

# Appendix 1

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2022-2023

Plan Condition Requirements and Compliance

Pacific Power

May 31, 2024



**2022-2023 Plan Condition Requirements and Compliance**




<b>Conservation Potential and Targets – Approval and Conditions</b>		
<b>Docket UE-210830 Order 01 Attachment A (1) (a, b)</b>		
<p>a) The following electric conservation targets are approved for Pacific Power &amp; Light Company (PacifiCorp or Company), with conditions pursuant to RCW 19.285.040(1)(e) and WAC 480-109-120(1).</p> <ul style="list-style-type: none"> <li>i.) Ten-Year Potential: 471,050 megawatt-hours.</li> <li>ii.) Two-Year EIA Target: 94,210 megawatt-hours.</li> <li>iii.) Two-Year EIA Penalty Threshold: 87,436 megawatt-hours.</li> <li>iv.) Two-Year Decoupling Penalty Threshold: 4,711 megawatt-hours, pursuant to Order 12 in Docket UE-152253.</li> <li>v.) Total Two-Year Utility Conservation Goal: 98,921 megawatt-hours.</li> </ul> <p>b) The Commission approves the above targets and thresholds as measured at the customer meter. All planning and reporting must include savings data as measured at the customer meter</p>	<p>Refer to the 2022-2023 Biennial Conservation Report for results against the targets.</p>	
<b>Docket UE-210830 Order 01 Attachment A (1) (c)</b>		
<p>As part of PacifiCorp’s biennial conservation acquisition efforts, PacifiCorp must continue to invest in regional studies and market transformation, in collaboration with funding from other parties and with other strategic market partners in this biennium that complements PacifiCorp’s energy efficiency programs, planning, services, and measures</p>	<p>The company continues to invest in regional studies and market transformation including the Regional Technical Forum, Northwest Energy Efficiency Alliance. NEEA cycle 6 Strategic Energy Management infrastructure, NEEA cycle 6 Multifamily Stock Assessment, End Use Load Research.</p>	

<b>DSM Advisory Group</b>		
<b>Docket UE-210830 Order 01 Attachment A (3) (a)</b>		
To meet the requirements of WAC 480-109-110, PacifiCorp must continue to use its Advisory Group, initially created under Docket UE-991832, and its Integrated Resource Planning Advisory Group as described under WAC 480-100-630.	PacifiCorp continued to convene and work with its DSM Advisory Group and IRP Advisory Group in 2022-2023. See WAC 480-109-110 sections below for additional details.	✓
<b>WAC 480-109-110 (1)</b>		
A utility must maintain and use an external conservation advisory group of stakeholders to advise the utility on conservation issues, including those listed in the above-referenced section of the code.	A list of DSM Advisory Group meetings and topics covered is provided in the 2022 and 2023 Annual Reports on Conservation Acquisition.	✓
<b>WAC 480-109-110 (2)</b>		
A utility must meet with its conservation advisory group at least four times per year.	PacifiCorp met with its DSM Advisory Group at least four times each year in 2022 (5 times) and 2023 (6 times). A list of DSM Advisory Group meetings and topics covered is provided in the 2022 and 2023 Annual Reports on Conservation Acquisition.	✓
<b>WAC 480-109-110 (3)</b>		
A utility must provide its conservation advisory group an electronic copy of all conservation filings that the utility intends to submit to the commission at least thirty days in advance of the filing.	<p>Below is a list of 2022-2023 conservation filings and the dates the draft filing was provided to the DSM Advisory Group.</p> <ul style="list-style-type: none"> <li>• 2021 Annual Report on Conservation Acquisition 5/2/2022 draft provided to DSM Advisory Group 6/1/2022 annual report filed.</li> <li>• 2020-2021 Biennial Conservation Report 5/2/2022 draft provided to DSM Advisory Group 6/1/2022 annual report filed.</li> <li>• System Benefits Charge filing 5/2/2022 draft provided to DSM Advisory Group 6/1/2022 filed.</li> <li>• 2023 Annual Conservation Plan 10/14/2022 draft filing provided to DSM Advisory Group 11/15/2022 filing made.</li> </ul>	✓

	<ul style="list-style-type: none"> <li>• 2022 Annual Report on Conservation Acquisition 5/2/2023 draft provided to DSM Advisory Group 6/1/2023 annual report filed.</li> <li>• 2024-2025 Biennial Conservation Plan 10/1/2023 draft provided to DSM Advisory Group 11/1/2023 filing made.</li> <li>• 2023 Annual Report on Conservation Acquisition 5/1/2024 draft provided to DSM Advisory Group 5/31/2024 report filed.</li> <li>• 2022-2023 Biennial Conservation Report 5/1/2024 draft provided to DSM Advisory Group 5/31/2024 report filed.</li> </ul>	
<b>WAC 480-109-110 (4)</b>		
<p>Advance notification of meetings. A utility must notify its conservation advisory group of company and commission public meetings scheduled to address its conservation programs, its conservation tariffs, or the development of its conservation potential assessment.</p>	<p>PacifiCorp consults with the DSM Advisory Group to select meeting dates and sends calendar invites to DSM Advisory Group members in advance of DSM Advisory Group meetings. A list of DSM Advisory Group meetings and topics covered is provided in the 2022 and 2023 Annual Reports on Conservation Acquisition.</p> <p>DSM Advisory Group members are on the Company’s IRP stakeholder contact/email list, so they receive information directly for public meetings and other updates. When new members join the Company’s DSM Advisory Group, they are added to the IRP stakeholder contact/email list.</p>	✓
<b>Docket UE-210830 Order 01 Attachment A (3) (b)</b>		
<p>PacifiCorp must notify Advisory Group members of all public meetings scheduled to address PacifiCorp’s integrated resource plan as described under WAC 480-100-630.</p>	<p>DSM Advisory Group members are on the IRP email distribution list and receive direct notification of IRP meetings.</p>	✓
<p>Pacific Power must also coordinate a meeting with Advisory Group members and the entity conducting the conservation potential assessment (CPA) addressing the</p>	<p>The Company distributed the draft workplan for the 2023 CPA to the DSM advisory group and commission staff on January 12, 2022, and the draft measure list on for feedback and comment on April 7, 2022.</p>	

<p>scope and design of the CPA. Such a meeting must address the assumptions and relevant information utilized in the development of Pacific Power’s integrated resource plan as they apply to development and/or modification of the ten-year conservation potential. This meeting must be held early enough in the integrated resource plan public process to incorporate the group’s advice.</p>	<p>CPA overview and DSM modeling were presented to the DSM advisory group throughout the process, highlighting responses to questions raised by the group. Presentations on the CPA and DSM modeling were made on February 28, 2022, April 28, 2022, June 28, 2022, September 8, 2022, and December 12, 2022.</p> <p>Additionally, the Company held five CPA workshops in the 2023 public participation process.</p> <p>Company presented the 2025 CPA work plan at the December 14, 2023, DSM Advisory Group meeting.</p>	
<p>PacifiCorp must notify Advisory Group members of IRP Advisory Group meetings that present the Company’s natural gas and energy price forecasts and generation resource cost assumptions used in the development of the company’s integrated resource plan, as these assumptions will inform the ten-year conservation potential.</p>	<p>The Company included the DSM advisory group on the email distribution list for the IRP public meetings which highlight forthcoming agenda topics. The forward price forecasts were presented on May 12, 2022, and Sept 1, 2022. The CPA was also discussed at both meetings as well.</p>	
<p><b>Docket UE-210830 Order 01 Attachment A (3) (c)</b></p>		
<p>PacifiCorp must consult with the Advisory Groups starting no later than July 1, 2023, to begin to identify achievable conservation potential for 2024-2033 and to begin to set annual and biennial targets for the 2024-2025 biennium, including necessary revisions to program details and the quadrennial 2022-2025 CEIP target.</p>	<p>PacifiCorp began discussing the development of its 2024-2033 conservation forecast and 2024-2025 biennial conservation target at the June 29, 2023, DSM Advisory Group meeting. Conversations continued leading up to the filing of the Plan on November 1, 2023.</p>	<p>✓</p>

<b>Docket UE-210830 Order 01 Attachment A (3) (d)</b>		
<p>Pacific Power must inform the Advisory Group members when its projected expenditures indicate that Pacific Power will spend more than 120 percent or less than 80 percent of its annual conservation budget.</p>	<p>To meet this condition, PacifiCorp provided its 2022-2023 expenditure forecast and requested feedback at the following DSM Advisory Group meetings: 2/28/2022, 4/28/2022, 6/28/2022, 9/8/2022, 12/14/2022, 3/30/2023, 6/29/2023, 7/27/2023, 8/31/2023, 9/13/2023 and 12/14/2023. The forecasts are available in the slides posted on the Clean Energy Transformation Act page in the Public Participation section for each year - <a href="https://www.pacificorp.com/clean-energy-transformation-act-equitable-distribution-of-benefits">Washington Clean Energy Transformation Act &amp; Equitable Distribution of Benefits (pacificorp.com)</a></p>	
<b>Docket UE-210830 Order 01 Attachment A (3) (e)</b>		
<p>If PacifiCorp believes that an event beyond its reasonable control has occurred that may prevent it from meeting its combined EIA Penalty Threshold and Decoupling Penalty Threshold, PacifiCorp will confer with the Advisory Group members as soon as possible to determine a path forward. See RCW 19.285.040(1)(e) and RCW 19.285.060(2)</p>	<p>PacifiCorp provided its 2022-2023 savings forecast showing a shortfall and discussed reasons related to the lingering effects of the COVID-19 pandemic throughout the 2022-2023 biennial period at the following DSM Advisory Group meetings: 2/28/2022, 4/28/2022, 6/28/2022, 9/8/2022, 12/14/2022, 3/30/2023, 6/29/2023, 7/27/2023, 8/31/2023, 9/13/2023 and 12/14/2023. PacifiCorp also cited cancellation of significant projects at the following advisory group meetings: 6/29/2023, 7/27/2023, 8/31/2023 and 9/13/2023.</p> <p>The forecasts and reasons for the forecasted shortfall are available in the slides posted on the Clean Energy Transformation Act page in the Public Participation section for each year - <a href="https://www.pacificorp.com/clean-energy-transformation-act-equitable-distribution-of-benefits">Washington Clean Energy Transformation Act &amp; Equitable Distribution of Benefits (pacificorp.com)</a>.</p> <p>In the 2023 Annual Conservation Plan (filed 11/15/2022 in Docket UE-210830), the 2022-2023 forecasted energy savings was below the target and the company detailed several prevalent challenges for program delivery stemming from and/or exacerbated by the COVID-19 pandemic that persisted in 2022 and were expected to continue/evolve in 2023.</p>	

<b>Docket UE-210830 Order 01 Attachment A (3) (f)</b>		
<p>Prior to filing the 2024-2025 Biennial Conservation Plan, PacifiCorp must provide the following information to the Advisory Group: draft ten-year conservation potential, revised four-year target, and two-year target by August 1, 2023; draft program details, including budgets, by September 1, 2023; and draft program tariffs by October 2, 2023.</p>	<p>PacifiCorp shared the draft ten-year conservation potential, revised four-year target, and two-year target at the DSM Advisory Group meetings on both 6/29/2023 and 7/27/2023.</p> <p>PacifiCorp shared draft program details, including budgets, at the DSM Advisory Group meetings on 8/31/2023 and 9/13/2023. PacifiCorp also shared at those two meetings there were no program tariff revisions needed at this time.</p> <p>On 9/1/2023, PacifiCorp emailed details on planned 2024 Home Energy Savings and Wattsmart Business program changes and requested comments.</p>	
<b>Annual Budgets and Energy Savings</b>		
<b>Docket UE-210830 Order 01 Attachment A (4)</b>		
<p>PacifiCorp must provide its proposed budget in a detailed format with a summary page indicating the proposed budget and savings levels for each conservation program, and subsequent supporting spreadsheets providing further detail for each program and line item shown in the summary sheet. PacifiCorp must allocate a reasonable amount of its program budget (as determined through consultation with the Advisory Group) towards pilot programs, research, and data collection.</p>	<p>Copies of the Company’s proposed annual budgets and energy savings by program are in the 2022-2023 Biennial Conservation Plan (in the 2022-2023 Demand-Side Management Business Plan appendix). The backup workbook for the Demand-Side Management Business Plan contains further detail for each program and line item shown in the summary.</p> <p>Pilots are initiatives within programs and included in the program budgets. In addition to NEEA efforts, the portfolio costs section of the plan shows the costs for research and data collection (e.g. potential study update/analysis, system support, End Use Load Research, and Regional Technical Forum funding).</p>	
<b>Program Details</b>		
<b>Docket UE-210830 Order 01 Attachment A (5)</b>		
<p>PacifiCorp 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 and updated in this docket. PacifiCorp must notify the Advisory Group when it files updated measures, incentives, or eligibility requirements.</p>	<p>Copies of the Company’s conservation tariffs and/or program descriptions, including details on specific measures, incentives and eligibility are contained in the Company’s Demand-Side Management Business Plan for 2022-2023.</p> <p>Updated information for 2023 was provided in the Company’s 2023 Annual Conservation Plan. This plan was revised to include a second</p>	

	<p>update to align the Home Energy Savings and Wattsmart Business programs with Washington State Energy Code updates.</p> <p>PacifiCorp provides proposed changes and requests advisory group input in advance of the program changes taking effect. Once any comments are resolved, the company posts announcements of planned changes on its website 45 days prior to the changes taking effect.</p>	
<b>Approved Strategies for Selecting and Evaluating Energy Conservation Savings</b>		
<b>Docket UE-210830 Order 01 Attachment A (6) (b)</b>		
<p>When PacifiCorp proposes a new or significant change to a program, pilot, or tariff schedule, it must present the program to the Advisory Group with program details fully defined, to the extent practicable. After consultation with the Advisory Group in accordance with WAC 480-109-110(1)(h), the Advisory Group may advise if a revision to the Conservation Plan in this docket is necessary</p>	<p>For Home Energy Savings and Wattsmart Business, prior to program changes taking effect, the Company provides documentation on the proposed changes to the DSM Advisory Group for review and comment. The program change package of documents includes the following:</p> <ol style="list-style-type: none"> <li>1. Incentive tables with the proposed changes redlined.</li> <li>2. An explanation for the proposed changes</li> <li>3. A review of RTF alignment by measure for listed measures. The review of RTF alignment indicates if an RTF measure or standard protocol exists, and if so, if the program is aligned. In cases where there is an RTF measure and the program is not fully aligned, an explanation is provided.</li> <li>4. Cost-effectiveness analysis</li> </ol>	✓
<b>Docket UE-210830 Order 01 Attachment A (6) (c)</b>		
<p>PacifiCorp must spend a reasonable (as determined through consultation with the Advisory Group) amount of its conservation budget on evaluation, measurement, and verification (EM&amp;V), including a reasonable proportion on independent, third-party EM&amp;V. PacifiCorp must perform EM&amp;V annually on a maximum four-year schedule of selected programs such that, over the EM&amp;V cycle, all major programs are covered. The EM&amp;V function includes impact, process, market, and cost test analyses. The results must verify</p>	<p>As documented in the Company’s 2022-2023 Biennial Conservation Report, the Company spent \$439,028 on third-party evaluation, measurement, and verification (process and impact evaluations, verification of savings) of its conservation program expenditures over the two-year period. This represents 1.3% of the Company’s \$32,833,456 in conservation program expenditures (excluding NEEA) over the same period. NEEA expenditures are excluded since the Company is not evaluating NEEA.</p>	✓



<p>the level at which claimed energy savings have occurred, evaluate the existing internal review processes, and suggest improvements to the program and ongoing EM&amp;V processes.</p>	<p>Information on completed evaluations is provided in the 2022 and 2023 Annual Reports on Conservation Acquisition. Completed evaluations are available on <a href="https://www.pacificorp.com/environment/demand-side-management.html">https://www.pacificorp.com/environment/demand-side-management.html</a>.</p>	
<p><b>Docket UE-210830 Order 01 Attachment A (6) (d, e)</b></p>		
<p>An independent third-party must review portfolio-level electric energy savings reported by PacifiCorp for the 2022-2023 biennial period, from existing conservation programs operated during that period, per WAC 480-109-120(4)(b)(v).</p>	<p>This independent third-party review is provided as Appendix 2 to the 2022-2023 Biennial Conservation Report.</p>	<p>✓</p>
<p><b>Program Design Principles</b></p>		
<p><b>Docket UE-210830 Order 01 Attachment A (7) (a and b)</b></p>		
<p>a) Modifications to the programs must be filed with the Commission as revisions to tariffs or as revisions to PacifiCorp’s current Conservation Plan, as determined in consultation with the Advisory Group. b) Incentives and Conservation Program Implementation — 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. PacifiCorp must work with the Advisory Group to establish a balanced portfolio of measures that provides savings from a variety of savings types and meets the needs of a broad spectrum of PacifiCorp customers.</p>	<p>Modifications to program information contained in a program tariff is filed as a tariff revision after consulting the DSM Advisory Group.</p> <ul style="list-style-type: none"> <li>• June 7, 2023 – Filed Advice 23-02 requesting approval to revise Schedule 114 to include a new measure for smart thermostats in the Low-Income Weatherization program. (Docket UE-230453)</li> </ul> <p>Modifications to Home Energy Savings and Wattsmart Business program details managed outside of a program tariff follow this change process:</p> <ol style="list-style-type: none"> <li>1. As described above (condition 5 and 6b), the Company provides documentation on the proposed changes to the DSM Advisory Group and Equity Advisory Group for review and comment.</li> <li>2. Upon resolving any comments, the company announces the program changes on its website 45 days prior to the changes taking effect.</li> </ol>	<p>✓</p>



	<p>3. The company includes the updated program details in its current Conservation Plan. This process took place for Home Energy Savings and Wattsmart Business program changes that were effective 1/1/2022, 1/1/2023, and 7/1/2023 and 1/1/2024.</p> <ul style="list-style-type: none"> <li>• Program details for changes effective 1/1/2022 were filed in the 2022-2023 DSM Business Plan appendix to the 2022-2023 Biennial Conservation Plan.</li> <li>• Program details for changes effective 1/1/2023 were filed in the 2023 Annual Conservation Plan.</li> <li>• Program details for changes effective 7/1/2023 were filed in a revised 2023 Annual Conservation Plan.</li> <li>• Program details for changes effective 1/1/2024 were filed in the 2024-2025 DSM Business Plan appendix to the 2024-2025 Biennial Conservation Plan.</li> </ul>	
<b>Docket UE-210830 Order 01 Attachment A (7) (c)</b>		
<p>Conservation Efforts without Approved EM&amp;V Protocol PacifiCorp may spend up to 10 percent of its conservation budget on programs whose savings impact has not yet been measured, if the overall portfolio of conservation passes the primary cost-effectiveness test used by the Commission.</p>	<p>As described in the 2022-2023 DSM Business Plan, the only conservation effort without EM&amp;V is the “Be Wattsmart, Begin at Home” school initiative. Expenditures for this effort during the 2022-2023 biennial period were \$115,658 and represent 0.4% of the PacifiCorp conservation expenditures of \$32,833,456.</p>	✓
<b>WAC 480-109-100 (5) (a) &amp; (b)</b>		
<p>A utility must use RTF deemed savings or other reliable and relevant source data that has verified savings levels and been presented to the Advisory Group for comment.</p>	<p>For Home Energy Savings and Wattsmart Business, prior to program changes taking effect, the Company provides documentation on the proposed changes to the DSM Advisory Group for review. Included in the documentation is a review of RTF alignment by measure for listed measures. The review of RTF alignment indicates if an RTF measure exists, and if so, if the program is aligned. In cases where there is an RTF measure and the program is not fully aligned, an explanation is provided.</p> <p>Once the program changes are effective, the Company updates the deemed values in the measure library. The version of a measure from the measure library that is used for a specific customer application for</p>	✓



	savings reporting is project specific and is based on equipment purchase/invoice dates or incentive offer issue dates.	
<b>Cost-Effectiveness Tests</b>		
<b>Docket UE-210830 Order 01 Attachment A (8) (a-c) &amp; WAC 480-109-100 (8)</b>		
a) The Commission currently uses a modified Total Resource Cost Test (TRC), consistent with the Council, as its primary cost-effectiveness test. The modified TRC test includes all quantifiable nonenergy impacts, a risk adder, and a 10 percent conservation benefit adder. PacifiCorp’s portfolio must pass the modified TRC test. All cost-effectiveness calculations will assume a Net-to-Gross ratio of 1.0, consistent with the Council’s methodology.	Pacific Power uses the Total Resource Cost test, as modified by the Council, to screen Washington energy efficiency resources in its IRP. Program and portfolio-level cost-effectiveness results for the 2022-2023 biennial period, showing that the portfolio is cost-effective from the TRC perspective (including conservation-related administrative costs) and Utility Cost Test. Results are provided in the 2022 and 2023 Annual Reports on Conservation Acquisition and in the 2022-2023 Biennial Conservation Report (in Appendix 5).	✓
b) PacifiCorp must also provide calculations of the Program Administrator Cost Test (also called the Utility Cost Test) as described in the National Action Plan for Energy Efficiency’s study “Understanding Cost-Effectiveness of Energy Efficiency Programs.”		
c) Conservation-related administrative costs must be included in portfolio level analysis.		
<b>Low Income and Named Community Programs</b>		
<b>Docket UE-210830 Order 01 Attachment A (9) (a)</b>		
PacifiCorp must demonstrate progress toward sustained energy burden reductions during the 2022-2023 biennium by, at a minimum, funding all eligible and cost-effective low-income conservation measures, consistent with RCW 19.405.120. i) PacifiCorp's biennial report must include the contribution from low-income conservation programs toward sustained energy burden	Company expanded low-income bill assistance as outlined in UE-210533. Changes were approved by Commission and took effect on August 1, 2021. The Company also shared learnings from its energy burden assessment during the June 28, 2022, DSM Advisory Group meeting <sup>1</sup> .  The 2022 and 2023 Annual Reports on Conservation Acquisition include the contribution from the Low-Income Weatherization program toward	✓

<sup>1</sup>[https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/ceip/DSM\\_Advisory%20Group\\_Meeting\\_June\\_Energy\\_Burden\\_Assessment\\_Slides.pdf](https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/ceip/DSM_Advisory%20Group_Meeting_June_Energy_Burden_Assessment_Slides.pdf)

<p>reductions. The report must include the number of participants and any other information that demonstrates progress as described above. The utility should include a discussion of barriers to success, options for overcoming these barriers, and potential uses for increased low-income conservation funding.</p> <p>ii) Energy savings from low-income conservation measures will be counted toward conservation goals.</p> <p>iii) PacifiCorp may, after consultation with advisory groups, fully fund repairs, administrative costs, and health and safety improvements associated with cost-effective low-income conservation measures. These costs are excluded from portfolio cost-effectiveness calculations. PacifiCorp shall maintain a project cost allowance of up to 30 percent for Administrative/Indirect Rate associated with the delivery of low-income conservation measures.</p>	<p>sustained energy burden reductions. The reports include the number of homes completed by year and the associated energy savings.</p> <p>PacifiCorp partners with local community action agencies for delivery of weatherization services to income qualified customers. The partner agencies leverage PacifiCorp funds with state and federal funds to provide no cost weatherization services. To reduce the funding barrier, there is no cap on Pacific Power funding, and the number of customers or households served depends on each partner agency's staffing, resources and wait list. The local agencies give priority for weatherization services to elderly (60 years of age older), persons with disabilities, children nineteen years of age or under, households with high residential energy, and households with high energy burden. The local agencies may give preference for weatherization services to households meeting two or more of the priority criteria listed above. The local agencies advertise the weatherization program in various modalities.</p> <p>In August 2021, the Low Income Bill Assistance (LIBA) program enrollment cap was removed allowing all income qualified customers to enroll in the program. At the end of 2023 LIBA program cycle, the number of customers enrolled and received LIBA benefit increased by approximately 39% compared 2021. Pacific Power partners with the community action agencies that also deliver weatherization service for delivery of LIBA program. The removal of LIBA enrollment cap increased program participation, additionally, provides awareness of the weatherization services. The customers that apply for LIBA are also provided information for weatherization services through the partner community action agencies.</p> <p>Energy savings from the Low Income Weatherization program is counted toward the 2022-2023 conservation goals in the Biennial Conservation Report.</p>	
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	<p>Schedule 114 changes approved by the Commission in 2022 increase repair budget and permit installation of efficient electric heat in an expanded set of baseline conditions. Both changes help increase homes treated and the scope of project within homes.</p>	
<p><b>Docket UE-210830 Order 01 Attachment A (9) (b)</b></p>		
<p>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).</p>	<p>Identification of highly impacted communities (HIC) and vulnerable populations (collectively referred to as Named Communities) occurred in collaboration with the Equity Advisory Group in 2021 and was included in the Clean Energy Implementation Plan.</p> <p>Increasing Named Community customer participation is integrated into PacifiCorp’s energy efficiency programs – both the design and the delivery.</p> <p>HIC information was available to the DSM program implementation teams and used to inform pilots, utility actions and program changes.</p> <p>The 2022 and 2023 Annual Reports on Conservation Acquisition include descriptions of program changes to increase Named Community participation, results of CEIP Utility Actions, and highlights of program implementation team activities to increase Named Community customer participation.</p> <p>Results of Customer Benefit Indicator Metrics for energy efficiency are included in the Clean Energy Implementation Plan Progress Report (2022 CBI metric results are in the CEIP Progress Report filed July 2023; 2023 CBI metric results will be in the July 2024 CEIP Progress Report).</p>	<p>✓</p>

<b>WAC 480-109-100 (7)</b>		
<p>A utility must offer a mix of conservation programs to ensure it is serving each customer sector, including programs targeted to the low-income subset of residential customers.</p>	<p>The comprehensive portfolio of programs, available services and incentives described in the 2022 and 2023 Annual Reports on Conservation Acquisition are relevant to all customer sectors, including low-income customers.</p>	
<b>WAC 480-109-100 (10) (a-d)</b>		
<p>a) A utility must fully fund low-income conservation measures that are determined by the implementing agency to be cost-effective consistent with either the Weatherization Manual maintained by the department or when it is cost-effective to do so using utility-specific avoided costs. For purposes of this subsection, "fully fund" does not prohibit the agency leveraging other funding sources, in combination with utility funds, to fund low-income conservation projects. Measures identified through the priority list in the Weatherization Manual are considered cost-effective. In addition, a utility may fully fund repairs, administrative costs, and health and safety improvements associated with cost-effective low-income conservation measures.</p> <p>b) The utility's biennial conservation plan must include low-income conservation programs and mechanisms identified pursuant to RCW 19.405.120. To the extent practicable, a utility must prioritize energy assistance to low-income households with a higher energy burden.</p> <p>c) A utility must exclude low-income conservation from portfolio-level cost-effectiveness calculations. A utility must account for the costs and benefits, including nonenergy impacts, which accrue over the life of each conservation measure.</p> <p>d) A utility must count savings from low-income conservation toward meeting its biennial</p>	<p>In 2022-2023 the Company continued to fully fund low-income conservation measures through its Low-Income Weatherization program. Projected savings from these efforts were included in the 2022-2023 Biennial Conservation Target but excluded from portfolio-level cost-effectiveness analysis. Savings from the Low-Income Weatherization program is included in the 2022 and 2023 Annual Reports on Conservation Acquisition.</p>	

<p>conservation target. Savings may be those calculated consistent with the procedures in the Weatherization Manual.</p>		
<p><b>Research Efforts and Innovation Programs</b></p>		
<p><b>Docket UE-210830 Order 01 Attachment A (10) (a)</b></p>		
<p>Pacific Power must evaluate opportunities for location-targeted programs that provide non-wires alternatives to eliminate or delay the need for distribution system investments</p>	<p>PacifiCorp evaluated opportunities and identified circuits to target for energy efficiency program outreach. See Geo-Targeted Pilot in the Pilots section of the 2023 Annual Report on Conservation Acquisition.</p> <p>Opportunities were evaluated again in preparation for the 2024-2025 Biennial Conservation Plan. Circuits with potential for deferral of capital projects for 2024-2025 are listed in the DSM Business Plan in the Pilots section.</p>	
<p><b>Docket UE-210830 Order 01 Attachment A (10) (b)</b></p>		
<p>In accordance with RCW 19.285.040(1)(g), PacifiCorp is encouraged to promote the adoption of air conditioning with refrigerants not exceeding a global warming potential (GWP) of 750 and the replacement of stationary refrigeration systems that contain ozone-depleting substance or hydrofluorocarbon refrigerants with a high GWP. At a minimum, PacifiCorp must explore the feasibility of determining and incorporating of the avoided emissions associated with replacing refrigerants exceeding 750 GWP in its cost-effectiveness calculations and discuss the results with its Advisory Group as necessary.</p>	<p>The company discussed condition 10b in 2022 at the following DSM Advisory Group meetings: 6/28/2022, 9/8/2022. NEEA provided the following input at the June 2022 DSM Advisory Group meeting:</p> <ul style="list-style-type: none"> <li>• With federal regulation already in place, and even more stringent WA regulation on the way, Washington is on track for conversion to low GWP refrigerants by 2025.</li> <li>• Small window of opportunity to endorse, incentivize low GWP products between now and 2025; <i>but</i> manufacturers are already moving as quickly as they can – product availability may be an issue before 2025.</li> <li>• WA DoE rulemaking continues through 2023 – opportunity to submit comments (NEEA role).</li> </ul> <p>The company’s plan proposed at the September 2022 meeting:</p> <ul style="list-style-type: none"> <li>• Investigate possibility of incorporating NEI for refrigerant emissions using refrigerant tool from CA</li> <li>• Work on this jointly with PSE and Avista if possible</li> <li>• Explore uses for cost-effectiveness</li> </ul>	

	<p>At this time, there isn't sufficient market data available to substantiate quantification of an NEI. The company is engaged and monitoring RTF activity regarding GWP accounting.</p>	
<p><b>Docket UE-210830 Order 01 Attachment A (10) (c)</b></p>		
<p>PacifiCorp should consult with its Advisory Group to determine how it should implement RCWs 80.28.260(2) and 80.28.300. Such consultation should include, but is not limited to: whether and how to research and evaluate opportunities for cool roof and tree planting conservation, with special consideration given to highly impacted communities and vulnerable populations; whether and how to provide information to their customers regarding landscaping that includes tree planting for energy conservation; and what outreach and education efforts should be conducted to inform customers of the energy and nonenergy benefits of cool roofs and strategic tree planting. PacifiCorp should utilize the department of health's environmental health disparities map and coordinate with the department of natural resources to identify areas within the utility's service territory that would benefit from heat island mitigation and strategic tree planting programs. i.) If PacifiCorp pursues such research, evaluation, and/or outreach, it should detail the research and evaluation results and outreach efforts in its conservation reporting.</p>	<p>The company discussed condition 10c at the following DSM Advisory Group meetings: 6/28/2022, 9/8/2022, 12/14/2022. Cool roofs: Incentives for cool roofs are available in the Wattsmart Business program <a href="#">WA wattsmart Business Building Envelope Retrofits Incentives.pdf (pacificpower.net)</a> Tree Planting Conservation: NVEC provided important resources and assistance, including convening a meeting with the Washington Department of Natural Resources. With input from Vegetation Management, in November 2022, the company updated its website on tree planting to include conservation messaging - <a href="#">Tree Pruning &amp; Planting (pacificpower.net)</a> AEG refined CPA assumptions for tree planting measure, and it was provided to and selected by the 2023 IRP model. Included Tree Planting Conservation in the Request for Proposals issued 9/1/2023 to reprocure program delivery services for Home Energy Savings. Plan agreed upon with the DSM Advisory Group is to pursue System Benefits Charge funding if a tree planting program is cost-effective. This effort is continuing in 2024.</p>	<p>✓</p>



**Equitable Distribution of Nonenergy Benefits**

**Docket UE-210830 Order 01 Attachment A (11) (a-c)**

<p>a) During this biennium, Pacific Power must demonstrate progress towards identifying, researching, and properly valuing nonenergy impacts. The nonenergy impacts considered must include the costs and risks of long-term and short-term public health benefits, environmental benefits, energy security, and other applicable nonenergy impacts. In consultation with the Company’s conservation, equity, and resource planning advisory groups, nonenergy impacts and risks must be included in the next Biennial Conservation Plan and Conservation Potential Assessment.</p>	<p>PacifiCorp in conjunction with the other investor-owned utilities contracted with DNV to assess and quantify additional non-energy impacts for use in the 2022-2023 planning process. Additional refinements to valuations were made in conjunction with the DSM Advisory Group. The Company also presented on adoption of a newly calculated resiliency benefit for residential weatherization measures applying methods used by a study funded by the RTF.</p>	<p align="center">✓</p>
<p>b) Pacific Power must identify the discrete nonenergy impacts and the monetized value used in cost-effectiveness testing for each electric conservation program. This must be provided in a detailed format with a summary page and subsequent supporting spreadsheets, in native format with formulas intact, providing further detail for each program and line item shown in the summary sheet in annual plans and reports.</p>	<p>Non-energy impacts by measure included in AEG cost effectiveness memos included with the 2022 and 2023 Annual Reports on Conservation Acquisition and with the 2024-2025 Biennial Conservation Plan.</p>	
<p>c) PacifiCorp must begin to identify the forecasted distribution of energy and nonenergy benefits in annual plans and reports. This reporting must use currently quantified nonenergy impacts as well as values and estimates of additional impacts as they become available.</p>	<p>Non-energy impacts by measure included in AEG cost effectiveness memos included with the 2022 and 2023 Annual Reports on Conservation Acquisition and with the 2024-2025 Biennial Conservation Plan.</p>	

**Recovery through an Electric Conservation Service Rider**

**Docket UE-210830 Order 01 Attachment A (12) (a)**

Scope of Expenditures — Funds collected through the Electric Conservation Service Rider (Schedule 191 – System Benefits Charge Adjustment) must be used on approved conservation programs and their administrative costs. Additionally, Rider funds may be used for other purposes when they have a benefit to PacifiCorp customers and are approved by the Commission.

The DSM Balancing Account table in the 2022 and 2023 Annual Reports on Conservation Acquisition include monthly expenditures for approved conservation programs and their administrative costs.  
 Note: Starting in late 2022, Demand Response expenses initially went into the System Benefits Charge balancing account instead of a deferred account. When that was identified, the Company reversed the demand response expenses out of the SBC balancing account with a single credit adjustment in December 2023. As of December 2023, the demand response expenses are in a deferred account in alignment with the Petition for Accounting Order (Docket UE-220848).



**Docket UE-210830 Order 01 Attachment A (12) (c)**

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

PacifiCorp presented a review of the System Benefits Charge balancing account to its DSM Advisory Group in March 2023. The conclusion was a revision to the cost recovery tariff (Schedule 191) was not needed at this time.  
  
 April 27, 2023 – PacifiCorp filed request for an exemption from the annual requirement to file a revision to its Schedule 191, System Benefits Charge, under WAC 480-109-130(2). This was approved May 25, 2023. (Docket UE-230293).







**Docket UE-210830 Order 01 Attachment A (12) (d)**

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.

Costs associated with distribution and production efficiency initiatives were not funded through the Schedule 191 System Benefits Charge in 2022-2023.



<b>Additional Commitments</b>		
<b>Docket UE-210830 Order 01 Attachment A (13) (a, b)</b>		
<p>a) PacifiCorp must continue to pursue cost-effective conservation in the form of reduction in electric power consumption resulting from increases in the efficiency of energy used at electric power production facilities it owns in whole or in part. PacifiCorp’s Annual Report must include updates regarding production efficiency activities in power production facilities operated by PacifiCorp and, to the extent practicable, facilities wholly or partially owned by PacifiCorp that are not operated by the Company.</p> <p>b) To avoid double-counting of efficiency savings achieved at electric power production facilities owned in whole or in part by PacifiCorp, the Company must consult with the Advisory Group when developing or modifying its protocol for how savings will be claimed.</p>	<p>See section in the 2023 Annual Report on Conservation Acquisition for Production Efficiency savings results.</p> <p>PacifiCorp discussed production efficiency at the follow DSM Advisory Group meetings: 6/29/2023, 7/27/2023, 8/31/2023.</p> <p>Discussion included projects that were complete and could be reported in 2023 (including savings methodology) as well as the conservation potential for the 2024-2025 Biennial Conservation Plan.</p>	
<b>Conservation Forecast and Target Development</b>		
<b>WAC 480-109-100 (2) and (3)</b>		
<p>By January 1, 2010, and every two years thereafter, a utility must project its cumulative ten-year conservation potential and establish a biennial conservation target.</p>	<p>The 2024-2025 Biennial Conservation Plan filed in 2023 provides the projection for the 2024-2033 period and the target for the 2024-2025 biennium.</p>	
<p>This projection must consider all available conservation resources that are cost-effective, reliable and feasible.</p>	<p>The process for identifying cost-effective, reliable, and feasible potential, beginning with the results of PacifiCorp’s 2023 IRP process (including the use of CETA compliant portfolio and incorporating non-energy impacts discussed with the DSM Advisory group in 2022), is described in the Conservation Potential and Conservation Targets section of the 2024-2025 Biennial Conservation Plan.</p>	
<p>This projection must be derived from the utility's most recent IRP, including any information learned in its subsequent resource acquisition process, or the utility must document the reasons for any differences.</p>		

<p>When developing this projection, utilities must use methodologies that are consistent with those used in the Northwest Conservation and Electric Power Plan.</p>	<p>The methodology used by the Company to develop its conservation forecast is detailed in Volume 2 of the 2023 CPA<sup>2</sup> and in the Conservation Potential and Conservation Targets section of this Plan. During 2018, the utility members of the Statewide Advisory Group produced an updated matrix comparing their elements of the Total Resource Cost (TRC) test and the Northwest Power and Conservation Council. As described in the August 8<sup>th</sup>, 2019, open meeting staff memo, “each utility was similar enough to be considered consistent with the method used by the NWPCCC”. The matrix updated in 2018 was first developed in 2011 as part of the Methodology Sub-Committee of the Washington Collaborative Working group on Avoided Costs and Total Resource Cost Determinants. An in-depth review of methodologies was also provided as Appendix 3 of PacifiCorp’s 2016-2017 Biennial Conservation Plan.</p>	
<p>The projection must include a list of each measure used in the potential, its unit energy savings value, and the source of that value.</p>	<p>A list of each measure used in the potential, including the required information, is provided as Appendix H of the 2023 Conservation Potential Assessment.</p>	
<p>The biennial conservation target must identify, and quantify in megawatt-hours, all available conservation that is cost-effective, reliable and feasible and (b) The biennial conservation target must be no lower than a pro rata share of the utility's ten-year conservation potential.</p>	<p>The process for developing the 2024-2025 biennial conservation target is detailed in the Conservation Potential and Conservation Targets section of the 2024-2025 Biennial Conservation Plan. The identified target, before adjusting for NEEA and decoupling, is the first two years of the ten-year forecast as this is higher than the pro rata share.</p>	

<sup>2</sup> The 2023 CPA and all previous studies are available on the Company’s website: <https://www.pacificorp.com/energy/integrated-resource-plan/support.html>.