition questioned how overlaying wind production would correspond with usage patterns? If you overlay the wind production that often can increase as the sun goes down due to convection current changes, how does that correspond with usage patterns?
 - Mr. Grant offered to research and follow up in next month's closing the loop.
- Knowing the history of 2019 of managing and offering these programs, Christina Medina asked if the battery demand response program will be accessible to a variety of customers? Who are the target customers? What about recycling batteries? Can the group get more info about the potential lease option?
 - Mr. Grant explained that customers with rooftop solar already installed are the primary focus since they will use the renewable energy they are already producing. The second priority would be customers who want to install solar because the company can easily pair it with a battery for backup power and emergencies. Regarding recycling, the battery life should be 10-20 years, therefore recycling has not been considered yet in this stage, but it will be.
- Northwest Action Community Center questioned if the batteries are lithium?
 - Mr. Grant shared that the batteries are lithium phosphate, these batteries have no thermal runaway so there has never been a fire with this equipment.
- Asian Pacific Islander Coalition noted that the program should consider specific landlord outreach program or there may be limited access to homes that need assistance the most. In Yakima 40% of homes are rentals and that rate is increasing due to corporate landlords and entities. Owners of 3+ homes should be forced to do it by law.

Integrated Resource Planning Updates

Randy Baker, Director of Integrated Resource Planning, reviewed the IRP planning schedule and shared key updates. The 2025 IRP cycle launched on January 25th, 2024, with the first public meeting in the series. The IRP itself is a 20-year long term forecast of PacifiCorp's six state system, which includes Washington. The IRP runs on a two-year cycle and that is what is shown in this graph. The state of Washington operates on a four-year cycle, but that cycle is punctuated by key updates and reports including those related to CETA and the CEIP. Washington benefits from the two-year cycle of the other states in that produce a full-fledged integrated resource plan every two years.

PacifiCorp is in the middle of its 2025 integrated resource planning cycle due to file March 31st of 2025. This phase engages in committing data, modelling updates, locking down assumptions, everything that needed to finalize mathematical models, which is the focus of several key chapters and there's a lot of data (tables, charts, and graphs) because it is the output of a mathematical model.

The Integrated Resource Plan document is typically around 800 pages in total in two volumes and includes a lot of other information and chapters that report on what the company is doing in a host of different areas. The document will be publicly available at the PacifiCorp website for viewing and to learn about the resource decisions being anticipated for the next 20 years.

The details and data that pours into this process and get discussed in a public input meeting series is updated very regularly and because it goes out 20 years ahead, there are a lot of unknowns. So, it's based on forecasts, proxy-based assumptions and it's the very best data collected.

PacifiCorp will be presenting a draft of the IRP by January 1st, 2025, and the filing of the IRP on March 31st, 2025.

General Updates

- Vulnerable Populations Workshop #2 Recap:
 - August 28, 2024, from 1pm - 3pm
 - Online via Zoom: https://esource.zoom.us/meeting/register/tZAsc-upqzMpEtOtDNNycL3WwHjf-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

- Vulnerable Populations 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

- Public Comment Hearing
 - October 10, 2024, 6:00pm
 - Online via Zoom <https://utc-wa.gov.zoom.us/j/87699859487?pwd=dACi2r9YziBZI9THkaeNpaAEnxcaOK.1>
 - The Washington Utilities and Transportation Commission (WUTC) has the authority to approve the Biennial CEIP Update. The public can comment on this filing.

Public Comment

There was no public comment.

Next Steps

October Equity Advisory Group Meeting

October 10, 2024, 1pm – 4pm

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

Meeting ID	Passcode
871 4103 0073	407927

December Equity Advisory Group Meeting (joint with DSM Advisory Group)

December 12, 2024, 1pm – 4pm

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

Meeting ID	Passcode
833 3427 8010	708043