

# Washington DSM Advisory Group March 30, 2023



- Follow-ups from last meeting
- 2022-2023 DSM Forecast and Adaptive Management Condition 3d
- System Benefits Charge Review Condition 12d
- Procurement: Delivery Contracts (Home Energy Savings, Wattsmart Business)
  - Competitive Procurement Framework filed in compliance with WAC 480-107-065
- Preview – program changes
- Other Conditions
  - Distribution Efficiency
- Updates
  - Home Energy Reports
  - Demand Response
  - CETA: Equity Advisory Group
  - Clean Energy Implementation Plan: Utility Actions, Customer Benefit Indicator Metrics
  - Pilots
  - Wrap-up

# Follow-ups from last meeting

Nancy Goddard

## Tree planting conservation

- Revisit once IRP selections complete

# 2022-2023 DSM Forecast

Nancy Goddard



# 2022

from 2023 ACP and  
2022 Prelim Actuals

## Source of data

- **Orange** = from 2023 Annual Conservation Plan
  - Mostly from 8/2022 forecast
- **Green** = preliminary 2022 actuals as of 3/14/2023 (not final yet)
- **2022 Pac kWh** ~96% of 2023 ACP for 2022
  - Residential kWh - 113% of savings in 2023 ACP for 2022
  - Business kWh - 92% of savings in 2023 ACP for 2022
    - Reduction (2.2 million kWh) due to projects moving to 2023 or coming in lower than expected
  - Supply chain and workforce issues continued to impact projects
  - Price increases (inflation) negated impact of 1/1/2022 incentive increases, causing some customers to put off new equipment purchases
- **2022 Pac \$** 93% of 2023 ACP for 2022
- *Note: %'s are % of 2023 Annual Conservation Plan, not % of EIA penalty threshold*

Program or Initiative	2022 PacifiCorp Washington Conservation Estimates, 2023 Annual Conservation Plan			2022 PacifiCorp Washington Conservation Estimates (Prelim Actuals)		
	Gross kWh/Yr Savings @site	Gross kWh/Yr Savings @gen	Estimated Expenditures	Gross kWh/Yr Savings @site	Gross kWh/Yr Savings @gen	Estimated Expenditures
Low Income Weatherization (114)	143,110	154,095	\$ 951,579	261,515	281,589	\$ 747,702
Home Energy Savings (118)	2,225,274	2,396,086	\$ 3,785,789	2,587,499	2,786,115	\$ 3,623,063
Home Energy Reports (N/A)	3,126,053	3,366,009	\$ 381,308	3,333,142	3,588,994	\$ 381,308
<b>Total Residential Programs</b>	<b>5,494,437</b>	<b>5,916,190</b>	<b>\$ 5,118,677</b>	<b>6,182,156</b>	<b>6,656,698</b>	<b>\$ 4,752,073</b>
Wattsmart Business (140) - Commercial	23,035,980	24,787,175	\$ 7,208,009	21,570,220	23,209,989	\$ 6,779,817
Wattsmart Business (140) - Industrial	5,346,361	5,710,716	\$ 1,673,299	4,727,777	5,049,975	\$ 1,486,005
Wattsmart Business (140) - Irrigation	706,413	760,637	\$ 228,139	552,321	594,717	\$ 173,602
<b>Total Business Programs</b>	<b>29,088,754</b>	<b>31,258,528</b>	<b>\$ 9,109,446</b>	<b>26,850,318</b>	<b>28,854,680</b>	<b>\$ 8,439,424</b>
Northwest Energy Efficiency Alliance	3,112,195	3,350,145	862,100	3,112,195	3,350,145	862,100
Distribution Efficiency		82,000			82,000	
<b>Total Other Conservation Initiatives</b>	<b>3,112,195</b>	<b>3,432,145</b>	<b>\$ 862,100</b>	<b>3,112,195</b>	<b>3,432,145</b>	<b>\$ 862,100</b>
Be wattsmart, Begin at Home	-	-	\$ 64,523			\$ 64,714
Customer outreach/communication	-	-	\$ 250,000			\$ 250,000
Program Evaluations (& savings verification)	-	-	\$ 192,837			\$ 276,541
Potential study update/analysis	-	-	\$ 120,115			\$ 117,239
System Support	-	-	\$ 98,378			\$ 70,863
End use load research & RTF funding			\$ 109,500			\$ 109,500
<b>Total Portfolio-Level Expenses</b>	<b>-</b>	<b>-</b>	<b>835,352</b>			<b>888,858</b>
<b>Total PacifiCorp Conservation</b>	<b>34,583,191</b>	<b>37,256,718</b>	<b>\$ 15,063,476</b>	<b>33,032,474</b>	<b>35,593,379</b>	<b>\$ 14,080,355</b>
<b>Total System Benefit Charge Conservation</b>	<b>37,695,386</b>	<b>40,606,863</b>	<b>15,925,576</b>	<b>36,144,669</b>	<b>38,943,524</b>	<b>14,942,455</b>
<b>Total Conservation</b>	<b>37,695,386</b>	<b>40,606,863</b>	<b>\$ 15,925,576</b>	<b>36,144,669</b>	<b>38,943,524</b>	<b>\$ 14,942,455</b>
<b>2022 Total Pac Conservation Prelim Actual % of 2022 in 2023 ACP</b>				<b>96%</b>		<b>93%</b>
<b>2022 Total Conservation Prelim Actual % of 2022 in 2023 ACP</b>				96%		94%

# Forecast as of March 14, 2023

## Mar 2023 Forecast for 2022-2023

2022 numbers are **prelim actuals** as of 3/14/2023 (not final yet)

Source of data:

- **Orange** = from 2023 Annual Conservation Plan
- **Green** = from 3/2023 forecast
- 2022-2023 Pac kWh forecast
  - 94% of EIA Penalty Threshold
  - (2023 ACP was 95% of EIA Penalty Threshold)
- 2022-2023 Pac \$ forecast
  - 95% of 2023 ACP

2022-2023 Biennial Target Savings and Budget Projections by Program									
Program or Initiative	2022 PacifiCorp Washington Conservation Estimates (Prelim Actuals)			2023 PacifiCorp Washington Conservation Estimates (Forecast)			2022 + 2023	2022 + 2023	2022 + 2023
	Gross kWh/Yr Savings @site	Gross kWh/Yr Savings @gen	Estimated Expenditures	Gross kWh/Yr Savings @site	Gross kWh/Yr Savings @gen	Estimated Expenditures	Gross MWh Savings @site	Gross MWh Savings @gen	Estimated Expenditures
Low Income Weatherization (114)	261,515	281,589	\$ 747,702	143,110	154,095	\$ 1,193,659	405	436	1,941,361
Home Energy Savings (118)	2,587,499	2,786,115	\$ 3,623,063	3,647,057	3,927,005	\$ 5,655,045	6,235	6,713	9,278,108
Home Energy Reports (N/A)	3,333,142	3,588,994	\$ 381,308	3,558,528	3,831,681	\$ 462,996	6,892	7,421	844,304
<b>Total Residential Programs</b>	<b>6,182,156</b>	<b>6,656,698</b>	<b>\$ 4,752,073</b>	<b>7,348,695</b>	<b>7,912,781</b>	<b>\$ 7,311,699</b>	<b>13,531</b>	<b>14,569</b>	<b>12,063,772</b>
Wattsmart Business (140) - Commercial	21,570,220	23,209,989	\$ 6,779,817	30,647,865	32,977,715	\$ 9,465,598	52,218	56,188	16,245,415
Wattsmart Business (140) - Industrial	4,727,777	5,049,975	\$ 1,486,005	9,111,527	9,732,478	\$ 2,814,097	13,839	14,782	4,300,102
Wattsmart Business (140) - Irrigation	552,321	594,717	\$ 173,602	1,656,641	1,783,805	\$ 511,654	2,209	2,379	685,256
<b>Total Business Programs</b>	<b>26,850,318</b>	<b>28,854,680</b>	<b>\$ 8,439,424</b>	<b>41,416,033</b>	<b>44,493,998</b>	<b>\$ 12,791,349</b>	<b>68,266</b>	<b>73,349</b>	<b>21,230,773</b>
Northwest Energy Efficiency Alliance	3,112,195	3,350,145	862,100	3,664,463	3,941,523	877,438	6,777	7,292	1,739,538
Distribution Efficiency		82,000			83,000	-	-	165	-
<b>Total Other Conservation Initiatives</b>	<b>3,112,195</b>	<b>3,432,145</b>	<b>\$ 862,100</b>	<b>3,664,463</b>	<b>4,024,523</b>	<b>\$ 877,438</b>	<b>6,777</b>	<b>7,457</b>	<b>1,739,538</b>
Be wattsmart, Begin at Home			\$ 64,714			\$ 70,008		-	134,722
Customer outreach/communication			\$ 250,000			\$ 250,000		-	500,000
Program Evaluations (& savings verification)			\$ 276,541			\$ 254,497		-	531,038
Potential study update/analysis			\$ 117,239			\$ 15,368		-	132,607
System Support			\$ 70,863			\$ 98,378		-	169,241
End use load research & RTF funding			\$ 109,500			\$ 65,500		-	175,000
<b>Total Portfolio-Level Expenses</b>			<b>888,858</b>			<b>753,750</b>		<b>-</b>	<b>1,642,608</b>
<b>Total PacifiCorp Conservation</b>	<b>33,032,474</b>	<b>35,593,379</b>	<b>\$ 14,080,355</b>	<b>48,764,728</b>	<b>52,489,779</b>	<b>\$ 20,856,798</b>	<b>81,797</b>	<b>88,083</b>	<b>34,937,153</b>
<b>Total Conservation</b>	<b>36,144,669</b>	<b>38,943,524</b>	<b>\$ 14,942,455</b>	<b>52,429,191</b>	<b>56,431,302</b>	<b>\$ 21,734,236</b>	<b>88,574</b>	<b>95,375</b>	<b>36,676,691</b>
<b>2022 Total Pac Conservation in 2023 ACP</b>	<b>34,583,191</b>		<b>\$ 15,063,476</b>	EIA penalty threshold (EIA target minus NEEA savings)			<b>87,436</b>	<b>93,892</b>	
<b>2022 Total Conservation in 2023 ACP</b>	<b>37,695,386</b>		<b>\$ 15,925,576</b>	2022 + 2023 Forecast % of EIA penalty threshold in 2023 ACP			<b>95%</b>		
<b>2022 Total Pac Conservation Prelim Actual % of 2022 in 2023 ACP</b>	<b>96%</b>		<b>93%</b>	2022 + 2023 Current Forecast % of EIA penalty threshold			<b>94%</b>		
<b>2022 Total Conservation Prelim Actual % of 2022 in 2023 ACP</b>	<b>96%</b>		<b>94%</b>	2022 +2023 Current Forecast Pac Conservation \$ as % of 2023 ACP \$					<b>95%</b>

# 2022-2023 Forecast

- Condition 3d
- Providing the forecast at DSM Advisory Group meetings to meet this condition:

Docket UE-210830 Order 01 Attachment A	3d	DSM Advisory Group	PacifiCorp must inform the Advisory Group members when its projected expenditures indicate that PacifiCorp will spend more than 120 percent or less than 80 percent of its annual conservation budget.
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# Adaptive Management

Nancy Goddard/Jay Olson



# Adaptive Management – Home Energy Savings

Jay Olson

- Review from December DSM Advisory Group meeting
  - Smart Thermostat Promotion in November 2022
  - Said we were doing a follow-up survey with customers who purchased a thermostat
- Now we have results from the survey
  - Survey results used to adjust savings results (reduces savings in 2023)
  - Lessons learned will be incorporated into an Earth Day promotion in April (and future promotions)

# Adaptive Management – Home Energy Savings

## Limited Time Smart T-stat Promotion

- Residential promotion ran 11/15 – 11/30/2022
  - Prices started at \$0.99 with free shipping
- 50,000 emails (English) and 3,300 emails (Spanish) sent out to customers
- 489 customers purchased a smart thermostat
  - Savings reported for 438 that could be associated to an eligible account
- A thank you email with a customer survey was sent 1/20/2023 with a survey end date of 2/6/2023
- 100 customers completed the survey
  - Customer satisfaction responses were overwhelmingly highly positive
  - Survey results identified areas for improvement

**PACIFIC POWER.**

CONTROL YOUR *savings*

Stay cozy and save money this winter. Now through November 30, Pacific Power customers can save up to 99% on ENERGY STAR® certified smart thermostats, with Google Nest smart thermostats for as low as \$0.99. [Get yours today](#) while supplies last.

Smart thermostat benefits include:

- Easy to install and set up.
- Saves energy and helps lower heating and cooling costs.
- Learns and adjusts to your preferences.
- Control remotely from anywhere.

Get your smart thermostat below. To learn more about smart thermostats and energy savings, call 1-855-805-7231.

**SAVE NOW**

This offer is available to Pacific Power residential customers in Washington with ducted electric heating only (forced air furnace or heat pump). Limit one (1) thermostat per customer service address. Additional restrictions may apply. If your home is heated with gas, check out these incentives offered by Cascade Natural Gas: [cngc.com/energy-efficiency](https://cngc.com/energy-efficiency). Google Nest is a trademark of Google LLC.

Have questions? [Contact Us](#) | 1-855-805-7231 | Español 1-888-225-2611

**PACIFIC POWER.**

CONTROLA TUS *ahorros*

Mantén tu hogar a una temperatura agradable y ahorra dinero esta temporada de invierno. Comenzando hoy y hasta el 30 de noviembre, los clientes de Pacific Power pueden ahorrar hasta un 99% en termostatos inteligentes certificados por ENERGY STAR®, con termostatos inteligentes Google Nest desde \$0.99. [Obtén el tuyo hoy](#) hasta agotar existencias.

- Los termostatos inteligentes son fáciles de instalar.
- Ahorra energía y ayuda a reducir los costes de calefacción y refrigeración.
- Aprende y se ajusta a tus preferencias.
- Controlalo manualmente desde cualquier lugar.

Para obtener más información sobre termostatos inteligentes y ahorro de energía, visita [nuestro sitio web](#) o llama al 1-888-225-2611.

Ten en cuenta que esta oferta está disponible únicamente para clientes residenciales de Pacific Power en Washington con calefacción eléctrica por conductos (calentador o bomba de calor de aire forzado). Límite de un (1) termostato por dirección donde se ofrece servicio al cliente. Pueden aplicarse restricciones adicionales. Si tu hogar se calienta con gas natural, consulta estos incentivos que ofrece Cascade Natural Gas: [cngc.com/energy-efficiency](https://cngc.com/energy-efficiency) (sitio solo disponible en inglés).

¿Tiene preguntas? Utilice nuestro formulario de contacto o llame al 1-888-225-2611

# Adaptive Management – Home Energy Savings

## Survey Results, Actions Taken, Lessons Learned

**100** participated in the survey

- **85%** of responses were from eligible customers
- **82%** had already installed thermostat with most others intending to
- **59%** answered open-ended question about satisfaction with most responses being very satisfied
- Survey respondents were from **17 different cities or towns** showing a good geographic distribution



# Adaptive Management – Home Energy Savings

- Running a limited time offer for Earth Day and another in the fall
  - Vetting eligibility before sending email
  - Eligibility verification during online purchase (fuel source)
  - Coordinating with Cascade Natural Gas
- Ongoing promotion at community events including:
  - Central Washington Home & Garden Show
  - Central Washington Hispanic Chamber of Commerce Taco Festival



# 1. Refrigeration Tune-ups

Convince fruit storage customers we can help them operate their large ammonia refrigeration more efficiently while assuring product integrity.

Identified 8 customers. 7 signed up.

3,400,000 kWh estimated savings.



## 2. Application-Specific Targeted Outreach

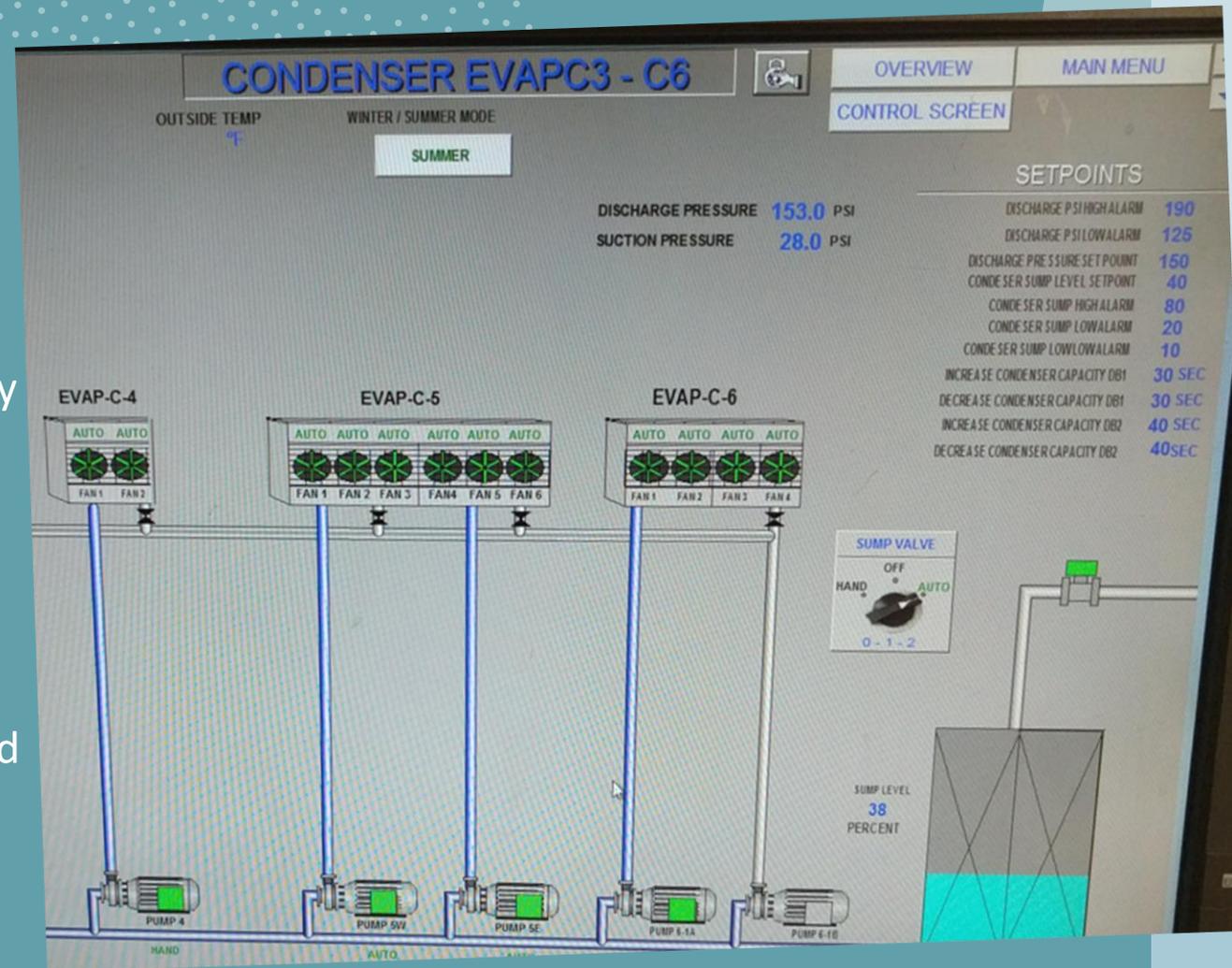
Remind customers about energy saving technology

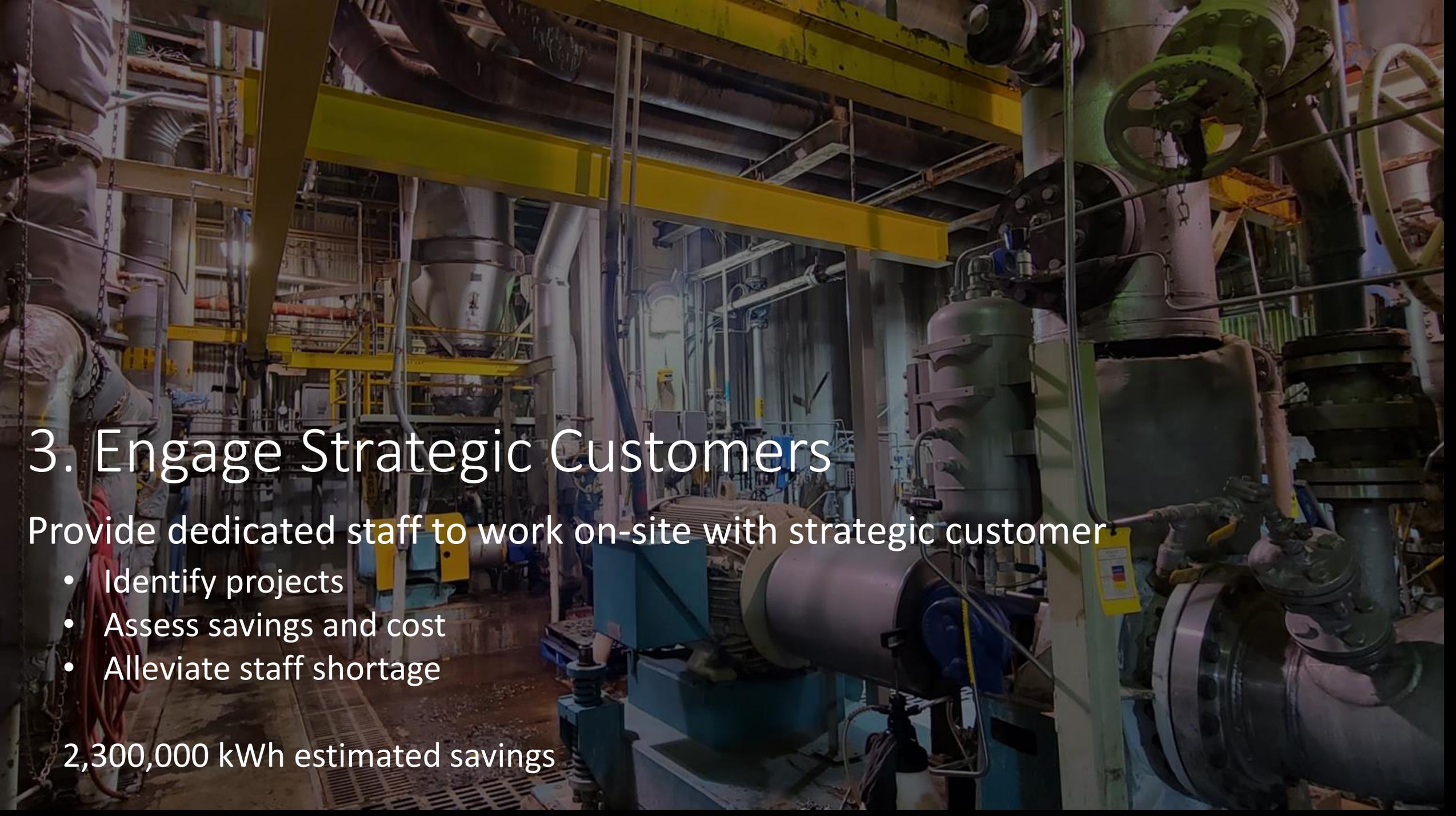
- Evaporator fan VFDs
- Condenser fan VFDs
- Auto-purgers
- CO2 scrubbers (retrofit)

Goal is to provide the customer with economic and financial benefits and address perceived risks

13 new projects in 2023

2,100,000 kWh.in estimated savings



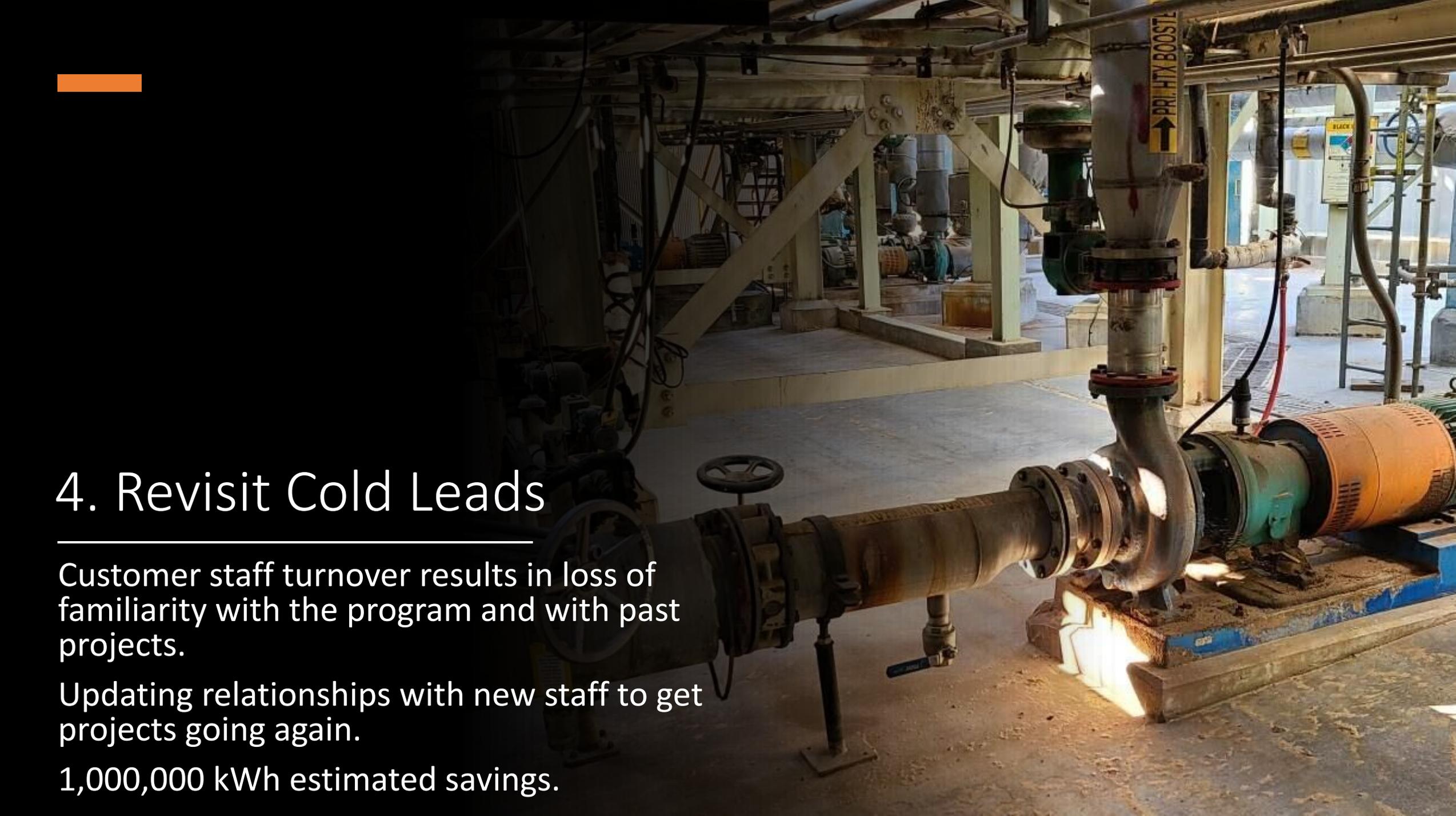
A photograph of an industrial facility, likely a power plant or refinery, featuring large machinery, pipes, and structural beams. The scene is dimly lit with a blue and yellow color palette. The text is overlaid on the left side of the image.

### 3. Engage Strategic Customers

Provide dedicated staff to work on-site with strategic customer

- Identify projects
- Assess savings and cost
- Alleviate staff shortage

2,300,000 kWh estimated savings



## 4. Revisit Cold Leads

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Customer staff turnover results in loss of familiarity with the program and with past projects.

Updating relationships with new staff to get projects going again.

1,000,000 kWh estimated savings.



## 5. Ongoing Engagement to Solicit New Opportunities

Met with 70 customers and vendors in person in January & February 2023

Identified 11 large new projects and 35 soft leads

1,000,000 kWh estimated savings

# System Benefits Charge Review

Nancy Goddard



# System Benefits Charge (SBC) Review

2022 (revenue is negative, rate changed 8/1/2022, account over-collected as of 12/2022)

	Monthly Conservation Costs	SBC Recovery	Cash Basis Accumulative Balance	Accrued Costs	Accrual Basis Accumulative Balance
January	1,218,611	(1,169,025)	(4,306,176)	(175,748)	(3,441,698)
February	474,721	(1,018,030)	(4,849,485)	332,430	(3,652,577)
March	1,051,513	(865,600)	(4,663,572)	245,747	(3,220,917)
April	1,044,018	(783,995)	(4,403,549)	(435,759)	(3,396,653)
May	1,364,413	(842,006)	(3,881,142)	1,901	(2,872,345)
June	1,234,250	(651,245)	(3,298,137)	247,254	(2,042,086)
July	1,064,738	(954,899)	(3,188,298)	(352,284)	(2,284,531)
August	1,254,329	(1,259,056)	(3,193,025)	(28,509)	(2,317,767)
September	626,687	(1,640,391)	(4,206,729)	621,535	(2,709,936)
October	1,557,646	(1,269,935)	(3,919,018)	(441,795)	(2,864,020)
November	1,057,043	(1,553,265)	(4,415,240)	220,723	(3,139,519)
December	1,438,571	(2,033,571)	(5,010,240)	92,490	(3,642,029)
2022 Totals	13,386,540	(14,041,018)		327,985	

# System Benefits Charge Review

2023 & 2024, Actuals + Forecast (*revenue is negative*)  
 With **no change** to current annual SBC collection rate of \$18.75 million

- 2023
  - Account forecast to be over-collected in 2023
- 2024
  - Assume 2024 expenditures = 2023 forecast
  - Account forecast to be in balance by March/April

	Monthly Conservation Costs	SBC Recovery	Cash Basis Accumulative Balance	Accrued Costs	Accrual Basis Accumulative Balance	
January	2,706,739	(2,166,947)	(4,470,449)	(505,780)	(3,608,017)	Actuals
February	742,341	(1,311,533)	(5,039,641)		(4,177,209)	Forecast
March	1,644,295	(1,115,157)	(4,510,504)		(3,648,071)	
April	1,632,574	(1,010,025)	(3,887,954)		(3,025,522)	
May	2,133,589	(1,084,761)	(2,839,125)		(1,976,693)	
June	1,930,048	(839,002)	(1,748,079)		(885,647)	
July	1,664,975	(1,230,201)	(1,313,305)		(450,873)	
August	1,961,446	(1,622,048)	(973,906)		(111,474)	
September	979,977	(2,113,324)	(2,107,254)		(1,244,822)	
October	2,435,756	(1,636,064)	(1,307,561)		(445,129)	
November	1,652,942	(2,001,079)	(1,655,698)		(793,266)	
December	2,249,553	(2,619,860)	(2,026,004)		(1,163,572)	
2023 Totals	21,734,236	(18,750,000)		(505,780)		

	Monthly Conservation Costs	SBC Recovery	Cash Basis Accumulative Balance	Accrued Costs	Accrual Basis Accumulative Balance
January	1,978,524	(1,561,085)	(1,238,260)		(375,827)
February	770,751	(1,359,450)	(1,826,958)		(964,526)
March	1,707,225	(1,155,899)	(1,275,633)		(413,201)
April	1,695,056	(1,046,926)	(627,503)		234,929
May	2,215,246	(1,124,392)	463,351		1,325,783
June	2,003,914	(869,655)	1,597,610		2,460,042
July	1,728,697	(1,275,147)	2,051,160		2,913,592
August	2,036,514	(1,681,310)	2,406,365		3,268,797
September	1,017,482	(2,190,534)	1,233,312		2,095,745
October	2,528,977	(1,695,837)	2,066,452		2,928,884
November	1,716,203	(2,074,188)	1,708,466		2,570,898
December	2,335,648	(2,715,576)	1,328,538		2,190,970
2024 Totals	21,734,236	(18,750,000)		-	

# System Benefits Charge Review

- Propose no change to System Benefits Charge (Schedule 191)
  - Rate stability
  - System Benefits Charge account projected to be in balance  
~March/April 2024; next SBC review in March 2024
- 2023 forecast energy efficiency expenditures: \$21.7 million
  - Same as in forecast slide reviewed earlier
  - Best available info from implementers as of early March 2023
  - Forecast expenditures to achieve 94% of 2022-2023 EIA Penalty Threshold.
    - Teams are pushing to exceed the current forecast.
  - Analysis assumes same forecast expenditures in 2024
  - Does not include Demand Response (\$ in deferred account)

# System Benefits Charge Review

## Next Steps

- Draft filing for exception to DSM Advisory Group by Friday, 3/31/2023
- Comments requested by Monday, 4/17/2023
- File by 5/1/2023
- Re-analyze no later than March 2024

# Condition 12d

Docket UE-210830 Order 01 Attachment A	12d	Recovery through an Electric Conservation Service Rider	PacifiCorp must file revisions to its cost recovery tariff (Schedule 191) by June 1 each year, with requested effective date of August 1 of that same year. If PacifiCorp files its cost recovery tariff early, a Draft Annual Report with completed savings evaluations (see section 6(d)) must accompany the filing.
WAC 480-109-130	2	Conservation cost recovery adjustment	(2) A utility must make a conservation cost recovery filing no later than June 1st of each year, with a requested effective date at least sixty days after the filing.
WAC 480-109-130	2	Conservation cost recovery adjustment	(2) If the utility believes that a filing is unnecessary, then it must file a request for exception and supporting documents no later than May 1st of each year demonstrating why a rate change is not necessary.

# Procurement: Delivery Contracts

Nancy Goddard



# Current Contracts (3)

## Wattsmart Business: Managed Account Delivery

- Joint RFP with Rocky Mountain Power
  - **Obtained lower hourly rates by being part of a larger RFP**
  - **Contracted with Cascade Energy**
  - 3 years w/option to extend for 2 more years
  - Contract expires May 31, 2024

## Wattsmart Business and Home Energy Savings

- Pacific Power RFP
- **Bid both programs together for possible synergies, scale**
  - **Contracted with Cascade Energy**
    - Wattsmart Business – industrial/ag trade ally engagement, incentive processing, Clean Buildings Accelerator, project facilitation (custom)
  - **Contracted with Resource Innovations** (formerly Nexant)
    - Home Energy Savings (turnkey delivery)
    - Wattsmart Business – commercial trade ally engagement, incentive processing, midstream, small business
- 3 years w/option to extend for 2 more years
- Contracts expire March 31, 2024

Wattsmart Business	Home Energy Savings*
Cascade Energy – managed account delivery <i>(Subs: KW Engineering, Energy 350, and more)</i>	
Cascade Energy – trade ally <i>(Stillwater sub for Clean Buildings Accelerator)</i>	
Resource Innovations <i>(Sub: Evergreen Consulting Group)</i>	Resource Innovations <i>(Subs: C+C and Home Energy Experts)</i>

\*Also, contracted w/Craft3 for financing repaid on bill

# Key Considerations

- Achieving savings targets and equity objectives for 2022-2023 and 2024-2025
  - Continuity to maintain momentum
  - Potential to improve Home Energy Savings performance
- Meeting competitive procurement objectives, make sure we have the best
- Timeframe
  - Quicker, less disruptive process better for momentum, retaining key outsourced staff
- Access to teams who know our customers and our systems
  - Continuity, smooth transition

# Re-procurement Options

1. Request for Proposals
2. New option:  
Use Master Service Agreements competitively procured by Rocky Mountain Power (contracted as PacifiCorp), negotiate scope and pricing for Pacific Power
3. Combination of above

# Proposed Plan

- Use "combination of above" option:
  - Use Master Service Agreement for Wattsmart Business Managed Account Delivery
  - Issue Request for Proposals for rest of outsourced program delivery
    - Home Energy Savings and Wattsmart Business

# Wattsmart Business – Managed Account Delivery

## Key factors

- Continuity of services for long lead time projects and relationships
- Cascade Energy is market leader for refrigeration and industrial process
  - Sub-contractors on board for commercial
- Master Service Agreement competitively procured by Rocky Mountain Power
  - Multiple proposers, selection based on technical evaluation, price
  - Is with Cascade Energy

## Plan

- Negotiate pricing and scope with Cascade Energy using Master Service Agreement
- Term – 3 years with option to extend 2 years
  - Option to join re-bid with Rocky Mountain Power (possibly in 2025 for 2026)

# Rest of Outsourced Delivery

## (Home Energy Savings, Wattsmart Business)

### Key factors

- Meeting competitive procurement objectives
- Can build equity considerations into a new RFP
  - Especially important for residential and small business)
- Stagger timing of re-bids

### Concerns

- Rest of outsourced delivery is a large operation with established relationships, momentum and infrastructure
  - A LOT to replace if new provider(s) selected
  - Expect a loss of momentum and lull in savings results if we transition to new provider(s)
  - RFPs are disruptive (risk losing key outsourced staff)

### Plan

- Issue Request for Proposals
  - One RFP for Home Energy Savings and Wattsmart Business (*except managed account delivery*)
    - For potential synergies and cost efficiencies
    - For larger scale
    - Potential to add Demand Response to RFP
    - Potential to add Tree Planting Conservation if selected by IRP
  - Bidders bid on one or more of these
    - Home Energy Savings
    - Wattsmart Business – commercial
      - Commercial trade ally engagement and customer outreach, incentive processing
    - Wattsmart Business – industrial/ag
      - Industrial/ag trade ally engagement and customer outreach, incentive processing, Clean Buildings Accelerator, project facilitation (custom)
    - Wattsmart Small Business
      - Small business trade ally engagement and customer outreach, application processing

# Before

Wattsmart Business	Home Energy Savings
Cascade Energy – managed account delivery <i>(Subs: KW Engineering, Energy 350, and more)</i>	
Cascade Energy – trade ally <i>(Stillwater sub for Clean Buildings Accelerator)</i>	
Resource Innovations <i>(Sub: Evergreen Consulting Group)</i>	Resource Innovations <i>(Subs: C+C and Home Energy Experts)</i>

# After

Wattsmart Business	Home Energy Savings
Cascade Energy – managed account delivery <i>(likely KW Engineering, Energy 350, and more)</i>	
TBD based on RFP: <ul style="list-style-type: none"> <li>• Trade ally (industrial/ag), project facilitation</li> <li>• Trade ally (commercial)</li> <li>• Small Business</li> </ul>	TBD based on RFP

# Procurement: Delivery Contracts

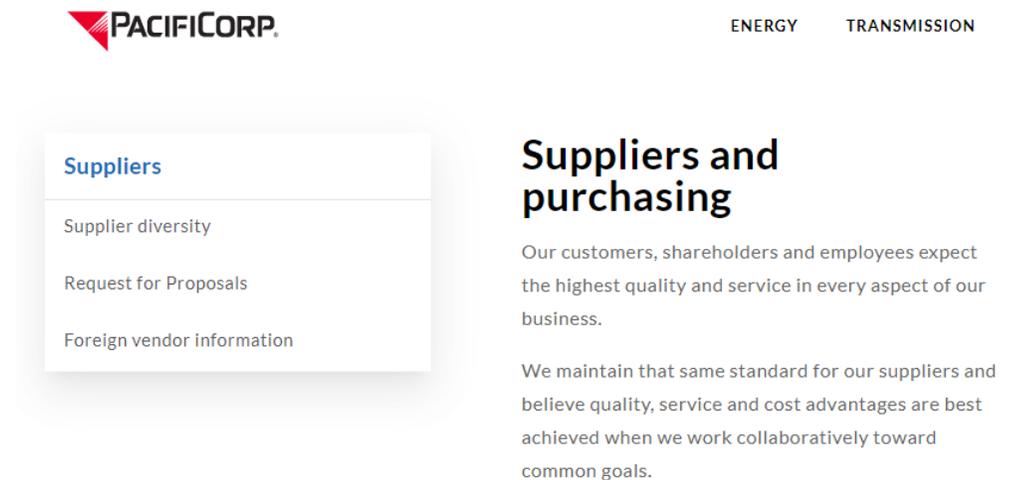
- Wattsmart Business & Home Energy Savings Delivery contracts end 3/31/3024
  - Transition arrangements in current contracts would start 4/1/2024
- Incorporate Competitive Procurement Framework
  - In 2022-2023 Biennial Conservation Plan

Action	Target Date
Establish a web page and post notice seeking comments on general proposal evaluation and selection criteria	March 31, 2023 (or next week)
Provide DSM Advisory Group with key components of RFP for review and comment	Overview today
Company and DSM Advisory Group outreach to build bidders list; Bidders registered in company system	4/30/2023
Provide RFP to Procurement	5/30/2023
Release RFP	6/30/2023
Proposals due	9/1/2023
Selection	1/31/2024
Contract(s) complete	3/31/2024

# Procurement: Delivery Contracts

Action	Target Date
Establish a web page and post notice seeking comments on general proposal evaluation and selection criteria	March 31, 2023 (or next week)

- Add new page to <https://www.pacificorp.com/suppliers.html>
- Post notice on March 31 (estimated)
  - Include RFP background information
  - Request comments on general proposal evaluation and selection criteria by April 30, 2023



# Procurement: Delivery Contracts

Action	Target Date
Provide DSM AG with key components of RFP for review and comment	Overview Today

- Key components of RFP

- Instructions to proposers – includes reference materials, what to include in proposals, general selection criteria, etc.
- Proposed contract statement of work
- Technical proposal spreadsheet - to be completed and provided with proposal
- Additional references such as exports from measure library, service area maps, equity related info (Customer Benefit Indicator metrics, Highly Impacted Communities for WA)

# Procurement: Delivery Contracts

Action	Target Date
Company and DSM Advisory Group outreach to build bidders list; Bidders registered in company system	4/30/2023

- Work started on bidders list
- DSM Advisory Group can provide potential bidder names and contact info (send to [Nancy.Goddard@PacifiCorp.com](mailto:Nancy.Goddard@PacifiCorp.com))
- Potential bidders will be vetted by DSM Team
- Bidders must be registered with PacifiCorp and on the bidders list prior to the RFP. Only companies on the bidders list receive the RFP.

# Reference: Competitive Procurement Framework 2022-2023 Biennial Conservation Plan Appendix 6

## Appendix 6 - Competitive procurement framework for Washington Conservation and Efficiency Resources

November 1, 2021 FINAL

Provided for review and comment to DSM AG in August 2021  
Final version filed as appendix to biennial conservation plan

### Background:

This framework is provided as required by [WAC 480-107-085](#). Acquisition of conservation and efficiency resources, and is consistent with the rule. The rule text is included for reference below following the framework.

Acquisition of Washington conservation and efficiency resource(s) in sufficient quantities to achieve EIA targets and the specific targets for energy efficiency described in PacifiCorp's Clean Energy Implementation Plan requires on-going relationships with customers, trade allies, distributors, contractors, professional associations and other market actors. Third party delivery contractors performing this work for the company in Washington (in addition to other Pacific Power states) benefit from a reasonable level of contractual continuity as they develop and maintain these relationships. Contractual continuity enables adaptive management of program delivery. Most importantly, continuity is critical for customers who require knowledgeable and timely response to project related needs. Both customers and implementation team rely on trusted relationships to maintain implementation schedules and continued participation.

Contractual continuity needs to be proactively balanced with the need for innovation, best pricing and opportunities for new providers. The company has a robust procurement process that provides services to ensure business units such as Customer Solutions can effectively manage these multiple objectives. In some cases, pricing, delivery and innovation may be enhanced by contracting for delivery across multiple Pacific Power states. A robust and competitive procurement process typically requires nine months from RFP & bidder list development to contract execution.

This framework is specific to delivery contracts with reportable energy savings and does not include support services including but not limited to marketing, energy education, on bill repayment services, or advisory group facilitation/support.

### Frequency of competitive bidding for conservation and efficiency resource programs, in whole or part:

Third party delivery contracts for conservation and efficiency resources in Washington follow company guidance for duration; they are typically, five-year contracts with a three-year minimum term and an option for one two-year extension provided performance is acceptable during the first three years. Delivery contracts are intended to be 1 be re-bid no less frequently than every five years. They may be re-bid more often. Start/end dates

Appendix 6 - Competitive procurement framework for Washington Conservation and Efficiency Resources  
Page 1 of 4

for contracts are staggered when possible to minimize potential delivery disruption. The current delivery contracts and end dates are listed below.

- Bidgely - Home Energy Reports - December 31, 2022
- Resource Innovations (formerly Nexant) - Home Energy Savings, Wattsmart Business commercial trade ally engagement/incentive processing, small business - March 31, 2024
- Cascade Energy - Wattsmart Business industrial/ag trade ally management/incentive processing - March 31, 2024
- Cascade Energy - Wattsmart Business managed accounts - May 31, 2024.

Further detail on the scope of these contracts is provided in our annual reports.

Re-procurement for current contracts will commence ahead of and are intended to be complete prior to the end dates listed. As part of the biennial framework update, current contracts and end dates will be reviewed and updated as required.

### Unsolicited proposals received outside of a conservation RFP

Proposals received by the company outside of a conservation RFP process, including through an all-source RFP, will be evaluated provided, at a minimum they a) are additive to (not duplicative of or displace) current delivery activities; b) contain an integration plan with existing offers and c) are economic or cost-effective additions to the current program portfolio.

### Public participation, outreach, and communication of evaluation and selection criteria

The company will establish or modify a current web page for public engagement and post a notice prior to releasing competitive procurement solicitations seeking public comment on general proposal evaluation and selection criteria. The company will review and incorporate comments as appropriate.

Respondents to a conservation RFP must be registered in the company procurement system. Public participation and outreach prior to the release of RFP will be focused on having new bidders register in this system. DSM AG members may encourage bidders to register in the system.

Company outreach may include queries to third parties such as ESource for a current list of providers delivering similar services. This information will be compared with current list in the procurement system and non-listed firms may be invited to register.

Company outreach may also include providing the DSM AG with the key components of an upcoming RFP for review and comment ahead of the formal release of the RFP.

The RFP will describe bid evaluation and selection criteria and information related to these criteria will be requested from bidders to ensure the best possible responses.

Appendix 6 - Competitive procurement framework for Washington Conservation and Efficiency Resources  
Page 2 of 4

Criteria weighting or additional metrics with the potential to reduce competitiveness of proposals (as determined by the company's DSM group and procurement group) will not be provided in the RFP.

### Support from DSM Advisory Group:

This framework will be provided to the DSM AG during the biennial planning process (odd numbered years) with a request for comment. Comments will be reviewed by the company and incorporated into the version filed as part of the biennial conservation plan. Comments received and their disposition in an easily trackable (comments, responses and redlines in MS word) will be provided to demonstrate DSM AG participation and support.

### Current and Planned Exemptions:

Recognizing the unique nature of services provided and the absence of alternative providers, the company will continue their current practice of exempting a) contracts with community action agencies delivering low-income services, and b) Northwest Energy Efficiency Alliance's delivery of market transformation services. The practice of exempting these providers will be reviewed with each biennial procurement framework update. The default will be to continue these exemptions for additional biennial periods UNLESS changed in consultation with the DSM AG.

# Preview: Program Changes

Nancy Goddard



# Preview: Program Changes

## Wattsmart Business

- Updates to align with energy code effective 7/1/2023 (WSEC 2021)
  - Changes are mainly in HVAC incentive tables
  - Air compressor VFD listed measure - change to "retrofit only"

## Home Energy Savings

- Updates to align with RTF and energy code effective 7/1/2023
  - Changes are mainly in HVAC incentives tables
  - End standalone new construction HPWH offering because WSEC-R will require heat pump water heaters installed in new residential construction starting 7/1/2023

Next step: draft program change packages to DSM AG for review (mid-April)

## Low Income Weatherization

- Add smart thermostats to list of supplemental measures

Next step: send draft filing to DSM AG

# Other Conditions

Nancy Goddard



# Distribution Efficiency – WAC rule and Condition 12c

<b>WAC 480-109-100</b>
<b>Energy efficiency resource standard.</b>
<b>(1) Process for pursuing all conservation.</b>
(b) <b>Types.</b> Types of conservation include, but are not limited to:
(i) End-use efficiency;
(ii) Behavioral programs;
(iii) High-efficiency cogeneration;
(iv) Production efficiency;
<b>(v) Distribution efficiency; and</b>
(vi) Market transformation.

Docket UE-210830 Order 01 Attachment A	12c	Recovery through an Electric Conservation Service Rider	Recovery of costs associated with distribution and production efficiency initiatives are not funded through the Electric Conservation Tariff Rider because these programs are not customer conservation initiatives. These are company conservation programs. As such, these costs are recovered in the general rate making process over time and may be requested through a general rate case, a deferred accounting petition or other allowed mechanism. The method of cost recovery in no way diminishes its obligation as required in RCW 19.285 and WAC 480-109.
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# Distribution Efficiency

Jonathan Connelly and Shaun Akers



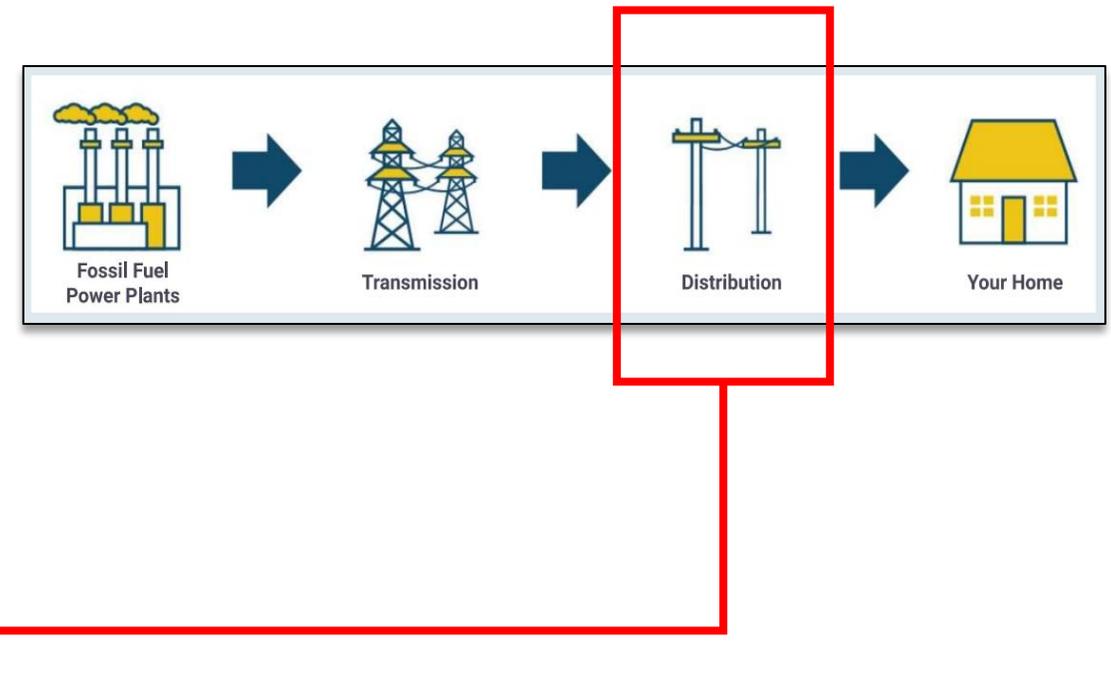
## What is Distribution Efficiency?

- Based on rule requirements in WA for distribution efficiency (WAC 480-109-100; Condition 12c).
- Costs for distribution efficiency initiatives recovered via rate case

## Distribution Efficiency Initiatives:

### Conservation Voltage Reduction (CVR)

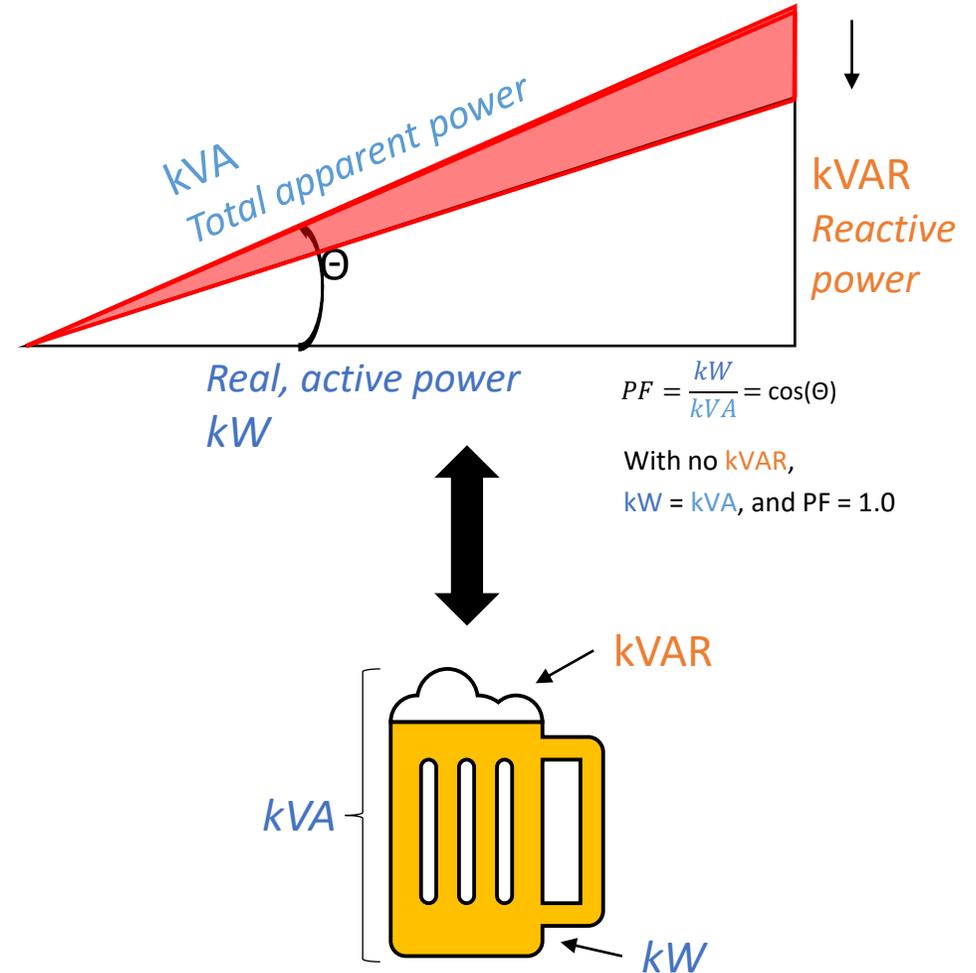
- VAR Management
- Volt/VAR Reduction (Volt/VAR)



# Volt/VAR Reduction Background

## How does Volt/VAR reduction improve distribution efficiency?

- Reduction of kVAR leads to less total apparent power, and therefore fewer amps on the distribution lines
- Fewer amps delivered means less line loss, and can therefore permit lower system voltages without voltage violations
- Reducing kVAR and voltage can create a more efficient system by reducing losses and total feeder demand



# Volt/VAR Reduction Projects for 2022-2023

## 2022-2023 Biennial (update on projects presented at 9/2/2021 meeting)

### Projects Completed:

#### Grandview Substation feeder 5Y303 Var Management

- Replaced existing capacitor banks with switched capacitor banks.
- Installed three additional switched capacitor banks.
- Total cost was \$33,097.
- Annual efficiency savings were expected to be 244 MWh. In process of verifying saving to include in 2022 annual report.

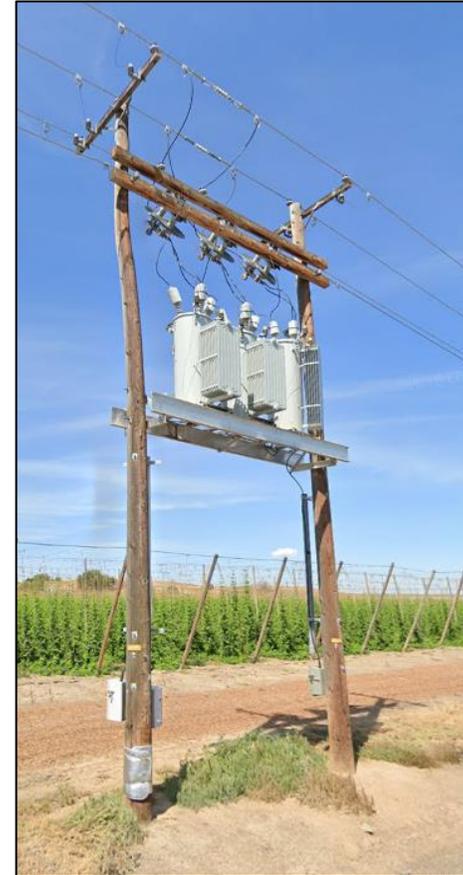
### Projects In Progress:

#### Wiley Substation feeder 5Y380 New Field Voltage Regulator Bank

- Install new voltage regulator to address voltage concerns.
- Project scheduled to be complete April 2023. Total cost \$82,093.
- Annual efficiency savings were expected to be 24 MWh.

#### Wiley Substation feeder 5Y164 Reconductor and Voltage Optimization

- Replace 3,400 feet of #6 steel mainline with 4/0 AAC.
- Install voltage regulator bank.
- Project scheduled to be complete end of year 2023. Total cost \$366,500.
- Annual efficiency savings were expected to be 227 MWh.



→ Total Anticipated Annual Savings: 495 MWh

# 2024-2025 Distribution Efficiency Biennial Plan Update

## Distribution Efficiency section of 2023 Annual Conservation Plan – Washington – 11/15/2022

### 2023 Annual Conservation Plan update:

- There are no updates at this time to the forecast for distribution efficiency of 165 MWh for the 2022-2023 biennial period.
- Using CYME, the Company screened all circuits with less than 0.95 power factor for volt VAR opportunities.
- Based on the CYME analysis, the final list of circuits with power factor less than 0.95 is provided in the table below.

**Table 6 - Final List of Circuits with Power Factor Less than 0.95**

Area	Substation	Feeder name	Feeder number	Power Factor	Season
Sunnyside	Grandview	Zeus	5Y82	0.88	Summer
Sunnyside	Grandview	Euclid	5Y351	0.93	Summer
Yakima	White Swan	Wesley	5Y218	0.92	Summer
Yakima	Nob Hill	18th Ave	5Y273	0.93	Winter
Yakima	Union Gap	Old Town	5Y159	0.93	Winter
Yakima	Wiley	Tampico	5Y380	0.93	Summer

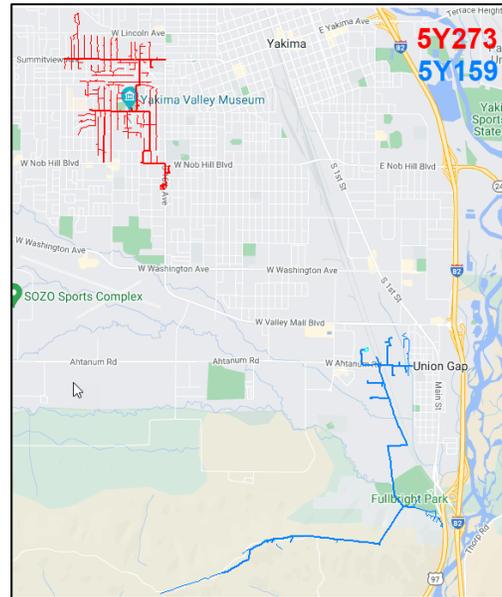
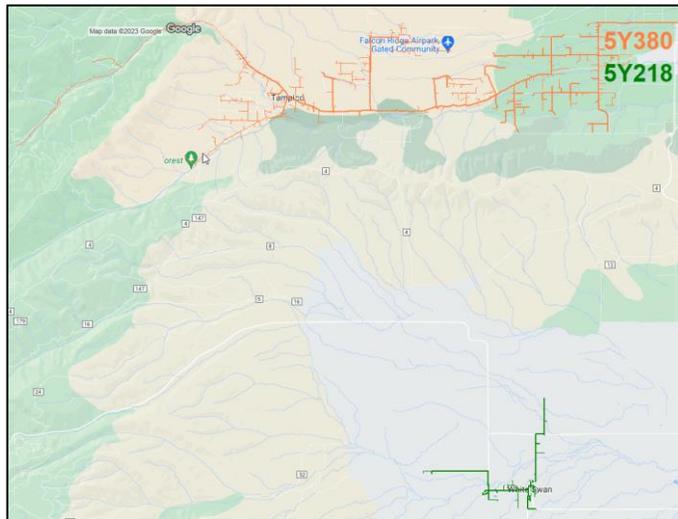
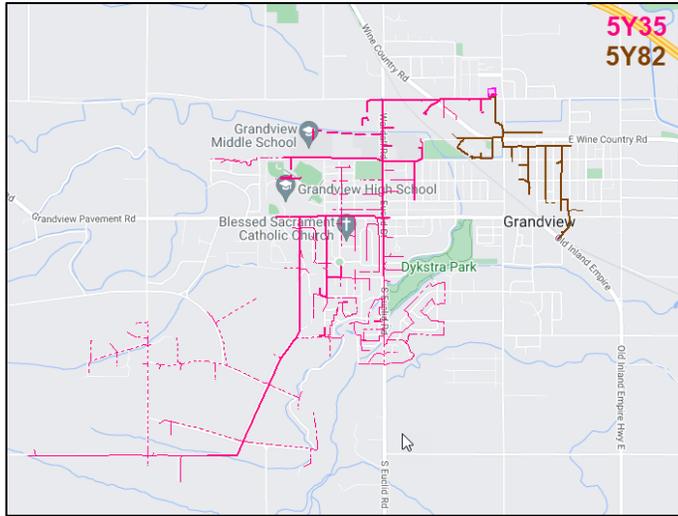
- The Company is on track to complete the remaining work on schedule:
  - Using CYME, conduct detailed analysis on circuits within range in prioritized manner based on circuit total annual MWh usage by Feb 1, 2023.
  - Estimate costs of implementation and conduct economic analysis by May 1, 2023.
  - Provide forecasted costs and savings by year for 2024 -2032 by July 1, 2023.

### Current Status:

- ✓ Completed CYME analysis
- Share results with DSM Advisory Group

# 2024-2025 Biennial Volt/VAR Reduction Study Overview

Shaun Akers



## Overview of Pacific Power - Washington Volt/VAR Study

- Reviewed 142 distribution circuits based on:
  - ✓ VAR flow
  - ✓ Power factor (0.95 or less)
  - ✓ SCADA availability
- Additional Factors
  - ✓ Total kW losses (Magnitude and duration)
  - ✓ Total Loading (MWh)
- 6 circuits met criteria. Using CYME these circuits were analyzed for distribution efficiency savings:
  - Grandview 5Y82
  - Grandview 5Y351
  - White Swan 5Y218
  - Wiley 5Y380
  - Nob Hill 5Y273
  - Union Gap 5Y159

# Volt/VAR Reduction Study Solutions

## Summary of solutions analyzed:

### **Voltage Optimization (Voltage reduction at substation):**

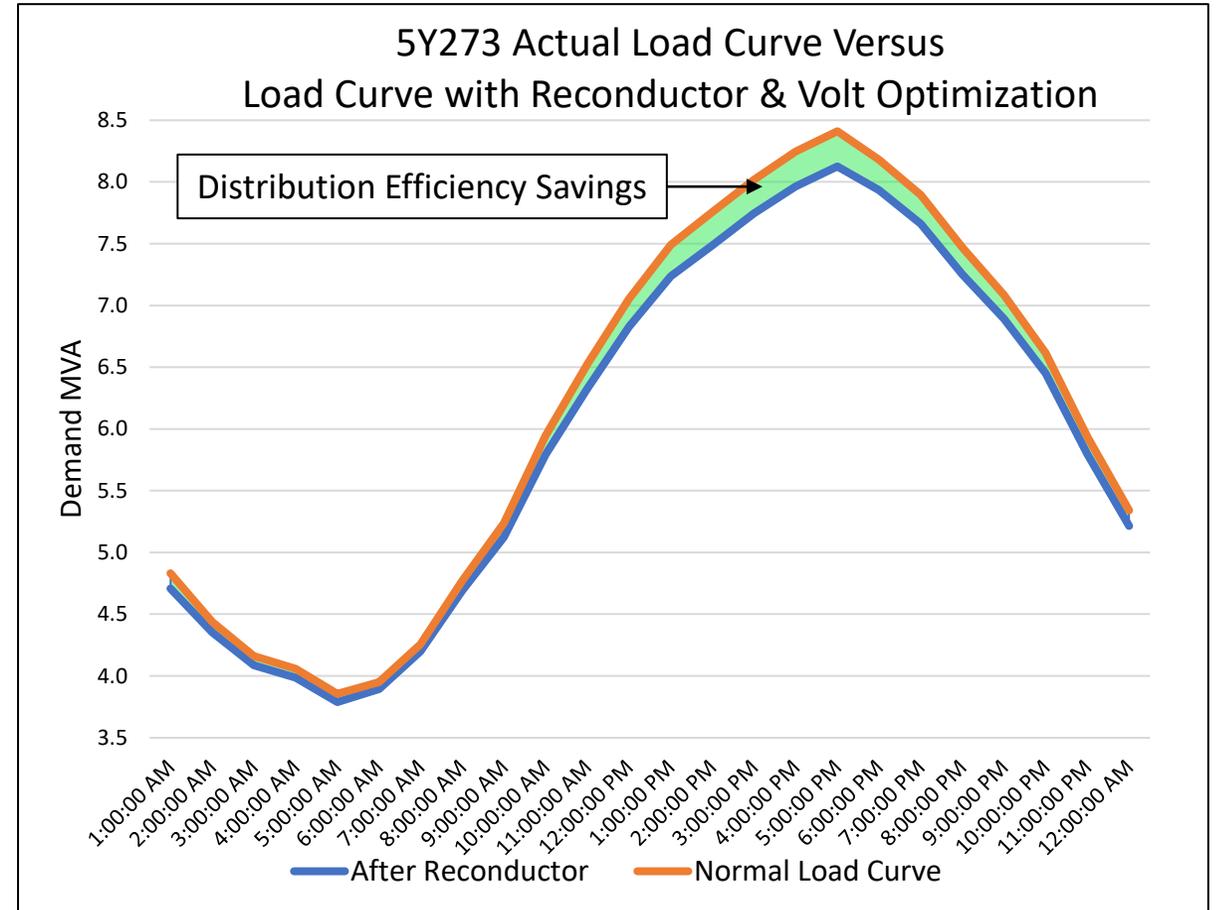
- Only Voltage Optimization
- With installation of new line voltage regulating device
- With reconductor of existing line to larger conductor

### **Phase Balancing:**

- Only Phase Balancing
- With installation of new line voltage regulating device

### **VAR Management:**

- Only VAR Management (Installation of capacitor banks)
- With installation of new line voltage regulating device



# 2024-2025 Biennial Volt/VAR Reduction Study Results

## Summary of results:

### Voltage Optimization (Voltage reduction at substation):

- Only Voltage Optimization
  - 5Y82
- With installation of new line voltage regulating device
- With reconductor of existing line to larger conductor
  - 5Y273 and 5Y351

### Phase Balancing:

- Only Phase Balancing
- With installation of new line voltage regulating device

### VAR Management:

- Only VAR Management (Installation of capacitor banks)
  - 5Y218
- With installation of new line voltage regulating device
  - 5Y159

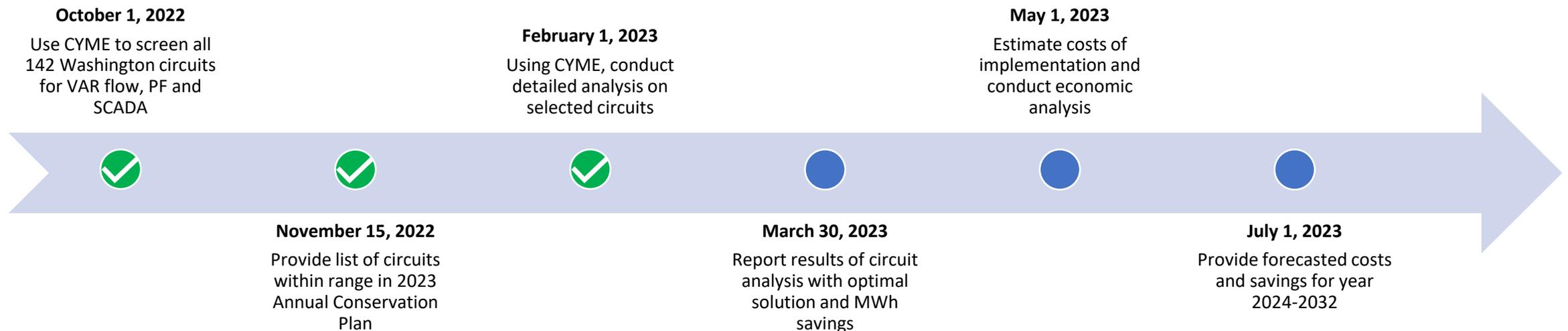
Circuit	Reductions in line loss	Reduction in Power Consumption	Projected Annual Savings (MWh)	Optimal Solution
5Y273	18.96%	0.5%	86	Reconductor with Volt Optimization
5Y218	1.67%	0.1%	1	VAR Management
5Y351	10.13%	0.77%	186	Reconductor with Volt Optimization
5Y380	N/A	N/A	0	No Solution
5Y82	0.14%	0.02%	2	Volt Optimization
5Y159	8.37%	0.1%	4	Var Management with Volt Optimization

**Total Expected Annual Savings: 279 MWh**

# 2024-2025 Biennial Volt/VAR Reduction Study

## Next Steps

- Complete detailed cost/benefit analysis from 2024 through 2032 for solutions identified.
- Solutions that pass that screening will proceed to projects that will be included in Biennial Conservation Plan by July 1, 2023.
- Projects reported will proceed to detailed scoping, estimating, and construction in 2024-2025 pending funding approval.
- After completion of projects, analysis will be performed to verify projected efficiency savings and will be reported in DSM annual reports.



# Updates



- Home Energy Reports
- Demand Response
- CETA: Equity Advisory Group
- CEIP: Utility Actions/Customer Benefit Indicator Metrics
- Pilots
- Wrap-up
  - Recent filings, upcoming drafts due to the DSM Advisory Group
  - 2023 DSM Advisory Group meetings

# Home Energy Reports

Jay Olson



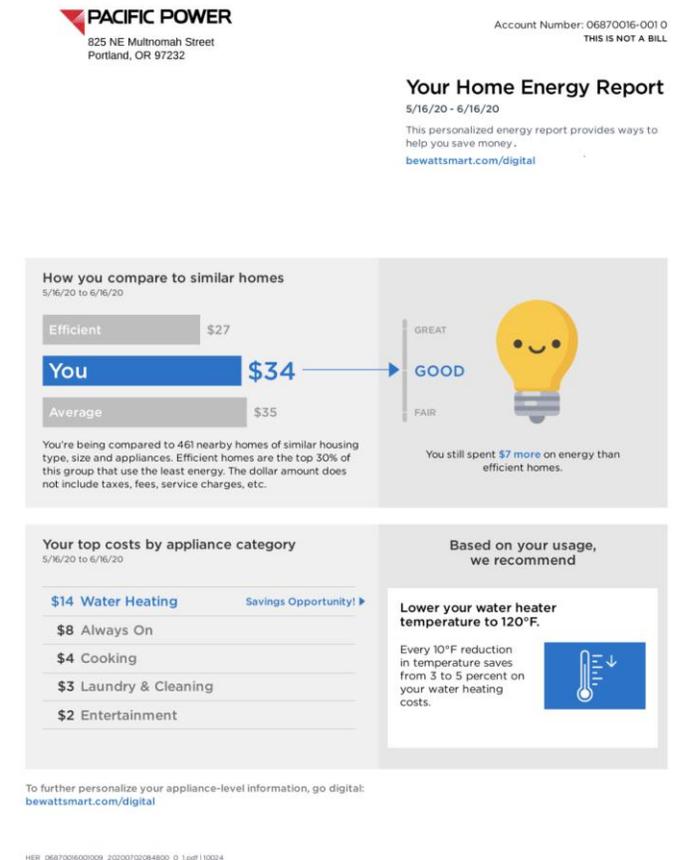
# Home Energy Reports Update

- Procurement update

- Last discussed at 4/28/2022 DSM Advisory Group meeting
- Updates since then:
  - Current status
    - Master Service Agreement completed with Bidgely
    - Extends the current term of Bidgely/PacifiCorp contract
    - Pacific Power will have a “task order” for Washington tied to the master service agreement

- Update on planned expansion

- 2023 Annual Conservation Plan indicated an expansion of 15,000 customers to replace customers lost to attrition
- Expansion is scheduled for April will be increased to 20,000 customers



**PACIFIC POWER**  
825 NE Multnomah Street  
Portland, OR 97232

Account Number: 06870016-001 0  
THIS IS NOT A BILL

### Your Home Energy Report

5/16/20 - 6/16/20

This personalized energy report provides ways to help you save money.  
[bewattsmart.com/digital](http://bewattsmart.com/digital)

#### How you compare to similar homes

5/16/20 to 6/16/20

Efficient	\$27
<b>You</b>	<b>\$34</b>
Average	\$35

Scale: GREAT (lightbulb), GOOD (lightbulb), FAIR (lightbulb)

You're being compared to 461 nearby homes of similar housing type, size and appliances. Efficient homes are the top 30% of this group that use the least energy. The dollar amount does not include taxes, fees, service charges, etc.

You still spent \$7 more on energy than efficient homes.

#### Your top costs by appliance category

5/16/20 to 6/16/20

\$14 Water Heating	Savings Opportunity! ▶
\$8 Always On	
\$4 Cooking	
\$3 Laundry & Cleaning	
\$2 Entertainment	

#### Based on your usage, we recommend

Lower your water heater temperature to 120°F.

Every 10°F reduction in temperature saves from 3 to 5 percent on your water heating costs.

To further personalize your appliance-level information, go digital:  
[bewattsmart.com/digital](http://bewattsmart.com/digital)

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# Demand Response

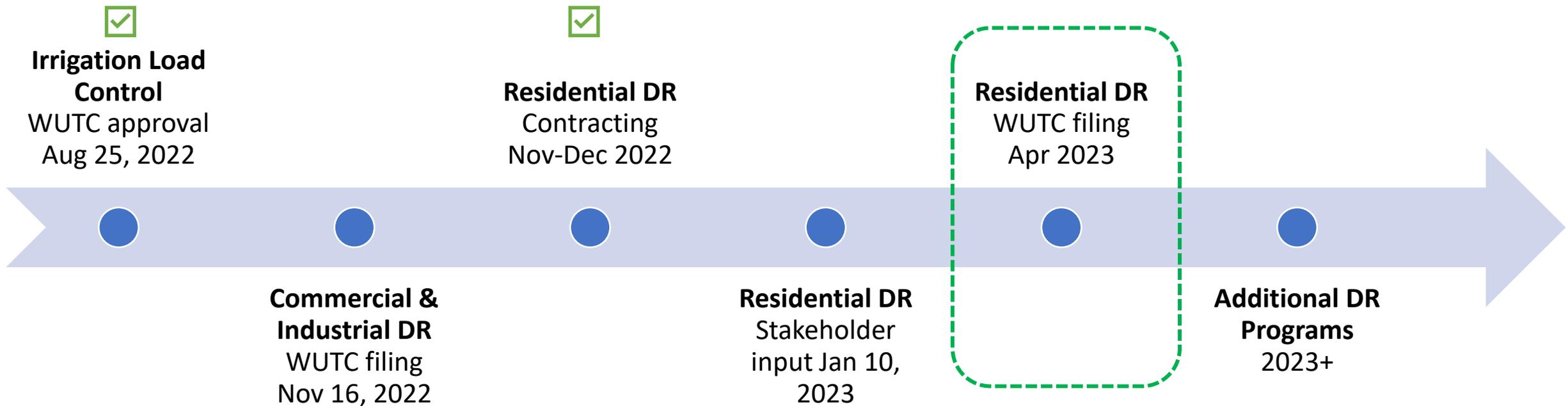
Alex Osteen



# Pacific Power's Demand Response Programs in Washington

Demand Response (DR) helps manage the grid by offering financial incentives to participating customers to reduce their energy usage during peak times. One status update for the group regarding the DR portfolio:

- PacifiCorp is currently working on the draft filing for the Residential DR program for smart thermostats and water heaters and will be releasing the draft for comment soon (see next slide for timing)



## Progress

- **Jan 10, 2023** – hosted technical workshop
  - Jan 24, 2023 – posted workshop notes
  - Addressed ~20 or so comments and questions
- **Feb 9, 2023** – Met with EAG
- **Week of Feb 20, 2023** -- Worked to increase incentive for enrolling thermostat to \$50
- **Week of Feb 20, 2023** -- Updated cost effectiveness model for *Oregon* program
- **Feb 27, 2023** -- Authored and shared out draft advice letter for *Oregon* for feedback
- **Mar 9, 2023** – Met with EAG

## Next Steps

- **Week of Mar 13, 2023** -- Leveraged Oregon filing as starting point for draft of Washington filing
- **Week of Mar 20, 2023** – Began updating cost effectiveness model for Washington program, leveraging Oregon model
- **Week of Apr 3-10, 2023** -- Post draft filing for stakeholder & EAG review
- **Week of Apr 17-24, 2023** – Deadline for receiving feedback on draft filing
- **Late Apr / Early May 2023** – Expect to share program plans with WUTC\*
- **Late May / Early June 2023** – Expect to launch program
- **Summer 2023** -- Report DR progress in biennial CEIP update to receive formal “approval” from WUTC\*

\*In its most recent [approval for C&I DR](#), WUTC requested PacifiCorp use the CEIP docket as the vehicle/proceeding to get new DR programs / strategy formally “approved,” while working with EAG and other advisory groups in the interim to launch new offerings.

# Clean Energy Transformation Act Washington Equity Advisory Group

Kimberly Alejandro



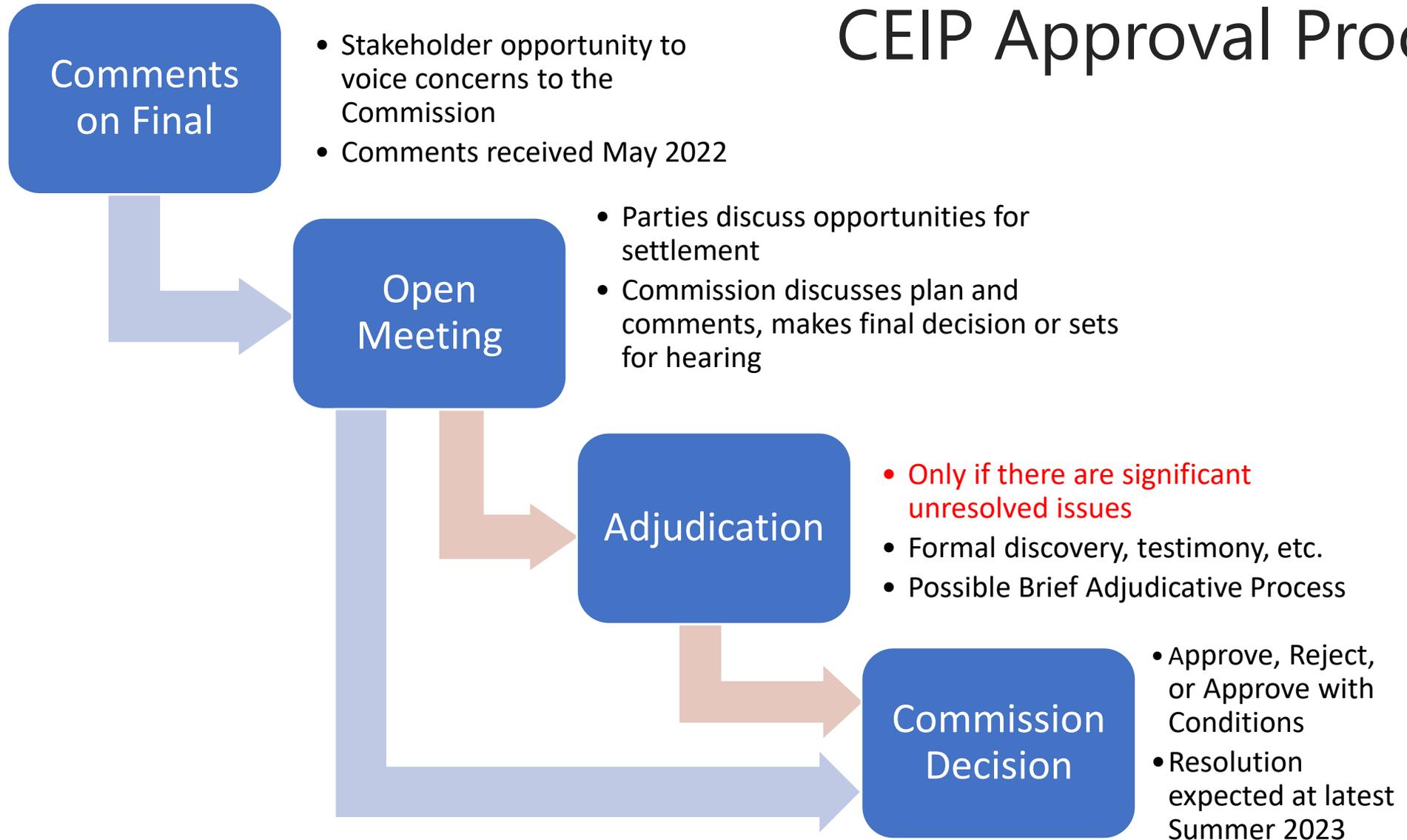
## Washington Equity Advisory Group 2023 Meeting Schedule

Date / Time / Meeting Format	Proposed Agenda Topics*
January 12th, 1pm-4pm (PST) <a href="#">Online</a>	Washington Rate Case; Craft3 WA Home Energy Loan Program Community Connections
February 9th, 1pm-4pm (PST) <a href="#">Online</a>	Wattsmart Small Business Lighting (Utility Actions Update) Demand Response Core Concepts WA Residential Survey: Closing the Feedback Loop
March 9th, 1pm-4pm (PST) <a href="#">Hybrid: Perry Technical Institute (Yakima)</a>	Transportation Electrification Washington Plan Filing, Feedback, and CBI Update Demand Response Washington Filing and CBI Update Community Spotlight
April 13th, 1pm-4pm (PST) <a href="#">Online</a>	Communications Team Vision & Updates; Comms CBI Update Energy Efficiency Updates; Review 2022 Data Community Connections
May 2nd-4th	Local, in-person visits with the WA Equity Advisory Group
June 8th, 1pm-4pm (PST) <a href="#">Online</a>	CEIP Annual Progress Report Check In; Energy Efficiency Updates Community Connections
July 13th, 1pm-4pm (PST) <a href="#">Hybrid: Sustainable Living Center (Walla Walla)</a>	Filed CEIP Annual Progress Report & Feedback; WA Non-Energy Impacts Updates Community Connections
<b>August</b>	<b>No Meeting</b>
September 14th, 1pm-4pm (PST) <a href="#">Online</a>	Energy Efficiency Updates (Preview Biennial Conservation Plan and program changes) Community Connections
October 12th, 1pm-4pm (PST) <a href="#">Hybrid</a>	Energy Efficiency Updates Community Connections
<b>November</b>	<b>No Meeting</b>
December 7th, 1pm-4pm (PST) <a href="#">Online</a>	End of the Year Survey and Reflection; 2024 Planning

# March 2023

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
26	27	28	1	2	3	4
5	6	7	8	9	10	11
		<a href="#">Clase de cocinar gratis! 6:00pm-7:00pm @ Providence Southgate, 1025 South 2nd Avenue Walla Walla, WA 99362</a>		<a href="#">HYBRID – Washington Equity Advisory Group Meeting 1pm-4pm (PST) Onsite location: Perry Technical Institute 2011 W. Washington Ave, Yakima, WA 98903</a>	<a href="#">Central Washington Home &amp; Garden Show 12pm-5pm @ Yakima Sundome, State Fair Park</a>	<a href="#">Central Washington Home &amp; Garden Show 11am-5pm @ Yakima Sundome, State Fair Park</a>
12	13	14	15	16	17	18
<a href="#">Central Washington Home &amp; Garden Show 10am-4pm @ Yakima Sundome, State Fair Park</a>		<a href="#">Wattsmart Vendor Event 7:30am-12pm @ the Marcus Whitan Hotel and Conference Center 6 W Rose St. Walla Walla, WA 99362</a>	<a href="#">Wattsmart Vendor Event 7:30am-12pm @ the Convention Center 10 N 8th St. Yakima, WA 98901</a>	<a href="#">Beginners Windows 10 Class 9:00am-10:30am @ Yakima Harman Senior Center</a>		
19	20	21	22	23	24	25
			<a href="#">Beginners Windows 10 Class 9:00am-10:30am @ Yakima Harman Senior Center</a>	<a href="#">Beginners Windows 10 Class 9:00am-10:30am @ Yakima Harman Senior Center</a>		
26	27	28	29	30	31	1
			<a href="#">CWHCC Meet &amp; Greet 5:30pm-7:00pm at the Holiday Inn 802 E. Yakima Ave. Yakima, WA 98901</a>			
2	3	Notes:	<a href="#">March 15 - Beginner Windows 10 Class 9:00am - 10:30am @ Yakima Harman Senior Center</a>			
		Notes:	<a href="#">March 16 - VOLUNTEER with BMAC Food Bank- Food Distribution for Seniors 1pm-4pm</a>			

# CEIP Approval Process



# Clean Energy Implementation Plan

## Utility Actions, CBI Metrics

Nancy Goddard/Jay Olson



## Condition 9b – improved participation for Named Communities

- b) PacifiCorp must consider how and whether existing conservation programs serve the highly impacted communities and vulnerable populations identified in its CEIP. In addition, PacifiCorp must adjust existing conservation programs or design new programs and offerings so that the portfolio of programs ensures an improvement in the equitable distribution of energy and nonenergy impacts to the same communities identified in its CEIP. See WAC 480-100-640(4).

# Refresher: CEIP CBI Metrics

(from 12/30/2021 Clean Energy Implementation Plan)

Customer Benefit Indicator (CBI)	Metric(s)
Participation in company energy and efficiency programs and billing assistance programs	<ul style="list-style-type: none"><li>• Number of households/businesses, including named communities, who participate in company energy/efficiency programs</li></ul>
Efficiency of housing stock and small businesses, including low-income housing	<ul style="list-style-type: none"><li>• Number of households and small businesses that participate in company energy/efficiency programs</li><li>• Energy efficiency expenditures</li></ul>

**Highly impacted community (HIC):** a community designated with a score of 9 or 10 based on the DOH cumulative impact analyses or a census tract that is fully or partially on sovereign tribal territory. Scores are assigned based on several indicators that express: 1) environmental exposures, 2) environmental effects, 3) sensitive populations, and 4) socioeconomic factors. This information is available on the Washington Department of Health’s Information by Location Environmental Health Disparities (EHD) map.

# CEIP Energy Efficiency CBI Metrics – 2020 (from CEIP) and 2022

Energy / Efficiency Program 2020 (baseline)	HIC		Tribal Lands		All Customers	
	Count	Expenditures	Count	Expenditures	Count	Expenditures
Low Income Weatherization	11	\$78,756	4	\$23,805	40	\$295,907
Home Energy Savings	103	\$83,968	27	\$5,350	976	\$855,941
Wattsmart Business	61	\$892,458	13	\$22,392	221	\$2,485,993
Wattsmart Small Lighting	22	\$105,182	1	\$1,400	43	\$228,158
"Very small": <30,000 kWh annual usage	10	--	--	--	19	--
"Small": 30,000+ kWh annual usage	12	--	--	--	24	--
<b>Grand Total</b>	<b>197</b>	<b>\$1,160,364</b>	<b>45</b>	<b>\$52,947</b>	<b>1,280</b>	<b>\$3,865,999</b>

Energy Efficiency Program 2022 participation (preliminary results)	HIC		Tribal Lands		All Customers	
	Site Count	Expenditures	Site Count	Expenditures	Site Count	Expenditures
Low Income Weatherization	29	\$160,076	16	\$89,449	140	\$637,517
Home Energy Savings	315	\$303,215	48	\$88,647	3,520	\$1,688,899
Wattsmart Business	86	\$2,048,657	13	\$279,391	189	\$3,455,821
Wattsmart Small Business	104	\$1,435,992	18	\$179,212	137	\$1,827,348
Very Small Business (<= 30k kWh)	37	\$213,674	4	\$22,380	45	\$263,234
Small Business (<= 145k kWh)	57	\$806,804	12	\$124,594	75	\$996,981
Small Business (<= 200k kWh)	10	\$415,515	2	\$32,238	17	\$567,133
<b>Grand Total</b>	<b>534</b>	<b>\$3,947,941</b>	<b>95</b>	<b>\$636,699</b>	<b>3,986</b>	<b>\$7,609,585</b>

HIC includes both

- HIC for health disparity score of 9 or 10, and
- HIC for Tribal lands

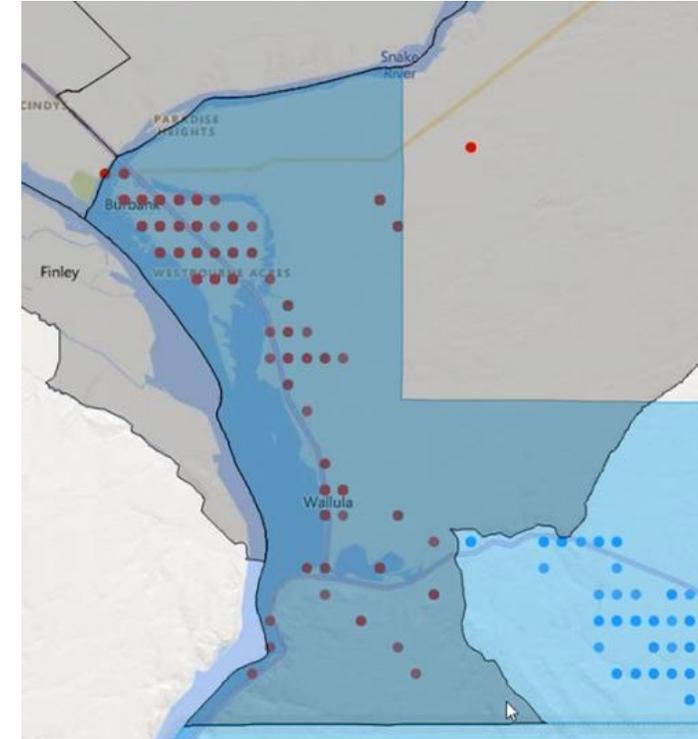
Tribal Lands broken out separately too for additional visibility.

# Utility Actions



**Highly impacted community (HIC):** a community designated with a score of 9 or 10 based on the DOH cumulative impact analyses or a census tract that is fully or partially on sovereign tribal territory. Scores are assigned based on several indicators that express: 1) environmental exposures, 2) environmental effects, 3) sensitive populations, and 4) socioeconomic factors. This information is available on the Washington Department of Health's Information by Location Environmental Health Disparities (EHD) map.

- Utility actions include higher incentives for some energy efficiency measures for customers located in Highly Impacted Communities
- Utility Actions and CBI Metrics use customer data set w/HIC identified
  - December 2021 – First HIC data set – used available WA Dept of Health data (V1)
  - April 2023 – Updating HIC data set – using latest WA Dept of Health data (V2)
    - Some census tracts that weren't HIC before are now HIC (see map for example), other changes
- **For energy efficiency**
  - HIC/not HIC data saved in the project (prior to completion)
    - Used to qualify participants for incentives only available to customers located in a HIC
      - WA Dept of Health is data source of record, can be used to qualify customers for higher HIC incentives
  - **2022 CBI metrics reporting** will be based on the **first HIC data set** (see previous slide for prelim numbers)
  - **2023 CBI metrics reporting** will include **best available HIC data at the time of project** (not all from one HIC data set) and reflect the incentive paid (HIC incentive or not)
- **For demand response**
  - 2023 CBI metrics reporting will use best available HIC data set at the time of reporting



*Newly identified HICs in Burbank and Wallula; also Prescott and Bolles*

# Pilots

Jay Olson



# Update: Manufactured Homes Targeted Delivery Pilot

*(from Pilots section of 2023 Annual Conservation Plan – Washington – 11/15/2022)*

## **Manufactured Homes Targeted Delivery**

- **Purpose:** Increase installation of energy efficiency measures within new and existing manufactured homes.
- **Costs:** Costs are included in the existing program delivery and incentive budgets for the biennial period.
- **Size:** The Program Administrator expects 500-1,000 manufactured home projects over the two-year period.
- **History:** Builds on work from pilot in prior biennial period.
- **Implementation:** Build awareness and utilization of available customer incentives for manufactured home measures, including new manufactured homes and existing manufactured home duct sealing, direct install lighting, heat pumps, evaporative coolers, central air, windows and insulation.
- **Marketing:** Utilize geo-targeted analysis, marketing, outreach and lead sharing methods to optimally reach customers, including customers in underserved areas or non-participating areas.
- **2022 Update:** Signed up five additional contractors focused on Manufactured Homes weatherization. Partnering with Energy Works NW to identify potential new construction homes that qualify for the program. Providing point of purchase signage and marketing materials to new home retailers.

# Update: Manufactured Homes Targeted Delivery Pilot

## 2022 Savings (est.) by Channel for Manufactured Homes

New Manufactured Homes	Direct-install	Trade Ally or DIY	Other
<ul style="list-style-type: none"> <li>• 5 New Homes (11,873 kWh)                             <ul style="list-style-type: none"> <li>• 2 Energy Star</li> <li>• 1 Ecorated</li> <li>• 2 NEEM Plus</li> </ul> </li> <li>• Partnering with NW Energy Works</li> <li>• Point of purchase materials at retailers</li> </ul>	<ul style="list-style-type: none"> <li>• 418 Duct sealing (279,514 kWh)</li> <li>• 222 LED lighting (60,629 kWh)</li> <li>• Analysis of existing potential to continue direct-install offerings</li> <li>• Smart thermostats added for 2023</li> </ul>	<ul style="list-style-type: none"> <li>• 105 Heat pumps (291,497 kWh)</li> <li>• HPWH (1,425 kWh)</li> <li>• Continue building, training, and supporting the trade ally network</li> </ul>	<ul style="list-style-type: none"> <li>• Smart thermostats (2,318 kWh)</li> <li>• Appliances (342 kWh)</li> <li>• Opportunity to target manufactured home customers with coupons for t-stats and appliances</li> </ul>

# Wrap-up

Nancy Goddard



## Recent Filings

	Draft to you	Comments due	Response to Comments	Filed	Approval Decision
Commercial/Industrial Demand Response Program Filing ( <a href="#">UE-220848</a> )	9/30/2022	10/17/2022	Emailed 11/1/2022 to Commission Staff; 12/8/2022 to DSM Advisory Group	11/16/2022	<a href="#">Consent Agenda</a> 1/26/2023
Demand Response Petition Deferred Accounting Treatment ( <a href="#">UE-220848</a> )	Week of Dec 12, 2022 (in DSM AG Meeting)			12/16/2022 Revision 12/29/2022	<a href="#">Consent Agenda</a> 1/26/2023
2023 Annual Conservation Plan ( <a href="#">UE-210830</a> )	10/14/2022, 10/18/2022 (add'l info)	11/1/2022	Emailed 11/4/2022	11/15/2022	Receipt acknowledged 2/23/2023

## Recent drafts

	Draft to you	Comments requested by	Response to Comments provided	Final due
Conservation Potential Assessment Report	2/3/2023	2/17/2023	3/2/2023	March 2023

# Drafts coming soon

	Draft to you	Comments requested by	Final due
Residential Demand Response Program Draft Filing	Week of March 27th	Week of April 10th	Mid-Late April*
System Benefits Charge – request for exception to requirement to file for an adjustment	By March 31	April 17	May 1, 2023
Low Income Weatherization program change - add smart thermostat measure	TBD		
Home Energy Savings and Wattsmart Business program change documents	April 17	April 28	Program changes effective July 1, 2023

\*In its most recent [approval for C&I DR](#), WUTC requested PacifiCorp use the CEIP docket as the vehicle/proceeding to get new DR programs / strategy formally “approved,” while working with EAG and other advisory groups in the interim to launch new offerings.

# Planned 2023

## DSM Advisory Group Meetings, Drafts for DSM AG Review, Filings

March

**Advisory Group meeting #1, Mar 30**  
System Benefits Charge Review (Schedule 191), Distribution Efficiency

**Schedule 191 Filing**

If no change,  
draft request for exception to DSM AG by Mar 31,  
file by May 1

If change needed,  
draft filing to DSM AG by May 1,  
file by June 1

April

**Apr 17:**  
Draft Wattsmart Business/Home Energy Savings program details to DSM AG for review (for July 1 Washington State Energy Code change)

**Apr 28:**  
Comments on program changes due

**TBD:**  
Low Inc WX draft filing to add smart thermostats to DSM AG

May

**May 1:**  
Draft 2022 Annual Report to DSM AG

**May 15:**  
Comments on 2022 Annual Report due

May 15:  
Post notice of July 1 program changes on website

June

**Advisory Group meeting #2 (by July 1)**  
Begin 2024-2025 Target Setting  
Production Efficiency (possible topic)

**June 1:**  
**File 2022 Annual Report**

**June 1:**  
Draft CEIP Progress Report to DSM AG

July

**Advisory Group meeting #3 (by Aug 1)**  
Draft ten-year conservation potential, revised four-year target, and two-year target

**July 1:**  
**File CEIP Progress Report**

July 1:  
Program changes effective

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

# Planned 2023

## DSM Advisory Group Meetings, Drafts for DSM AG Review, Filings

August

### Advisory Group meeting #4 (by Sept 1)

Draft program details, program budgets

Preview 2024 program changes

September

### Advisory Group meeting #5

Preview Biennial Conservation Plan

**Sept 1:**  
Program change documents to DSM AG

**Sept 15:**  
Comments on program change docs due

October

**Oct 1:**  
Draft 2024-2025 Biennial Conservation Plan (BCP) and draft tariffs (if any) to DSM AG

**Oct 15:**  
Comments on draft BCP due

November

**Nov 1:**  
File  
**2024-2025 Biennial Conservation Plan**

**Nov 15:**  
Program changes announced on website

December

### Advisory Group meeting #6

Draft 2024 Communications Plan

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

# 2023 DSM Advisory Group Meetings

	Key Topics	Updates
#1 March 30 1:30-4:30pm	<ul style="list-style-type: none"> <li>• System Benefits Charge Review</li> <li>• 2022-2023 DSM Forecast</li> <li>• Procurement: Delivery Contracts (Home Energy Savings, Wattsmart Business)</li> <li>• Distribution Efficiency</li> <li>• Preview: 7/1/2023 program changes</li> </ul>	<ul style="list-style-type: none"> <li>• Home Energy Reports</li> <li>• Demand Response</li> <li>• CETA: Equity Advisory Group</li> <li>• CEIP: Utility Actions/Customer Benefit Indicator Metrics</li> <li>• Pilots</li> <li>• Wrap-up</li> </ul>
#2 June	<ul style="list-style-type: none"> <li>• 2024-2025 Target Setting</li> <li>• Production Efficiency – possible topic</li> <li>• 2022 Annual Report</li> <li>• 2022-2023 DSM Forecast</li> <li>• Draft CEIP Progress Report</li> </ul>	
#3 July	<ul style="list-style-type: none"> <li>• Draft ten-year conservation potential, revised four-year target, and two-year target</li> <li>• 2022-2023 DSM Forecast</li> </ul>	
#4 August	<ul style="list-style-type: none"> <li>• Draft program details, program budgets</li> <li>• Preview of planned program changes (condition 5b)</li> <li>• 2022-2023 DSM Forecast</li> </ul>	
#5 September	<ul style="list-style-type: none"> <li>• Draft 2024-2025 Biennial Conservation Plan</li> <li>• 2022-2023 DSM Forecast</li> </ul>	
#6 December	<ul style="list-style-type: none"> <li>• 2024 communications and outreach plan</li> <li>• 2022-2023 DSM Forecast</li> </ul>	

# Thank you

