

Pacific Power

Public Meeting #3 / Reunión Pública #3

Washington Clean Energy Transformation Act

November 10, 2021

We will start at 6:00pm / Comenzaremos a las 6:00pm



Meeting Logistics

This meeting offers live interpretation for our audience that prefers listening to the meeting in Spanish. To access Spanish interpretation, please join the meeting via web or Zoom app. **ALL ATTENDEES** must select the language channel that you want to participate in at the bottom of your screen. A Spanish version of these slides are available <https://tinyurl.com/rp8mkymn>

Logística de Reuniones

Esta reunión ofrece una interpretación en vivo para los asistentes que prefieran observar la reunión en español. Únase a la reunión a través de la web o la aplicación Zoom para acceder a la interpretación en español. **TODOS LOS ASISTENTES** deben seleccionar el idioma en el que desean participar, lo cual se encuentra en la parte inferior (debajo) de su pantalla. Una versión en español de esta presentación está disponible <https://tinyurl.com/rp8mkymn>

Meeting Agenda

Time (Pacific Time)	Description
6:00 PM	Welcome and Meeting Overview
6:10 PM	Introductions and Updates
6:25 PM	Draft Clean Energy Implementation Plan <ul style="list-style-type: none">• Overview• Targets• Customer Benefit Indicators and Metrics
6:50 PM	Break
6:55 PM	Clean Energy Implementation Plan <ul style="list-style-type: none">• Utility Specific Actions• What's Next
7:35 PM	Closing

Meeting Objectives

1. Provide context and updates since Public Meeting #2.
2. Review information included the November 1 Draft Clean Energy Implementation Plan (CEIP).
3. Prepare the public for what's next.
4. Invite and inform attendees about how to submit comments on the Draft CEIP.
5. Respond to questions and get feedback from public attendees.

Introductions and Updates



PacifiCorp's CEIP Team

PacifiCorp

- **Cory Scott** – Customer Solutions
- **Randy Baker** – Resource Planning
- **Sherona Cheung** – Revenue Requirements
- **Heather Eberhardt** – Power Marketer
- **Lee Elder** – Load Forecasting
- **Rohini Ghosh** – Resource Valuation/Planning
- **Nancy Goddard** – Customer Solutions
- **Don Jones Jr.** – Customer Solutions

- **Peter Schaffer** – Customer Solutions
- **Jackie Wetzsteon** – Environmental Programs
- **Ashley Rask** – Customer & Corporate Communications

RMI Support Staff

- **Kirsten Millar** – Manager
- **Katerina Stephan** – Associate
- **Gaby Tosado** – Associate

Public Meeting Review

Public Meeting #1

- Background context on
 - Pacific Power
 - The Clean Energy Transformation Act (CETA)
 - The electricity planning process
 - Public participation

Public Meeting #2

- Descriptions and examples of utility actions, customer benefits, and metrics
- Preview of the Clean Energy Implementation Plan

Slides are available online at
<https://www.pacificcorp.com/ceip>

Since Public Meeting #2 in October, PacifiCorp has:

- Conducted EAG Meeting #6 on October 20
- Submitted the draft CEIP on November 1
- Held two CEIP Technical Workshops (October 19 and November 10)
- Filed a request for the Washington Utilities and Transportation Commission to approve at its November 12 public meeting an independent evaluator to oversee an energy supply solicitation process in 2022.
 - More information on how the public can participate can be found here:
 - Washington Independent Evaluator Request for Proposal to support PacifiCorp's 2022 All-Source Request for Proposal <https://www.pacificorp.com/suppliers/rfps/wa-ie-rfp.html>

Clean Energy Implementation Plan (CEIP) Purpose and Process



The CEIP's Purpose

Why do we have a Clean Energy Implementation Plan (CEIP)?

- Pacific Power's CEIP was created to meet the requirements of Washington State's Clean Energy Transformation Act (CETA), which became a law in May of 2019.
- CETA directs utilities to pursue a clean energy future and make sure that the benefits are equitably distributed among all Washingtonians, at a reasonable cost.
- The CEIP includes the actions that Pacific Power will take in the next 4 years (2022-2025) to make progress toward CETA's clean energy goals:
 - By December 31, 2025, all coal-fired generation must be removed from Washington's electricity supply.
 - By January 1, 2030, utilities must be greenhouse gas (GHG) neutral.
 - By 2045, 100% of Washington's electricity supply must come from renewable and non-emitting resources.

The CEIP Process

1. Named Populations

Map highly-impacted communities (HICs) and identify vulnerable populations and the challenges they face.

2. Identify Draft Customer Benefit Indicators (CBIs)

Identify corresponding WA CETA CBI categories based on challenges faced by HICs and vulnerable populations as identified by the EAG, other PacifiCorp advisory groups, and Washington Customer base input.

3. Scoping for Utility

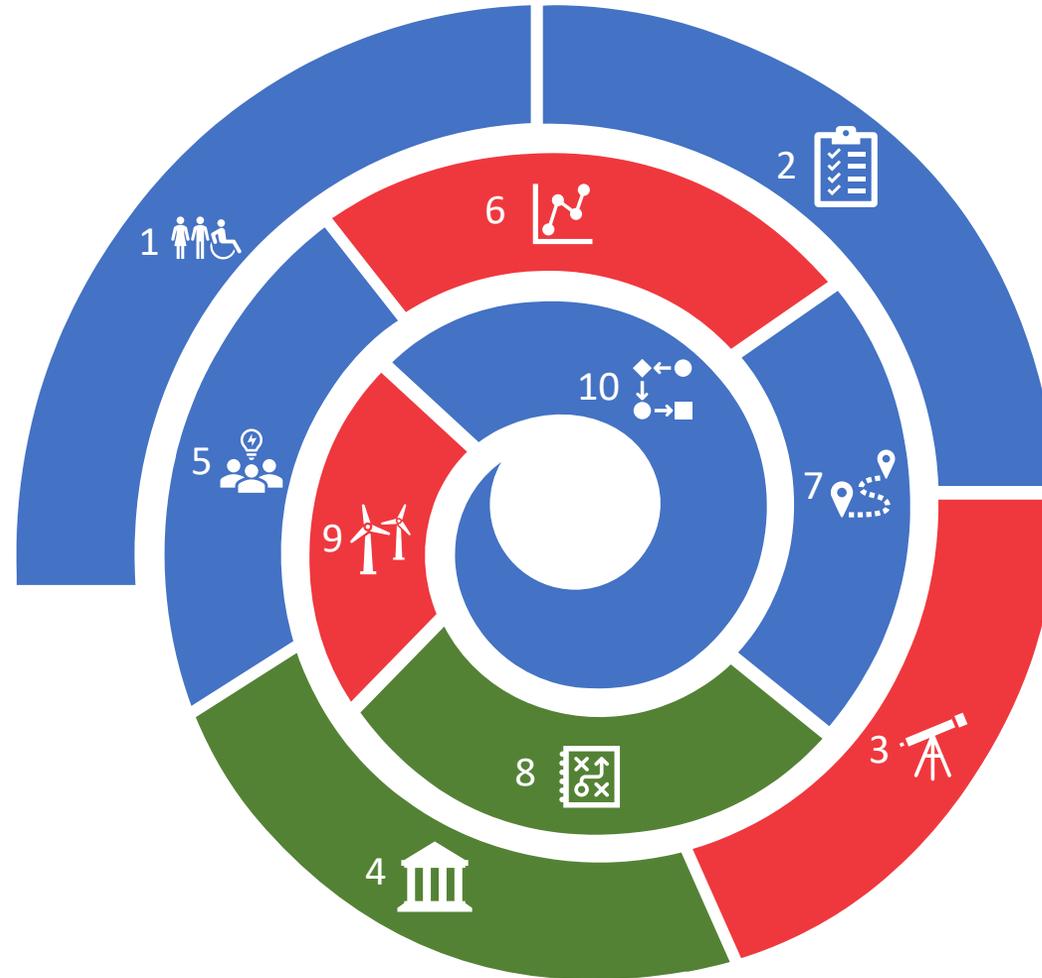
Determine which challenges faced by HICs and vulnerable populations PacifiCorp can influence.

4. Regulation Alignment

Align CBIs to Washington regulations and commission staff expectations.

5. Validate CBIs

Refine and weigh CBIs based on stakeholder feedback to understand the significance and importance of each.



6. Metrics Development

Define metrics to monitor and track CBIs.

7. Input on Actions

Identify actions that PacifiCorp can take to positively influence CBIs and their defined metrics and present to EAG for feedback.

8. Clean Energy Implementation Plan (CEIP)

Prioritize actions identified in Step 7 to include in the CEIP and submit drafts for external feedback, including commission staff.

9. CEIP Implementation

Implement plan with actions and monitor results.

10. Iterate

Iterate on the CBIs and actions as a result of new ideas or monitoring for the next CEIP.

Public Feedback on the CEIP

- Participate and provide input at the November 17 EAG Meeting, 1-4 pm PT
- Submit comments by December 3
 - Directly to PacifiCorp via email at CEIP@PacifiCorp.com
 - File comments with the Washington UTC Records Center
 - Use the "Submit a Comment" feature at <https://www.utc.wa.gov/consumers/submit-comment>

Questions and Answers



Clean Energy Implementation Plan (CEIP) Content and Chapters



Overview

- PacifiCorp filed its draft Clean Energy Implementation Plan (CEIP) on November 1.
- PacifiCorp's first CEIP describes how the utility fulfills requirements of Washington State's Clean Energy Transformation Act (CETA).
- PacifiCorp's 2021 Integrated Resource Plan (IRP) informs the company's actions toward meeting the requirements of CETA.

The CEIP Chapters

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.

Customer Benefit Indicators

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

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

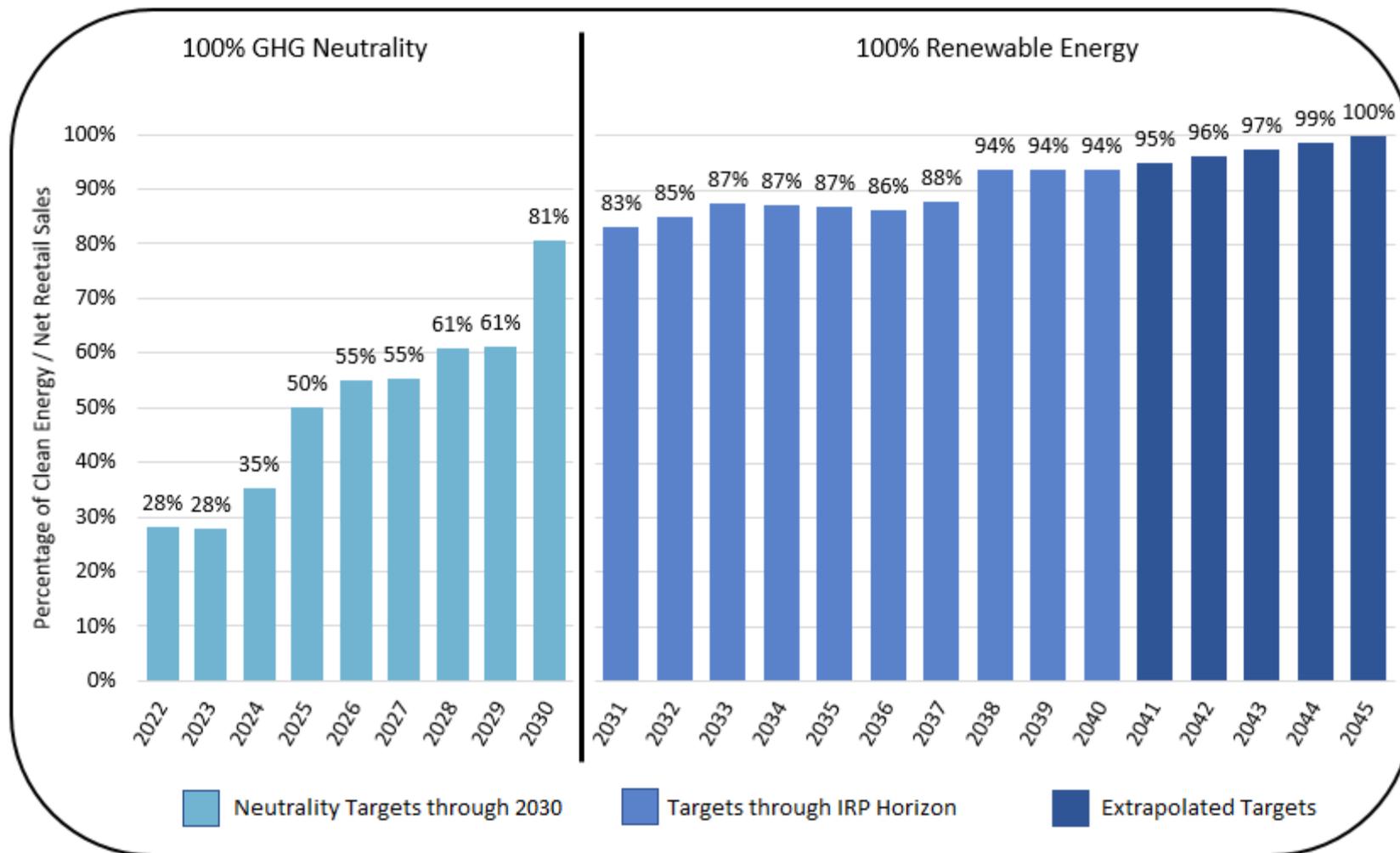
Feedback from the public, advisory groups, and other stakeholders, and PacifiCorp's plans to address barriers to participation in the future.

CETA's clean energy transformation standards are:

1. By end of 2025, each utility must remove coal-fired resources from its allocation of electricity to Washington retail electric customers;
2. Beginning in 2030, each utility must ensure all retail sales of electricity to Washington electric customers are greenhouse gas neutral;
3. Beginning in 2045, each utility must ensure that non-emitting electric generation and electricity from renewable resources supply 100% of all retail sales of electricity to Washington electric customers.

Targets

This chart, from the draft CEIP, shows PacifiCorp's path to reach CETA targets.



Customer Benefit Indicators and Metrics

A **customer benefit indicator** (CBI) is an **attribute**. Customer benefit indicators will inform:

- **Program actions and investments**
- **Resource planning**

A **metric** is a standard for measuring or evaluating progress on a CBI to understand whether the desired outcome is being achieved. Metrics are:

- Quantitative in nature
- Measured over time

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"> • Cost Reduction • Reduction of burden 	<ul style="list-style-type: none"> • 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
Participation in company energy and efficiency programs and billing assistance programs	<ul style="list-style-type: none"> • Cost reduction • Reduction of burden • Non-energy benefit • Energy benefit 	<ul style="list-style-type: none"> • Number of households/businesses, including named communities, who participate in company energy/efficiency programs • Percentage of households that participate in billing assistance programs • Number of households/businesses who participate/enroll in demand response, load management, and behavioral programs
Indoor air quality	<ul style="list-style-type: none"> • Public health • Non-energy benefit 	<ul style="list-style-type: none"> • Number of households using wood as primary or secondary heating
Frequency and duration of energy outages	<ul style="list-style-type: none"> • Energy resiliency • Risk reduction • Energy benefit 	<ul style="list-style-type: none"> • SAIDI, SAIFI, and CAIDI* at area level including and excluding major events
Residential customer disconnections	<ul style="list-style-type: none"> • Energy security 	<ul style="list-style-type: none"> • Number of residential customer disconnections including disconnections within named communities

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"> • Reduction of burdens • Non-energy benefit 	<ul style="list-style-type: none"> • Outreach in non-English languages • Percentage of responses to surveys in Spanish
Community-focused efforts and investments	<ul style="list-style-type: none"> • Non-energy benefit • Reduction of burden 	<ul style="list-style-type: none"> • Workshops on energy related programs • 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
Efficiency of housing stock and small businesses, including low-income housing	<ul style="list-style-type: none"> • Energy benefit 	<ul style="list-style-type: none"> • Number of households and small businesses that participate in company energy/efficiency programs • Energy efficiency expenditures • Gas to electric conversions for Low-Income Weatherization program
Renewable energy resources and emissions	<ul style="list-style-type: none"> • Environmental 	<ul style="list-style-type: none"> • Amount of renewables/non-emitting resources serving Washington • Washington allocated greenhouse gas emission from Washington allocated resources • Number of public charging stations in named communities

Questions and Answers



5-Minute Break



Clean Energy Implementation Plan (CEIP) Content and Chapters Continued



Utility Specific Actions



RESOURCES

These actions support PacifiCorp to generate more electricity from renewable 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.

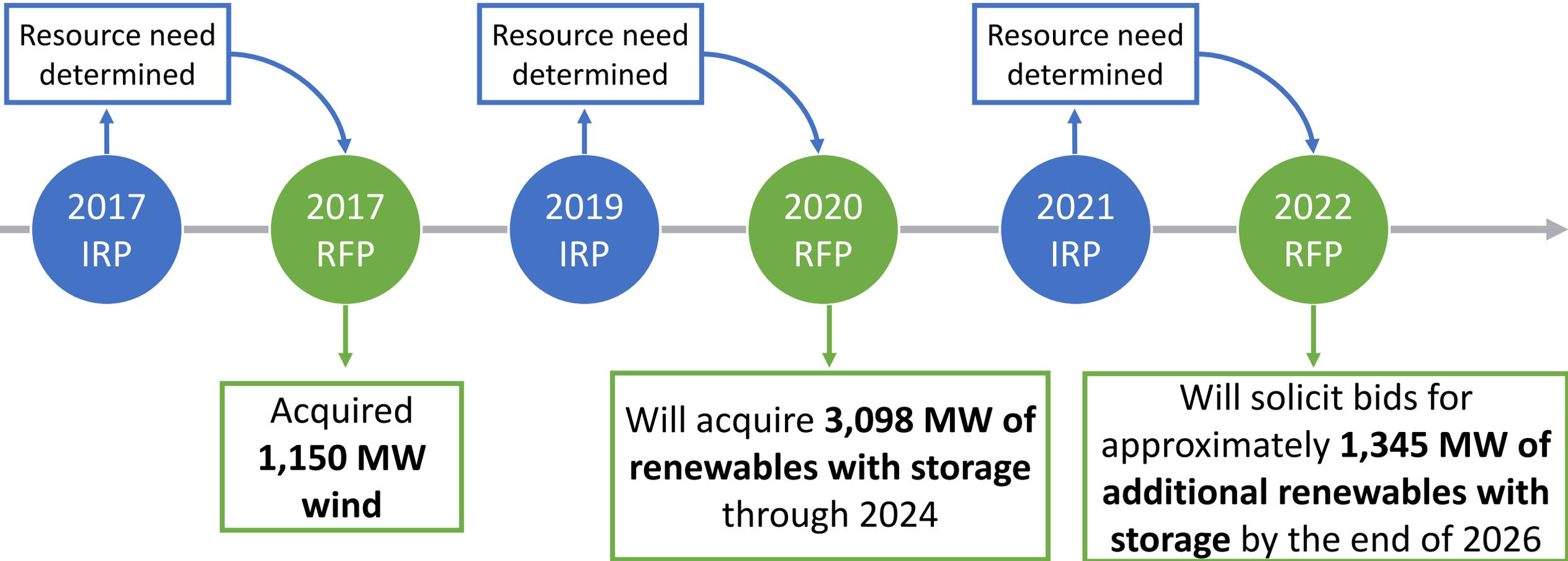
Supply-Side Resources

- Supply-side resources are generating and storage facilities which serve the energy needs of our customers.
- Renewable energy facilities, such as wind and solar plants, along with storage, are supply-side resources which contribute to meeting Washington customer's energy needs and help achieve CETA targets.
- Resources can be located outside of Washington State if this provides advantages for customers.
- PacifiCorp uses a request-for-proposal (RFP) process to obtain competitive resources.
 - Potential bidders and the public can participate by finding out more on PacifiCorp's Energy Supply RFP website:
<https://www.pacificorp.com/suppliers/rfps.html>

Integrated Resource
Plan (IRP)

Request for Proposal
(RFP)

Planning and Acquisition of Supply-Side Resources



Incremental Cost of CETA

- In the near-term (2022-2025) PacifiCorp plans to add significant renewables to the system, but not as a result of CETA legislation.
- Since the supply-side resource additions are not driven by CETA, there is no immediate **supply-side** cost of CETA legislation.
- However, there are other CETA-driven costs; e.g., new energy efficiency delivery, the cost of equity considerations.
- The near-term incremental cost of non-supply-side actions specific to the CETA analysis is estimated in the CEIP to be approximately \$5.6 million per year through 2025.
 - This is not the cost to ratepayers; setting rates is a separate process.



ENERGY EFFICIENCY

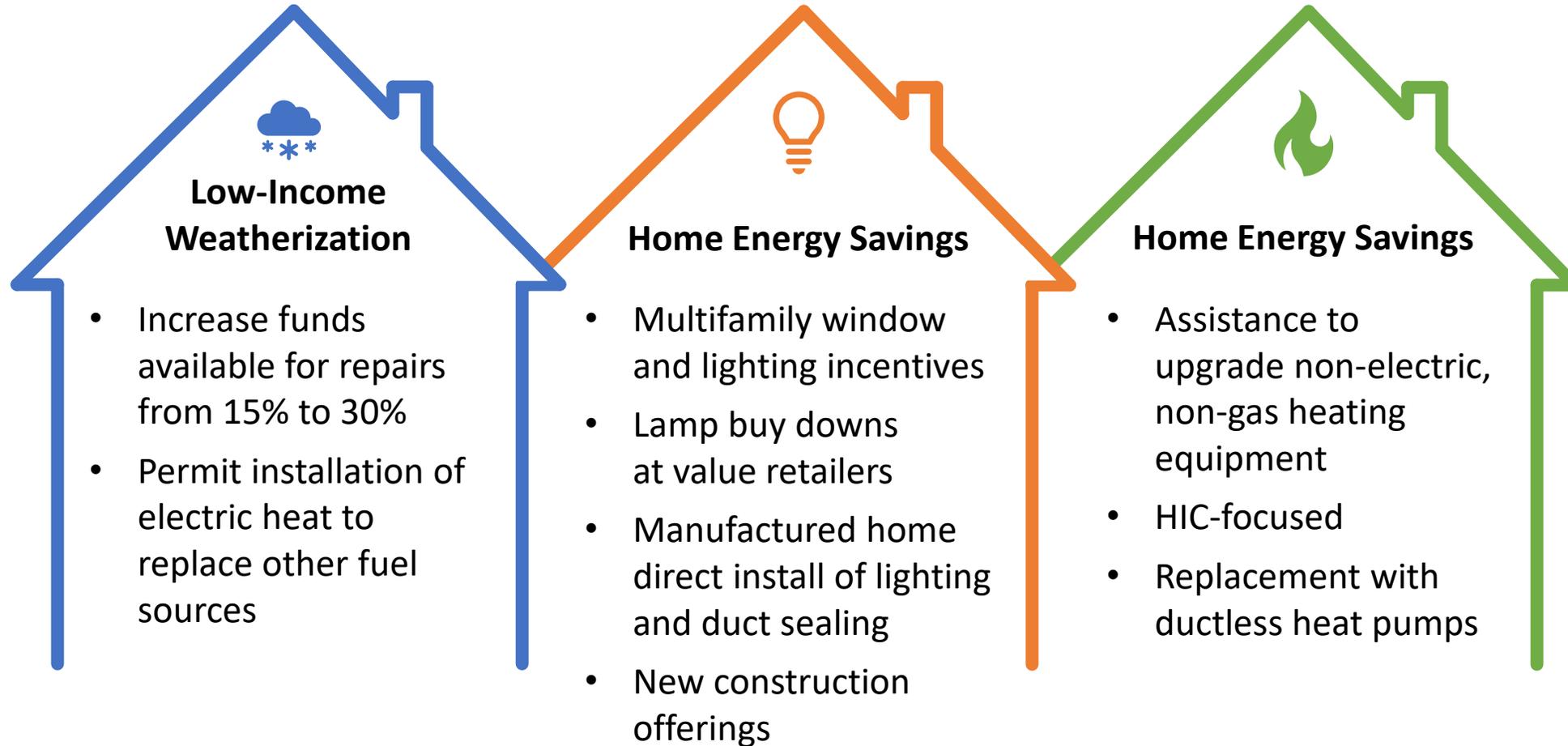
- Deliver programs to help customers improve energy efficiency and save energy/money
- Target named communities

- Expected to deliver a total of 217,408 MWh during the implementation period. Equivalent to providing electricity to almost 28,000 homes¹.
- Energy efficiency costs are expected to be approximately \$23 million/year with approximately \$2 million/year of costs attributable to compliance with CETA.

Program or Initiative (MWh/Yr)	2022	2023	2024	2025	2022-2025
Low Income Weatherization (114)	182	182	182	182	
Home Energy Savings (118)	10,349	10,986	10,349	10,986	
Home Energy Reports	4,414	(182)	4,414	(182)	
Total Residential Programs	14,945	10,986	14,945	10,986	
Wattsmart Business (140) - Commercial	22,645	23,256	22,645	23,256	
Wattsmart Business (140) - Industrial	13,936	13,776	13,936	13,776	
Wattsmart Business (140) - Irrigation	935	935	935	935	
Total Business Programs	37,516	37,967	37,516	37,967	
Northwest Energy Efficiency Alliance	3,314	3,977	3,314	3,977	
Total Conservation	55,774	52,930	55,774	52,930	217,408

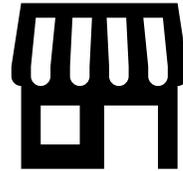
Year	Incentives/direct benefits	General implementation	Total
2022	\$ 14.72	\$ 8.09	\$ 22.81
2023	\$ 14.72	\$ 8.31	\$ 23.03
2024	\$ 14.72	\$ 8.09	\$ 22.81
2025	\$ 14.72	\$ 8.31	\$ 23.03
Total	\$ 58.87	\$ 32.79	\$ 91.67

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

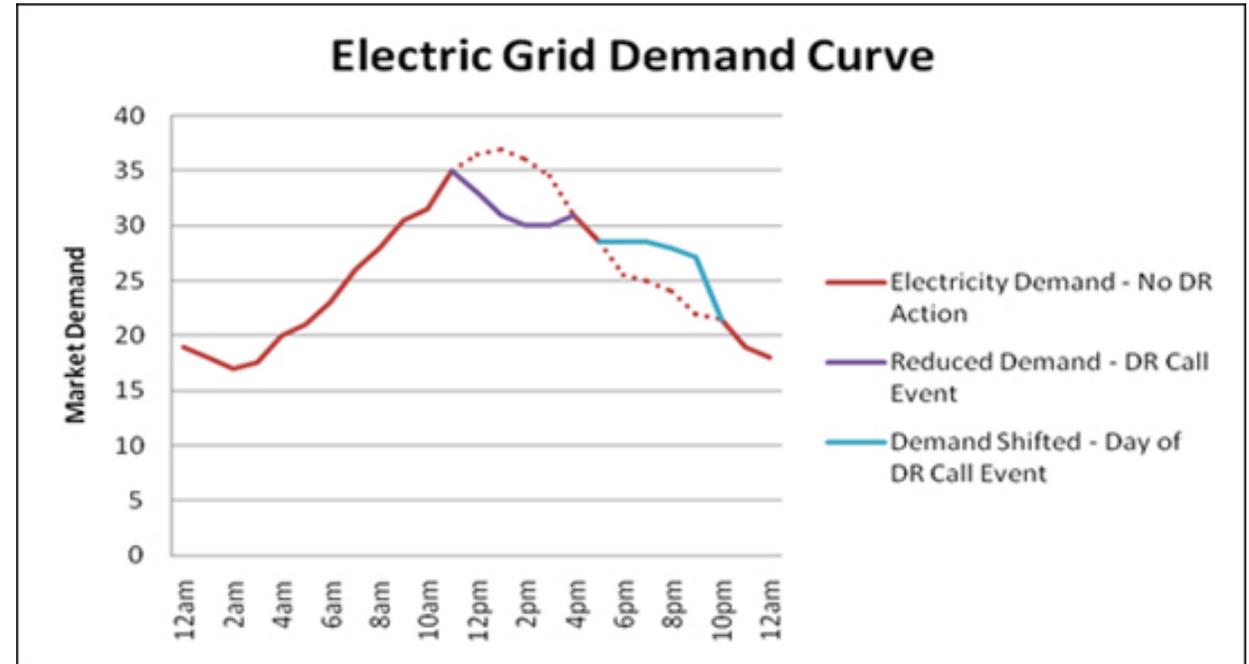
Access



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

Demand Response

- Demand response (DR) programs give incentive payments to customers to encourage lower electricity use during critical times.
- Proposed utility action to deliver new DR programs in Washington by 2025.
- Once fully operational, programs are expected to deliver an additional 10 MW of capacity per year at a cost of \$1.5 to \$2 million a year.
- Even if CETA didn't exist, the IRP identified DR as a cost-effective resource, so the DR action costs are not included in the incremental cost calculations.



Proposed Demand Response Programs



Irrigation load control
Incentives for agriculture customers to reduce irrigation pumping loads, typically in the summer.



Batteries
Incentives for residential and commercial customers to install batteries to support the electric grid.



Curtailment
Incentives for commercial and industrial customers to reduce their operational loads.



Residential
Provides incentives to residential customers for curtailment of electric water heater loads and HVAC loads through smart thermostats.

Community Outreach and Engagement

Actions that focus on the delivery of programs and communications to customers in named communities.

Outreach, language, and education

- Improve language accessibility by assessing customer needs, reviewing current programs, identifying gaps, and developing clear plans and processes for action.
- Identify opportunities to develop program materials, web content, and outreach in non-English languages.
- Review current program outreach and look for ways to improve targeting and outreach to named communities.



REDUZCA EL COSTO DE SUS FACTURAS
Obtenga incentivos para comprar nuevos productos

WATTSMART BUSINESS | **PACIFIC POWER**
POWERING YOUR GREATNESS

¿Está listo para mejorar el uso de energía en su negocio, pero no está seguro por dónde empezar? ¿Le gustaría reducir sus facturas de electricidad mensuales y obtener incentivos* en efectivo para ayudarlo a mejorar su uso de energía? Pacific Power puede ayudarlo a lograr sus metas de uso de energía y ambientales mientras ahorra tiempo y dinero. Cuando reduce el uso de energía, nos ayuda a mantener los precios de la electricidad entre los más bajos del país.

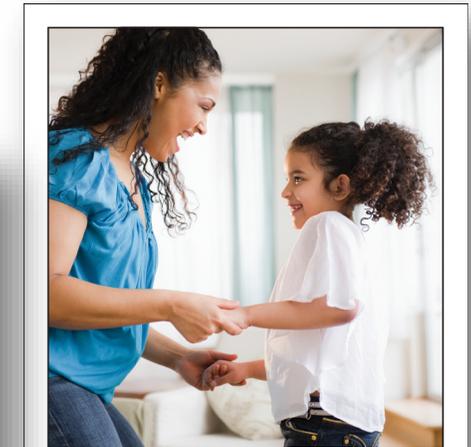
Ya sea que quiera reemplazar sus viejas lámparas fluorescentes con iluminación o accesorios LED eficientes o actualizar su sistema de calefacción y aire acondicionado (HVAC), nuestro equipo está aquí para ayudarlo a tomar las decisiones correctas para obtener más ahorros e incentivos en efectivo.

TRES FORMAS DE EMPEZAR:

- Regístrese para recibir una evaluación sin costo de su uso de energía y cuéntenos acerca de sus necesidades. Un especialista local de Pacific Power se comunicará con usted para explicar las oportunidades y opciones disponibles.
- Visite nuestro sitio web para ver qué tipo de actualizaciones califican para recibir incentivos en efectivo. Inicie un proyecto enviando una solicitud en línea hoy. Obtenga información sobre cómo podría recibir ayuda para financiar sus proyectos de actualizaciones de energía hoy.
- Encuentre proveedores y contratistas locales especializados en sus necesidades y llámelos para comenzar. Pacific Power cuenta con red de proveedores expertos y como parte de su en Wattsmart Business Vendor Network.

Si tiene alguna pregunta, llámenos al **1-855-805-7231** o envíenos un correo electrónico a wattsmartbusiness@pacificpower.net. Estamos aquí para ayudarlo y esperamos oír de usted.

*Algunos incentivos requieren aprobación previa, así que contáctenos antes de ordenar un equipo nuevo.



TÚ TIENES EL PODER DE
ahorrar dinero
A TRAVÉS DE LIBA

El Programa de Asistencia de Facturas para Bajos Ingresos (LIBA) reduce las facturas eléctricas de Pacific Power para hogares con ingresos bajos a moderados. En promedio, los participantes ahorran alrededor de \$650 cada año.

¡inscribirse en LIBA es sencillo, así que regístrate ahora!

Si vives en los condados Walla Walla, Columbia o Garfield, llama a Blue Mountain Action Council al 509-529-4980.

Para consejos en como ahorrar energía y dinero, visita BeWattsmart.com.

Facturas eléctricas reducidas

Créditos aplicados hacia la factura neta

AHORRA

Ahorros promedio de \$650 al año

WATTSMART
PACIFIC POWER
ILUMINANDO TU POTENCIAL

Community Outreach and Engagement

Outreach, language, and education

- Develop a webpage to host educational resources in English and Spanish.
 - This will include energy-related educational collateral, modules, and resources for customer and community use.
- Identify and expand outreach to non-profits that provide services to named communities with the goal of increasing grant applications and approvals.



WATTSMART®
BEGIN AT HOME

Community Outreach and Engagement

Establish an Electric Vehicle (EV) Grant program

- Establish an Electric Vehicle (EV) Grant program that provides additional support for named communities.
- Install electric vehicle charging infrastructure, purchase electric vehicle charging infrastructure, conduct outreach and education related to transportation electrification, and potentially purchase electric vehicles.
- Annual program will be developed with stakeholders to ensure an inclusive grant program design.



What's Next?

- Pacific Power remains dedicated to a CEIP public participation process that is open, transparent, and accessible.
- Pacific Power hopes to hear from customers as it charts a path to achieve this energy future safely, securely, and reliably, and in a way that reduces burdens on Washington's most vulnerable communities.
- Pacific Power invites customers and the community to provide public feedback by December 3, 2021.
- Public feedback will inform our final 2022 CEIP plan to be filed January 1, 2022.

Reminder About Sharing CEIP Feedback

- The November 1 Draft CEIP is available at **[pacificorp.com/ceip](https://www.pacificorp.com/ceip)**
- Participate and provide input at the November 17 EAG Meeting, 1-4 pm PT
- Submit comments directly to PacifiCorp via email at **CEIP@PacifiCorp.com**
- File comments with the Washington UTC Records Center
 - Use the "Submit a Comment" feature at <https://www.utc.wa.gov/consumers/submit-comment>

Questions and Answers





For more information:

[https://www.pacificorp.com/
ceip](https://www.pacificorp.com/ceip)

Email comments to:

CEIP@pacificorp.com

Working together to explore fresh ideas, awareness and education to enhance practices that lead to a clean, healthy, and sustainable community.