

Appendix 1






2012-2013

Plan Condition Requirements and Compliance

Pacific Power

2012-2013 Plan Condition Requirements and Compliance

Docket UE-111880 Order 01 (2)		
Requires PacifiCorp to use methodologies consistent with those used by the Council.	Appendix 3 of PacifiCorp’s Ten-Year Conservation Potential and Biennial Conservation Target report filed in Docket UE-111880 contains an outline of the methodology used and provided by the Northwest Power and Conservation Council in the development of the regional power plan along with a description of the Company’s aligning methodology. This work was expanded upon in Appendix 3 of PacifiCorp’s Ten-Year Conservation Potential and Biennial Conservation Target report filed in Docket UE-111880. It contains work product further refined by the Methodology Sub-Committee of the Washington Collaborative Working group (summer 2011) and includes Avoided Costs and Total Resource Cost determinants. Together these documents demonstrate the consistency of the methodologies used in the development of both resource plans and development of the Company’s ten-year conservation forecast.	✓
Docket UE-111880 Order 01 (3) (a) (i)		
The Company will consult with the DSM Advisory Group on modifications of existing or development of new evaluation, measurement, and verification (EM&V) conservation protocols based on PacifiCorp’s current evaluation, measurement and verification approach.	The development of a written EM&V framework in collaboration with the DSM Advisory Group is described in the “Utility Evaluation, Measurement and Verification Activities” section of the Ten-Year Conservation Potential and Biennial Conservation Target report filed in Docket UE-111880; a copy of the EM&V framework is also provided as Appendix 8 to that report. Update to this framework is currently underway.	✓
Docket UE-111880 Order 01 (3) (a) (ii)		
The Company will consult with the DSM Advisory Group on development of conservation potential assessments under RCW 19.285.040(1)(a) and WAC 480-109-010(1).	<p>The DSM Advisory Group was consulted in adjustments to the 2013 IRP selections as outlined in “PacifiCorp’s Ten-Year Conservation Potential and 2014-2015 Biennial Conservation Target for its Washington Service Area” filed in Docket UE-132047. The DSM Advisory Group was consulted in the development of the Company’s 2014-2023 conservation forecast as detailed in the “Stakeholder Engagement” section of that report.</p> <p>In addition, the Company has presented to the DSM Advisory group on three occasions, July 15, 2013, February 10, 2014, and again on April 28, 2014, to review the statement of work, methodologies and data sources, and initial findings of the current conservation potential assessment. That assessment will be used to inform the 2015 Integrated Resource Plan and the Company’s 2016-2025 ten-year conservation forecast and two-year biennial target in Washington to be filed in November, 2015.</p>	✓
Docket UE-111880 Order 01 (3) (c)		

<p>The Advisory Group should meet quarterly at a minimum.</p>	<p>A list of 2012 and 2013 Advisory Group meetings, including Washington Collaborative Working Group meetings, is provided in the Company's 2012 and 2013 Annual Reports on Conservation Acquisition (filed in March each year). They demonstrate PacifiCorp's compliance to the requirement for quarterly advisory group meetings.</p>	
<p>Docket UE-111880 Order 01 (5)</p>		
<p>Company must maintain its conservation tariffs with program descriptions on file with the Commission. Program details about specific measures, incentives, and eligibility requirements must be filed as tariff attachments or as revisions to the Company DSM Business Plan.</p>	<p>Copies of the Company's conservation tariffs and/or program descriptions, including details on specific measures, incentives and eligibility are contained in Attachment A, the Company's Demand-Side Management Business Plan for 2012–2013 filed in Docket UE-111880. This information was refreshed in the Company's update to the 2012-2013 Business Plan filed November 1, 2012.</p>	
<p>Docket UE-111880 Order 01 (6) (b) & (c)</p>		
<p>PacifiCorp must use RTF deemed savings or other reliable and relevant source data that has verified savings levels and be presented to the Advisory Group for comment.</p>	<p>The data sources for the 2013 Conservation Potential Assessment are outlined beginning on page 54 of Volume I of the "Assessment of Long-Term System-Wide Potential for Demand-Side and Other Supplemental Resources" which is provided as Appendix 1 to the Ten-Year Conservation Potential and Biennial Conservation Target report filed in Docket UE-132047. Volume II, Appendix C6 of that report provides a comparison of savings values. Current RTF savings data also informed several of the adjustments to the Company's current ten-year conservation forecast; after consultation with the DSM Advisory Group. Adjustments are described in both the "Conservation Potential and Conservation Targets" section as well as in Appendix 4 of the Ten-Year Conservation Potential and Biennial Conservation Target report.</p>	
<p>Docket UE-111880 Order 01 (6) (f)</p>		
<p>PacifiCorp must spend a reasonable amount of its conservation budget on evaluation, measurement, and verification.</p>	<p>As documented in the Company's 2012 and 2013 Annual Reports on Conservation Acquisition (filed in March of each year), the Company spent \$1,181,875 on third-party evaluation, measurement and verification (process and impact evaluations, verification of savings) of its conservation program results over the two year period. This represents 6.2% of the Company's \$19,083,416 in conservation expenditures over the same period.</p>	
<p>Docket UE-111880 Order 01 (6) (f) (i) (ii)</p>		
<p>The Company shall perform an independent review of portfolio-level electric energy savings reported by PacifiCorp for the 2012-2013 biennial period.</p>	<p>Attached in the 2012-2013 Conservation Report as Appendix 2 is the final report of the Verification of Savings for the same biennial period.</p>	
<p>Docket UE-111880 Order 01 (6) (g)</p>		
<p>PacifiCorp must provide, for savings claimed from distribution efficiency, verified savings calculated using Simplified Voltage Optimization (VO) Measurement and Verification Protocol approved by the RTF in 2010.</p>	<p>The company completed a pilot voltage optimization project. The data from the pilot was evaluated with the Simplified Measurement and Verification Protocol approved by the RTF. No distribution efficiency savings are being claimed this biennial period as the company was unable to reliably measure an efficiency improvement, distribution system savings, using the protocol.</p>	

Docket UE-111880 Order 01 (6) (h)		
PacifiCorp, in consultation with an independent third-party consultant, develop a document functionally similar to a Technical Reference Manual outlining the methods and assumptions and sources for those assumptions used for estimating energy savings.	The company developed a Technical Reference Library database with the assistance of an independent third-party consultant. During the March 28, 2013 DSM Advisory Group Meeting, an overview of the Technical Reference Library database was presented.	✓
Docket UE-111880 Order 01 (7) (a)		
PacifiCorp must offer a mix of tariff-based programs that ensure it is serving each customer sector, including limited income customers.	For a full list of PacifiCorp programs see Attachment A, “Demand-Side Management Business Plan – Washington 2012–2013” filed in Docket UE-111880 and the update to this business plan filed November 1, 2012. Also reference Appendix 7 to the Ten-Year Conservation Potential and Biennial Conservation Target report, “PacifiCorp’s Washington Demand-side Management 2014-2015 Business Plan” filed in Docket UE-132047. These business plans contain program details demonstrating the breadth of program services available to Pacific Power customers to assist them with energy conservation. Residential customers currently have four programs available, including a no cost weatherization offer for income qualified customers and comprehensive program with incentives for conservation projects/upgrades in both the new construction and retrofit markets. Business customers have access to one comprehensive programs (also available to both the new construction and retrofit markets) which provide both prescriptive (pre-calculated \$/units) incentives and site specific calculated incentives. In addition, NEEA delivers regional initiatives benefiting customers across all customer groups.	✓
Docket UE-111880 Order 01 (7) (b)		
PacifiCorp must establish a strategy and proposed total planned expenditures for informing participants about program opportunities. The planned expenditures will include expenditures by PacifiCorp directly and not those of the Company’s third party program delivery administrators who are primarily or solely contracted for program delivery. PacifiCorp will share these strategies and expenditures with the Advisory Group for review and comments.	<p>In 2011, the Company implemented <i>wattsmart</i>, the demand-side management communication and outreach campaign. The <i>wattsmart</i> program was put into action to meet the program design principle conditions of Order 2 in Docket No. UE 100170 specific to energy efficiency program outreach.</p> <p>Information and costs associated with the 2012-2013 Outreach and Communications plan were provided in Appendix 7, DSM Business Plan, to the company’s Ten-Year Conservation Potential and Biennial Conservation Target report filed in Docket UE -111880 in January, 2012.</p> <p>Information and costs associated with the 2014-2015 Outreach and Communications plan were provided in Appendix 7, DSM Business Plan, to the company’s Ten-Year Conservation Potential and Biennial Conservation Target report filed in Docket UE-132047 in November 2013.</p> <p>Results on the implementation of the Company’s Outreach and Communications plans are provided in the Company’s Washington Annual Report on Conservation Acquisition filed in March of each year.</p> <p>The Company provides all filings to the DSM Advisory Group for review and comment prior to filing ensuring an opportunity for constructive feedback.</p>	✓

Docket UE-111880 Order 01 (7) (c)		
PacifiCorp must offer a cost-effective portfolio of programs in order to achieve all available conservation that is cost-effective, reliable and feasible. Programs, program services, and incentives may be directed to consumers, retailers, manufacturers, trade allies or other relevant market actors as appropriate for measures or activities that lead to electric energy savings. Incentive levels and other methods of encouraging energy conservation need to be examined periodically for effectiveness in fulfilling the Company's obligation under WAC 480-109. To the degree the portfolio remains cost-effective, incentive levels and implementation methods should not unnecessarily limit the acquisition of all achievable energy conservation.	<p>Pacific Power conservation programs are prospectively analyzed for cost-effectiveness as proposed (new programs) and as part of the filing of biennial business plans required under I-937 (existing programs). They are also analyzed retrospectively in the annual reports on conservation acquisitions (filed in March) and on a two year basis by third-party consultants conducting independent impact and process evaluations.</p> <p>Cost-effectiveness is also run prospectively to evaluate program changes that may be proposed in between business plan updates. Collectively these reviews ensure the Company maintains a cost-effective conservation portfolio and has the information needed to assist in program design changes to maximize program performance.</p> <p>The company offers a broad range of programs, program services and incentives. Program improvements, including new measures and incentive levels, are reviewed and updated periodically. Program updates and improvements were made February 24, 2012, April 16, 2012, June 30, 2012, July 12, 2012, July 1, 2013, September 6, 2013, and January 1, 2014 and are fully described in the company's Washington Annual Report on Conservation Acquisition for calendar years 2012 and 2013 filed in March 2012 and March of 2013, respectively.</p>	✓
Docket UE-111880 Order 01 (7) (d)		
PacifiCorp may spend up to 10 percent of its conservation budget on programs whose savings impact has not yet been measured, as long as the overall portfolio of conservation passes the Total Resource Cost (TRC) test. These programs may include educational, behavior change, and pilot projects. The Company may ask the Commission to modify this spending limit following full Advisory Group consultation.	PacifiCorp spent approximately 1.7% of its conservation budget during the 2012-2013 biennial period on the Energy Education in Schools program. The savings impact from this program was not measured or reported. .	✓
Docket UE-111880 Order 01 (8) (a) - (h)		
Required reports and filings.	The Company has met the compliance report requirements in Docket UE-111880 Order 01 (8) (a) – (g) relevant to the 2012-2013 biennial period. The Company notes that item (e) the Semi-Annual DSM Expenditures and SBC Collections report was filed on October 7, 2013, not on August 13, 2013. The submission of this report satisfies the remaining compliance requirements in Docket UE-111880 Order 01 (8) (h), to submit a two-year report on conservation program achievement.	✓
Docket UE-111880 Order 01 (9) (a) & (b)		
Required Public Involvement in Preparation for the 2014-2015 Biennium.	See “Stakeholder Engagement” section of the Ten-Year Conservation Potential and Biennial Conservation Target report filed in Docket UE-132047 for an outline of the public process the Company facilitated in the development of its proposed 2014-2023 ten year conservation potential forecast and 2014-2015 biennial target.	✓

Docket UE-111880 Order 01 (10) (a) - (d)		
Cost effectiveness Test is the Total Resource Cost Test.	See Appendices 3 of the Ten-Year Conservation Potential and Biennial Conservation Target reports, “Comparison of Regional Methodologies” filed in Dockets UE-111880 and UE-132047. In addition to resource planning and avoided cost development methodology comparisons these appendices provide information on how the Company’s Total Resource Cost calculation complies with the cost-effectiveness definition (RCW 80.52.030(8)), incorporating the 10 percent conservation benefit and a risk adder consistent with the Council’s approach. Cost effectiveness assessments for the programs in the 2014-2015 business plan as well as three portfolio cost effectiveness assessments are provided in Appendix 7 to the 2014-2023 report.. Program and portfolio level cost effectiveness was provided in the 2012 and 2013 annual report and also included quantifiable non-energy benefits. The 2013 potential study update included the effects of non-energy benefits as a reduction to energy efficiency measure costs.	✓
Docket UE -111880 Order 02 (1) and (2)		✓
(1) Investigate a conservation program design for large industrial customers, including Boise White Paper, LLC, and report back to the Commission by September 12, 2012 on progress made; and (2) Implement any changes to the Company’s conservation program design for large industrial customers, including Boise White Paper, LLC, no later than November 1, 2012.	The company met with Boise White Paper, LLC, numerous times between June and August, of 2012, to investigate large industrial program design changes that would enable them to take greater advantage of the company’s conservation program services. On September 10, 2012, the company co-presented the results of those discussions, with Boise White Paper, LLC, to the Company’s DSM Advisory Group. On September 12, 2012, a status update on the investigative process and proposed solution was provided the Commission through a compliance filing. On October 18, 2012 additional program information was shared with the DSM Advisory Group. On November 1, 2012, an advice filing was made with the Commission requesting approval to add the Energy Project Manager co-funding provision to the Company’s Energy FinAnswer program. That filing was approved by the Commission in December, 2012	✓
Docket UE-100170 Order 03		✓
Develop a consistent approach to the tracking and reporting of conservation savings associated with the Northwest Energy Efficiency Alliance and incorporate that approach in the development fo the Company’s 2014-2015 Biennial Conservation Plan.	On October 31, 2012, in collaboration with the other investor owned utilities in Washington, the company filed a proposed approach to the tracking and reporting of conservation savings associated with its joint investment in the Northwest Energy Efficiency Alliance. On November 1, 2013, the company incorporated that approach in setting its 2014-2015 biennial target as filed and described in PacifiCorp’s Ten-Year Conservation Potential and 2014-2015 Biennial Conservation Target for its Washington Service Area.	✓
WAC 480-109-010 (1)(a) and (2)(a)		
(1)(a) Consider only conservation resources that are cost-effective, reliable and feasible. (2)(a) The biennial conservation target must identify all achievable conservation opportunities.	PacifiCorp relied on 1) its 2011 “Assessment of Long-Term System-Wide Potential for Demand-Side and Other Supplemental Resources” (March 31, 2011), 2) economic screening of the conservation potential identified through the 2013 Integrated Resource Plan (IRP) development, and 3) other post IRP adjustments (all documented in Appendix 4 of the PacifiCorp’s ten-year conservation potential and 2012-2013 biennial conservation target report) to establish its ten-year conservation forecast and biennial conservation target.	✓

	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-111880 on April 25, 2012.	
WAC-480-109-010 (1)(b)(i) and (ii)		
Projection must be derived from and reasonably consistent with one of two sources: IRP or current power plan targets.	For the 2012-2021 conservation forecast and 2012-2013 biennium target the Company elected to use its 2011 IRP as the base source for its conservation projection. This election is describe in detail in "PacifiCorp's Ten-Year Conservation Potential and 2012-2013 Biennial Conservation Target for its Washington Service Area" filed in Docket UE-111880.	✓
WAC-480-109-010 (2)(a) and (b)		
(2)(a) The biennial conservation target must identify all achievable conservation opportunities. (2)(b) The biennial conservation target must be no lower than a pro rata share of the utility's ten-year cumulative achievable conservation potential. Each utility must fully document how it prorated its ten-year cumulative conservation potential to determine the minimum level for its biennial conservation target.	See response to WAC 480-109-010 (1)(a) and (2)(a) above in this table. The manner by which the Company arrived at its 2012-13 biennial conservation target is explained on pages 28-30 of "PacifiCorp's Ten-Year Conservation Potential and 2012-2013 Biennial Conservation Target for its Washington Service Area" filed in Docket UE-111880.	✓