2025 California Review of Energy Efficiency Programs

Due: 3/31/2026

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EXECUTIVE SUMMARY

Pacific Power, a division of PacifiCorp, serves customers in California, Oregon, and Washington, with ~46,000 customers in California. The company focuses on energy efficiency and peak reduction as cost-effective alternatives to traditional supply-side resources.

PacifiCorp creates a biennial integrated resource plan (IRP)[1] to balance cost, risk, supply reliability, and public policy goals, incorporating energy efficiency and peak management opportunities. The IRP presents a framework of future actions to ensure that the company continues to provide reliable, reasonably priced service to customers. Energy Efficiency and peak management opportunities are incorporated into the IRP based on their availability, characteristics, and costs.

Pacific Power offers three energy efficiency programs in California: Wattsmart Homes [2]and Home Energy Reporting for residential customers and Wattsmart Business for commercial, industrial, and irrigation customers.[3] Pacific Power uses outsourced program delivery implementers for its programs.[4] Pacific Power communicates the value of energy efficiency through various channels, including media, customer communications, education, outreach, and marketing.[5] Evaluations for each of the programs are performed by independent external evaluators to validate energy savings derived from Pacific Power's energy efficiency programs.[6] Costs associated with the energy efficiency programs are recovered through Schedule S-191, Surcharge to Fund Public Purpose Programs.[7] This report provides details on program results and activities, and the Demand Side Management (Schedule S-191) balancing account for the reporting period from January 1, 2025, through December 31, 2025.

In 2025, Pacific Power invested **$1.023M** in energy efficiency and peak reduction, achieving approximately **1,336** megawatt-hours of energy savings and **320** gross kilowatts of peak reduction.[8]

Wattsmart Business, Pacific Power's demand-side management (DSM) resource acquisition program, is cost-effective under both the Total Resource Cost (TRC) test and the Program Administrator Cost (PAC) test, which constitute the primary cost-effectiveness screening metrics applied in California. Additional program detail is provided in the Wattsmart Business section of this report. The Home Energy Reports program was initiated as an equity-designated program in 2024, and the Home Energy Savings program transitioned to an equity designation in 2023. Cost-effective results for these programs are provided in Table 18 and Appendix A.

In 2025, Pacific Power's portfolio results fell short of the approved energy savings target of 3,316 megawatt-hours (MWh) (gross savings at generator), as established in Commission Decision (D.) 20-12-018 Actual energy savings totaled 1,336 MWh. In addition, expenditures were below the approved budget of $1,168,800 and were lower than

[1] Information on PacifiCorp's IRP can be found at: Integrated Resource Plan
[2] Program used to be called Home Energy Savings.
[3] The Company's energy savings assistance program for income-qualified residential customer is outside the scope of this report.
[4] Program Administration can be found at: Demand-Side Management, under the Program Administration section.
[5] Communications, Outreach, and Education can be found at: Demand-Side Management, under the Communication and outreach section.
[6] Program Evaluation information for each program can be found at: Demand-Side Management, under the Reports and program evaluations by state.
[7] The DSM (Demand-Side Management) Tariff Rider is typically calculated based on the costs associated with implementing DSM programs and the estimated energy savings. The overview of the calculation is: 1. Determine DSM Costs 2. Estimate Energy Savings 3. Calculate the tariff rider. This charge is typically reviewed and adjusted annually to reflect the actual costs and savings achieved by the DSM programs.
[8] Reported ex-ante savings are considered gross at generation, meaning they are estimated before the program evaluation and include the total energy savings without any net-to-gross or evaluation realization rate adjustments. These values also account for line losses that occur as electricity travels from the generation source to the customer site.

the projections included in the 2025–2026 Biennial Budget Advice Letter (Advice Letter 747-E, filed October 2024). Actual 2025 expenditures totaled $1,023,467.

In 2025, Pacific Power's portfolio included the following energy efficiency programs:

- **Wattsmart Homes:** Designed to provide access and incentives for energy-efficient products and services in various home types, including new construction homes, single-family existing homes, multi-family housing units, and manufactured homes.
- **Home Energy Reports**: A residential information-based measure that provides customers with comparisons of their household energy usage to similar residences and recommendations for non- and low-cost changes to save energy.
- **Wattsmart Business:** Aimed at commercial, industrial, and irrigation customers to improve their electricity usage efficiency through incentives and services to assist customers with the installation of energy efficiency measures and adoption of improved energy management protocols.

These programs are part of Pacific Power's ongoing efforts to promote energy efficiency and support customers in improving their energy consumption habits while reducing demand.

REGULATORY ACTIVITIES

May 6, 2025- CPUC Energy Division disposition: Advice Letter 747-E: Approval of the forecasted energy efficiency budgets for 2025-2026 and identifies the covered California energy efficiency programs (e.g., Home Energy Savings, Home Energy Reports, Wattsmart Business) in the filing itself.[9]

Aug 22, 2025- Filed Advice Letter 768-E (Tier 2): 2025 Energy Efficiency Program Changes: PacifiCorp submitted Advice Letter 768-E as a Tier 2 filing for program changes for 2026 that were outlined in the Biennial Budget Advice Letter (BBAL) 747-E, and it states that notices would be posted at least 45 days prior to the effective date once disposition is received.[10]

September 30, 2025- Filed Application A.25-09-016: continue EE programs + S-191 surcharge + bridge funding for 2027: PacifiCorp filed Application A.25-09-016 seeking an order to (1) redesign and continue operating energy efficiency programs for 2027-2030, (2) continue the Surcharge to Fund Public Purpose Programs (Schedule S-191), and (3) request bridge funding for Program Year 2027, among other relief.[11]

PORTFOLIO OF PROGRAMS

RESIDENTIAL ENERGY EFFICIENCY PROGRAMS

WATTSMART HOMES – *EQUITY SEGMENT*

Program Description

The Wattsmart Homes program aims to provide access and incentives for energy efficient products and services in various home types, including new construction homes, single-family existing homes, multi-family housing units, and manufactured homes. The program is available to residential customers on specific electric service schedules and landlords of properties where tenants are billed under these schedules.

[9] 2025 - 2026 BBAL Advice No 747-E.docx
[10] Advice 768-E PacifiCorp 2025 Energy Efficiency Program Changes (8-22-25)
[11] https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M581/K738/581738233.PDF

The Wattsmart Homes program continued to operate as an equity focused residential energy efficiency program for Pacific Power customers in California. Incentives were offered for a defined set of prescriptive measures, with enhanced incentives available for -CAREeligible, -hard-to- reach, and Tribal -customers.[12]

- The program continued to offer incentives for a core set of energy-efficient appliances and systems, including smart thermostats, HVAC equipment, heat pump water heaters, major appliances, and other qualifying residential measures. Program updates effective August 15, 2025, focused on aligning measure eligibility, savings assumptions, and incentive structures with current statewide workpapers in the electronic Technical Reference Manual (eTRM).
- Enhanced incentives for qualifying Hard-to-Reach and Tribal customers remained available for higher-cost HVAC measures. The program also continued to prioritize equitable access by maintaining Spanish-language materials and established outreach approaches. The program continued to serve tribal customers with no-cost energy saver kits that included LED bulbs and water conservation aerators for showers and sinks, The kits included literature on other cost savings opportunities for customers including details on other low-cost opportunities to saving energy.
- These refinements supported ongoing program consistency and compliance while maintaining a focused approach to program delivery in California.

Program Performance and Major Achievements in 2025:

In 2025, the Wattsmart Homes program achieved **106,167** kWh in gross energy savings at site and disbursed **$78,920** in incentives.

The 2025 program design includes supporting named communities to achieve equity outcomes through:

- Enhanced HVAC incentives for:
  - Customer eligible for California Alternative Rates for Energy (CARE)
  - Customers residing on Tribal lands.
  - Targeted outreach to hard-to-reach populations
- Spanish-language program materials
- Energy savings kits continued for subsets of hard-to-reach and Tribal Customers

In 2025, program performance was primarily driven by participation in higher-impact measure categories, with HVAC-related measures continuing to account for a significant share of program activity. Trade Allies remained engaged in supporting customer installations and ongoing program delivery, helping sustain program momentum during a steady-state program year. Feedback from trade allies indicated that increased cost of measures impacted customer purchasing ability.

2025 activities:

- **Trade Ally Network Overview:** The Wattsmart Homes program continued to be delivered through a network of participating trade allies. Program activity was supported by a group of actively engaged contractors that continued to submit projects and support customer installations throughout the year. This approach reflected the scale and steady-state nature of this delivery channel.
  - **Ongoing Engagements:** Throughout the year, program staff continued to engage with trade allies participating through regular coordination, technical support, and program guidance. These engagements supported consistent program delivery and helped ensure alignment with program requirements and measure eligibility.
  - **In-Person Trade Ally Engagement:** Program staff maintained regular engagement with trade allies providing support on project applications and program updates. Outreach staff conducted in-person trade ally visits as part of ongoing relationship management and program support efforts.

[12] Advice 768-E PacifiCorp 2025 Energy Efficiency Program Changes (8-22-25)

These visits provided an opportunity to reinforce program requirements, address questions, and support continued participation.

- **Program Changes:** The Wattsmart Homes program implemented approved program changes to maintain alignment with statewide workpapers and program requirements. These updates included refinements to measure eligibility, savings assumptions, and incentive structures.

Hard-to-Reach and Tribal Customers:

- **Enhanced incentives** for qualifying Hard-to-Reach and Tribal customers remained available for higher-cost HVAC measures. Program staff provided ongoing guidance to trade allies regarding eligibility requirements and the availability of enhanced incentives to support customer participation. The program continued the energy kits for tribal customers with information on other energy efficiency offers and services.
- **Equity-Focused Program Implementation:** A core activity was the continued operation of WSH as an equity-segment program, prioritizing: Income-qualified households, renters and multifamily residents, hard-to-reach customers with limited access to traditional rebate plans. Pacific Power tracked equity participation metrics as part of its California EE reporting, aligning WSH delivery with CPUC equity objectives and statewide energy affordability goals.
- **Engagement with hard-to-reach and Tribal customers**, including enhanced incentives for higher-cost residential measures.

HOME ENERGY REPORTS – *EQUITY SEGMENT*

Program Description

The Home Energy Reports (HER) program is designed to help residential Tribal and Hard-to-Reach customers (those who qualify for CARE, speak a language other than English, or are rental tenants in multi-family and manufactured home dwellings) by providing comparisons of their household energy usage to similar residences. The program also offers recommendations for no-and low-cost changes to save energy.
Key features of the HER program include:

- **Printed and Digital Reports**: Customers receive energy usage comparisons and recommendations through printed reports mailed to them or digital reports sent via email.
- **Online Customer Portal:** Both printed and digital report recipients have access to an online portal that provides similar information and allows for personalized messaging**.**
- **Multichannel Communication**: The combination of digital and paper reports, along with the online portal, ensures enhanced communication and a tailored approach to customer engagement.

"This multichannel strategy facilitates ongoing enhancement by offering customers multiple avenues to access and utilize energy-saving information.[13] As anticipated and outlined in the HER filing, Home Energy Reports did not yield statistically significant, verifiable savings, primarily due to the limited number of treatment customers. However, customers who received the reports demonstrated a high engagement level, with an open rate of 42.0%, a click rate of 6.7%, and a like rate of 84.5%, indicating positive responses to the information provided.

[13] The Home Energy Reports (HER) program has been shown to be effective in saving energy through behavior-based interventions. Studies and evaluations have demonstrated several key points about its effectiveness. 1. Energy Savings, the HER program achieves energy savings by providing customer with information about their energy usage compared to similar households and offering recommendations for energy-saving actions. 2. Behavioral Changes, by encouraging customers to adopt no-and low-cost energy-savings behaviors, the HER program leverages social norma and personalized feedback to drive changes in energy use. 3. Persistence of Savings, research indicates that the energy savings from HER programs can persist over time. 4. Cost-Effectiveness, HER programs are generally considered cost-effective because they rely on information and behavioral nudges rather than costly physical upgrades.

NON-RESIDENTIAL ENERGY EFFICIENCY PROGRAM

WATTSMART BUSINESS – Resource Acquisition Program (Including Equity and Market Support components)

Program Description

The Non-Residential Energy Efficiency program, known as Wattsmart Business, is designed to help commercial, industrial, and irrigation customers improve their electricity usage efficiency. This program, consolidated under Schedule A-140,[14] aims to influence both new and existing non-residential customers to adopt energy efficient measures and improved energy management protocols.[15]

The Wattsmart Business program in California encompasses several key aspects aimed at enhancing energy efficiency and reducing costs for businesses. Here are some notable measures:

- **Incentive List and Custom Analysis:** The program offers both a standard incentive list for common energy efficient equipment and custom analysis for more complex projects. This allows businesses to choose the best approach for their specific needs.
- **Trade Ally Network:** The program has a market support component that includes working with a network of trade allies, including contractors and vendors, to help businesses implement energy-saving measures. These partners are trained to assist with project identification and application processes. Vendor incentives are available for lighting and small business lighting projects to encourage vendor participation and engagement.
- **Enhanced Incentives for Small Businesses**: This equity component of the program targets Hard-to-Reach small businesses by providing enhanced incentives for lighting upgrades installed by an approved Wattsmart Business Vendor at an eligible existing small business customer facility.
- **Energy Management**: The program provides expert facility and process analysis and incentives to help lower energy costs by optimizing a customer's energy use.
- **Comprehensive Support**: Businesses receive comprehensive support throughout the process, from initial assessment to project completion. This ensures that they can maximize their energy savings and benefit from available incentives.
- **Financing**: new in late 2025 - optional financing offer with interest rate buydown

These aspects make the Wattsmart Business program a valuable resource for businesses looking to improve their energy efficiency and reduce operational costs.

The Wattsmart Business program for Pacific Power in California offers a range of measures to help businesses enhance energy efficiency. Here are key measures:

- **Lighting and Lighting Controls**: Interior and exterior LED lighting retrofits, lighting controls, new construction, and major renovation lighting upgrades.
- **HVAC**: Heat pumps packaged terminal air conditioners and heat pumps, enhanced ventilation controls.
- **Food Service Equipment:** ENERGY STAR® refrigeration, fryers, ovens, griddles, dishwashers, and more.
- **Irrigation and Farm/Dairy:** Irrigation water distribution equipment upgrades and booster pump variable frequency drives, dairy and farm process equipment.
- **Small Business-Focused Lighting Retrofit Offer:** No-cost energy assessments, turnkey lighting upgrades, simplified application process, higher incentive coverage relative to project size.

[14] A-140_Non_Residential_Energy_Efficiency.pdf

[15] Communications, Outreach, and Education as well as Program Administration can be found at: Demand-Side Management, under the Communications and Program Administration section for each state.

- **Technical Assistance and Custom Incentives:** For large or complex projects, Wattsmart Business offers energy engineering and custom and energy management incentives.

These measures are part of Pacific Power's efforts to help businesses reduce energy consumption and operational costs while promoting sustainability. For a complete list of measures in the program and more detail, refer to the program brochure.[16]

Program Performance and Major Achievements in 2025

In 2025, the Wattsmart Business program achieved **1,123,839** kWh in gross energy savings at site and disbursed **$205,505** in incentives.

The program was last updated in November 2025 and the changes, described in Advice Letter 768-E, included:

- Aligned with statewide workpapers in the eTRM[17] as of September 1, 2024, including removal, addition, or modification of measures.
- T8 TLED Lamp measures in a statewide workpaper that ended no longer have deemed incentives and may be eligible for incentives under Interior Lighting Custom instead.
- Removed Electronically Commutated Motors measure
- Removed Air-Cooled Screw Chiller, Path B, since the statewide workpaper for this measure ended.
- Added new deemed measure for LED Indoor Horticultural Lighting in alignment with new statewide workpaper.
- Added new deemed measures for Faucet Aerators and Commercial Showerheads in alignment with statewide workpapers.
- Added new deemed measure for Engine Block Heater Controls in alignment with Regional Technical Forum (RTF) Unit Energy Savings measure.
- Although the irrigation category is not cost-effective, retained several irrigation measures to have an offering for irrigation customers.
- Continuation of vendor incentives
- Introduction of a new financing offer with interest rate buydown.

In 2025, the Wattsmart Business program passed the cost-effectiveness criteria. The Total Resource Cost (TRC) test result was **1.04**, and the Program Administrator Cost (PAC) test result was **1.14**.

PacifiCorp's 2025-2026 Biennial Budget Advice Letter (Advice Letter 747-E) included the following statement on page 19 about cost-effectiveness challenges for 2025-2026:

> "The Company struggled to achieve all the objectives at the same time: achieving a forecast. resource acquisition TRC of at least 1.0 using NTG and other values from the current statewide. workpapers in the eTRM, using the most current Avoided Cost Calculator (2022 1b version), maximizing savings to try to meet the savings targets within the authorized expenditures, keeping utility administration expenses are less than 10 percent of overall project expenses and keeping. equity/market support projected expenditures within 30 percent of overall projected expenses knowing there is potentially one more equity/market support program coming for which forecast. expenditures are not yet known (fuel switching pilot).

[16] CA_wattsmartBusiness_Brochure.pdf; https://www.pacificpower.net/content/dam/pcorp/documents/en/pacificpower/savings-energy-choices/wattsmart-business/california/CA_wattsmartBusiness_Brochure.pdf; Incentives and definitions - https://www.pacificpower.net/content/dam/pcorp/documents/en/pacificpower/savings-energy-choices/wattsmart-business/california/CA_wattsmartBusiness_Definitions_Incentive_Tables_Information.pdf

[17] http://www.caltf.org/etrm-overview

While the program has a TRC of 1.0 on paper, the outsourced program delivery team is concerned. they may not achieve the proposed level of savings given the reduced budget and measures and challenges in the market and vendor/trade ally availability/priorities. While the Home Energy Savings program is an equity program, the Wattsmart Business program needs to meet or exceed. a TRC of 1.0 as a resource acquisition program. This could be achieved on paper, but as mentioned. above, not realistically, given the removal of measures and budgets."

2025 Challenges:

- **Absence of Large Projects:** In 2025, one large project was completed. Large projects are scarce due to the limited number of large customers in California. One large customer facility closed, and another had limited bandwidth for energy efficiency projects due to competing priorities. Consequently, the costs to deliver the program were spread across fewer kWh savings, reducing overall program cost-effectiveness.
- **Measure Mix:** There was insufficient participation in cost-effective measures and excessive participation in non-cost-effective measures. To achieve a forecasted Total Resource Cost (TRC) of 1.04 for Wattsmart Business in 2025, savings in cost-effective measures, primarily lighting, were maximized. Savings in less cost-effective categories, such as irrigation, were minimized but not eliminated due to their significant customer base and potential contribution to targets.
- **Expanding the Vendor Network:** Vendor recruitment continues to be a challenge. During outreach with local contractors, many reported being fully occupied with emergencies and short notice work and noted that current incentives do not adequately offset the higher costs of approved products. While increased lighting incentives generated positive feedback and renewed interest, onboarding vendors for non-lighting measures remains difficult.
- **Irrigation:** Results in 2025 remained moderate – 11 applications were received for 137,000 kWh, mostly related to pivot upgrades. Such projects are good to see, but they do negatively impact the program Total Resource Cost test result.
- **HVAC Progress**: Outreach staff continues to engage HVAC vendors by supporting them with studies and project submissions. However, HVAC contractors have shared that meeting Wattsmart Business program requirements can be challenging, and that current incentive levels often do not sufficiently offset the higher installation costs associated with approved products.
- **Prior Removal of Higher Participation Measures:** Certain high participation measures were previously removed from the program to comply with the requirement to align with statewide workpapers where available.

Addressing Challenges:

- **Vendor Participation:** Outreach staff continues efforts to recruit new vendors and increase program awareness and participation, and support for active vendors remains a priority. One vendor completed approximately 80% of all lighting projects in California in 2025, and outreach staff continues to support their efforts through joint audits, customer presentations, and assistance with lighting tool estimates. In 2025, this vendor hired a second salesperson dedicated exclusively to the Pacific Power California territory, and outreach is currently in the process of training this individual.
- **Program Promotion:** Our field outreach staff has been proactive in promoting program offers to both customers and vendors. They have conducted numerous customer visits, completed facility studies, and prepared incentive calculator estimates to highlight the benefits of efficiency upgrades. Additionally, the outreach team has trained and supported vendors by developing lighting tools and encouraging participation in the program. Throughout the year, they have conducted numerous joint audits and customer presentations with vendors.

Highlights

- **Advanced Network Lighting Control Efforts:** In 2025, 12 Advanced Network Lighting Control (ANLC) projects were completed in California, resulting in 202,726 kWh of energy savings. This is a strong increase from 2024, when only one project included ANLC. The most active lighting vendor is a strong supporter of lighting controls, and with ongoing outreach and support from program staff, they have been consistent in proposing ANLCs for most applicable projects.
- **Strong Support for Lighting Projects and Small Businesses:** Lighting continued to be a cornerstone of program activity in 2025 supported by high customer participation, streamlined small business lighting pathways, and continued availability of incentives.
- **Customers on Tribal Lands (Disadvantaged Communities):** Outreach staff continued to work with customers on Tribal Lands on an expansion at a casino and completed multiple facility audits for other customers on Tribal Lands.
- **New Construction:** Outreach staff assisted with two new construction projects in 2025, resulting in 69,000 kWh savings. Outreach staff are currently assisting with five additional new construction projects that are expected to close in 2026. Outreach staff continue to seek new construction projects as they meet with vendors, customers, and during outreach visits.
- **Introduction of Financing Offer with Interest Rate Buydown:** A financing offer with the interest rate bought down by the program was added in late 2025 and gives customers with limited/no access to funding another way to move forward with their lighting retrofit projects.
- **New Opportunities:** The recently added Engine Block Heater Controls measure presents a low-cost opportunity for business customers. Outreach will be promoting this measure during regular customer outreach in the two approved climate counties. This is viewed as a strong opportunity to increase program visibility and help both customers and vendors better understand the value of participating in the program.

EXPENDITURES AND RESULTS

TOTAL PORTFOLIO BUDGET AND EXPENDITURES

Table 1: DSM Balancing Account [18]

Month	Expenditure[19]	S-191 Revenue[20]	Cash Basis Accumulative Balance[21]	Net Cost Accrual[22]	Accrual Basis Accumulative Balance
24-Dec			$(1,048,673)	$(300,700)	$(963,698)
25-Jan	$225,952	$(119,601)	$(946,097)	$(19,005)	$ (880,127)
25-Feb	$67,631	$(86,020)	$(968,124)	$(1,768)	$ (903,922)
25-Mar	$80,072	$(119,966)	$(1,011,773)	$8,289	$(939,282)
25-Apr	$26,090	$(78,350)	$(1,068,038)	$72,148	$(923,399)
25-May	$67,762	$(84,691)	$(1,089,120)	$(39,299)	$(983,781)
25-Jun	$88,072	$(81,655)	$(1,086,821)	$(26,686)	$(1,008,167)
25-Jul	$81,365	$ (99,223)	$(1,108,870)	$20,860	$(1,009,356)
25-Aug	$81,395	$(104,147)	$ (1,135,870)	$(17,073)	$(1,053,429)
25-Sep	$58,742	$(102,163)	$ (1,183,449)	$4,164	$(1,096,844)
25-Oct	$151,687	$(85,769)	$ (1,121,470)	$29,903	$(1,004,963)
25-Nov	$90,542	$(63,228)	$(1,097,887)	$54,035	$(927,344)
25-Dec	$168,946	$(74,169)	$(1,006,594)	$(22,014)	$(858,066)
2025 Total	**$1,188,256**	**$(1,098,981)**			

[18] The DSM balancing account is the mechanism used for managing the DSM Tariff Rider revenues and actual DSM-incurred expenditures.
[19] Monthly expenditures for approved energy efficiency programs.
[20] Revenue collected through the DSM Tariff Rider.
[21] Current balance of the account; a running total of account activities, excluding the accrued cost. A positive balance means cumulative expenditures exceeds cumulative revenue; a negative balance means cumulative revenue exceeds cumulative expenditures.
[22] Two accrual entries are made each month for expenditures of energy efficiency programs. One estimates the incurred cost not yet processed, and the other reverses the estimate from the previous month. The amount shown here is the net of the two entries. This accounting principle was applied to the balancing account but would not be included when calculating carrying charges.

Table 2: California Gross Results January 1, 2025 – December 31, 2025, [23]

Energy Efficiency Program	kWh Savings (At site)	kWh Savings (At gen)	Investment
Home Energy Savings *(Equity Segment)*	106,167	115,487	$253,122
Home Energy Reports *(Equity Segment)*	0	0	$83,766
Total Residential	**106,167**	**115,487**	**$336,888**
WSB Commercial	915,636	994,673	$484,506
WSB Industrial	70,567	76,585	$45,824
WSB Irrigation	137,636	149,718	$67,807
Total Wattsmart Business (Resource Acquisition)	**1,123,839**	**1,220,976**	**$598,136**
Portfolio - EM&V			$86,025
Portfolio - DSM Central			$1,041
Portfolio – TRL			$1,376
Total Energy Efficiency	**1,230,006**	**1,336,463**	**$1,023,467**

Table 3: Portfolio Level Forecast Expenditures – Breakdown by Cost Category[24]

Cost Category Description	2025 Expenditures	% of Total
Utility Administrative Costs	$62,259	6%
Direct Implementation – Incentives	$284,425	28%
Direct Implementation - Non-Incentives	$568,013	55%
IOU's administered marketing, education, and outreach	$20,327	2%
EM&V	$88,443	9%
Total	**$1,023,467**	**100%**

Table 4: Equity Expenditures as a Percent of Overall

Cost Category Description	2025 Expenditures	% of Total
Home Energy Savings - Equity	$253,122	25%
Home Energy Reports - Equity	$83,766	8%
Total Equity Segment	**$336,888**	**33%**
Wattsmart Business – Resource Acquisition	$598,136	58%
Portfolio Expenditures (DSMC/TRM/EM&V)	$88,443	9%
Total	**$1,023,467**	**100%**

[23] Gross savings refer to the total energy savings achieved by an energy efficiency program before any adjustments or deductions. These savings are calculated based on the difference between the energy consumption before and after the implementation of the program, without accounting for external factors or influences. In the context of energy efficiency programs, gross savings are often reported ex-ante, meaning they are estimated before the actual implementation and include all potential savings. These values also account for line losses, which are the energy losses that occur as electricity travels from the customer site to the generation source.

[24] Decision 18-11-033 included an order to submit Annual Budget Advice Letters ("ABAL") starting in September 2019 that include a breakdown of expenses, including at minimum the following categories: incentive payments, program evaluations, and administrative expenses.

Table 5: 2025 Program Level Expenditures – Breakdown by Cost Category

Cost Category Description	Home Energy Savings (Equity)	Home Energy Reports (Equity)	Wattsmart Business Expenditures	2025 Total Portfolio Expenditures	2025 Total Expenditures	% of Total
Utility Administrative Costs	$25,843	$13,452	$22,964	$1,967	$64,167	6%
Direct Implementation – Incentives	$78,920	$0	$205,505	$0	$284,425	28%
Direct Implementation – non-incentives	$148,359	$70,314	$349,340	$510	$568,523	56%
Marketing, Education, and Outreach	$0	$0	$20,327	$0	$20,327	2%
EM&V	$0	$0	$0	$86,025	$86,025	8%
Total	**$253,122**	**$83,766**	**$598,136**	**$88,443**	**$1,023,467**	**100%**

OVERALL PORTFOLIO LEVEL METRICS REPORTING

Decision (D.) 18-11-033 directed PacifiCorp to conform to "Overall Portfolio Level" metrics requirements as outlined in Decision (D.) 18-05-041.

1. Capturing Energy Savings: Tables 6-8 provides a detailed summary of the first year annual and lifecycle ex-ante (pre-evaluation) electric and demand savings, both gross and net, for the year 2025.

Table 6: First Year Annual Savings Gross and Net

Program	First Year Gross kWh Savings at Site	First Year Net kWh Savings at Site	First Year Gross kWh Savings at Gen	First Year Net kWh Savings at Gen
Home Energy Savings *(Equity Segment)*	106,167	96,846	115,487	87,545
Wattsmart Business	1,123,839	1,026,702	1,220,976	181,965
Total	**1,230,006**	**1,123,548**	**1,336,463**	**269,510**

Table 7: Lifecycle kWh Gross and Net Savings

Program	Lifecycle Gross kWh Savings at Site	Lifecycle Net kWh Savings at Site	Lifecycle Gross kWh Savings at Gen	Lifecycle Net kWh Savings at Gen
Home Energy Savings *(Equity Segment)*	1,604,297	1,216,130	1,745,138	1,322,894
Wattsmart Business	8,072,042	5,779,038	8,769,737	6,278,541
Total	**9,676,339**	**6,995,168**	**10,514,875**	**7,601,434**

Table 8: Gross and Net kW Savings[25]

Program	First Year Gross kW Savings at Site	First Year Net kW Savings at Site	First Year Gross kW Savings at Gen	First Year Net kW Savings at Gen
Home Energy Savings *(Equity Segment)*	25	19	28	21
Wattsmart Business	269	193	292	209
Total	**294**	**212**	**320**	**230**

[25] kW savings are not additive over the measure life since it is time independent and therefore lifecycle impacts are reported consistent with first year kW savings. Totals may be off due to rounding.

2. Disadvantaged Communities: The Company does not operate businesses or residences in disadvantaged communities as identified by CalEPA under Health and Safety Code Section 39711.26. However, PacifiCorp serves Tribal lands, which are classified as disadvantaged communities by CalEnviroScreen 4.0. In 2023, PacifiCorp initiated tracking of customer participation on these Tribal lands.

Tables 9-10 provide a comprehensive summary of the first-year annual and lifecycle ex-ante (pre-evaluation) electric and demand savings, both gross and net, for the year 2025. The Home Energy Savings program served a total of 61 customers in 2025, including 5 Tribal customers (8%). Of the program's 106,167 kWh savings, 9,656 kWh (9%) attributed to Tribal customers. Additionally, 13% of the incentives paid to HES customers were allocated to Tribal customers. In 2025, there was one completed project for a business customer on Tribal lands. Wattsmart Business field outreach staff conducted facility audits for businesses on Tribal lands, potentially leading to future projects.

Table 9: Tribal First-Year Annual Savings Gross and Net

Program	First Year Gross kWh Savings at Site	First Year Net kWh Savings at Site	First Year Gross kWh Savings at Gen	First Year Net kWh Savings at Gen
Home Energy Savings *(Equity Segment)*	9,656	8,208	10,504	8,839
Wattsmart Business	56,016	47,614	60,851	51,206
Total	**65,672**	**55,281**	**71,355**	**60,045**

Table 10: Tribal Lifecycle kWh Gross and Net Savings

Program	Lifecycle Gross kWh Savings at Site	Lifecycle Net kWh Savings at Site	Lifecycle Gross kWh Savings at Gen	Lifecycle Net kWh Savings at Gen
Home Energy Savings *(Equity Segment)*	144,842	121,885	157,558	132,585
Wattsmart Business	401,610	337,955	436,277	367,127
Total	**546,452**	**459,839**	**593,835**	**499,712**

3.Hard-to-Reach Participation: Tables 11-13 in the report provide detailed information on the participation of hard-to-reach customers by program.

Table 11: 2025 Hard to Reach Markets First Annual Gross and Net kWh Savings.

Program	First Year Gross kWh Savings at Site	First Year Net kWh Savings at Site	First Year Gross kWh Savings at Gen	First Year Net kWh Savings at Gen
Home Energy Savings *(Equity Segment)*	60,249	51,212	65,539	55,210
Wattsmart Business	280,763	238,649	305,038	259,053
Total	**341,013**	**289,861**	**370,577**	**314,263**

Table 12: 2025 Hard to Reach Markets Lifecycle Gross and Net kWh Savings.

Program	Lifecycle Gross kWh Savings at Site	Lifecycle Net kWh Savings at Site	Lifecycle Gross kWh Savings at Gen	Lifecycle Net kWh Savings at Gen
Home Energy Savings *(Equity Segment)*	997,808	917,280	840,558	772,721
Wattsmart Business	3,069,363	2,825,104	2,606,653	2,399,217
Total	**4,067,171**	**3,742,384**	**3,447,211**	**3,171,938**

Table 13: 2025 Hard to Reach Markets Gross and Net kW Savings.

Program	First Year Gross kW Savings at Site	First Year Net kW Savings at Site	First Year Gross kW Savings at Gen	First Year Net kW Savings at Gen
Home Energy Savings *(Equity Segment)*	14	12	16	13
Wattsmart Business	67	57	73	62
Total	**82**	**69**	**89**	**75**

Table 14: Home Energy Savings Program *(Equity Segment)* Eligible Program Measures

Measure Category	Total kWh/Year Savings at Site	Total Incentive	Measure Quantity
Appliances	437	$270	9
HVAC	104,520	$78,250	51
Water Heating	1,210	$400	1
Grand Total	**106,167**	**$78,920**	**61**

Table 15: Wattsmart Business Program Performance by Sector

Sector	Total kWh/Yr Savings @ Site	Total Incentive	Total External Project IDs
Agricultural	137,636	$19,721	11
Commercial	915,636	$153,833	37
Industrial	70,567	$17,642	1
Grand Total	**1,123,839**	**$191,196**	**49**

Table 16: Wattsmart Business Installed Program Measures

Sector	Total kWh/Yr Savings @ Site	Total Incentive	Total External Project IDs
Energy Management	302,751	$6,055	1
Food Service	12,190	$1,400	2
HVAC	7,361	$3,420	1
Irrigation	137,636	$19,721	11
Lighting	663,901	$160,600	37
Grand Total	**1,123,839**	**$191,196**	**49**

EQUITY PROGRAM METRICS REPORTING

Table 17: Equity Metrics Tracking

CPUC number	Metric/ Indicator	Metric Details	Quantity/%
Equity_1	Metric	Total # residential (Single Family (SF) or Multifamily (MF) unit) equity-targeted households (HHs) served by the Equity programs	26
Equity_6	Metric	Total # MF equity-targeted buildings served by the Equity programs	1
Equity_23	Metric	Total # of contractors/workers served by Equity Segment Programs	8
Equity_24	Indicator	Total (indicator for all) [and % (metric for Program Administrators (PA) with no relevant legal restriction)] of contractors and/or workers	Quantity: 5. Representing 63% of total.

CPUC number	Metric/ Indicator	Metric Details	Quantity/%
		that are disadvantaged workers or otherwise underrepresented, who are directly involved in implementing Equity Segment programs	
Equity_25	Indicator	Total (indicator for all) [and % (metric for PAs with no relevant legal restriction)] of companies/non-profits who are Diverse Business Enterprises (DBE) or otherwise underrepresented (e.g., BIPOC-owned) with contracts to implement Equity Segment programs	0
Equity_26	Metric	Expected first-year bill savings in total $ for equity-targeted program participants (metric)	$4,629.62
Equity_27	Indicator	GHG reductions (tons)_EquityAll	15.165
Equity_28	Indicator	GHG reductions (tons)_EquityDAC	-
Equity_29	Indicator	GHG reductions (tons)_EquityHTR	15.165
Equity_30	Indicator	GHG reductions (tons)_EquityUnderserved	-
Equity_31	Indicator	Total kWh savings_EquityAll	47,503
Equity_32	Indicator	Total kWh savings_EquityDAC	-
Equity_33	Indicator	Total kWh savings_EquityHTR	47,503
Equity_34	Indicator	Total kWh savings_EquityUnderserved	-
Equity_35	Indicator	Total kW savings_EquityAll	8.11
Equity_36	Indicator	Total kW savings_EquityDAC	-
Equity_37	Indicator	Total kW savings_EquityHTR	8.11
Equity_38	Indicator	Total kW savings_EquityUnderserved	
Equity_43	Indicator	Community engagement activities during program design and to identify community needs and solutions	See footnote[26]

[26] During the design phase of creating an equity program in California, PacifiCorp consulted with Great Northern Services, a community-based organization (CBO) in Weed, CA, which provides energy assistance, low-income weatherization, and Low-Income Home Energy Assistance Program (LIHEAP) services in Siskiyou County.

TOTAL COST EFFECTIVENESS RESULTS BY PORTFOLIO AND PROGRAM

PacifiCorp evaluates the cost-effectiveness of its Demand-Side Management (DSM) programs using a company-specific modeling tool developed by a third-party consultant. This tool incorporates PacifiCorp's data and values, such as avoided costs, and adheres to the methodology outlined in California's Standard Practice Manual.

The analysis assesses the costs and benefits of DSM programs from various stakeholder perspectives, including participants and non-participants. It uses the following tests:

1. **Total Resource Cost (TRC) Test**: Evaluates the overall cost-effectiveness of the program, considering both utility and participant costs and benefits.
2. **Utility Cost Test (UCT)**: Focuses on the costs and benefits to the utility, excluding participant costs.
3. **Participant Cost Test (PCT)**: Assesses the costs and benefits from the participant's perspective.
4. **Ratepayer Impact Measure (RIM)**: Examines the impact of the program on utility rates.
5. **Program Total Resource Cost (PTRC) Test**: An additional test used by PacifiCorp to provide a more comprehensive evaluation.

These tests help ensure that the DSM programs are beneficial from multiple perspectives and align with regulatory requirements.

For the program year, PacifiCorp used only the approved net-to-gross ratios from the Database of Energy Efficiency Resources (DEER) [27]and the electronic Technical Reference Manual (eTRM[28]) in their cost-effectiveness assessment. This ensures that the evaluations are consistent with statewide standards and methodologies.

To accurately reflect the value of energy efficiency to PacifiCorp's system and align with CPUC avoided cost guidance, PacifiCorp used the Avoided Cost Calculator (ACC) Excel file available on the CPUC website. The company adjusted the inputs to align with PacifiCorp's system and the 2025 Integrated Resource Plan (IRP). This process developed hourly values of avoided costs consistent with the approach outlined in D.18-11-033, D.21-12-034, and the Company's 2025-2026 Biennial Budget Advice Letter (BBAL).[29]

These adjusted ACC avoided cost values were then input into the cost-effectiveness modeling tool for assessment.

[27] Database of Energy Efficiency Resources (DEER) Updates

[28] eTRM Overview — Cal TF

[29] To accurately reflect the value of energy efficiency to PacifiCorp's system and align with CPUC avoided cost guidance, PacifiCorp utilized the Avoided Cost Calculator (ACC) Excel file available on the CPUC website. They adjusted the inputs to align with PacifiCorp's system and the 2025 Integrated Resource Plan (IRP). This process developed hourly values of avoided costs consistent with the approach outlined in CPUC Decisions D.18-11-033 and D.21-12-034, as well as the Company's 2025-2026 Biennial Budget Advice Letter (BBAL). If you would like further information please reference, PacifiCorp, CPUC, CMUC Documentation.

Table 18: Portfolio Cost Effectiveness[30]

Program	Segment	Benefit/Cost Test			
		TRC	UCT/PAC	PCT	RIM
Residential	Equity	0.44	0.47	1.80	0.26
C&I Programs (inc. Portfolio costs)	Resource Acquisition	1.04	1.14	4.56	0.34
C&I Programs (exc. Portfolio Cost)	Resource Acquisition	0.54	0.55	4.56	0.26
Total Portfolio	Equity/Resource Acq.	0.76	0.81	3.65	0.31

EVALUATIONS

PacifiCorp ensures the validity of energy and demand savings from its energy efficiency programs through evaluations performed by independent external evaluators. The company adopts industry best practices in the industry, including those outlined in the National Action Plan for Energy Efficiency Program Impact Evaluation and the California Evaluation Framework guides.

Key components of the evaluation efforts include:

- **Verification of Installations**: This involves reviewing documentation, conducting surveys, and performing onsite inspections to verify the installation of energy-efficient measures.
- **Regular Inspections and Commissioning:** Equipment is regularly inspected and commissioned to verify the potential to achieve savings.
- **Programmatic Verification Activities:** These include inspections, quality assurance reviews, and tracking checks and balances as part of routine program implementation**.**
- **Segregation of Tasks:** Evaluation, measurement, and verification tasks are segregated within the organization to ensure they are managed by personnel not directly responsible for program management.

Table 19: 2025 In-Process Evaluation Activities

Evaluation	Responsible Consultant	Status	Estimated Published Date
2022-2023 Wattsmart Business Evaluation	ADM	Completed	4/8/2025
2023-2024 **Home Energy Savings** Evaluation	ADM	Completed	9/12/2025
2024-2025 Wattsmart Business Evaluation	**QualusCorp**	**In-Progress**	**2026**

[30] A benefit-cost test in energy efficiency is a method used to evaluate the cost-effectiveness of energy efficiency programs. These tests compare the benefits of a program (such as energy savings, reduced emissions, and other positive impacts) to the costs of implementing the program (like equipment, installation, and maintenance). The main types of benefit-cost tests used in California are as follows: **1. Total Resource Cost (TRC) Test:** This test measures the net costs of a program as a resource option based on the total costs of the program, including both utility and participant costs, against the total benefits, including avoided energy costs and other non-energy benefits. **2. Program Administrator Cost (PAC) Test**: Also known as the Utility Cost Test (UCT), this test focuses on the costs and benefits from the perspective of the program administrator or utility. It compares the program's costs to the utility's avoided supply costs. **3. Participant Cost Test (PCT)**: This test evaluates the costs and benefits from the perspective of the program participants. It considers the participants' out-of-pocket expenses and the benefits they receive, such as energy savings and incentives. **4. Ratepayer Impact Measure (RIM) Test**: This test assesses the impact of energy efficiency programs on utility rates. It compares the lost revenues and program costs to the avoided costs, aiming to understand how the program affects utility rates for all customers.

APPENDIX

Appendix A: Cost-effectiveness Results[1]

[1] Cost-effectiveness results were generated by Apex Analytics using the approved Cost-effectiveness methodologies.

To:	Alesha Mander, Alex Osteen, PacifiCorp
From:	Duncan Ward, Noah Lieb, Apex Analytics
Subject:	California CE 2025 Results
Date:	March 27, 2026

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Summary and Assumptions

Apex estimated the cost-effectiveness of PacifiCorp's overall energy efficiency portfolio in the state of California based on Program Year (PY) 2025 costs and savings estimates provided by PacifiCorp. This memo provides cost-effectiveness results at the portfolio, sector, program, and measure category levels. The portfolio has improved cost effectiveness compared to PY 2024 and passes the Participant Cost Test (PCT). Improvements in portfolio cost effectiveness are largely driven by measures within the C&I sector's Wattsmart Business program. Specifically, lighting measures and energy management measures within the Wattsmart Business offering contributed the most to the increased savings and improved cost effectiveness.

Table 1: Sector Level Cost-Effectiveness Results – PY2025

Sector	PTRC	TRC	UCT	PCT	RIM
C&I	1.14	1.04	1.08	4.56	0.34
Residential	0.44	0.40	0.47	1.80	0.26
Total Portfolio	**0.84**	**0.76**	**0.81**	**3.65**	**0.31**

The following assumptions were utilized in the analysis:

- **Avoided Costs:** For this analysis, Apex Analytics used the 2022 avoided costs estimates. PacifiCorp derived these costs from the California Public Utility Commission (CPUC) 2022 Electric Avoided Cost Calculator (ACC) version 1b, utilizing PacifiCorp-specific inputs. Outputs were converted into annual values using load shapes from PacifiCorp's 2023 IRP, consistent with PacifiCorp's annual budget advice letter for 2025-2026.
- **Modeling Inputs:** measure savings, costs, measure lives, incentive levels, and portfolio costs were based on estimates provided by PacifiCorp.
- **Other Economic Assumptions:** Discount rate, line loss, retail rate, energy-to-capacity conversion factor, and inflation rate values were provided by PacifiCorp and are presented in Table 1 below.

Table 2: Cost-Effectiveness Analysis Inputs

Program	Sector	Discount Rate	Line Loss	Retail Rate ($/kWh)	Inflation Rate
Home Energy Savings (Equity)	Residential	6.77%	8.78%	$0.1717	2.27%
Wattsmart Business	Agricultural	6.77%	8.78%	$0.1827	2.27%
Wattsmart Business	Commercial	6.77%	8.63%	$0.1804	2.27%
Wattsmart Business	Industrial	6.77%	8.53%	$0.1421	2.27%

Results

Portfolio & Sector Level Results

Table 3 displays portfolio level costs by cost component and Table 4 displays sector level cost test results. Table 5,

Table 6, and Table 7 show the benefit and costs streams of the total portfolio and each sector.

Table 3: Portfolio Level Costs, Nominal - PY2025[1]

Category	PY2025
EM&V and DSM Central	$87,067
TRL	$1,376
Home Energy Reports	$83,766
WSB Portfolio	$373,667
Total	**$545,875**

Table 4: Sector Level Cost-Effectiveness Results – PY2025

Sector	PTRC	TRC	UCT	PCT	RIM
C&I	1.14	1.04	1.08	4.56	0.34
Residential	0.44	0.4	0.47	1.80	0.26
Total Portfolio	**0.57**	**0.52**	**0.55**	**3.65**	**0.26**

Table 5: Total Portfolio Cost-Effectiveness Results – PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.239	$1,463,549	$841,068	($622,480)	0.57
Total Resource Cost Test (TRC) No Adder	$0.239	$1,463,549	$764,608	($698,941)	0.52
Utility Cost Test (UCT)	$0.228	$1,395,758	$764,608	($631,150)	0.55
Participant Cost Test (PCT)		$488,762	$1,781,696	$1,292,934	3.65
Rate Impact Test (RIM)		$2,893,022	$764,608	($2,128,415)	0.26
Total System Benefits					$750,650
Lifecycle Revenue Impacts ($/kWh)					0.00006

[1]To align with annual budget expectations, cost-effectiveness inputs are presented in nominal dollars.

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Discounted Participant Payback (years)					2.25

Table 6: C&I Energy Efficiency Sector Cost-Effectiveness Results – PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.119	$621,276	$709,149	$87,873	1.14
Total Resource Cost Test (TRC) No Adder	$0.119	$621,276	$644,681	$23,405	1.04
Utility Cost Test (UCT)	$0.114	$598,136	$644,681	$46,545	1.08
Participant Cost Test (PCT)		$326,682	$1,490,296	$1,163,613	4.56
Rate Impact Test (RIM)		$1,882,923	$644,681	($1,238,242)	0.34
Total System Benefits					$630,723
Lifecycle Revenue Impacts ($/kWh)					0.00006
Discounted Participant Payback (years)					$1.64000

Table 7: Residential Energy Efficiency Sector Cost-Effectiveness Results – PY20245

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.333	$297,773	$131,920	($165,854)	0.44
Total Resource Cost Test (TRC) No Adder	$0.333	$297,773	$119,927	($177,847)	0.40
Utility Cost Test (UCT)	$0.283	$253,122	$119,927	($133,196)	0.47
Participant Cost Test (PCT)		$162,079	$291,400	$129,321	1.80
Rate Impact Test (RIM)		$465,600	$119,927	($345,673)	0.26
Total System Benefits					$119,927

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Lifecycle Revenue Impacts ($/kWh)					$0.00002
Discounted Participant Payback (years)					8.85

Program Level Results

Table 8 displays program level cost-effectiveness, Table 9 shows program level costs, and Table 10 contains program level savings.

Table 8: Program Level Cost-Effectiveness Results – PY2025

Program	Program Segment	PTRC	TRC	UCT	PCT	RIM
Home Energy Savings	Equity	0.44	0.40	0.47	1.80	0.26
Wattsmart Business	Resource Acquisition	1.14	1.04	1.08	4.56	0.34
Wattsmart Business w/ Portfolio Costs	Resource Acquisition	0.59	0.54	0.55	4.56	0.26
Total Portfolio	**Total Portfolio**	**0.84**	**0.76**	**0.81**	**3.65**	**0.31**

Table 9: Program-Level Costs by Program – PY 2025

Program	Direct Implementation (Non-Incentive Costs)	Utility Administrative Costs	Incentives	Marketing, Education, and Outreach	Total Utility Costs	Gross Customer Costs
Home Energy Savings (Equity)	$148,359	$25,843	$78,920	$0	$253,122	$162,079
Wattsmart Business	$349,340	$22,964	$205,505	$20,327	$598,136	$326,682
Total	**$497,699**	**$48,807**	**$284,425**	**$20,327**	**$851,258**	**$488,762**

Table 10: Program-Level Savings by Program – PY 2025

Program	Gross Savings (kWh)	Realization Rate	Adjusted Gross Savings (kWh)	Net to Gross Ratio	Net Savings (kWh)	Measure Life
Home Energy Savings (Equity)	106,167	99%	105,189	77%	80,483	15.11
Wattsmart Business	1,123,839	100%	1,122,220	72%	804,448	7.18
Total	**1,230,006**	**100%**	**1,227,409**	**72%**	**884,931**	**7.87**

Table 11 and Table 12 show the cost and benefit components of the portfolio's two programs: Wattsmart Business (C&I) and Home Energy Savings (Residential).

Table 11: Wattsmart Business Cost-Effectiveness Results - PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.119	$621,276	$709,149	$87,873	1.14
Total Resource Cost Test (TRC) No Adder	$0.119	$621,276	$644,681	$23,405	1.04
Utility Cost Test (UCT)	$0.114	$598,136	$644,681	$46,545	1.08
Participant Cost Test (PCT)		$326,682	$1,490,296	$1,163,613	4.56
Rate Impact Test (RIM)		$1,882,923	$644,681	($1,238,242)	0.34
Lifecycle Revenue Impacts ($/kWh)					$0.00006
Discounted Participant Payback (years)					1.64

Table 12: Home Energy Savings (Equity) Cost-Effectiveness Results - PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.333	$297,773	$131,920	($165,854)	0.44
Total Resource Cost Test (TRC) No Adder	$0.333	$297,773	$119,927	($177,847)	0.40
Utility Cost Test (UCT)	$0.283	$253,122	$119,927	($133,196)	0.47
Participant Cost Test (PCT)		$162,079	$291,400	$129,321	1.80
Rate Impact Test (RIM)		$465,600	$119,927	($345,673)	0.26
Lifecycle Revenue Impacts ($/kWh)					$0.00002
Discounted Participant Payback (years)					8.85

Wattsmart Business Measure Category Results

Table 13, Table 14, Table 15, Table 16, and Table 17 present the cost and benefit components of each of the measure categories within the C&I Wattsmart Business program.

Table 13: Energy Management Cost-Effectiveness Results - PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.167	$108,221	$105,216	($3,005)	0.97
Total Resource Cost Test (TRC) No Adder	$0.167	$108,221	$95,651	($12,570)	0.88
Utility Cost Test (UCT)	$0.173	$111,826	$95,651	($16,175)	0.86
Participant Cost Test (PCT)		$3,500	$163,096	$159,596	46.60
Rate Impact Test (RIM)		$268,866	$95,651	($173,215)	0.36
Lifecycle Revenue Impacts ($/kWh)					$0.00013
Discounted Participant Payback (years)					0.06

Table 14: Food Service Cost-Effectiveness Results - PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.162	$11,046	$8,840	($2,206)	0.80
Total Resource Cost Test (TRC) No Adder	$0.162	$11,046	$8,037	($3,009)	0.73
Utility Cost Test (UCT)	$0.083	$5,659	$8,037	$2,378	1.42
Participant Cost Test (PCT)		$11,312	$22,456	$11,144	1.99
Rate Impact Test (RIM)		$26,714	$8,037	($18,677)	0.30
Lifecycle Revenue Impacts ($/kWh)					$0.00000
Discounted Participant Payback (years)					6.04

Table 15: HVAC Cost-Effectiveness Results - PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.119	$5,650	$8,305	$2,655	1.47
Total Resource Cost Test (TRC) No Adder	$0.119	$5,650	$7,550	$1,900	1.34
Utility Cost Test (UCT)	$0.127	$5,992	$7,550	$1,558	1.26
Participant Cost Test (PCT)		$5,130	$18,412	$13,282	3.59
Rate Impact Test (RIM)		$20,983	$7,550	($13,433)	0.36
Lifecycle Revenue Impacts ($/kWh)					$0.00000
Discounted Participant Payback (years)					4.18

Table 16: Irrigation Cost-Effectiveness Results - PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.241	$116,419	$98,771	($17,648)	0.85
Total Resource Cost Test (TRC) No Adder	$0.241	$116,419	$89,791	($26,627)	0.77
Utility Cost Test (UCT)	$0.140	$67,807	$89,791	$21,985	1.32
Participant Cost Test (PCT)		$108,352	$155,567	$47,215	1.44
Rate Impact Test (RIM)		$203,652	$89,791	($113,860)	0.44
Lifecycle Revenue Impacts ($/kWh)					$0.00005
Discounted Participant Payback (years)					4.18

Table 17: Lighting Cost-Effectiveness Results – PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.095	$379,941	$488,017	$108,076	1.28
Total Resource Cost Test (TRC) No Adder	$0.095	$379,941	$443,652	$63,711	1.17
Utility Cost Test (UCT)	$0.102	$406,853	$443,652	$36,799	1.09
Participant Cost Test (PCT)		$198,388	$1,130,765	$932,377	5.70
Rate Impact Test (RIM)		$1,362,708	$443,652	($919,056)	0.33
Lifecycle Revenue Impacts ($/kWh)					$0.00013
Discounted Participant Payback (years)					1.72

Home Energy Savings Measure Category Results

Table 18, Table 19, and Table 20 present the cost and benefit components of each of the measure categories within the Residential Home Energy Savings program.

Table 18: Appliances Cost-Effectiveness Results – PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$1.018	$2,301	$297	($2,004)	0.13
Total Resource Cost Test (TRC) No Adder	$1.018	$2,301	$270	($2,031)	0.12
Utility Cost Test (UCT)	$0.436	$986	$270	($717)	0.27
Participant Cost Test (PCT)		$2,717	$953	($1,764)	0.35
Rate Impact Test (RIM)		$1,668	$270	($1,399)	0.16
Lifecycle Revenue Impacts ($/kWh)					$0.00000
Discounted Participant Payback (years)					34.22

Table 19: HVAC Cost-Effectiveness Results - PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.331	$292,530	$130,562	($161,967)	0.45
Total Resource Cost Test (TRC) No Adder	$0.331	$292,530	$118,693	($173,836)	0.41
Utility Cost Test (UCT)	$0.283	$249,751	$118,693	($131,058)	0.48
Participant Cost Test (PCT)		$158,235	$288,321	$130,086	1.82
Rate Impact Test (RIM)		$459,822	$118,693	($341,128)	0.26
Lifecycle Revenue Impacts ($/kWh)					$0.00006
Discounted Participant Payback (years)					8.78

Table 20: Water Heating Cost-Effectiveness Results - PY2025

Cost-Effectiveness Test	Levelized $/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	$0.347	$2,943	$1,061	($1,883)	0.36
Total Resource Cost Test (TRC) No Adder	$0.347	$2,943	$964	($1,979)	0.33
Utility Cost Test (UCT)	$0.281	$2,385	$964	($1,421)	0.40
Participant Cost Test (PCT)		$1,127	$2,126	$999	1.89
Rate Impact Test (RIM)		$4,110	$964	($3,146)	0.23
Lifecycle Revenue Impacts ($/kWh)					$0.00000
Discounted Participant Payback (years)					5.30