



2020-2021  
Biennial Conservation Report  
Washington

Revision Submitted June 20, 2022

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## Introduction

Pacific Power & Light Company, a division of PacifiCorp, (“PacifiCorp” or the “Company”) submits this 2020-2021 Biennial Conservation Report to the Washington Utilities and Transportation Commission (“Commission”) and the Energy Independence Act (I-937) Commerce Conversation Report to the Washington Department of Commerce (“Commerce”) in response to reporting requirements established as part of the Energy Independence Act. The report is consistent with chapter 19.285 Revised Code of Washington, section 70 which states:

*(1) On or before June 1, 2012, and annually thereafter, each qualifying utility shall report to the department on its progress in the preceding year in meeting the targets established in RCS 19.285.40, including expected electricity savings from the biennial conservation target, expenditures on conservation, actual electricity savings results, the utility’s annual load for the prior two years, the amount of megawatt-hours needed to meet the annual renewable energy target, the amount of megawatt-hours of each type of eligible renewable resource acquired, the type and amount of renewable energy credits acquired, and the percent of its total annual retail revenue requirement invested in the incremental cost of eligible renewable resources and the cost of renewable energy credits.”*

This report is also consistent with the guidelines set forth in the revised WAC 480-109-100 (3) and Conditions in Docket UE-190908, Order 01, addressing reporting requirements.

As directed in Docket UE-100523 memorandum dated May 4, 2012, two separate filings will be submitted for “Conservation” and “Renewables”. This report is addressing the Conservation target and savings.

Consistent with the requirement to pursue all cost-effective, reliable, and feasible conservation, the Company completed a comprehensive conservation potential assessment followed by economic resource screening and selection through the Company’s Integrated Resource Planning process. The resulting ten-year conservation forecast, with adjustments as appropriate to account for new information, and biennial target was filed with and approved by the Commission in Docket UE-190908.

## Executive Summary

This report covers a period dominated by the COVID-19 pandemic. Counties served by Pacific Power, especially Yakima County, were hit particularly hard by the pandemic relative to the state overall according to Washington Department of Health data<sup>1</sup>.

	Cumulative Cases (as of 5/1/2022)	Population (2020 Census)	Cumulative cases per 100,000 people (as of 5/1/2022)
<b>Washington State</b>	<b>1,498,116</b>	<b>7,705,281</b>	<b>19,443</b>
Yakima County	72,085	256,728	28,078
Walla Walla County	15,397	62,584	24,602
Columbia County	609	3,952	15,410
Garfield County	388	2,286	16,973
4 county total	88,479	325,550	27,178

Agriculture is the top industry in Yakima County in terms of payroll with 22.5% of total covered payrolls<sup>2</sup>, and many agricultural workers are essential workers not able to work more safely from home. Yakima County progressed more slowly to re-opening per the governor’s Safe Start Washington plan<sup>3</sup>, so businesses required to curtail/shut down were affected longer.

As such, the Company notes the following up front:

- It was an unprecedented time for our customers and for program delivery.
- Delivery in our small Washington markets was compromised by customer uncertainty and many issues caused by the pandemic including the following:
  - o **Competing priorities** – Customers were challenged with new safety protocols and COVID related challenges in addition to their ongoing business challenges which often leave little time to attend to energy efficiency opportunities. Many people and businesses were struggling to survive.
  - o **Price Increases** – Raw material and commodity price increases were seen across multiple sectors including insulation, plastic, lumber, steel and other

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population data source:	<a href="https://www.census.gov/library/stories/state-by-state/washington-population-change-between-census-decade.html">https://www.census.gov/library/stories/state-by-state/washington-population-change-between-census-decade.html</a>
confirmed case count data source:	<a href="https://doh.wa.gov/emergencies/covid-19/data-dashboard#tables">https://doh.wa.gov/emergencies/covid-19/data-dashboard#tables</a>

<sup>2</sup> [ESDWAGOV - Yakima County profile](#)

<sup>3</sup> On October 13, 2020, Gov. Jay Inslee said Yakima County and the four other counties still in a modified Phase 1 — Franklin, Benton, Douglas and Chelan — can join 17 other counties in Phase 2. [Yakima County moves into Phase 2 of state's coronavirus reopening plan | Local | yakimaherald.com](#) As of February 22, 2021, Yakima County was still in Phase 2. [Yakima County is in Phase 2 - Greater Yakima Chamber of Commerce](#).

raw materials. This inflation caused manufacturers to have passed along these increases to contractors and customers.

- **Labor Shortages** – Many Trade Allies did not have enough staff to take on additional projects. Demand for skilled trade jobs outpaced the supply of qualified workers.
- **Delayed Shipments** -There was also a worker shortage in transportation, limiting the number of trucks on the road and trains hauling HVAC replacement parts.
- **Product Availability** – Shortage of microprocessor chips caused additional equipment shortages.
- **General Uncertainty** – Customer uncertainty around the COVID pandemic caused delays in project implementation.

Appendix 4 contains a memo from the Northwest Energy Efficiency Alliance (NEEA) documenting COVID-19 supply chain impacts.

Further impacts of the pandemic and utility actions taken in response are detailed in the 2020 and 2021 Washington Annual Reports on Conservation Acquisition. Multiple adaptive strategies were implemented during the two-year period and despite not meeting the target set in pre-COVID times, for the biennial period, the programs remain robust, delivered important savings, and were an important option for customers as they navigated challenging times during the pandemic.

A summary of the 2020-2021 Biennial Conservation Target as set forth in Docket UE-190908, PacifiCorp’s Ten-Year Conservation Potential and 2020-2021 Biennial Conservation Target, and savings results at customer site are provided below.<sup>4</sup>

	<b>Savings (MWh)</b>
EIA Penalty Threshold @ site	86,979
Company Achieved Conservation (at site)	60,275
Percent of Target	69%
Excess Conservation Savings (shortfall) before applying Excess Conservation from Prior Periods (MWh at site)	(26,704)
2016-2019 Excess Conservation MWh @ site	4,622
Company Achieved Conservation (at site) including Excess Conservation from Prior Periods	64,897
Excess Conservation Savings (shortfall) after applying Excess Conservation from Prior Periods	(22,082)
Percent of Target	75%

<sup>4</sup> Company achieved conservation includes adjustment for Home Energy Reports and does not include NEEA savings in the target or achieved totals.

Consistent with Order 02 in Docket 152072, the Company has 2,336 MWh (at generator) or 2,135 MWh (at site) of excess 2018-2019 electric savings available. Consistent with Order 03 in Docket UE-132047, the Company has 2,718 MWh (at generator) or 2,488 MWh (at site) of excess 2016-2017 electric savings available. The excess savings from 2014-2015 is no longer available for application to a 2020-2021 shortfall. After consulting with its DSM Advisory Group, the Company is using all available excess conservation savings<sup>5</sup> from 2016-2017 and 2018-2019 towards the shortfall in 2020-2021. Excess conservation used for 2020-2021 is 7% of the total (less than the maximum of 20% that can be met with excess conservation savings per RCW 19.285.040 (1)(c)(i)).

House Bill 1446, signed into law in 2021, amends RCW 19.285.040 and 19.285.060:

Sec. 1, 1, e: the following text was added:

A qualifying utility is considered in compliance with its biennial acquisition target for cost-effective conservation in (b) of this subsection if events beyond the reasonable control of the utility that could not have been reasonably anticipated or ameliorated prevented it from meeting the conservation target. Events that a qualifying utility may demonstrate were beyond its reasonable control, that could not have reasonably been anticipated or ameliorated, and that prevented it from meeting the conservation target include: (i) Natural disasters resulting in the issuance of extended emergency declarations; (ii) the cancellation of significant conservation projects; and (iii) actions of a governmental authority that adversely affects the acquisition of cost-effective conservation by the qualifying utility.

Section 2, 2, the following text was revised:

A qualifying utility that does not meet an annual renewable energy target established in RCW 19.285.040(2) or biennial acquisition target for cost-effective conservation in RCW 19.285.040(1) is exempt from the administrative penalty in subsection (1) of this section for that year if the commission for investor-owned utilities or the auditor for all other qualifying utilities determines that the utility complied with RCW 19.285.040 (1)(e) or (2) (d) or (i) or 19.285.050(1).

Based on the provisions of House Bill 1446, the Company is considered in compliance with its biennial acquisition target given the COVID-19 pandemic

1. Significantly impacted program services and performance and prevented the Company from meeting its conservation target,
2. Was beyond the reasonable control of the Company and could not have been reasonably anticipated in 2019 when the 2020-2021 biennial conservation target was established, and
3. Meets the criteria of “natural disasters resulting in the issuance of extended emergency declarations” given Governor Jay Inslee declared a State of Emergency

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<sup>5</sup> Excess conservation available for 2020-2021 is provided in MWh at the generator in UE-171092 Order 1 and the Company converted these values to MWh at customer site.

on February 29, 2020, and the State of Emergency was still in place at the end of 2021<sup>6</sup>.

In its 2021 Annual Conservation Plan filed November 13, 2020, the Company communicated challenges resulting from the COVID-19 pandemic and proposed a potential process to adjust the Biennial Target.

In addition, the Company communicated to its DSM Advisory Group in 2020 and 2021<sup>7</sup> about COVID-19 impacts in its service area, adaptive strategies to improve programs, and the projected shortfall of 2020-2021 results compared to the target.

Consistent with the conditions established by the Commission in Docket UE-190908 Order 01, Attachment A, the cost-effectiveness has been determined based on the Total Resource Cost (TRC) test incorporating the 10 percent conservation benefit and risk adder consistent with the Northwest Power and Conservation Council's approach. Using this test, the benefit to cost ratio for the Company's 2020-2021 Biennial Conservation achieved savings was 1.93 (including NEIs).<sup>8</sup>

Working in partnership with its customers, Commission staff, and demand side management advisory group members, the Company achieved these results while adhering to the conditions established by the Commission in Docket UE-190908. Appendix 1 of this report summarizes the Company's compliance.

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<sup>6</sup> The clear intent of the legislature in passing House Bill 1446 was that it would apply to the COVID-19 pandemic. In his introduction of House Bill 1446 to the House Environment and Energy Committee, Representative Fey, the prime sponsor of the bill, specifically framed the bill as a mechanism to relieve utilities from penalties associated with conservation shortfalls brought on by the COVID-19 pandemic (among other events beyond the reasonable control of a utility), stating: "It's clear that, if a conservation program is to be effective, it needs the participation of customers and certainly this pandemic has affected the ability of customers to participate in conservation programs. Particularly those that are larger customers, where, because of uncertainty in the industry, because of other focuses in just trying to survive as a company, many businesses have passed or delayed their opportunity to take advantage of incentives from electric utilities to participate in their programs." Public Hearing of the Washington House Environment and Energy Committee, February 9, 2021, available at: <https://twv.org/video/house-environment-energy-committee-2021021221/?eventID=2021021221>.

<sup>7</sup> Refer to regulatory sections of 2020 and 2021 DSM Annual Reports on Conservation Acquisition for a summary of DSM Advisory Group meeting topics.

<sup>8</sup> The cost effectiveness result includes non-energy impacts for the Company Achieved Conservation savings. The TRC including the 10 percent conservation benefit and risk adder for the Total Achieved Conservation savings, including NEEA, is 2.28 (including NEIs) which takes the sum of 2020 and 2021 performance and accounts for changes in HER and NEEA savings to calculate the benefits and costs for cost effectiveness. The Low-Income Weatherization program is not included in the portfolio cost effectiveness analysis per WAC 480-109-100(10)(b).

# Energy Independence Act (I-937) Commerce Conservation Report

## Energy Independence Act (I-937) Conservation Report 2020-2021

Utility	PacifiCorp	<b>Summary of Achievement and Targets (MWh)</b>			
Report Date	June 1, 2022	2020-2021		2022-2023	
Contact Name/Dept	Cory Scott/Customer Solutions	Biennial		Biennial	
Phone	503-813-6011	Potential 2020-2021	509,495	Potential 2022-2023	505,954
Email	Cory.Scott@pacifiCorp.com	Target 2020-2021	93,189	Target 2022-2023	94,210
		Achievement 2020-2021	69,341		
		Excess (Deficit)	(23,848)		

### Achievement

Conservation by Sector	2020 Achievement		2021 Achievement	
	MWh	Utility Expenditures (\$)	MWh	Utility Expenditures (\$)
Residential	10,539	\$ 3,278,905	2,427	\$ 4,690,443
Commercial	21,182	\$ 4,190,443	13,668	\$ 4,049,997
Industrial	6,865	\$ 1,327,512	4,295	\$ 1,602,222
Agriculture	803	\$ 258,275	496	\$ 197,848
Distribution Efficiency				
Production Efficiency				
NEEA	4,479	\$ 1,002,231	4,587	\$ 792,519
Conservation expenditures NOT included in sector expenditures (EVS, system support, EULR, education, outreach & communication)		\$ 783,125		\$ 701,422
<b>Total</b>	<b>43,868</b>	<b>\$10,840,492</b>	<b>25,473</b>	<b>\$12,034,452</b>

Note: Expenditure amounts do not include any customer or other non-utility costs.

Utility	PacifiCorp
Biennial Period	2020-2021



Potential is MWh at the generator; Targets and Achievements are MWh at the customer meter (at site).

Excess conservation from 2016-2017 of 2,718 MWh (at generator) or 2,488 MWh (at customer meter) was applied to the Company achieved conservation results for 2020-2021 and is not included in the table above.

Excess conservation from 2018-2019 of 2,336 MWh (at generator) or 2,135 MWh (at customer meter) was applied to the Company achieved conservation results for 2020-2021 and is not included in the table above.

Company achieved conservation (excludes NEEA) of 64,897 MWh (at site) is short of the 86,979 MWh (at site) revised biennial target (or EIA penalty threshold) approved by WUTC and subject to penalty.

Total achieved conservation (includes NEEA) of 73,964 MWh (at site) is short of 93,189 MWh (at site) target tracked by the Washington Department of Commerce (or the EIA target). See statute RCW19.285.070.

The quantities submitted above include all areas of conservation effort and achievement, because the Commerce Conservation Report includes areas of conservation which are not included for target setting at the Washington Utilities and Transportation Commission (WUTC).

Based on the provisions of House Bill 1446, the Company is considered in compliance with its biennial acquisition target given the COVID-19 pandemic

- 1) Significantly impacted program services and performance and prevented the Company from meeting its conservation target,
- 2) Was beyond the reasonable control of the Company and could not have been reasonably anticipated in 2019 when the 2020-2021 biennial conservation target was established, and
- 3) Meets the criteria of "natural disasters resulting in the issuance of extended emergency declarations" given Governor Jay Inslee declared a State of Emergency on February 29, 2020, and the State of Emergency was still in place at the end of 2021.

On December 17, 2019, the Commission approved a target at the customer meter of 86,979 MWh (equivalent to 95,108 MWh at gen) for the 2020-2021 biennium in Order 01 in Docket UE-190908 in accordance with WAC 480-109-120. The Commission approved target does not include savings forecasted by NEEA. Table 1 in Order 01 displaying savings at both the generator and customer meter is the source of the target values listed in this report.

Brief description of the methodology used to establish the utility's ten-year potential and biennial target to capture cost effective conservation: PacifiCorp relied on 1) its "PacifiCorp Conservation Potential Assessment for 2019-2038" (June 30, 2019), 2) economic screening of the conservation potential identified through the 2019 Integrated Resource Plan (IRP), specifically price policy scenario P-18, and 3) other post IRP adjustments (all documented in Appendix 1 of the PacifiCorp's ten-year conservation potential and 2020-2021 biennial conservation target report) to establish its ten-year conservation forecast and biennial conservation target.

The way in which the Company arrived at its 2020 -2021 biennial conservation target is explained on pages 14-26 of "PacifiCorp's 2020-2021 Biennial Conservation Plan for its Washington Service Area" filed in Docket UE-190908 (revised 12/16/2019).

The Company's engagement with the Washington DSM Advisory Group during the development of the 2020-2021 target is outlined in the on pages 9-13 of "PacifiCorp's Biennial Conservation Plan for its Washington Service Area" filed in Docket UE-190908 (revised 12/16/2019).

The commission accepted the company's forecast and target as meeting the requirements to consider all conservation resources that are cost-effective, reliable, and feasible by approval of the Company's forecast and targets in Docket UE-190098 on December 17, 2019.

Information on Pacific Power's approved 2020 - 2021 target is available in Docket UE-190908.

## 2020-2021 EIA Conservation Savings Target and Results Table

Category <sup>[1]</sup>	Approved <a href="#">Savings Target</a> <sup>[2]</sup> <a href="#">(MWh at site)</a> <sup>[3]</sup>	2020-2021 Savings Results (MWh at site)	2016-2017 Excess Conservation (MWh at site)	2020-2021 Savings Results Including Excess Conservation from 2016-2017 (MWh at site)
Pro Rata Share of 10-year conservation potential	93,189			
<b>EIA Target</b>	<b>93,189</b>	<b>69,342</b>	<b>4,622</b>	<b>73,964</b>
Decoupling threshold	4,660			
Total Utility Conservation Goal	97,849	69,342	4,622	73,964
Excluded Programs (NEEA)	-6,211	-9,067		-9,067
<b>Utility Specific Conservation Goal</b>	<b>91,638</b>	<b>60,275</b>		<b>64,897</b>
<b>EIA Penalty Threshold (EIA Target minus NEEA savings)</b>	<b>86,978</b>	<b>60,275</b>		<b>64,897</b>

[1] From Docket UE-190908, Order 01, page 2

[2] From Docket UE-190908, Order 01, page 2

[3] Site savings are calculated from generator savings by applying an aggregate adjustment factor (0.91452) based the DSM Business Plan; site kWh/generator kWh.

## Plan Compared to Actual

**Table 1**  
**2020 Forecast from 2020-2021 Biennial Conservation Plan Compared to Actual**  
**(before adjustments)**

Program of Initiative	2020 PacifiCorp Washington Conservation Estimates			2020 PacifiCorp Washington DSM Actual		
	kWh/Yr Savings (at site)	kWh/Yr Savings (at generation)	Systems Benefit Expenditures	kWh/Yr Savings (at site)	kWh/Yr Savings (at generation)	Charge Expenditures
Low Income Weatherization (114)	77,226	83,154	\$ 325,438	69,527	74,864	\$ 347,189
Home Energy Savings (118)	4,509,374	4,855,513	\$ 2,598,916	4,720,378	5,082,714	\$ 2,672,704
Home Energy Reports (N/A)	3,297,000	3,550,078	\$ 287,500	3,542,270	3,814,175	\$ 259,013
<b>Total Residential Programs</b>	<b>7,883,600</b>	<b>8,488,745</b>	<b>\$ 3,211,854</b>	<b>8,332,175</b>	<b>8,971,752</b>	<b>\$ 3,278,905</b>
Wattsmart Business (140) - Commercial	20,196,366	21,731,694	\$ 4,662,847	21,182,321	22,792,601	\$ 4,190,443
Wattsmart Business (140) - Industrial	7,186,054	7,675,784	\$ 1,502,550	6,864,628	7,332,452	\$ 1,327,512
Wattsmart Business (140) - Irrigation	1,247,785	1,343,565	\$ 353,552	803,342	865,007	\$ 258,275
<b>Total Business Program</b>	<b>28,630,205</b>	<b>30,751,043</b>	<b>\$ 6,518,949</b>	<b>28,850,291</b>	<b>30,990,060</b>	<b>\$ 5,776,230</b>
<b>Northwest Energy Efficiency Alliance</b>	<b>3,829,207</b>	<b>4,120,791</b>	<b>\$ 831,388</b>	<b>5,569,225</b>	<b>5,993,649</b>	<b>\$ 1,002,231</b>
<b>Total Other Conservation Initiates</b>	<b>3,829,207</b>	<b>4,120,791</b>	<b>\$ 831,388</b>	<b>5,569,225</b>	<b>5,993,649</b>	<b>\$ 1,002,231</b>
Be Wattsmart, Begin at Home			\$ 64,523			\$ 64,498
Customer outreach/communication			\$ 250,000			\$ 185,213
Program Evaluations (& savings verification)			\$ 549,524			\$ 351,377
Potential Study update/analysis			\$ 120,115			\$ 107,628
System Support			\$ 157,735			\$ 43,353
End use load research & RTF Funding			\$ 109,500			\$ 31,057
<b>Total Portfolio-Level Expenses</b>	<b>-</b>	<b>-</b>	<b>\$ 1,251,397</b>	<b>-</b>	<b>-</b>	<b>\$ 783,125</b>
<b>Total PacifiCorp Conservation</b>	<b>36,513,805</b>	<b>39,239,788</b>	<b>\$ 10,982,200</b>	<b>37,182,465</b>	<b>39,961,812</b>	<b>\$ 9,838,261</b>
<b>Total System Benefit Charge Conservation</b>	<b>40,343,012</b>	<b>43,360,579</b>	<b>\$ 11,813,588</b>	<b>42,751,690</b>	<b>45,955,461</b>	<b>\$ 10,840,492</b>
<b>Total Conservation</b>	<b>40,343,012</b>	<b>43,360,579</b>	<b>\$ 11,813,588</b>	<b>42,751,690</b>	<b>45,955,461</b>	<b>\$ 10,840,492</b>

**Table 2**  
**2021 Annual Conservation Plan Forecast Compared to Actual (before adjustments)**

Program of Initiative	2021 PacifiCorp Washington Conservation Estimates			2021 PacifiCorp Washington DSM Actual		
	kWh/Yr Savings (at site)	kWh/Yr Savings (at generation)	Systems Benefit Expenditures	kWh/Yr Savings (at site)	kWh/Yr Savings (at generation)	Charge Expenditures
Low Income Weatherization (114)	145,860	157,056	\$ 865,000	116,769	125,732	\$ 507,654
Home Energy Savings (118)	5,215,527	5,615,871	\$ 4,285,623	2,957,392	3,184,402	\$ 3,816,526
Home Energy Reports (N/A)	1,155,000	1,243,658	\$ 266,500	3,333,142	3,588,994	\$ 366,263
<b>Total Residential Programs</b>	<b>6,516,387</b>	<b>7,016,585</b>	<b>\$ 5,417,123</b>	<b>6,407,303</b>	<b>6,899,128</b>	<b>\$ 4,690,443</b>
Wattsmart Business (140) - Commercial	22,369,687	24,070,230	\$ 5,486,422	13,667,857	14,706,888	\$ 4,049,997
Wattsmart Business (140) - Industrial	7,511,503	8,023,412	\$ 1,599,600	4,294,801	4,587,492	\$ 1,602,222
Wattsmart Business (140) - Irrigation	1,302,604	1,402,592	\$ 393,658	495,618	533,662	\$ 197,848
<b>Total Business Programs</b>	<b>31,183,794</b>	<b>33,496,235</b>	<b>\$ 7,479,679</b>	<b>18,458,276</b>	<b>19,828,041</b>	<b>\$ 5,850,068</b>
<b>Northwest Energy Efficiency Alliance</b>	<b>3,023,217</b>	<b>3,253,636</b>	<b>\$ 842,389</b>	<b>4,587,659</b>	<b>4,937,869</b>	<b>\$ 792,519</b>
<b>Total Other Conservation Initiates</b>	<b>3,023,217</b>	<b>3,253,636</b>	<b>\$ 842,389</b>	<b>4,587,659</b>	<b>4,937,869</b>	<b>\$ 792,519</b>
Be Wattsmart, Begin at Home			\$ 64,523			\$ 48,700
Customer outreach/communication			\$ 250,000			\$ 245,986
Program Evaluations (& savings verification)			\$ 259,662			\$ 317,623
Potential Study update/analysis			\$ 95,368			\$ 45,383
System Support			\$ 148,543			\$ 31,110
End use load research & RTF Funding & CTA 2045			\$ 85,500			\$ 12,620
<b>Total Portfolio-Level Expenses</b>	<b>-</b>	<b>-</b>	<b>\$ 903,596</b>	<b>-</b>	<b>-</b>	<b>\$ 701,422</b>
<b>Total PacifiCorp Conservation</b>	<b>37,700,181</b>	<b>40,512,819</b>	<b>\$ 13,800,398</b>	<b>24,865,580</b>	<b>26,727,169</b>	<b>\$ 11,241,933</b>
<b>Total System Benefit Charge Conservation</b>	<b>40,723,398</b>	<b>43,766,455</b>	<b>\$ 14,642,787</b>	<b>29,453,239</b>	<b>31,665,038</b>	<b>\$ 12,034,452</b>
<b>Total Conservation</b>	<b>40,723,398</b>	<b>43,766,455</b>	<b>\$ 14,642,787</b>	<b>29,453,239</b>	<b>31,665,038</b>	<b>\$ 12,034,452</b>

**Table 3**  
**2020-2021 Biennial Forecast Compared to Actual**  
**(After adjustments)**

Energy Efficiency Program (Tariff Schedule #)	2020-2021 Forecast		2020-2021 Actual w/adjustments	
	kWh/Yr. Savings (at site)	Systems Benefit Expenditures	kWh/Yr. Savings (at site)	Charge Expenditures
Low Income Weatherization (114)	223,086	\$ 1,190,438	186,296	\$ 854,842
Home Energy Savings (118)	9,724,900	\$ 6,884,539	7,677,770	\$ 6,489,230
Home Energy Reports	4,452,000	\$ 554,000	6,875,412	\$ 625,276
<i>Home Energy Reports - Savings Reporting Adjustment</i>			<i>(1,773,415)</i>	
<b>Total Residential Programs</b>	<b>14,399,986</b>	<b>\$ 8,628,978</b>	<b>12,966,063</b>	<b>\$ 7,969,348</b>
Wattsmart Business (140)	59,813,999	\$ 13,998,628	47,308,567	\$ 11,626,298
<b>Total Business</b>	<b>59,813,999</b>	<b>\$ 13,998,628</b>	<b>47,308,567</b>	<b>\$ 11,626,298</b>
<b>Total Company Conservation Programs</b>	<b>74,213,986</b>	<b>\$ 22,627,606</b>	<b>60,274,630</b>	<b>\$ 19,595,646</b>
Northwest Energy Efficiency Alliance (NEEA)	6,852,424	\$ 1,673,777	10,156,884	\$ 1,794,750
<i>NEEA - Savings Reporting Adjustment</i>			<i>(1,089,765)</i>	<i>-</i>
Be Wattsmart, Begin at Home		\$ 129,046		\$ 113,198
Outreach and Communication		\$ 500,000		\$ 431,199
Program Evaluations		\$ 809,186		\$ 668,999
Potential Study		\$ 215,483		\$ 153,012
System Support		\$ 306,278		\$ 74,463
End Use Research		\$ 195,000		\$ 43,677
<b>Total PacifiCorp Conservation</b>	<b>74,213,986</b>	<b>\$ 24,782,598</b>	<b>60,274,630</b>	<b>\$ 21,080,194</b>
<b>Total System Benefit Charge Conservation</b>	<b>81,066,410</b>	<b>\$ 26,456,375</b>	<b>70,431,514</b>	<b>\$ 22,874,944</b>

## Savings Reporting Adjustments

In the Washington Conservation Working Group, parties agreed “to the extent practicable, there should be consistency between the use of prescriptive unit energy savings estimates in the establishment of the biennial target and the reliance on those same savings estimates in the utility’s demonstration that it met the biennial target.”<sup>9</sup> Consistent with this approach, the results provided in the Company’s 2020 and 2021 Annual Reports on Conservation Acquisition have been adjusted, incorporating the key planning assumptions used in establishing the 2020-2021 target. The adjustments are discussed in detail in the following sections.

### Home Energy Reports

Two adjustments were made to savings for the Home Energy Reports program. The first adjustment incorporates impact evaluation results for both years. The second adjustment accounts for the two-year measure life and calculates the incremental (second year that exceed first year) savings.

A third-party impact evaluation has recently been completed on Washington’s Home Energy Reports program for program years 2020-2021. Results from the evaluation provided verifiable energy savings that were achieved by customers who were participants in Home Energy Reports Program.

As a result, the Company is adjusting the reported savings from this program to reflect the verified net savings from the evaluation. The Company is increasing savings reported in 2020 and 2021 due to realization rates of 162% and 153% respectively.

During this biennial period, the Company used a **two-year measure life** for this program<sup>10</sup>. This means the 2021 reported savings needs to be adjusted to reflect only the savings that are incremental, beyond those reported in 2020. Therefore, the savings reported in the Biennial for 2021 includes the incremental savings. Savings in 2021 were calculated by subtracting 2020 verified net savings. In addition, 2021 received an increase of 1,768,855 kWh to account for savings resulting from the verified net realization rate of 153%. The impact on 2020 and 2021 savings adjustments is provided in Table 4 and Table 5.

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<sup>9</sup> Washington Conservation Working Group Consensus Document as of June 30, 2011.

<sup>10</sup> Two-year life was also utilized for 2018-2019 period.

Table 4 documents the application of the first adjustment, applying realization results to the 2020 savings. Applying this adjustment generates an overall increase in reported savings for 2020 (year one).

**Table 4<sup>11</sup>**  
**2020 Home Energy Reports Adjustment Calculations**

Home Energy Reports	<u>2020</u>	Source/Notes
		3,542,270 Claimed Gross kWh at Site - Table 1
		5,748,805 Verified net savings at site
		162% Evaluated net realization rate
		Savings adjustment at site for Home Energy Reports 2020 (2020 verified net savings - 2020 claimed savings)
		2,206,535

Table 5-1 documents the application of the evaluation adjustment to 2021 results. Table 5-2 shows the adjustment to subtract 2020 verified net savings. Table 5-3 shows a summary starting with the 2021 reported savings, followed by the two adjustments, then the 2021 savings after adjustments.

**2021 Home Energy Reports Adjustment Calculations**  
**Table 5.1**

Home Energy Report	<u>2021</u>	Source/Notes
		3,333,142 Claimed Gross kWh at Site - Table 1
		5,101,997 Verified net savings at site
		153% Evaluated net realization rate
		Savings adjustment at site for Home Energy Reports 2021
		1,768,855 (2021 verified net savings - 2021 claimed savings)

**Table 5.2**

Home Energy Report	<u>2021</u>	Source/Notes
		(5,748,805) Savings adjustment at site to subtract 2020 verified net savings

**Table 5.3**

Home Energy Report	<u>2021</u>	Source/Notes
		3,333,142 Claimed Gross kWh at Site - Table 1
		1,768,855 Evaluation adjustment
		(5,748,805) Savings adjustment to subtract 2020 verified net savings
		<b>(3,979,950) Total 2021 Home Energy Reports savings adjustments</b>
		(646,808) 2021 Home Energy Reports savings after adjustments

<sup>11</sup> See Table 1-4 from Home Energy Reports 2020-2021 Evaluation for realization rates summary.

**Northwest Energy Efficiency Alliance (“NEEA”)**

NEEA estimated savings in the Company’s Washington service territory resulting from its initiatives based on the same baseline assumptions used in the development of the Company’s 2020-2021 biennial conservation target<sup>12</sup>. NEEA’s savings are relative to the Northwest Power and Conservation Council’s 7<sup>th</sup> Plan baselines. NEEA savings provided by NEEA (Appendix 3) was revised to exclude Codes and Standards outside of the Conservation Potential Assessment potential consistent with the 2020-2021 Biennial Conservation Plan.

Savings reported from NEEA initiatives in the Company’s 2020 annual report was based on preliminary estimates provided by NEEA at the time the annual report was created. The 2021 NEEA savings were firmed up in time for the annual report. The savings calculation adjustment is provided in Table 6.

**Table 6  
Revised NEEA 2020 and 2021 Savings**

Program Year	Annual Savings reported kWh (at site)	Revised Savings kWh (at site)	Annual Savings reported kWh (at gen)	Revised Savings kWh (at gen)	Net kWh Adjustment (at site)	Net kWh Adjustment (at gen)
<b>2020</b>	5,569,225	4,479,460	5,993,649	4,821,062	(1,089,765)	(1,172,587)
<b>2021</b>	4,587,659	4,587,659	4,937,869	4,937,869	(0)	-
<b>Total Adj</b>					<b>(1,089,765)</b>	<b>(1,172,587)</b>

**Adjustment Summary**

The net effect of all adjustments applied to the 2020-2021 biennial savings is a decrease of 2,863 MWh (at site).

Table 7 provides a summary of program adjustments in MWh by reporting year.

**Table 7  
Adjustments by Type and Year (MWh at site)**

Adjustment (MWh)	2020	2021	Total
Home Energy Reports	2,207	(3,980)	(1,773)
NEEA	(1,090)	(0)	(1,090)
<b>Total</b>	<b>1,117</b>	<b>(3,980)</b>	<b>(2,863)</b>

<sup>12</sup> See memo from NEEA, Appendix 3 of this report.

## Supporting Documents for Conservation

Provided below are links to supporting documents relied upon in support of the Company's planning assumptions and associated reporting of actual savings results for the Biennial Conservation Target for 2020 and 2021.

1. Demand-Side Resource Potential Assessment for the 2019-2038 (June 30, 2019), Volume 1 through Volume 5.  
<https://www.pacificorp.com/environment/demand-side-management.html>
2. 2020 and 2021 Annual Report(s) on Conservation Acquisition, filed in Docket UE-190908.  
<https://www.pacificorp.com/environment/demand-side-management.html>
3. PacifiCorp's 2020-2021 Biennial Conservation Plan for its Washington Service Area filed in Docket UE-190908.  
[UTC Case Docket Detail Page | UTC \(wa.gov\)](#)
4. Demand-side Management Business Plan(s) including 2021 Annual Conservation Plan filed in Docket UE-190908.  
[UTC Case Docket Detail Page | UTC \(wa.gov\)](#)
5. Independent third-party process and impact evaluations completed during the 2020-2021 biennium, validating program results, assessing ex-post program savings, and providing information used to inform future conservation potential assessments, conservation forecasts and the establishment of targets.  
<https://www.pacificorp.com/environment/demand-side-management.html>
6. House Bill 1446  
<https://app.leg.wa.gov/billsummary?BillNumber=1446&Year=2021&Initiative=false>
7. Governor Jay Inslee emergency proclamation  
[20-05 Coronavirus \(final\).pdf \(wa.gov\)](#)



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## **Appendices**

Appendix 1 – 2020-2021 Plan Condition Requirements and Compliance

Appendix 2 – Washington Verification of Savings Review

Appendix 3 – NEEA Memorandum of 2020-2021 Final Savings

Appendix 4 – NEEA Memorandum of COVID-19 Supply Chain Impacts

Appendix 5 – 2020-2021 Cost-effectiveness Memo