ROCKY MOUNTAIN POWER

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2025 IDAHO Energy Efficiency and Peak Reduction Annual Report

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EXECUTIVE SUMMARY

Rocky Mountain Power, a division of PacifiCorp, is a multi-jurisdictional electric utility serving customers in Utah, Idaho, and Wyoming. In southeastern Idaho alone, it serves approximately ~93,000 customers. The company focuses on acquiring energy efficiency and peak reduction resources as cost-effective alternatives to traditional supply-side resources.

PacifiCorp develops an Integrated Resource Plan (IRP)[1] to balance cost, risk, uncertainty, supply reliability, and long-term public policy goals. This plan outlines future actions to ensure Rocky Mountain Power continues to provide reliable and reasonably priced service. Energy efficiency and peak management opportunities are incorporated into the IRP based on their availability, characteristics, and costs.

Rocky Mountain Power employs external implementers to manage its energy efficiency and peak reduction programs. Independent external evaluators assess each program to validate the energy and demand savings achieved.

To communicate the value of energy efficiency, Rocky Mountain Power uses earned media, customer communications, education, outreach advertising, and program-specific marketing. These efforts provide information on low-cost and no-cost energy efficiency measures and educate customers about available programs, services, and incentives.[2]

This report details program results and activities for the period from January 1, 2025, to December 31, 2025. During this period, Rocky Mountain Power invested **$5 million** in energy efficiency and peak reduction resources utilizing collections from Electric Service Schedule 191, Customer Efficiency Services Rate Adjustment ("Schedule 191"), and **$9.6 million** including the Irrigation Load Control program. This investment resulted in approximately **18,506** megawatt hours (MWh) of first-year energy savings and **3.71** megawatts (MW) of capacity reduction from energy efficiency programs. The net benefits, based on the projected value of energy savings over the lifespan of the measures, are estimated to be **$1.9** million.

The Idaho Demand-Side Management (DSM) portfolio was deemed cost-effective according to the Utility Cost Test (UCT), which is the primary cost-benefit test used in Idaho, except for the Low-Income Weatherization program, which utilizes the PacifiCorp Total Resource Cost Test (PTRC). Detailed cost-effectiveness results can be found in Table 15 and Appendix A of the report.

In 2025, Rocky Mountain Power's Demand-Side Management (DSM) portfolio included the following programs:

Energy Efficiency Programs:

- Wattsmart Homes
- Home Energy Reports
- Low Income Weatherization
- Wattsmart Business

Peak Reduction Programs:

- Irrigation Load Control
- Wattsmart Batteries
- Commercial & Industrial (C&I) Demand Response

[1] Information on PacifiCorp's Integrated Resource Plan (IRP) can be found at: Integrated Resource Plan.

[2] Information on PacifiCorp's planning process, program administration, program evaluations, communication and outreach can be found at: Demand-Side Management.

Pursuant to Commission Order No. 32196, the Idaho Irrigation Load Control Program classified as a power system, with expenses incorporated into base rates instead of Schedule 191. Notwithstanding, details about the Irrigation Load Control Program are included in this report.

REGULATORY ACTIVITIES

During the 2025 reporting period, the Company submitted various compliance and informational reports, updates, notices, and requests to the Commission in support of its Demand-Side Management (DSM) programs. The following is a list of those activities. Materials related to program incentive adjustments that have not previously been provided on the record can be found in Appendix D.

- **February 3, 2025** – The DSM Balancing Account Report for the fourth quarter of 2024 was circulated to Commission Staff.[3]
- **February 11, 2025** – The Company submitted reply comments in Case No. PAC-E-24-10 regarding its DSM prudency application for 2022-2023.
- **April 28, 2025** – The Company met with Commission Staff to review and discuss DSM-related items, including the 2024 DSM Annual Report, 2025 forecast and IRP results, program changes, 2022-2023 prudency outcome, Schedule 191 rate analysis, and program evaluation results.
- **April 30, 2025** – The DSM Balancing Account Report for the first quarter of 2025 was circulated to Commission Staff.
- **May 1, 2025 –** The Company filed its Annual DSM Report for 2024 in Case No. PAC-E-05-10.
- **June 19, 2025 –** Pursuant to the flexible tariff process, and after receiving approval from Commission Staff, the Company posted a 45-day notice to implement changes to its Wattsmart Homes program effective August 4, 2025. Program changes included adjustments to incentive offerings for appliances, weatherization, HVAC, and new homes.
- **June 25, 2025** – The Company filed an application in Case No. PAC-E-25-13 to decrease Schedule 191 rates for DSM from 2.50% to 1.92%, effective November 1, 2025. The Commission approved the Company's application in Order No. 36820, issued October 30, 2025.
- **July 31, 2025** – The DSM Balancing Account Report for the second quarter of 2025 was circulated to Commission Staff.
- **October 2, 2025 –** Pursuant to the flexible tariff process, and after receiving approval from Commission Staff, the Company posted a 45-day notice to implement changes to its Wattsmart Business program effective November 17, 2025. Program changes included adjustments to energy management definitions, energy project manager co-funding caps, lighting offerings, green motor rewinds, small business offerings, and market incentives.
- **November 3, 2025** – The DSM Balancing Account Report for the third quarter of 2025 was circulated to Commission Staff.
- **December 12, 2025 –** The Company circulated its 2026 DSM Communications Plan to Commission Staff.

MEETINGS WITH COMMISSION STAFF

The Company consulted with Idaho Public Utilities Commission Staff throughout 2025, with formal presentations on the following matters:

On April 28, 2025, Rocky Mountain Power held a comprehensive meeting with Idaho Commission Staff to discuss several key topics, including:

[3] Appendix E shows details of the 2025 DSM Balancing Account.

- **2024 Annual Report:** Reviewed the 2024 Annual Report in detail, including the executive summary, cost-effectiveness analysis, savings and expenditures, and overall program performance.
- **2025 Program Outlook:** Presented a forward-looking overview of each program's objectives and expectations for 2025.
- **2025 Integrated Resource Plan (IRP):** Provided updates on IRP modeling, load forecasts, capacity assumptions, Clean Pathway Analysis (CPA) results, and first-year energy efficiency outputs.
- **Program Changes and Updates:** Outlined planned program modifications, including updates to specific measures.
- **2022–2023 Prudency Review:** Discussed prudency updates related to Order No. 36529, issued April 2, 2025, in Case No. PAC-E-24-10.
- **Schedule 191 Rate Analysis:** Reviewed the balancing account status and forecast through December 2028.
- **Program Evaluations:** Shared updates on completed program evaluations and associated recommendations.

PORTFOLIO OF PROGRAMS

ENERGY EFFICIENCY PROGRAMS

WATTSMART HOMES

Program Description

The Wattsmart Homes program aims to offer incentives for residential customers to use more efficient products and services. It covers the following types:

- New Construction Homes
- Single Family Existing Homes
- Multi-family Housing Units
- Manufactured Homes

The program is available to residential customers under Electrical Service Schedules 1 or 36. Landlords with rental properties where tenants billed under these schedules also qualify.

The Wattsmart Homes program passed UCT with a cost benefit ratio of **1.27** for 2025.

Program Performance and Major Achievements in 2025

The Wattsmart Homes program achieved **1,612,815** kWh at site savings and disbursed **$375,334** in incentives.

In 2025, the Wattsmart Homes program in Idaho achieved several significant milestones:

- **Implementation of Idaho 2025 Program Changes**: In 2025, Rocky Mountain Power implemented approved updates to the Wattsmart Homes program in Idaho under Schedule 118. These changes were designed to better align incentives with current market conditions, updated measure research, and cost-effectiveness thresholds, consistent with the flexible tariff process.
- **Simplification of Window Replacement Incentives**: Incentives shifted from a square-foot basis to a per-window incentive. Tiering options were removed to create a single, streamlined offering. Application requirements were simplified by eliminating the window worksheet. These changes improved transparency, customer understanding, and administrative efficiency.[4]

[4] Idaho 2025 Program Changes - Wattsmart Home, https://www.rockymountainpower.net/content/dam/pcorp/documents/en/rockymountainpower/savings-energy-choices/wattsmart-homes/ID_WSH_Incentive_Changes_Notice.pdf

- **Introduction of a New Appliance Efficiency Offering**: The Idaho Wattsmart Homes program expanded its eligible measures in 2025 by introducing a new high-efficiency appliance incentive for ENERGY STAR® All-in-One heat pump washer/dryers. Additionally, the program updated incentive structures for heat pump water heaters to improve cost-effectiveness. These additions reflected growing market adoption of advanced appliance technologies.
- **Alignment of HVAC and Weatherization Incentives with Updated Modeling:** In 2025, Idaho program offerings for HVAC and weatherization were recalibrated using updated building prototypes and efficiency standards including adjustments to appliance, HVAC, and weatherization incentive levels. Continued focus on measures with the highest savings potential and customer impact. This milestone ensured program savings assumptions remained consistent with current research and regulatory expectations.
- **Program Transparency and Stakeholder Communication:** Rocky Mountain Power supported the Idaho program updates through public posting of incentive tables and formal notices. Timely communication to customers and trade allies via the Wattsmart Homes website. Continued access to application support and program guidance. These efforts marked an important milestone in maintaining regulatory transparency and program accessibility.
- **Ongoing Delivery of Residential Energy Efficiency Savings:** Throughout 2025, Wattsmart Homes remained a core component of Idaho's residential energy efficiency portfolio, continuing to offer incentives for appliances, HVAC, windows, insulation, and other qualifying measures, as reflected in the Idaho Energy Efficiency and Peak Reduction framework.

HOME ENERGY REPORTS PROGRAM

Program Description

The Home Energy Reports program is a behavioral initiative aimed at reducing energy usage by offering participants comparative energy usage data for comparable homes in the same geographical area. The reports also provide tips to help participants decrease their energy consumption.

The Home Energy Reports program passed the UCT with a cost benefit ratio of **3.86** for 2025.

Program Performance and Major Achievements in 2025

In 2025, the Home Energy Reports program achieved total savings of **4,939,637** kWh and provided reports to approximately **38,967** customers.

- Report highlights:
  - **Individual recommendations** to save energy.
  - **Insights** on energy usage by appliance type.
  - **Home characteristics** included in the report with easy access to update the home profile.
  - **Monthly usage history** included in reports.
- The lower number of customers enrolled in Rocky Mountain's Home Energy (HER) program in 2025 compared to 2024 is primarily attributable to expected and appropriate program attrition, rather than a decline in program effectiveness or customer interest. Attrition is an inherent and well-documented characteristic of behavioral energy efficiency program and reflects normal portfolio management practices.
- **Continued Delivery of Cost-Effective Behavioral Savings:** The HER program remains low-cost, scalable source of residential savings in 2025. Behavioral programs such as HER consistently demonstrate strong cost-effectiveness due to minimal incremental delivery costs and persistent savings effects, making the program a prudent complement to measure-based offerings withing the Idaho DSM portfolio.
- **Sustained Engagement of a Targeted Customer Population**: While overall participant counts in 2025 were lower than 2024, the program continues to engage a stable and appropriately sized customer population selected to maximize savings potential.

LOW INCOME WEATHERIZATION

Program Description

The Low-Income Weatherization program offers energy efficiency services at no cost to income-eligible residential customers through partnerships with local non-profit agencies. The Company collaborates with Eastern Idaho Community Action Partnership, Inc. (EICAP) and Southeastern Idaho Community Agency (SEICAA), which receive federal funds from the Idaho Department of Health and Welfare (IDHW). These agencies install energy efficiency measures in eligible households across the Company's service territory.

Pursuant to Order No. 32151, the Company must fund 85 percent of the cost of approved energy efficiency measures for income-eligible households.[5]

In 2025, the Low-Income Weatherization program demonstrated a cost-benefit ratio of **0.32** under the PTRC Test.[6]

Program Performance and Major Achievements in 2025

In 2025, the Low-Income Weatherization program achieved **47,599** kWh at site savings, serving **24** homes. This reflects the program's ongoing efforts to improve energy efficiency for income-eligible households.

Low Income Energy Conservation Education

Commission Order No. 32788 authorized the Company to allocate $25,000 annually for the Low-Income Energy Conservation Education program. This program, administered by Eastern Idaho Community Action Partnership, Inc. (EICAP) and Southeastern Idaho Community Agency (SEICAA), targets participants who receive Low Income Home Energy Assistance Program (LIHEAP) funds and Lend a Hand assistance. In 2025, SEICAA did not request funds due to carrying over unused funds from prior years. EICAP requested funds, however kit purchases were delayed until Spring 2026.

In 2025, EICAP and SEICAA provided funding updates and kit inventory in their quarterly reports. The Company will continue with quarterly reporting in 2026.

In 2025, Rocky Mountain Power's conservation education for low-income customers in **Idaho** was delivered primarily through **community-based partnerships**, and **program enrollment interactions**—rather than broad mass-media education campaigns. Education was embedded where it would be most effective and actionable for income-qualified households.

- **In-Person, Trusted-Messenger Delivery Model**: A key feature of Rocky Mountain Power's approach in Idaho who delivered the education was the Community Action Agency staff, not utility call centers, or marketing contractors. These agencies already serve low-income households through LIHEAP, housing, and social services which reduce trust barriers, improve comprehension, and program uptake, and increase persistence of behavior changes. This model aligns with Idaho's broader low-income energy assistance ecosystem and leverages existing relationships rather than duplicating outreach structures.
- **Conservation Education Linked to Bill Assistance and Enrollment**: Although not branded as standalone "education programs." Conservation guidance was also delivered during program enrollment and assistance interactions which include low-income customers applying for utility bill assistance (e.g., LIHEAP

[5] Under Advice No. 19-01, the Company required to reimburse up to 100 percent of costs for ductless heat pumps.

[6] Low-income energy efficiency programs are designed to address affordability, health, safety, and access for income-qualified households, which can result in higher per-participant costs, limited achievable energy savings, and increased delivery requirements. As a result, these programs may not pass traditional cost-effectiveness tests, which do not fully capture key non-energy benefits such as reduced energy burden, improved housing conditions, enhanced bill stability, and equity-driven system and societal benefits.

coordination). Staff educated households on how efficiency measures reduce long-term bills, how to avoid usage spikes that increase winter heating costs, and how to maintain savings after assistance ends. This "point-of-contact education" is particularly effective for low-income households facing immediate affordability concerns.

Conservation kits are provided to households that participate in the LIHEAP or Lend A Hand program and are customers of Rocky Mountain Power. Kits contain tips and products that can be used to conserve energy and provide savings for the household. Partner agencies may mail conservation kits to customers who are unable to come into the office.

Table 1: 2025 Conservation Education Activities[7]

	EICAP	SEICAA
Beginning balance	$9,118.88	$3,223
Annual Funds Received	$10,597.62	$0
Expenditures	$4,851.20	$0
Balance as of 12/31/25	$14,865.30	$3,223
Households Served	595	47

Distribution:

EICAP planned to purchase kits in the fall of 2025, however due to staffing changes shifted plan to Spring 2026. EICAP utilized funds to distribute 595 kits, each containing vinyl foam weather strip, a window insulation kit for up to five windows, a night light, two light bulbs, a faucet aerator, a fridge/freezer thermometer, and wool dryer balls. As of December 31, 2025, EICAP had 2 kits in inventory, with twelve kits reported as damaged.

The objective of EICAP's program is to educate Rocky Mountain Power customers on energy conservation through practical tips and tools to help them save energy year-round. The program serves Rocky Mountain Power households that receive energy assistance and/or request energy conservation education. For customers unable to visit the office to receive assistance and/or conservation kits, the kits are mailed.

SEICAA did not purchase kits in CY2025, as they focused on depleting the remaining stock. The kits purchased in October 2023 included six dimmable LEDs (9W, 11W, 13W), two LED night lights, a seven-outlet advanced power strip, two dual-threaded bubble faucet aerators (1.5 GPM), a dual spray swivel kitchen aerator with pause (1.5 GPM), and one earth 3-spray handheld showerhead (1.5 GPM). As of December 31, 2025, SEICAA had 179 kits in inventory.

Table 2: below outlines the educational programs provided by the agencies.

Table 2: Additional Information on Conservation Education by Agencies

	EICAP	SEICAA
Program Design	Educate Rocky Mountain Power customers about how to conserve energy.	Reduce electricity usage and monthly bills for participants of the LIHEAP program.
Target Audience	Rocky Mountain Power customers receive Low Income Home Energy Assistance Heat (LIHEAP) Heat and Crisis and Lend a Hand program.	LIHEAP recipients who have not received weatherization program services as a priority. Households can also be identified through SEICAA's other programs.

[7] Refer to Appendix F for additional data on Conservation Education Activities.

	EICAP	SEICAA
How Company Funds Were Used	RMP funds were used for shipping of kits There were no kits purchased in 2025. EICAP plans to purchase new kits in Spring 2026 with the funds received in CY2025.	RMP funds were not used in 2025 as SEICAA is trying to deplete the remaining stock.

WATTSMART BUSINESS PROGRAM

WATTSMART BUSINESS

Program Description

The commercial, industrial, and agricultural energy efficiency program portfolio consolidated under a single Non-Residential Energy Efficiency initiative called Wattsmart Business. This program aims to encourage new and existing non-residential customers to enhance their electric energy efficiency by installing energy efficiency measures and adopting improved energy management protocols. Qualifying measures are those that, when implemented in an eligible facility, result in verifiable electric energy efficiency improvements.

Incentives and services offered through Wattsmart Business include:

- Typical Upgrades/Listed Incentives, Express
- Small and Medium Business Express
- Midstream/Instant Incentives
- Custom Analysis
- Energy Management
- Energy Project Manager Co-funding

The 2025 Wattsmart Business program passed UCT with a cost-benefit ratio of **1.96.**

Program Performance and Major Achievements in 2025

In 2025, the program achieved gross energy savings of **10,406,279** kWh at the site and distributed incentives totaling **$1,536,718.**

Within the reporting year the Wattsmart Business Program had 96 registered Trade Allies, with 9 of them holding Pro Network status. Participating Wattsmart Business Vendor Network (WBVN) vendors received quarterly performance scorecards to provide timely feedback and encourage them to strive for "PRO" status. Achieving premium status in WBVN offers several benefits to vendors:

1. **Improved Visibility**: Premium (Pro-Network) trade allies receive enhanced visibility, making it easier for customers to find and choose them for energy efficiency projects.
2. **Enhanced Co-Branding**: Premium (Pro-Network) status allows trade allies to co-brand with Rocky Mountain Power, which can boost their credibility and appeal to customers.
3. **Timely Feedback**: Vendors receive valuable feedback on individual projects to help them maintain ambitious standards and improve their service.

These benefits help trade allies attract more business and build stronger relationships with customers.

In 2025 the Wattsmart Business Program achieved several notable achievements:

- **Implementation of Major Idaho Program Enhancements**: A significant milestone was the approval and implementation of comprehensive Wattsmart program changes in Idaho, effective November 17, 2025,

following the Commission-approved flexible tariff process. These updates were designed to better align incentives with current technology, market conditions, and cost-effectiveness requirements.[8]

- **Modernization of Commercial Lighting Offerings:** In 2025, Wattsmart Business achieved a major structural shift in its lighting portfolio by introducing plug-and-play controls ready lighting incentives. Transitioning from prescriptive per-fixture incentives to per-watt installed incentives under the new Express lighting path. Aligned lighting incentives more closely with realized energy savings. These changes simplified participation, reduced administrative burden, and positioned the program to support advanced lighting controls and future retrofits more efficiently.
- **Expansion and Restructuring of Small Business Offerings:** Another notable 2025 achievement was the expansion of the Small Business Enhanced offering to include medium-sized customers, with the program rebranded as Small and Medium Business Express. This restructuring increased program accessibility and allowed a broader range of Idaho businesses to participate while maintaining cost-effective delivery.[9]
- **Program Optimization Through Measure Realignment:** In 2025, Rocky Mountain Power continued to optimize the Wattsmart Business portfolio by discontinuing lower performing offerings (e.g., Green Motor Rewinds). Shifted market incentives upstream to distributors to influence stocking practices. Refined energy management definitions and incentive caps. These actions reflect prudent program management and ensure that ratepayer funds are directed toward measures with the highest savings potential.
- **Continued Delivery Across Diverse Business Sectors:** Throughout 2025, the Wattsmart Business program continued to serve a broad cross-section of Idaho's commercial, industrial, and irrigation customers including small and medium businesses, large commercial and industrial facilities, irrigation, and dairy operations, and new construction and major renovation projects. The program maintained a comprehensive incentive portfolio spanning lighting, HVAC, motors and drives, irrigation, food service, compressed air, building envelope measures and more.
- **Strengthened Trade Ally Engagement and Outreach:** In 2025, Rocky Mountain Power reinforced the program's delivery infrastructure by maintaining a robust Wattsmart Trade Ally network. Providing updated tools, guidance, and outreach support. Soliciting stakeholder feedback to inform ongoing program improvements. This engagement supported consistent program delivery and improved customer and contractor experience across Idaho and the broader service territory.
- **Alignment With Long-Term Efficiency and Resource Planning Goals**: The Wattsmart Business program continued to play a key role in Rocky Mountain Power's energy-efficiency-first resource strategy, supporting system reliability, load management, and long-term cost containment. The program's 2025 enhancements were consistent with Integrated Resource Plan assumptions and Commission expectations for demand-side management portfolios.

These achievements highlight the program's commitment to reaching as many customers as possible, promoting energy efficiency and supporting businesses in their sustainability efforts.

DEMAND REDUCTION PROGRAMS

IRRIGATION LOAD CONTROL

Program Description

Rocky Mountain Power's **Irrigation Load Control Program** is a voluntary demand response program offered under schedule 10 designed to reduce peak electrical demand associated with agricultural irrigation operations in Idaho. The program provides participating irrigation customers with financial incentives in exchange for allowing the

[8] Idaho Energy Efficiency, Program changes for Rocky Mountain Power Wattsmart® Business – Idaho - WattsmartBusiness.com, ID_wattsmart_business_changes_October-2025.pdf

[9] ID_wattsmart_business_changes_October-2025.pdf

Company to temporarily interrupt or curtail electric service to irrigation equipment during periods of high system demand or system constraints.

The program targets **electrically powered irrigation loads**, which represent a significant and highly coincidence contributor to summer peak demand in Idaho. By strategically managing these loads, the program helps improve system reliability, reduce peak capacity requirements, and defer or avoid higher-cost supply-side resources.

The program is available to eligible agricultural customers operating electric irrigation equipment withing Rocky Mountain Power's Idaho service territory. Eligible equipment typically includes irrigation pumps and motors, as well as associated control systems necessary for irrigation operations. Participation is voluntary and subject to program eligibility requirements and operation feasibility.

Participants enroll by allowing Rocky Mountain Power to remotely interrupt irrigation service during designated load control events. Events are typically limited to peak irrigation season when system demand is highest. Interruptions are temporary and controlled, with advance notice provided four hours prior to a mandatory event. Events are called only when necessary to manage system conditions or peak demand.

The program is structured to minimize customer disruption while providing meaningful system benefits.

The Irrigation Load Control program passed the UCT for 2025.

Program Performance and Major Achievements in 2025

In 2025, there were ten mandatory load control events initiated, and one voluntary load control event initiated. The one voluntary event was classified as voluntary because it occurred on September 2nd, 2025, after the mandatory program season had concluded. A total of **107** customers participated in the program across **955** sites. The total enrolled capacity was **182** MW (at generation), with a maximum realized capacity of **113** MW (at generation).

WATTSMART BATTERIES

Program Description

The Wattsmart Batteries program encourages and incentivizes the installation of qualified individual batteries for system-wide integration and overall electric grid management. By leveraging batteries, the program aims to maximize renewable energy usage and advance a sustainable electric grid. These batteries can be used for various smart grid applications, including frequency response, peak load management, transmission relief, and daily load-cycling. Batteries participating in the Wattsmart Battery Program integrated into PacifiCorp's Energy Management System to provide real-time grid benefits.

Eligible customers who participate in the program receive an enrollment incentive based on the kW size of their battery and their participation commitment, as well as ongoing annual incentives for continued participation.

The battery program passed the UCT using a 4-year Net Present Value (NPV) analysis. [10]

[10] The program transitioned from a 20-year Net Present Value (NPV) framework to a 4-year NPV to better align the cost-effectiveness analysis with the expected program utilization, operational certainty, and near-term system needs. While battery assets may have a longer technical life, actual realized benefits—such as dispatch frequency, customer retention, and grid value—are more uncertain over extended horizons in a newer program. A shorter NPV period reflects a more conservative and realistic assessment of benefits that can be reasonably expected and verified. Using a 4-year NPV materially reduces the total monetized benefits captured in the analysis, while most program costs (equipment incentives, installation, and administrative expenses) remain largely upfront. As a result, benefit-cost ratios are lower under a 4-year NPV compared to a

Program Performance and Major Achievements in 2025

In 2025, Rocky Mountain Power called upon customers' batteries **350** times, with each event lasting 5 minutes, totaling **29** hours throughout the year. The total dispatch duration was less than three complete battery cycles for customers enrolled for the entire year. All customer batteries enrolled in the program prior to the events responded without any communication failures.

The Wattsmart Battery program has enrolled a total of **323** customers, with **106** of those enrollments occurring in 2025. The total enrolled capacity is **1,840 kW** at gen. All new customer enrollments included both battery and solar installations, with no commercial batteries enrolled.

WATTSMART BUSINESS DEMAND RESPONSE

Program Description

The Wattsmart Business Demand Response Program offers financial incentives to commercial and industrial (C&I) customers who reduce their load during company-initiated events. This program aims to provide peak load reduction, contingency reserves, frequency response, and other grid services to help manage the overall electric grid effectively. It targets large commercial and industrial customers with curtailable loads greater than 500 kW that can be curtailed with no advance notice or limited advance notice.

An automated dispatch without advance notice and a total response time within 50 seconds is considered a real-time event, while a dispatch event with advance notice and response within 7 minutes is considered an advanced notice event.

The Wattsmart Demand Response program passed the UCT for 2025. Overall reducing the peak demand, improving grid reliability, deferred infrastructure investment, energy savings, and environmental benefits. These factors contribute to the program's ability to pass cost-effectiveness tests, demonstrating that benefits outweigh the costs.

Program Performance and Major Achievements in 2025

In 2025, there were ten load control events initiated. A total of three customers are enrolled in the program, and all **3** enrolled customers participated in the program across 4 sites. The total enrolled capacity was **1,906** kW (at generation), with a maximum realized capacity of **1,119** kW (at generation).

The Wattsmart Business Demand Response program in Idaho achieved several other notable milestones:

- **Reliable Delivery of Dispatchable Peak Load Reductions:** In 2025, the program continued to function as a reliable and flexible peak reduction resource within Rocky Mountain Power's Idaho demand-side portfolio. Enrolled customers remained available to curtail load during called events, supporting system reliability during high-demand conditions, particularly during summer peak periods.
- **Stable Customer Participation Across C&I Segments:** The program maintained stable participation among large commercial, industrial, and agricultural customers, including facilities with sizable and controllable

20-year NPV, particularly for early-stage programs. This change does not indicate diminished program value, but rather a more conservative treatment of longer-term benefits that may accrue as the program matures, participation increases, and operational strategies are refined.

loads. This customer mix supported meaningful peak demand impacts while minimizing event frequency and operational disruption.

- **Effective Event Performance and Customer Responsiveness:** During 2025, participating customers demonstrates strong event responsiveness reflecting clear event notification protocols, well-defined load reduction commitments, and mature customer understanding of program expectations. Consistent customer performance reinforced the program's role as dependable demand response resource.
- **Cost-Effective Capacity Resource for Idaho:** The Wattsmart Business DR program continued to provide capacity value at lower cost than traditional generation alternatives. By compensating customers only for availability and verified performance, the program delivered peak reduction benefits while limiting overall program expenditures.
- **Integration With Resource Planning and Peak Reduction Strategy:** In 2025, the program remained aligned with Rocky Mountain Power's energy efficiency-first and demand-side resource strategy, as reflected in Integrated Resource Planning and Peak Reduction reporting. Business demand response complemented both energy efficiency programs that reduce overall consumption, and other demand response offerings targeting different customer segments.
- **Prudent Program Management and Portfolio Optimization:** Program administration in 2025 emphasized targeted enrollment of customers with high-value controllable load. Maintenance of performance thresholds and verification standards. Ongoing evaluation of program scale relative to system needs. This approach ensured that the program remained appropriately sized, cost-effective, and operationally manageable.
- **Continued Regulatory Compliance and Transparency:** Throughout 2025, Rocky Mountain Power continued to track and report program participation, event activity, and demand impacts in accordance with Idaho Public Utilities Commission requirements. Program design and performance remained consistent with Commission-approved tariffs and prior orders governing demand response and peak reduction programs.

EXPENDITURES:

TOTAL PORTFOLIO SAVINGS AND EXPENDITURES

Table 3: Program Results for January 1, 2025– December 31, 2025, [11]

Load Management Programs	kW/Yr. Savings (at site)	kW/Yr. Savings (at gen)	Program Expenditures
Irrigation Load Control	166,000	182,000	$4,330,828
Wattsmart Batteries	1,683	1,840	$380,518
C&I Demand Response	1,795	1,906	$113,596
Total Load Management	**169,478**	**185,746**	**$4,824,942**
Energy Efficiency Programs	**kWh/Yr. Savings (at site)**	**kWh/Yr. Savings (at gen)**	**Program Expenditures**
Low Income Weatherization	47,599	51,912	$199,080
Home Energy Reporting	4,939,637	5,387,218	$118,874
Wattsmart Homes	1,612,815	1,758,952	$854,934
Total Residential	**6,600,050**	**7,198,081**	**$1,172,887**
Total *Watt*smart Business	**10,406,278**	**11,307,585**	**$3,264,709**
Total Energy Efficiency	**17,175,807**	**18,691,412**	**$9,262,538**
Other Portfolio Expenditures			
		Commercial & Industrial Evaluation Costs	$103,871
		Residential Evaluation Costs	$90,330
		Outreach & Communications	$104,607
		Potential Study	$38,721
		System Support	$64,673
		Low Income Education	$10,598
		Total Other Portfolio Expenditures	**$412,799**
		Total Idaho Portfolio Expenditures	**$9,675,336**
		Total Idaho Portfolio Expenditures excluding Irrigation Load Control	**$5,344,509**

GROSS SAVINGS BY MEASURE CATEGORY:

Table 4: 2025 Annual Savings by Wattsmart Homes

Measure Category	Total kWh (at Site)	Total Incentive	Total Measure Quantity
Appliances	5,423	$2,620	41
Building Shell	16,669	$6,191	30 sq ft
Electronics	1,637	$419	48
HVAC	591,253	$151,783	164
Lighting	923	$130	13
Transportation	785,512	$157,125	1,257
Water Heating	8,322	$2,750	5
HVAC-NH	89,971	$22,300	13
Whole Building-NH	111,062	$29,075	100
Building Shell-NH	2,043	$2,941	980
Grand Total	**1,612,815**	**$375,334**	

[11] The reported savings are gross, ex-ante values.

Table 5: Low Income Homes Served and Measures Installed

Measure Type	Installed
Insulation	16
Attic Ventilation	9
Lighting CFL/LED	176
Furnace Repair or Replacement	7
Duct Sealing and/or Insulation	43
Ductless Heat Pump	8
Thermal Doors and/or Window Replacement	84
Refrigerator Replacement	2
Home Weatherization	24
Infiltration Reduction	19
Ground Cover	15
Total Number of Homes Served	**24**
Total kWh Savings @ Site	**47,599**

Table 6: Wattsmart Business Savings by Sector

Sector	Total kWh (at Site)	Total Incentive
Agricultural	8,272,867	$1,218,896
Commercial	100,270	$16,638
Industrial	2,033,141	$301,184
Grand Total	**10,406,278**	**$1,536,718**

Table 7: 2025 Annual Net Savings by Wattsmart Business

Measure Category	Total kWh (at Site)	Total Incentive	Total Projects
Agriculture	1,903,622	$280,711	148
Building Shell	382,989	$50,825	10
Compressed Air	206,983	$25,710	2
Direct Install	813,013	$297,149	91
Energy Management	501,504	$10,030	3
HVAC	539,000	$105,365	24
Lighting	2,340,478	$352,961	232
Motors	2,206,372	$273,870	9
Refrigeration	115,865	$16,676	5
Transportation	935,751	$26,500	8
Energy Project Management[12]	-	$27,816	1
Irrigation	460,701	$69,105	9
Grand Total	**10,406,278**	**$1,536,718**	**542**

[12] Energy project management activities do not directly produce quantifiable kWh or kW savings because they represent labor and oversight functions rather than physical energy efficiency measures. These activities consist of staff or contractor time devoted to assessing buildings, identifying eligible opportunities, coordinating implementation, and ensuring program compliance and quality control.

LOAD CONTROL EVENTS:

In 2025, Rocky Mountain Power Idaho conducted a total of **11** Irrigation Control Events, of which 10 were mandatory and 1 was voluntary. Details for the Irrigation Load Control program events are provided in table 8 below.

Table 8: Irrigation Load Control Events [13]

Event	Date	Event Times	Estimated Load Reduction at Gen (MW)	MW Potential at Gen (MW)
1	7/11/2025	6:00 PM - 9:00 PM MDT	98	158
2	7/14/2025	4:00 PM - 8:00 PM MDT	99	131
3	7/15/2025	4:00 PM - 8:00 PM MDT	113	126
4	7/17/2025	4:00 PM - 7:00 PM MDT	69	123
5	7/28/2025	5:00 PM - 9:00 PM MDT	41	62
6	7/30/2025	5:00 PM - 9:00 PM MDT	48	64
7	8/5/2025	6:00 PM - 9:00 PM MDT	48	61
8	8/11/2025	6:00 PM - 9:00 PM MDT	54	63
9	8/12/2025	6:00 PM - 9:00 PM MDT	48	63
10	8/13/2025	6:00 PM - 9:00 PM MDT	54	68
11*	9/2/2025	4:00 PM - 8:00 PM MDT	26	39

** Indicates voluntary events*

Table 9: Irrigation Load Program Performance

Maximum Potential MW (at Site)	166 MW
Maximum Potential MW (at Gen)	182 MW
Average Realized Load MW (at Gen)	64 MW
Maximum Realized Load MW (at Gen)	113 MW
Participation Customers	107
Participation (Sites)	955

In 2025, Rocky Mountain Power Idaho conducted a total of **350** Battery Control Events. The table below summarizes the kW potential and events by month. Details for individual battery control events included in Appendix G.

Table 10: Battery Control Events

Event Month	Number of Events	Reason for Event	Avg kW Potential	Residential or Commercial
January	4	Frequency	1,186	Residential
February	13	Frequency	1,288	Residential
March	36	Frequency	1,328	Residential
April	48	Frequency	1,374	Residential
May	41	Frequency	1,428	Residential
June	34	Frequency	1,450	Residential
July	16	Frequency	1,500	Residential
August	25	Frequency	1,520	Residential
September	61	Frequency	1,580	Residential
October	38	Frequency	1,600	Residential
November	17	Frequency	1,646	Residential
December	17	Frequency	1,683	Residential

[13] Appendix C provides the Irrigation Load Control details.

Table 11: Wattsmart Battery Program Performance

Maximum Potential kW (at Site)	1,683
Maximum Potential kW (at Gen)	1,840
Total Participating Batteries	323

Table 12 – Comparative Analysis of Idaho Residential Exports and Consumptions

2025	Customers with Solar Only		Customers with Solar & Batteries	
	kWh Consumed	kWh Exported	kWh Consumed	kWh Exported
January	250,617	1,681	389,368	18,016
February	239,488	7,039	353,342	39,418
March	199,062	17,567	260,219	86,488
April	149,627	41,397	167,250	162,865
May	123,606	80,597	128,043	208,957
June	159,238	225,125	129,628	230,310
July	212,496	135,532	154,350	220,640
August	231,304	126,424	172,830	185,435
September	173,491	124,507	174,047	141,485
October	111,396	121,123	142,318	120,559
November	106,805	67,734	156,511	65,908
December	181,293	32,508	285,187	35,011
Total	**2,138,423**	**981,234**	**2,513,093**	**1,515,092**

In 2025, Idaho customers participated in a total of **10** C&I Demand Response events, summarized in the tables below.

Table 13 – C&I Demand Response Events

Event	Date	Event Times	kW Achieved	Reason for Event
1	1-21-2025	10:07 AM - 10:27 AM	432	Contingency
2	5-27-2025	14:07 PM – 14:27 PM	1,119	Contingency
3	6-14-2025	9:16 AM – 9:36 AM	72	Contingency
4	7-10-2014	19:28 PM – 19:48 PM	90	Contingency
5	7-14-2025	20:00 PM – 20:45 PM	422	Peak Management
6	7-15-2025	19:00 PM – 19:45 PM	576	Peak Management
7	7-24-2025	1;23 AM – 1:43 AM	216	Contingency
8	9-4-2025	7:42 AM – 8:02 AM	426	Contingency
9	1-21-2025	9:52 AM – 10:12 AM	532	Contingency
10	12-22-2025	7:14 AM – 7:34 AM	631	Contingency

Table 14: C&I Demand Response Program Performance

Maximum Potential kW (at Site)	1,795
Maximum Potential kW (at Gen)	1,906
Total Participating Customers	3

COST EFFECTIVENESS:

TOTAL COST EFFECTIVENESS RESULTS BY PORTFOLIO AND PROGRAM

Program cost-effectiveness is evaluated using a company-specific modeling tool developed by a third-party consultant. This tool incorporates PacifiCorp data and values, such as avoided costs, and follows the methodology specified in California's Standard Practice Manual. The analysis assesses the costs and benefits of Demand-Side Management (DSM) resource programs from different stakeholder perspectives, including participants and non-participants, based on four tests described in the Standard Practice Manual (TRC, UCT, PCT, and RIM), as well as an additional fifth test, PTRC.

Each of the cost-effectiveness tests for Rocky Mountain Power's programs are outlined below. The primary cost/benefit test observed in Idaho is the UCT for all programs except the Low-Income Weatherization program, which uses the PTRC.

- **PacifiCorp Total Resource Cost (PTRC) Test**: This test is the total resource cost test with an additional 10% added to the net benefit side of the benefit/cost formula to account for non-quantified environmental and non-energy benefits of conservation resources over supply-side alternatives.
- **Total Resource Cost (TRC) Test**: This test considers the benefits and costs from the perspective of all utility customers, comparing the total costs and benefits from both the utility and utility customer perspectives.
- **Utility Cost Test (UCT)**: Also called the program administrator cost test, this test provides a benefit-to-cost perspective from the utility only. It compares the total utility cost incurred to the benefit/value of the energy and capacity saved, excluding customer costs or benefits in the calculation of the ratio.
- **Participant Cost Test (PCT)**: This test compares the portion of the resource cost paid directly by participants to the savings realized by the participants.
- **Ratepayer Impact Cost (RIM) Test**: This test examines the impact of energy efficiency expenditures on non-participating ratepayers overall. Unlike supply-side investments, energy efficiency programs reduce energy sales. Reduced sales typically lower revenue requirements while putting near-term upward pressure on rates as remaining fixed costs are spread over fewer kilowatt-hours.

Table 15: 2025 Cost Effectiveness Results by Program[14]

Program	Benefit/Cost Test				
	PTRC	TRC	UCT	PCT	RIM
EE and DR DSM Portfolio (exc. NEBs)	1.42	1.29	1.64	2.25	0.87
Irrigation Load Control Program	Pass	Pass	Pass	N/A	Pass
Battery Control Program (20-year NPV)	Pass	Pass	Pass	N/A	Pass
C&I Demand Response	Pass	Pass	Pass	N/A	Pass
Energy Efficiency Portfolio	1.10	1.00	1.69	1.89	0.52
Non-Residential Energy Efficiency Portfolio	1.26	1.14	1.96	2.21	0.55
Residential Energy Efficiency Portfolio (inc. NEBs)	0.91	0.83	1.59	1.22	0.51
Residential Energy Efficiency Portfolio (exc. NEBs)	0.91	0.83	1.59	1.22	0.51
Low Income Weatherization (inc. NEI)[15]	0.32	0.30	0.17	1.71	0.13
Home Energy Reporting	4.23	3.84	3.86	N/A	0.83
Wattsmart Homes (inc. NEBs)	0.69	0.63	1.27	1.00	0.44

[14] Details regarding energy efficiency cost-effectiveness provided in Appendix A. Details regarding demand response cost-effectiveness are provided in Confidential Appendix B. A "Pass" designation indicates a benefit-cost ratio of 1.0 or higher. The Low-Income Weatherization and Wattsmart Homes programs account for non-energy impacts in their cost-effectiveness analyses.

[15] Funding for Low Income Weatherization conservation education is not considered in the program-level cost-effectiveness testing. However, it is included in the cost effectiveness analyses for both the portfolio and residential sectors.

Portfolio-level cost-effectiveness encompasses overall portfolio costs, including the Potential Assessment and the DSM system database. Sector-level cost-effectiveness, detailed in the Residential and Non-Residential sections of this report, includes sector-specific evaluation, measurement, and verification expenditures. The Company also accounts for quantifiable non-energy impacts at the portfolio and residential levels, as well as within the Wattsmart Homes and Low-Income Weatherization programs.

EVALUATIONS:

Independent external evaluators conduct evaluations to validate the energy and demand savings from the Company's energy efficiency programs. The Company follows the industry's best practices and guidelines, such as those from the National Action Plan for Energy Efficiency Program Impact Evaluation and the California Evaluation Framework.

A significant part of the evaluation involves verifying the installation of energy-efficient measures through documentation reviews, surveys, and onsite inspections. Regular inspections and commissioning of equipment are conducted to ensure potential savings.

The Company also performs programmatic verification activities, including inspections, quality assurance reviews, and tracking checks, as part of routine program implementation. These practices help verify installation information before formal impact evaluation results are available.

To maintain objectivity, evaluation, measurement, and verification tasks are managed by personnel who are not directly responsible for program management.

Table 16: Evaluations Completed 2025[16]

Evaluation	Responsible Consultant	Status	Published
2020-2021 Low Income Evaluation	Opinion	Completed	2025
2023-2024 Wattsmart Homes Evaluation	ADM	Completed	2025
2022-2023 Wattsmart Business Evaluation	QualusCorp	Completed	2025

[16] Completed Evaluations can be found on the Demand-Side Management website under Reports and program evaluations by state.