



2022-2023  
Biennial Conservation Report  
Washington

FINAL June 21, 2024

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## Introduction

Pacific Power & Light Company, a division of PacifiCorp, (“PacifiCorp” or the “Company”) submits this 2022-2023 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-210830, 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-210830.

## Executive Summary

This report covers a period where program performance continued to be impacted by the lingering effects from the COVID-19 pandemic. PacifiCorp achieved 80,523 MWh of energy savings (at customer site) of its approved Energy Independence Act Penalty Threshold of 87,436 MWh and decoupling penalty threshold of 4,711 MWh<sup>1</sup>. A summary of the 2022-2023 Biennial Conservation Target as set forth in Docket UE-210830, PacifiCorp’s Ten-Year Conservation Potential and 2022-2023 Biennial Conservation Target, and savings results at customer site are provided below.<sup>2</sup>

**2022-2023 EIA Conservation Savings Target and Results Table**

Category <sup>[1]</sup>	Approved Savings Target <sup>[1]</sup> (MWh at site)	2022-2023 Savings Results (MWh at site)	Excess Conservation from prior periods (MWh at site)	2022-2023 Savings Results Including Excess Conservation from prior periods (MWh at site)	% of Target
10-year conservation potential	471,050				
Pro Rata Share of 10-year conservation potential	94,210				
<b>EIA Target</b>	<b>94,210</b>	<b>86,961</b>	<b>0</b>	<b>86,961</b>	<b>92%</b>
Decoupling Penalty Threshold (5% of EIA Target)	4,711				
Total Utility Conservation Goal	98,921	86,961	0	86,961	88%
Excluded Programs (NEEA)	-6,774	-6,438		-6,438	
Utility Specific Conservation Goal	92,147	80,523		80,523	87%
<b>EIA Penalty Threshold (EIA Target minus NEEA savings)</b>	<b>87,436</b>	<b>80,523</b>		<b>80,523</b>	<b>92%</b>

[1] Categories and Approved Savings Targets are from UE-210830 - Order 01 Attachment A  
[UTC Case Docket Document Sets](#) | [UTC \(wa.gov\)](#)

**For context, the Company notes targets were high** - The 2022-2023 biennial forecast and targets were informed by incorporating the social cost of carbon in the selection of energy efficiency resources. Including the social cost of carbon contributed to one of the highest targets for the Company since EIA began. The EIA target is 95% of the Integrated Resource Plan (IRP) technical achievable potential for 2022-2023.

Also, the 2022-2023 EIA target was set using the pro-rata share of the ten-year conservation potential, which included higher potential in the out years. Some of this potential in the out years included efficiency expected to be accomplished through market transformation, building codes and natural market adoption, which are embedded in Power Council ramp rates<sup>3</sup> used in PacifiCorp’s conservation potential assessment. These non-utility program mechanisms for acquiring savings are not netted out of the pro-rata methodology. Additionally, a proportion of savings in the outer years may be the result of new construction or building electrification and those potential efficiency opportunities would not be available in the near-term even though they may be reflected in the pro-rata total.

**Challenges remained/evolved** – lingering impacts from the COVID-19 pandemic made accelerated targets and early acquisition of outer year savings challenging to achieve.

<sup>1</sup> Docket No. UE-210830.

<sup>2</sup> Company achieved conservation includes adjustment for Home Energy Reports.

<sup>3</sup> [https://www.nwcouncil.org/2021powerplan\\_conservation-methodologies/](https://www.nwcouncil.org/2021powerplan_conservation-methodologies/)

Several prevalent challenges for program delivery stemming from and/or exacerbated by the COVID-19 pandemic persisted in 2022 and continued/evolved in 2023:

- **Customer Competing priorities** – In both 2022 and 2023, customers were challenged with inflation and staffing challenges in addition to their ongoing business challenges which often leave little time to attend to energy efficiency opportunities.
- **Inflation/price increases/high interest rates** – Inflation and price increases resulted in higher implementation costs for customer energy efficiency upgrades in both 2022 and 2023. High interest rates in both years changed the calculus for investing for customers.
- **Staffing issues and building vacancies** – Many customers and Trade Allies did not have enough staff to take on additional projects such as energy efficiency projects. Building owners with vacant tenant spaces faced challenges impacting their ability to invest in energy efficiency upgrades. These were issues in both 2022 and 2023.
- **Product Availability/Longer Lead Times** – Product availability continued to be a challenge in 2022 and longer lead times delayed project implementation. This issue eased in 2023, but even in 2023 some customers experienced long lead times leading to delayed project implementation.
- **General Uncertainty** – Customer uncertainty around the economy caused delays in project implementation in both years.

**Adaptive Management** - The Company adaptively managed its programs in collaboration with its advisory groups. Key adaptive management strategies are summarized below.

<b>Home Energy Savings</b>	<b>Wattsmart Business</b>
Increased incentives in response to inflation to offset significantly higher product and labor costs.	Increased customer incentives in response to inflation 1/1/2022, 1/1/2023.
Focused on supporting contractors with vendor incentives and web platform that shares HIC location eligibility for higher incentives for HVAC measures. Assisted trade allies with application processing to free them up to focus on business activities. This helps address vendor/Trade Ally workforce/staffing issues.	Leveraged vendor incentives to encourage vendors to proactively propose lighting projects. Added vendor incentives for non-lighting. Vendor incentives help address vendor/Trade Ally workforce/staffing issues.
Promoted instant validation coupon offer to streamline the ability for customers to purchase efficiency measures with the rebate built into the cost rather than completing and application and waiting for the payment.	Combined with the increased customer incentives and the vendor incentives, focused on vendor support and small business outreach and increased small business participation, especially in Named Communities. The focused vendor/Trade Ally support helps address vendor/Trade Ally workforce/staffing

	issues by making it easier for vendors to participate.
Promoted multiple Limited Time Offers (thermostats, air purifiers). These offers included greatly reduced pricing including as low as \$1.00 with free shipping for smart thermostats. Limited Time Offer measures are easy to install and support customers with energy efficiency and improved indoor air quality.	Increased refrigeration tune-ups and targeted other energy management opportunities to increase results.
Expanded direct install as a means to target customers in Highly Impacted Communities and Vulnerable Populations through no cost product installation of LED bulbs, smart thermostats, and duct sealing. Direct install is also used to inform customers about other program offers and services.	Increased results by application-specific targeted outreach

Further impacts of the lingering effects from the pandemic and adaptive management actions taken in response are detailed in the 2022 and 2023 Washington Annual Reports on Conservation Acquisition. Appendix 4 contains an updated memo from the Northwest Energy Efficiency Alliance (NEEA) documenting COVID-19 supply chain impacts in 2023 as well as the prior memos for 2021 and 2022.

**Excess conservation from prior periods not available** - After consulting with its DSM Advisory Group, the Company used all available excess conservation savings from 2016-2017 and 2018-2019 towards the shortfall in 2020-2021. There is no excess conservation available to use toward the shortfall in 2022-2023. Excess conservation used for 2022-2023 is 0% 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)).

**Company worked with its DSM Advisory Group and communicated consistently regarding shortfall and adaptive management efforts** - In its 2022-2023 Biennial Conservation Plan filed in November 2021, the Company indicated there were uncertainties due to the lingering effects from the COVID-19 pandemic. In the 2023 Annual Conservation Plan filed in November 2022, the Company listed several prevalent challenges for program delivery stemming from and/or exacerbated by the COVID-19 pandemic. The 2022-2023 forecast in the 2023 Annual Conservation Plan was short of the EIA Penalty Threshold.

In addition, the Company communicated to its DSM Advisory Group in 2022 and 2023<sup>4</sup> about the lingering effects of the COVID 19 pandemic, adaptive strategies to improve programs, and the projected shortfall of 2022-2023 results compared to the target. The

<sup>4</sup> Refer to regulatory sections of 2022 and 2023 DSM Annual Reports on Conservation Acquisition for a summary of DSM Advisory Group meeting topics.

Company also communicated to its DSM Advisory Group in June 2023 about a large customer who idled its plant, impacting completion of significant conservation projects.

**Despite not meeting the target for the biennial period, PacifiCorp’s programs delivered significantly more savings in 2023 (45,995 MWH at site) compared to 2022 (34,528 MWH at site) and continue to be an important option for customers.**

**Company requests commission approval to be considered in compliance** - Based on the provisions of RCW 19.285.040, Sec.1 (e)<sup>5</sup> and RCW 19.285.060 Section 2<sup>6</sup>, the Company is considered in compliance with its biennial acquisition target given the lingering effects from the COVID-19 pandemic:

1. Significantly impacted program performance and prevented the Company from meeting its conservation target,
2. Were beyond the reasonable control of the Company and could not have been reasonably anticipated in 2021 when the 2022-2023 biennial conservation target was established, and
3. Meet 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 not lifted until October 31, 2022<sup>7</sup>.

In 2023, there were also significant projects canceled that were beyond the Company’s control that are described in the Wattsmart Business section of the 2023 Annual Report of Conservation Acquisition.

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<sup>5</sup> RCW 19.285.040, Sec. 1(e): 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.

<sup>6</sup> RCW 19.285.060, Section 2:

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).

<sup>7</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://tyw.org/video/house-environment-energy-committee-2021021221/?eventID=2021021221>.

Based on the provisions of RCW 19.285.040 Section 1(e) and RCW 19.285.060, Section 2, the Company requests Commission approval to be considered in compliance with the biennial acquisition target for cost-effective conservation.

Consistent with the conditions established by the Commission in Docket UE-210830 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 2022-2023 Biennial Conservation achieved savings was 2.17 (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-210830. Appendix 1 of this report summarizes the Company's compliance.

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<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 2.29 (including NEIs) which takes the sum of 2022 and 2023 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)(c). Distribution efficiency and production efficiency energy savings are not included in the portfolio cost effectiveness analysis.



## Plan Compared to Actual

**Table 1**  
**2022 Forecast from 2022-2023 Biennial Conservation Plan Compared to Actual**  
**(before adjustments)**

Program of Initiative	2022 PacifiCorp Washington Conservation Estimates			2022 PacifiCorp Washington DSM Actual		
	kWh/Yr Savings (at site)	kWh/Yr Savings (at generation)	Estimated Systems Benefit Expenditures	kWh/Yr Savings (at site)	kWh/Yr Savings (at generation)	Systems Benefits Charge Expenditures
Low Income Weatherization (114)	169,130	182,112	\$ 937,500	261,515	281,589	\$ 747,702
Home Energy Savings (118)	9,610,833	10,348,560	\$ 9,274,502	2,625,379	2,826,903	\$ 3,629,851
Home Energy Reports (N/A)	4,099,518	4,414,197	\$ 372,430	4,289,670	4,618,945	\$ 137,990
<b>Total Residential Programs</b>	<b>13,879,481</b>	<b>14,944,869</b>	<b>\$ 10,584,432</b>	<b>7,176,564</b>	<b>7,727,437</b>	<b>\$ 4,515,543</b>
Wattsmart Business (140) - Commercial	21,044,900	22,644,733	\$ 6,469,109	21,570,220	23,209,989	\$ 6,779,816
Wattsmart Business (140) - Industrial	13,046,890	13,936,036	\$ 3,359,433	4,727,777	5,049,975	\$ 1,486,005
Wattsmart Business (140) - Irrigation	868,229	934,874	\$ 272,733	552,321	594,717	\$ 173,602
<b>Total Business Program</b>	<b>34,960,019</b>	<b>37,515,643</b>	<b>\$ 10,101,275</b>	<b>26,850,318</b>	<b>28,854,680</b>	<b>\$ 8,439,423</b>
<b>Northwest Energy Efficiency Alliance</b>	<b>3,078,115</b>	<b>3,313,583</b>	<b>862,100</b>	<b>3,328,800</b>	<b>3,582,421</b>	<b>\$ 905,984</b>
<b>Distribution Efficiency</b>	<b>-</b>	<b>82,000</b>	<b>-</b>	<b>24,611</b>	<b>26,453</b>	<b>-</b>
<b>Total Other Conservation Initiates</b>	<b>3,078,115</b>	<b>3,395,583</b>	<b>\$ 862,100</b>	<b>3,353,411</b>	<b>3,608,874</b>	<b>\$ 905,984</b>
Be Wattsmart, Begin at Home			\$ 64,523			\$ 64,523
Customer outreach/communication			\$ 250,000			\$ 217,121
Program Evaluations (& savings verification)			\$ 549,524			\$ 276,541
Potential Study update/analysis			\$ 120,115			\$ 117,239
System Support			\$ 166,735			\$ 70,863
End use load research & RTF Funding			\$ 109,500			\$ 58,090
<b>Total Portfolio-Level Expenses</b>	<b>-</b>	<b>-</b>	<b>\$ 1,260,397</b>	<b>-</b>	<b>-</b>	<b>\$ 804,378</b>
<b>Total PacifiCorp Conservation</b>	<b>48,839,500</b>	<b>52,542,512</b>	<b>\$ 21,946,104</b>	<b>34,051,493</b>	<b>36,608,571</b>	<b>\$ 13,759,344</b>
<b>Total System Benefit Charge Conservation</b>	<b>51,917,615</b>	<b>55,856,095</b>	<b>\$ 22,808,204</b>	<b>37,380,293</b>	<b>40,190,992</b>	<b>\$ 14,665,328</b>
<b>Total Conservation</b>	<b>51,917,615</b>	<b>55,856,095</b>	<b>\$ 22,808,204</b>	<b>37,380,293</b>	<b>40,190,992</b>	<b>\$ 14,665,328</b>

**Table 2**  
**2023 Annual Conservation Plan Forecast Compared to Actual (before adjustments)**

Program of Initiative	2023 PacifiCorp Washington Conservation Estimates			2023 PacifiCorp Washington DSM Actual		
	kWh/Yr Savings (at site)	kWh/Yr Savings (at generation)	Estimated Systems Benefit Expenditures	kWh/Yr Savings (at site)	kWh/Yr Savings (at generation)	Systems Benefits Charge Expenditures
Low Income Weatherization (114)	130,100	140,086	\$ 1,193,659	154,807	166,690	\$ 1,122,473
Home Energy Savings (118)	3,600,300	3,876,659	\$ 5,665,780	4,994,042	5,377,384	\$ 6,187,859
Home Energy Reports (N/A)	3,558,528	3,831,681	\$ 462,996	4,466,880	4,809,758	\$ 435,105
<b>Total Residential Programs</b>	<b>7,288,928</b>	<b>7,848,426</b>	<b>\$ 7,322,435</b>	<b>9,615,729</b>	<b>10,353,832</b>	<b>\$ 7,745,437</b>
Wattsmart Business (140) - Commercial	24,052,821	25,881,317	\$ 8,838,620	31,698,688	34,108,422	\$ 9,445,025
Wattsmart Business (140) - Industrial	16,179,211	17,281,824	\$ 4,591,939	3,693,438	3,945,146	\$ 1,100,507
Wattsmart Business (140) - Irrigation	766,007	824,805	264,069	805,266	867,078	\$ 239,939
<b>Total Business Programs</b>	<b>40,998,039</b>	<b>43,987,946</b>	<b>13,694,628</b>	<b>36,197,392</b>	<b>38,920,646</b>	<b>\$ 10,785,471</b>
<b>Northwest Energy Efficiency Alliance</b>	<b>3,664,463</b>	<b>3,941,523</b>	<b>\$ 877,438</b>	<b>3,415,622</b>	<b>3,676,952</b>	<b>\$ 954,497</b>
<b>Distribution Efficiency</b>		<b>83,000</b>				
<b>Production Efficiency</b>				<b>133,136</b>	<b>133,136</b>	
<b>Total Other Conservation Initiates</b>	<b>3,664,463</b>	<b>4,024,523</b>	<b>877,438</b>	<b>3,548,758</b>	<b>3,810,088</b>	<b>\$ 954,497</b>
Be Wattsmart, Begin at Home			\$ 70,008			\$ 51,135
Customer outreach/communication			\$ 250,000			\$ 170,587
Program Evaluations (& savings verification)			\$ 254,497			\$ 162,487
Potential Study update/analysis			\$ 15,368			\$ 49,695
System Support			\$ 98,378			\$ 73,183
End use load research & RTF Funding & CTA 2045			\$ 65,500			\$ 36,119
<b>Total Portfolio-Level Expenses</b>	<b>-</b>	<b>-</b>	<b>\$ 753,751</b>	<b>-</b>	<b>-</b>	<b>\$ 543,205</b>
<b>Total PacifiCorp Conservation</b>	<b>48,286,967</b>	<b>51,919,372</b>	<b>\$ 21,770,814</b>	<b>45,946,256</b>	<b>49,407,614</b>	<b>\$ 19,074,112</b>
<b>Total System Benefit Charge Conservation</b>	<b>51,951,430</b>	<b>55,860,895</b>	<b>\$ 22,648,252</b>	<b>49,361,879</b>	<b>53,084,566</b>	<b>\$ 20,028,609</b>
<b>Total Conservation</b>	<b>51,951,430</b>	<b>55,860,895</b>	<b>\$ 22,648,252</b>	<b>49,361,879</b>	<b>53,084,566</b>	<b>\$ 20,028,609</b>

**Table 3**  
**2022-2023 Biennial Forecast Compared to Actual**  
**(After adjustments)**

Energy Efficiency Program (Tariff Schedule #)	2022 Forecast		2022 Actual w/adjustments	
	(at site)	Benefit Expenditures	(at site)	Charge Expenditures
Low Income Weatherization (114)	169,130	\$ 937,500	261,515	\$ 747,702
Home Energy Savings (118)	9,610,833	\$ 9,274,502	2,625,379	\$ 3,629,851
Home Energy Reports	4,099,518	\$ 372,430	4,289,670	\$ 137,990
<i>Home Energy Reports - Savings Reporting Adjustment for evaluation results for 2022</i>			<b>476,420</b>	
<b>Total Residential Programs</b>	<b>13,879,481</b>	<b>\$ 10,584,432</b>	<b>7,652,984</b>	<b>\$ 4,515,543</b>
Wattsmart Business (140)	34,960,019	\$ 10,101,275	26,850,318	\$ 8,439,423
<b>Total Business</b>	<b>34,960,019</b>	<b>\$ 10,101,275</b>	<b>26,850,318</b>	<b>\$ 8,439,423</b>
Northwest Energy Efficiency Alliance (NEEA)	3,078,115	\$ 862,100	<b>3,328,800</b>	\$ 905,984
<i>NEEA - Savings Reporting Adjustment</i>			<b>(306,552)</b>	
Distribution Efficiency			<b>24,611</b>	
<b>Total Other Conservation including NEEA</b>	<b>3,078,115</b>	<b>\$ 862,100</b>	<b>3,046,859</b>	<b>\$ 905,984</b>
Be Wattsmart, Begin at Home		\$ 64,523		\$ 64,523
Outreach and Communication		\$ 250,000		\$ 217,121
Program Evaluations		\$ 549,524		\$ 276,541
Potential Study		\$ 120,115		\$ 117,239
System Support		\$ 166,735		\$ 70,863
End Use Research		\$ 109,500		\$ 58,090
<b>Total Company Conservation Programs</b>	<b>48,839,500</b>	<b>\$ 21,946,104</b>	<b>34,527,913</b>	<b>\$ 13,759,344</b>
<b>Total System Benefit Charge Conservation</b>	<b>51,917,615</b>	<b>22,808,204</b>	<b>37,550,162</b>	<b>\$ 14,665,328</b>

Energy Efficiency Program (Tariff Schedule #)	2023 Forecast		2023 Actual w/adjustments	
	(at site)	Benefit Expenditures	(at site)	Charge Expenditures
Low Income Weatherization (114)	130,100	\$ 1,193,659	154,807	\$ 1,122,473
Home Energy Savings (118)	3,600,300	\$ 5,665,780	4,994,042	\$ 6,187,859
Home Energy Reports	3,558,528	\$ 462,996	4,466,880	\$ 435,105
<b>2023</b>			<b>49,046</b>	
<b>Total Residential Programs</b>	<b>7,288,928</b>	<b>\$ 7,322,435</b>	<b>9,664,775</b>	<b>\$ 7,745,437</b>
Wattsmart Business (140)	40,998,039	\$ 13,694,628	36,197,392	\$ 10,785,471
<b>Total Business</b>	<b>40,998,039</b>	<b>\$ 13,694,628</b>	<b>36,197,392</b>	<b>\$ 10,785,471</b>
Northwest Energy Efficiency Alliance (NEEA)	3,664,463	\$ 877,438	3,415,622	\$ 954,497
<i>NEEA - Savings Reporting Adjustment</i>			<b>-</b>	
Distribution Efficiency	-			
Production Efficiency	-		133,136	
<b>Total Other Conservation including NEEA</b>	<b>3,664,463</b>	<b>\$ 877,438</b>	<b>3,548,758</b>	<b>\$ 954,497</b>
Be Wattsmart, Begin at Home		\$ 70,008		\$ 51,135
Outreach and Communication		\$ 250,000		\$ 170,587
Program Evaluations		\$ 254,497		\$ 162,487
Potential Study		\$ 15,368		\$ 49,695
System Support		\$ 98,378		\$ 73,183
End Use Research		\$ 65,500		\$ 36,119
<b>Total Company Conservation Programs</b>	<b>48,286,967</b>	<b>\$ 21,770,814</b>	<b>45,995,302</b>	<b>\$ 19,074,112</b>
<b>Total System Benefit Charge Conservation</b>	<b>51,951,430</b>	<b>22,648,252</b>	<b>49,410,925</b>	<b>\$ 20,028,609</b>

Energy Efficiency Program (Tariff Schedule #)	2022-2023 Forecast		2022-2023 Actual w/adjustments	
	(at site)	Benefit Expenditures	(at site)	Charge Expenditures
Low Income Weatherization (114)	299,230	\$ 2,131,159	416,322	\$ 1,870,176
Home Energy Savings (118)	13,211,133	\$ 14,940,282	7,619,421	\$ 9,817,710
Home Energy Reports	7,658,046	\$ 835,426	8,756,550	\$ 573,094
<i>Home Energy Reports - Savings Reporting Adjustment</i>			525,466	
<b>Total Residential Programs</b>	<b>21,168,409</b>	<b>\$ 17,906,867</b>	<b>17,317,759</b>	<b>\$ 12,260,980</b>
Wattsmart Business (140)	75,958,058	\$ 23,795,903	63,047,710	\$ 19,224,894
<b>Total Business</b>	<b>75,958,058</b>	<b>\$ 23,795,903</b>	<b>63,047,710</b>	<b>\$ 19,224,894</b>
Northwest Energy Efficiency Alliance (NEEA)	6,742,578	\$ 1,739,538	6,744,422	\$ 1,860,480
Distribution Efficiency	-	\$ -	24,611	\$ -
Production Efficiency			133,136	
<i>NEEA - Savings Reporting Adjustment</i>			(306,552)	-
Be Wattsmart, Begin at Home		\$ 134,531		\$ 115,658
Outreach and Communication		\$ 500,000		\$ 387,708
Program Evaluations		\$ 804,021		\$ 439,028
Potential Study		\$ 135,483		\$ 166,934
System Support		\$ 265,113		\$ 144,046
End Use Research		\$ 175,000		\$ 94,209
<b>Total PacifiCorp Conservation</b>	<b>97,126,467</b>	<b>\$ 43,716,918</b>	<b>80,523,216</b>	<b>\$ 32,833,456</b>
<b>Total System Benefit Charge Conservation</b>	<b>103,869,045</b>	<b>\$ 45,456,456</b>	<b>86,961,087</b>	<b>\$ 34,693,937</b>

## Savings Reporting Adjustments

The actual results in Table 3 above are the 2022 and 2023 annual report results plus adjustments (highlighted in yellow) for Home Energy Reports and NEEA<sup>9</sup>. The adjustments are discussed in detail in the following sections.

### Home Energy Reports

A third-party impact evaluation was conducted to determine achieved energy savings Washington's Home Energy Reports program for program years 2022-2023. Results from the evaluation provide 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 2022 and 2023 due to realization rates of 111% and 101% respectively.

Tables 4 and 5 document the application of the evaluation adjustment, applying realization rate results to the 2022 and 2023 savings. Applying these adjustments increases reported savings for 2022 and 2023.

<sup>9</sup> There are no adjustments to 2022 and 2023 annual report results for Low Income Weatherization, Home Energy Savings, Wattsmart Business, Distribution Efficiency, Production Efficiency, or portfolio costs.

**Table 4<sup>10</sup>**  
**2022 Home Energy Reports Adjustment Calculations**

Home Energy Reports	2022	Source/Notes
	4,289,670	Claimed Gross kWh at Site - Table 1
	4,766,090	WA Home Energy Report Evaluation
	-	Adjusted savings at site from other 2022 energy efficiency programs, as identified in 2022 Home Energy Reports program evaluation
	4,766,090	Verified net savings at site
	111%	Evaluated net realization rate
	476,420	Savings adjustment at site for Home Energy Reports 2022 (2022 verified net savings - 2022 claimed savings)
	4,766,090	2022 HER Savings after adjustment

**Table 5**  
**2023 Home Energy Reports Adjustment Calculations**

Home Energy Reports	2023	Source/Notes
	4,466,880	Claimed Gross kWh at Site - Table 1
	4,515,926	WA Home Energy Report Evaluation
	-	Adjusted savings at site from other 2023 energy efficiency programs, as identified in 2023 Home Energy Reports program evaluation
	4,515,926	Verified net savings at site
	101%	Evaluated net realization rate
	49,046	Savings adjustment at site for Home Energy Reports 2023 (2023 verified net savings - 2023 claimed savings)
	4,515,926	2023 HER Savings after adjustment

For this biennial period, the Company used a **one-year measure life** for this program. The change from a two-year measure life to one year was detailed in the Home Energy Reports section of the 2023 Annual Conservation Plan (Docket UE-210830).

**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 2022-2023 biennial conservation target<sup>11</sup>. NEEA’s savings are relative to the Northwest Power and Conservation Council’s 2021 Power Plan baselines. NEEA savings for 2022-2023 were provided by NEEA (Appendix 3).

Savings reported from NEEA initiatives in the Company’s 2022 annual report was based on preliminary estimates provided by NEEA at the time the annual report was created. The 2023 NEEA savings were firmed up in time for the annual report. The savings calculation adjustment is provided in Table 6.

**Table 6**  
**Revised NEEA 2022 and 2023 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)
2022	3,328,800	3,022,248	3,582,421	3,253,413	(306,552)	(329,008)
2023	3,415,622	3,415,622	3,676,952	3,676,952	-	-
<b>Total Adj</b>					<b>(306,552)</b>	<b>(329,008)</b>

<sup>10</sup> See Table 1-4 from Home Energy Reports 2022-2023 Evaluation for realization rates summary.

<sup>11</sup> See memo from NEEA, Appendix 3 of this report.

## Adjustment Summary

The net effect of all adjustments applied to the 2022-2023 biennial savings is an increase of 219 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)	2022	2023	Total
Home Energy Reports	476	49	525
NEEA	(307)	-	(307)
<b>Total</b>	<b>170</b>	<b>49</b>	<b>219</b>

## Estimated Peak Contribution (with adjustments)

Table 8 provides estimated peak contribution for the portfolio (including NEEA) for 2022, 2023, and 2022-2023. The data in this table includes the adjustments described above.

**Table 8**  
**Estimated Peak Contribution (with adjustments)**

Description	2022		2023		2022 + 2023	
	Value (at site)	Value (at generator)	Value (at site)	Value (at generator)	Value (at site)	Value (at generator)
First year Energy Efficiency program MWh savings acquired (with adjustments from Biennial Conservation Report)	37,550	40,375	49,411	53,137	86,961	93,512
Conversion factor: MW/MWh	0.000167664	0.000167664	0.000179233	0.000179233		
Estimated coincident peak MW contribution of Energy Efficiency acquisitions	6.30	6.77	8.86	9.52	15.15	16.29
Estimated Lifecycle Energy Efficiency program MWh savings from savings acquired	391,739	421,189	535,170	575,476	926,909	996,665

## 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 2022 and 2023.

1. Demand-Side Resource Potential Assessment for the 2021-2040 (February 26, 2021),  
<https://www.pacificorp.com/energy/integrated-resource-plan/support.html>
2. 2022 and 2023 Annual Report(s) on Conservation Acquisition, filed in Docket UE-210830.  
<https://www.pacificorp.com/environment/demand-side-management.html>
3. PacifiCorp's 2022-2023 Biennial Conservation Plan for its Washington Service Area filed in Docket UE-210830.  
[UTC Case Docket Document Sets | UTC \(wa.gov\)](#)
4. Demand-side Management Business Plan(s) including 2023 Annual Conservation Plan filed in Docket UE-210830.  
[UTC Case Docket Document Sets | UTC \(wa.gov\)](#)
5. Independent third-party process and impact evaluations completed during the 2022-2023 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. Governor Jay Inslee emergency proclamation  
[State's COVID emergency order ends next week | Governor Jay Inslee \(wa.gov\)](#)

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## Appendices

Appendix 1 – 2022-2023 Plan Condition Requirements and Compliance

Appendix 2 – Washington Verification of Savings Review

Appendix 3 – NEEA Memorandum of 2022-2023 Final Savings

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

Appendix 5 – 2022-2023 Cost-effectiveness Memo (revised)

Appendix 6 – Home Energy Reports Program Evaluation

Appendix 7 – Energy Independence Act (I-937) Conservation Report 2022-2023  
– Final (revised)