

Appendix 3

2020-2021
NEEA Final Savings Estimate

Pacific Power

May 1, 2022

Memorandum

3/14/2022

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FROM: Christina Steinhoff, NEEA Planning Analyst

CC: Stephanie Rider, Senior Manager, NEEA Data, Planning, and Analytics

SUBJECT: 2020-2021 Final Savings Report (Electric, Washington)

NEEA is an alliance of utilities that pools resources and shares risks to transform markets toward energy efficiency for the benefit of consumers in the Northwest. NEEA's role is to establish technology and market conditions that advance energy efficiency in markets in a sustainable way.

Energy savings are enabled by the alliance's market transformation programs, codes and standards work, and investment in tools, training, resources, data and research to support greater efficiency. The programs seek to affect sustainable changes in markets, which then result in energy savings.

The Washington investor-owned utilities (WA IOUs) have asked NEEA to establish a savings forecast for each biennium as one benefit from the alliance's work. This memo reports these savings against the two-year forecast sent to Pacific Power in September 2019.

NEEA allocates the savings based on Pacific Power's funding share¹ of its regional investment. The savings are above a common baseline established by the WA IOUs and are net of savings claimed through regional utility programs². Appendix A documents NEEA's methodology to estimate savings. Details about baseline and technical assumptions are in the attached Excel spreadsheet.

Please contact Christina Steinhoff at csteinhoff@neea.org with any questions about this report.

¹ Funding share is the portion of NEEA budget provided by each stakeholder. NEEA calculates the shares using each electric funding utility's regional customer count and retail sales.

² Regional utility programs are the Bonneville Power Administration, Energy Trust of Oregon and local utility programs. These programs provide NEEA an estimate of their annual incented units. NEEA multiplies savings rate and baseline saturation assumptions by the units to estimate local program savings. NEEA subtract these values prior to reporting savings to its funders to avoid double counting.

Final 2021-2022 Savings Estimate

NEEA estimates that Pacific Power’s savings are 0.74 aMW for Program Measures. The results are above the original target (Table 1). Program Measures do not include savings from NEEA’s work on codes and standards. Those savings provide an additional 0.62 aMW for a total of **1.36 aMW**. The attached spreadsheet shows how the savings vary by program.

Table 1: aMW Savings in Comparison to the 2019 Forecasted Targets

	2020		2021		Biennial	
	Actuals	Targets	Actuals	Targets	Actuals	Targets
Total	0.66	<i>0.51</i>	0.70	<i>0.53</i>	1.36	<i>1.04</i>
<i>Program Measures</i>	<i>0.38</i>	<i>0.28</i>	<i>0.36</i>	<i>0.23</i>	<i>0.74</i>	<i>0.51</i>
<i>Codes and Standards</i>	<i>0.28</i>	<i>0.23</i>	<i>0.34</i>	<i>0.30</i>	<i>0.62</i>	<i>0.53</i>
Residential	0.32	<i>0.23</i>	0.37	<i>0.28</i>	0.70	<i>0.50</i>
<i>Program Measures</i>	<i>0.25</i>	<i>0.19</i>	<i>0.23</i>	<i>0.19</i>	<i>0.48</i>	<i>0.37</i>
<i>Codes and Standards</i>	<i>0.08</i>	<i>0.04</i>	<i>0.14</i>	<i>0.09</i>	<i>0.22</i>	<i>0.13</i>
Commercial	0.33	<i>0.27</i>	0.32	<i>0.25</i>	0.65	<i>0.52</i>
<i>Program Measures</i>	<i>0.13</i>	<i>0.09</i>	<i>0.12</i>	<i>0.04</i>	<i>0.25</i>	<i>0.13</i>
<i>Codes and Standards</i>	<i>0.20</i>	<i>0.18</i>	<i>0.20</i>	<i>0.21</i>	<i>0.40</i>	<i>0.39</i>
Industrial	0.01	<i>0.01</i>	0.01	<i>0.01</i>	0.02	<i>0.02</i>
<i>Program Measures</i>	<i>0.01</i>	<i>0.01</i>	<i>0.00</i>	<i>0.01</i>	<i>0.01</i>	<i>0.01</i>
<i>Codes and Standards</i>	<i>0.00</i>	<i>0.01</i>	<i>0.00</i>	<i>0.00</i>	<i>0.01</i>	<i>0.01</i>

These are site-based, first-year savings. NEEA allocates the regional savings (Idaho, Montana, Oregon, and Washington) using funder shares. To avoid double counting savings, these values net out savings the Bonneville Power Administration, the Energy Trust of Oregon and local utilities claim through their local programs.

Program Measures: savings from energy efficiency measures NEEA worked on.

Codes and Standards: savings from codes and standards NEEA worked on. Program Measures can result in a code or standard. For the purposes of this report, these savings are reported as codes and standards.

Numbers might not add up due to rounding.

Primary reasons for exceeding the 2020-2021 targets for the Program Measure are:

- **New Programs:** NEEA added Manufactured Homes and Extended Motor Products (XMP) to its savings portfolio in 2019. XMP works to accelerate adoption of efficient motor-driven products. Manufactured Homes provides manufacturers/retailers with the tools and resources they need to drive consumer demand for the more energy efficient NEEM 2.0 homes.
- **Retail Products Portfolio:** The total sales of ENERGY STAR products exceeded the forecast. This was both a function of increased total sales of consumer products and increased market share for ENERGY STAR products particularly for refrigerators where NEEA supported the advancement of an Emerging Tech Award.
- **Desktop Power Supplies:** Desktop computers continue to become more efficient and ENERGY STAR has responded with more advanced specifications. Data collected through IDC show that all the ENERGY STAR desktops meet the ENERGY STAR v7 specification. NEEA's forecast assumed that just 20% of the ENERGY STAR sales would be v7, which save approximately twice as much as the prior

v6 saves. Because Desktop Power Supplies is a previously funded program, NEEA will phase out reporting these savings in 2022.

- Commissioning: Although commissioning declined in 2020 from 2019, NEEA used a conservative forecast for the targets. By surveying regional commissioning firms, NEEA was able to track additional commissioned floor space. Because Commissioning is a previously funded program, NEEA will phase out reporting these savings in 2022.

Appendix A: Methodology

Background

Pacific Power, Puget Sound Energy, and Avista Washington developed a joint approach³ to calculate savings from NEEA initiatives. As part of the utilities' biennium savings updates, NEEA provides a two-year electric energy savings forecast. The utilities subtract the savings from their conservation forecast to develop their Biennium Conservation Target.

Unit Energy Savings (UES)

Where available, NEEA uses savings rates directly from the 7th Power Plan or the Regional Technical Forum (RTF), whichever is more up to date. For example, if the Power Plan has an ENERGY STAR measure that aligns with a NEEA program measure, this report uses the RTF estimate. If a savings rate is not available, NEEA calculates the rate using the same baseline year as the 7th Power Plan. NEEA reviews its calculations annually with the Northwest Power and Conservation Council.

For this report, the savings rates from the RTF were approved after 2015 and prior to Aug. 1, 2019 for the targets and for the 2020 actuals. NEEA updated the UES values in the 2021 forecast with rates the RTF adopted prior to October 2020. Updates include:

- Ductless Heat Pumps
- Manufactured Homes
- Luminaire Lighting Controls

NEEA did not update the savings rates for ENERGY STAR clothes washers and dryers because the RTF adopted the new values after September 2020.

NEEA also updated the codes and standards savings rates for the 2020 actuals and the forecast.

- The code savings rates for 2020 are based on final analysis
- The standards savings rates are based on the best available market data

Data sources are available in the attached spreadsheet.

New Measures

NEEA adds new measures to the savings analysis if:

1. NEEA worked on the measure.
2. NEEA did not have enough data to include the measure in the original target.

³ The utilities agreed that NEEA would develop a Total Regional Savings estimate using baseline and technical assumptions from the most recent Power Plan. NEEA would remove estimated savings counted by the utilities, the Bonneville Power Administration, and the Energy Trust of Oregon. NEEA would allocate the remaining savings to the utilities based on their NEEA funder share percentage.

For example, NEEA did not have a savings forecast in time to include savings from its Extended Motor Products program in the original targets. NEEA also added Manufactured Homes and Secondary Windows to the savings report.

Avoiding Double Counting

NEEA avoids double counting by surveying the Bonneville Power Administration, the Energy Trust of Oregon, and local utilities about their local programs. NEEA multiplies the Power Plan/RTF’s savings rate and baseline saturation assumptions by the survey units to estimate local program savings. The regional savings minus the program savings are the savings NEEA reports to the WA IOUs.

Allocation

NEEA allocates the savings using funder shares. The shares vary based on the funding cycle. Savings from previous investments receive the previous funder share. Savings from current investments receive the current funder share. Table 2 shows the funder shares.

Table 2: Funder Share

Business Plan	Funding Share
2020-2024	2.55%
2015-2019	2.55%
2010-2014	3.01%
Prior	2.56%