BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

FILED
08/21/26
01:59 PM
A2509016

Application of PACIFICORP (U 901 E), an Oregon Company, to Continue its Energy Efficiency Programs, the Surcharge to Fund Public Purpose Programs and Bridge Funding for Program Year 2027	Application No. 25-09-016 (Filed September 30, 2025)

JOINT MOTION OF PACIFICORP (U 901 E) AND THE PUBLIC ADVOCATES OFFICE FOR ADOPTION OF SETTLEMENT AGREEMENT AND TO WAIVE COMMENT PERIOD

Joe Dallas
Assistant General Counsel
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232
Telephone: (503) 813-5701
Email: joseph.dallas@pacificorp.com

Attorney for PacifiCorp

PUBLIC ADVOCATES OFFICE
David Gibbs
Michael Einhorn
California Public Utilities Commission
320 West 4th Street, Suite 500
Los Angeles, CA 90013
Telephone: 213-576-7031 (*5-7031)
Email: David.Gibbs@cpuc.ca.gov

Date: August 21, 2026

Attorney for the Public Advocates Office

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of PACIFICORP (U 901 E), an Oregon Company, to Continue its Energy Efficiency Programs, the Surcharge to Fund Public Purpose Programs and Bridge Funding for Program Year 2027	Application No. 25-09-016 (Filed September 30, 2025)

JOINT MOTION OF PACIFICORP (U 901 E) AND THE PUBLIC ADVOCATES OFFICE FOR ADOPTION OF SETTLEMENT AGREEMENT AND TO WAIVE COMMENT PERIOD

I. INTRODUCTION

In accordance with Rule 12.1 of the Commission's Rules of Practice and Procedure, PacifiCorp d/b/a Pacific Power (PacifiCorp), and the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) submit this joint motion requesting adoption of the Settlement Agreement, attached hereto as Attachment A, entered into by PacifiCorp and Cal Advocates (collectively, the Parties).[1] The Settlement Agreement is an all-party settlement[2] that resolves all disputed issues in this proceeding, and the settlement process complies with the requirements of Article 12. The Settlement Agreement is reasonable, consistent with the law, and in the public interest. Therefore, the Parties respectfully request that the Commission grant this motion to approve and adopt the Settlement Agreement in its entirety.

[1] Pursuant to Rule 1.8(d), PacifiCorp has been fully authorized by Cal Advocates to sign and tender this Joint Motion and make the representations herein.

[2] PacifiCorp and Cal Advocates are the only parties to this proceeding. See, e.g., Application (A.) 25-09-016, *Assigned Commissioner's Ruling Revising Proceeding Schedule*, August 7, 2026, at 2 ("the proposed settlement agreement would be an all-party agreement").

As discussed below, Cal Advocates and PacifiCorp also request that the Commission waive the opening and reply comment period on the Settlement Agreement, consistent with the Administrative Law Judge's August 3, 2026 procedural email providing notice of a revised proceeding schedule (Procedural Email).[3]

The Settlement Agreement resolves all the issues presented in Application (A.) 25-09-016 concerning PacifiCorp's request to continue its California energy efficiency programs, continue collection of the Public Purpose Program surcharge, and obtain bridge funding for program year 2027. In lieu of the continuing redesign of PacifiCorp's energy efficiency portfolio, the Settlement:

- Establishes an orderly suspension of PacifiCorp's California energy efficiency programs that are not currently cost-effective;
- Provides for customer outreach concerning alternative energy efficiency and weatherization resources available through other utility-funded programs, such as the Energy Savings Assistance (ESA) program, or state and federal programs;
- Preserves PacifiCorp's ability to seek Commission approval of future cost-effective energy efficiency programs; and
- Provides for appropriate modifications to PacifiCorp's Public Purpose Program surcharge to reflect the discontinuation of energy efficiency program administration—which will result in a 0.7% rate decrease for customers.

The Settling Parties believe the Settlement Agreement is reasonable in light of the whole record, consistent with law, and in the public interest. Accordingly, the Settling Parties jointly request Commission approval of the Settlement Agreement.

[3] A.25-09-016, procedural email providing notice of a revised proceeding schedule, August 3, 2026 (Cal Advocates and PacifiCorp "may waive their right to file comments to the settlement motion"). See also A.25-09-016, *Assigned Commissioner's Ruling Revising Proceeding Schedule*, August 7, 2026, at 2 (Cal Advocates and PacifiCorp "may also waive their right to file comments to the settlement motion").

A. PROCEDURAL BACKGROUND

On September 30, 2025, PacifiCorp filed A.25-09-016 seeking Commission authorization to: (1) continue and redesign its California energy efficiency programs for the 2027-2030 program cycle; (2) continue the Public Purpose Programs Surcharge, Schedule S-191; (3) continue authority to adjust surcharge collection rates through the Tier 2 Advice Letter process; and (4) obtain bridge funding for program year 2027. Thus, PacifiCorp proposed substantial modifications to its California energy efficiency portfolio, including consolidation of existing programs and a focus on equity program delivery.

On November 7, 2025, Cal Advocates filed a protest to the Application. Among other issues, Cal Advocates challenged the proposed portfolio redesign, the continued funding of programs that allegedly did not satisfy Commission cost-effectiveness standards, and several aspects of PacifiCorp's proposed budget and program structure.

On January 27, 2026, the Commission issued its Scoping Memo. The parties then engaged in discovery and prepared testimony. Consistent with the Scoping Memo, Cal Advocates served intervenor testimony on April 17, 2026, and PacifiCorp served rebuttal testimony on May 11, 2026. Through testimony and briefing, the parties developed a record concerning PacifiCorp's historical portfolio performance, projected future energy-efficiency savings, program cost-effectiveness, and other disputed issues raised in the proceeding. On June 1, 2026, the Assigned Administrative Law Judge issued an email ruling determining that evidentiary hearings were not necessary in this proceeding. Thereafter, on June 30, 2026, the Commission admitted the prepared testimony into the evidentiary record. On July 3, 2026, PacifiCorp and Cal Advocates each filed opening briefs. On August 3, 2026, Cal Advocates filed a reply brief.

Following settlement discussions conducted pursuant to Rule 12.1, the Settling Parties reached the Settlement Agreement, attached hereto as Attachment A. The Parties reached an agreement in principle resolving all disputed issues in this proceeding on July 27, 2026, and jointly moved to modify the procedural schedule on July 28, 2026. On August 3, 2026, the Commission granted that motion and modified the procedural schedule accordingly.

B. SUMMARY OF SETTLEMENT TERMS

As explained in greater detail in Attachment A, the Settlement Agreement, the Settling Parties have reached an agreement under which PacifiCorp will suspend administration of its California energy efficiency programs effective January 1, 2027. PacifiCorp will continue to honor existing and pending customer incentive commitments and adjust its energy efficiency surcharge to reflect the cessation of program administration.[4] The suspension of these programs will result in a 0.7% decreased to customer rates.

The Settlement further provides that PacifiCorp will undertake customer marketing, education, and outreach efforts during calendar year 2027 to inform customers of available state, federal, and other non-IOU-funded energy efficiency, weatherization, and electrification programs and services within its California service territory.[5] These programs include the ESA Program, the Low Income Home Energy Assistance Program (LIHEAP), and the California Energy Commission's Equitable Building Decarbonization (EBD) Program. While not utility

[4] See Attachment A Settlement Agreement at 7, Term 2.1(A) ("PacifiCorp shall suspend administration of all energy efficiency programs in its California service territory, *with the exception of existing and pending incentive offers given to customers prior to the issuance of the Commission order adopting the Settlement Agreement*") (emphasis added).

[5] See Attachment A Settlement Agreement at 7, Term 2.2(A) ("PacifiCorp shall make all reasonable efforts to provide its customers with information on all known applicable energy efficiency programs, including non-ratepayer funded state- or federally funded programs, . . .").

administered, these are existing programs that provide funding and/or direct installations to eligible customers within PacifiCorp service territory for energy efficiency investments.

The Settlement also clarifies that PacifiCorp's withdrawal from administration of its current California energy efficiency programs does not constitute a permanent relinquishment of its authority to administer future Commission-authorized energy efficiency programs and establishes a framework for evaluating and potentially reinstating cost-effective program offerings in the future.[6]

Finally, the Settlement provides for the suspension of PacifiCorp's Wattsmart Homes and Wattsmart Business programs, while preserving PacifiCorp's ability to reactivate such programs in the future if determined to be cost-effective, and relieves PacifiCorp of certain energy efficiency reporting obligations during periods in which it is not administering energy efficiency programs.[7]

C. WAIVER OF COMMENT PERIODS

Consistent with the Procedural Email providing notice of revised proceeding schedule ("Procedural Email"), issued on August 3, 2026, PacifiCorp and Cal Advocates request that the Commission waive the comment and reply comment that respectively have current submission dates on September 21 and September 28.[8] The Procedural Email states the following:

> The above revised schedule may pose a risk to resolving this proceeding before the end of this year. In light of the fact that the Public Advocates Office at the Public Utilities

---

[6] See Attachment A Settlement Agreement at 8, Term 2.3(A) ("PacifiCorp's withdrawal from administration of its California energy efficiency programs agreed to in this Settlement shall not constitute a permanent relinquishment of its authority or ability to administer Commission-authorized energy efficiency programs.").

[7] See Attachment A Settlement Agreement at 6 ("the Settling Parties further agree that PacifiCorp will suspend its existing Wattsmart Homes and Wattsmart Business programs, . . .").

[8] Pursuant to Rule 1.8(d), PacifiCorp has been fully authorized by Cal Advocates to sign and tender this Joint Motion and make the representations herein.

> Commission (Cal Advocates) and PacifiCorp are the only two parties in this proceeding, the parties are reminded that they may file comments and reply comments to the settlement motion earlier than the above specified dates, *and/or they may waive their right to file comments to the settlement motion*. (emphasis added).

Waiver of these comment periods is in the public interest because PacifiCorp and Cal Advocates are the only parties to this proceeding, and both support and have signed the Settlement Agreement. Furthermore, as noted in the Procedural Email, eliminating the comment and reply comment periods may increase the likelihood that the Commission can issue a decision before the end of calendar year 2026. Such timing is important because the Settlement Agreement contains provisions that would become effective on January 1, 2027, and PacifiCorp's existing authorization to administer energy efficiency programs expires on December 31, 2026.[9] Prompt approval of the Settlement Agreement will therefore help avoid regulatory uncertainty and support implementation of the Settlement Agreement.

D. CONCLUSION

For the reasons discussed above and in Attachment A, the Settlement Agreement satisfies the standard set forth in Rule 12.1(d) of the Commission's Rules of Practice and Procedure. The Settlement is reasonable in light of the whole record, consistent with law, supported by all intervening parties, and is in the public interest. The Settlement reflects a fair and reasonable resolution of the issues in this proceeding, provides an orderly transition from PacifiCorp's current energy efficiency program administration, ensures customers receive information regarding alternative energy efficiency resources, and preserves the opportunity for future cost-effective program offerings. Accordingly, the Settling Parties respectfully request that the

[9] *See Application of PacifiCorp (U901E), an Oregon Company, to Continue its Energy Efficiency Programs and the Surcharge to Fund Public Purpose Program*, Application 20-12-018, Decision 21-12-034 (Dec. 12. 20, 2021) (approving programs from 2022-26).

Commission approve the Settlement Agreement in its entirety and authorize PacifiCorp to implement its terms. The Settling Parties further request that the Commission authorize PacifiCorp to implement the provisions of the Settlement Agreement and any associated tariff modifications necessary to effectuate its terms. Lastly, the Settling Parties request that the Commission approve the settlement by December 31, 2026. The Settling Parties believe that the Commission can approve the settlement based on the record without need for a hearing.

By ______________________________
Joe Dallas

Joe Dallas
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232
Telephone: (503) 813-5701
Email: joseph.dallas@pacificorp.com

Attorney for PacifiCorp

ATTACHMENT A

SETTLEMENT AGREEMENT

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of PACIFICORP (U 901 E), an Oregon Company, to Continue its Energy Efficiency Programs, the Surcharge to Fund Public Purpose Programs and Bridge Funding for Program Year 2027	Application No. 25-09-016 (Filed September 30, 2025)

SETTLEMENT REGARDING SUSPENSION OF PACIFICORP CALIFORNIA ENERGY EFFICIENCY PROGRAMS

Joe Dallas
Assistant General Counsel
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232
Telephone: (503) 813-5701
Email: joseph.dallas@pacificorp.com

Attorney for PacifiCorp

PUBLIC ADVOCATES OFFICE
David Gibbs
California Public Utilities Commission
320 West 4th Street, Suite 500
Los Angeles, CA 90013
Telephone: 213-576-7031 (*5-7031)
Email: David.Gibbs@cpuc.ca.gov

Attorney for the Public Advocates Office

Date: August 21, 2026

APPLICATION 25-09-016 SETTLEMENT

PacifiCorp d/b/a Pacific Power (PacifiCorp) and the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) (collectively, the Settling Parties) offer to settle the issues in Application (A.) 25-09-016, Application of PacifiCorp (U 901 E), an Oregon Company, to Continue its Energy Efficiency Programs, the Surcharge to Fund Public Purpose Programs and Bridge Funding for Program Year 2027 (Application), on the following terms and conditions, which shall become effective upon issuance of a final Commission order approving this Settlement Agreement.

DEFINITIONS

The following definitions are provided to facilitate implementation of this Settlement Agreement.

"Application" means Application 25-09-016, *Application of PacifiCorp (U 901 E), an Oregon Company, to Continue its Energy Efficiency Programs, the Surcharge to Fund Public Purpose Programs and Bridge Funding for Program Year 2027.*

"Cal Advocates" means the Public Advocates Office at the California Public Utilities Commission.

"Commission" means the California Public Utilities Commission.

"Energy Efficiency Programs" means PacifiCorp's California energy efficiency programs funded pursuant to Public Utilities Code Section 381, including but not limited to Wattsmart Homes and Wattsmart Business.

"Existing Incentive Commitments" means incentive reservations, customer applications, incentive offers, or other commitments approved or offered by PacifiCorp prior to issuance of the Commission decision approving this Settlement Agreement.

"Marketing, Education, and Outreach" or "ME&O Efforts" means the customer outreach activities described in Article II of this Settlement Agreement.

"Non-IOU Funded Programs" means energy efficiency, weatherization, electrification, or related customer assistance programs funded by PacifiCorp, federal, state, local, tribal, or other non-ratepayer sources, including but not limited to PacifiCorp's Energy Savings Assistance (ESA) programs.

"Public Purpose Programs Surcharge" or "Schedule S-191" means PacifiCorp's California surcharge tariff used to fund public purpose programs.

“Settlement Agreement” means this Settlement Agreement.

“Settling Parties” means PacifiCorp and Cal Advocates.

“Wattsmart Business” means PacifiCorp's California business energy efficiency program currently offered under Schedule A-140.

“Wattsmart Homes” means PacifiCorp's California residential energy efficiency program currently offered under Schedule D-118.

RECITALS

The following recitals are provided to allow the Commission and the Parties to understand the nature of the events that gave rise to the Application and the resulting Settlement.

1. On September 30, 2025, PacifiCorp filed A.25-09-016 seeking Commission authorization to:

   a. Continue and redesign its California energy efficiency programs;
   b. Continue the Public Purpose Programs Surcharge;
   c. Continue authority to adjust surcharge collection rates through the advice letter process; and
   d. Obtain bridge funding for program year 2027.

2. The Application proposed modifications to PacifiCorp’s California energy efficiency portfolio intended to address declining participation, rising implementation costs, and challenges associated with administering energy efficiency programs within PacifiCorp's California service territory.

3. On November 7, 2025, Cal Advocates filed a protest raising concerns regarding the cost-effectiveness of PacifiCorp’s proposed 2027–2030 energy efficiency portfolio, the reasonableness of its bridge-year funding, the proposed consolidation of existing programs into an Equity portfolio, and the continued use of ratepayer funds for programs whose projected benefits do not exceed their costs.

4. During the course of this proceeding, the parties engaged in discovery, testimony, and settlement discussions regarding the Application.

5. The Settling Parties conducted settlement discussions consistent with Rule 12.1 of the Commission's Rules of Practice and Procedure.

6. The Settling Parties have agreed to resolve the issues in this proceeding pursuant to the terms set forth in Article II below.

7. The Settling Parties acknowledge that it is an undisputed fact that PacifiCorp's energy efficiency portfolio and its individual energy efficiency programs have not met the Commission's cost-effectiveness standards. Most recently, PacifiCorp's energy efficiency portfolio achieved a Total Resource Cost ("TRC") score of 0.47, 0.34, and 0.76 respectively in 2023-2025. Additionally, PacifiCorp projected that the energy efficiency portfolio proposed in the Application would range between a TRC score of 0.48-0.54 for calendar years 2027-2030. PacifiCorp has developed the record with multiple modeling efforts illustrating that its energy efficiency programs, at both the individual program and portfolio level, are not forecast to be cost-effective over the next four year cycle.

8. The Settling Parties acknowledge that existing state, and federal programs provide substantial overlap with PacifiCorp's energy efficiency offerings, reducing the need for continued ratepayer-funded programs. Suspending these programs avoids continued collection of ratepayer funds for programs that have not demonstrated cost-effectiveness while preserving customer access to alternative funding sources.

9. The Settling Parties acknowledge the importance of energy efficiency in meeting the state's clean energy and climate goals, and the Legislature's directives in Public Utilities Code Sections 454.5 and 454.55 to ensure prudent use of ratepayer funds through cost-effectiveness and accountability. However, funding non-cost effective programs unreasonably increases costs borne by ratepayers and may add unnecessary pressure to rates.

10. The Settling Parties acknowledge that the following programs provide an alternative for customers to achieve financial assistance for energy efficiency investments: Energy Savings Assistance (ESA) Program, the Low Income Home Energy Assistance Program (LIHEAP), and the California Energy Commission's Equitable Building Decarbonization (EBD) Program. Furthermore, new state or federal funding may become available for energy efficiency, weatherization, or other electrification funding opportunities, including through the High-Efficiency Electric Home Rebate Act (HEEHRA) Program and/or other Inflation Reduction Act-funded rebate programs, as applicable.

11. The Settling Parties acknowledge that preserving future flexibility allows the Commission to respond to changing policy priorities, funding availability, or market conditions without foreclosing future opportunities to deliver cost-effective energy efficiency programs

12. **WHEREAS**, the Settling Parties have reached an agreement under which PacifiCorp will suspend the administration of its California energy efficiency programs effective January 1, 2027, subject to honoring existing and pending customer incentive commitments, and will adjust its energy efficiency surcharge to reflect the cessation of program administration;

13. **WHEREAS**, the Settling Parties further agree that, during 2027, PacifiCorp will undertake customer marketing, education, and outreach efforts to inform customers of available state, federal, and other non-IOU-funded energy efficiency, weatherization, and electrification programs and services available within its California service territory;

14. **WHEREAS**, the Settling Parties recognize that PacifiCorp's withdrawal from administration of its current California energy efficiency programs does not constitute a permanent relinquishment of its authority to administer future Commission-authorized energy efficiency programs and have established a framework for evaluating and potentially reinstating cost-effective energy efficiency offerings in the future; and

15. **WHEREAS**, the Settling Parties further agree that PacifiCorp will suspend its existing Wattsmart Homes and Wattsmart Business programs, while retaining the ability to reactivate such programs in the future, and that certain energy efficiency reporting obligations will cease during periods in which PacifiCorp is not administering energy efficiency programs.

16. **WHEREAS**, the Settling Parties agree the Settlement Agreement meets the standards set forth in Rule 12.1(d) of the Commission's Rules of Practice and Procedure and recommend that the Commission approve this Settlement Agreement in its entirety.

ARTICLE I

RECORD OF PROCEEDING

Term 1.1 Consistent with the Administrative Law Judge's Ruling Granting Motion to Admit Evidence, issued on June 30, 2026, the Settling Parties agree the following documents are evidence entered into the record of this proceeding:

(1) The Initial Application filed on September 30, 2025;

(2) The testimony and exhibits of PacifiCorp and intervening parties served in this proceeding, specifically identified as the following Exhibits: (1) Cal Advocates Testimony: Exhibit CA-01- Cal Advocates' Opening Testimony; and (2) PacifiCorp Testimony: PAC/100 – Rebuttal Testimony of Mr. Jay Olson

ARTICLE II

TERMS OF THE SETTLEMENT

2.1 – Program Suspension

Term 2.1(A) Effective January 1, 2027, PacifiCorp shall suspend administration of all energy efficiency programs in its California service territory,[10] with the exception of existing and pending incentive offers given to customers prior to the issuance of the Commission order adopting the Settlement Agreement.

Term 2.1(B) Within 60 days of receiving an order adopting the Settlement Agreement, PacifiCorp shall modify its tariff, California Schedule 191 ("Schedule 191"), through a tier 1 advice letter submission to reduce the applicable rate to reflect the discontinuation of its energy efficiency programs discussed in Paragraph 1.A. The tariffed rate in Schedule 191 should only be set at a level to implement the marketing, education, and outreach efforts ("ME&O Efforts") discussed in Paragraph 2 of this Settlement Agreement, by first exhausting existing funds within the Schedule 191 balancing account and taking into account any pending incentive offers discussed in Paragraph 1.

2.2 Customer Transition and Alternative Program Outreach

Term 2.2(A) From January 1, 2027, through December 31, 2027, PacifiCorp shall make all reasonable efforts to provide its customers with information on all known applicable energy efficiency programs, including non-ratepayer funded state- or federally funded programs, available within PacifiCorp's California service territory (i.e., ME&O Efforts). PacifiCorp's ME&O Efforts shall direct its customers to all known, available alternative programs that provide such services as energy efficiency, weatherization, and electrification.

Term 2.2(B) PacifiCorp's ME&O Efforts shall include, but are not limited to, providing information relating to such programs as the Energy Savings Assistance (ESA) Program, the Low Income Home Energy Assistance Program (LIHEAP), and the California Energy Commission's Equitable Building Decarbonization (EBD) Program. PacifiCorp shall update its ME&O Efforts in Calander Year 2027 materials to include information should any new state or federal funding become available for energy efficiency, weatherization, or electrification funding opportunities, including through the High-Efficiency Electric Home Rebate Act (HEEHRA) Program and/or other Inflation Reduction Act-funded rebate programs, as applicable. PacifiCorp shall review its ME&O materials quarterly and update them as appropriate to reflect any new state or federal funding opportunities.

Term 2.2(C) PacifiCorp shall maintain a webpage on its California-based, customer facing website located at https://www.pacificpower.net directing customers to non-IOU funded programs described in Paragraph 2.A. above.

Term 2.2 (D) PacifiCorp shall inform its California customers of non-IOU funded energy efficiency programs and services available in its California

[10] Including, but not limited to, its Wattsmart Homes, Wattsmart Business, and Home Energy Reports programs.

service territory. This outreach may be in the form of direct email, website updates, direct mail, bill inserts or bill onserts. The outreach budget for such customer communications shall be limited to the minimum amount necessary to provide effective customer notification. In 2027, PacifiCorp shall be authorized to spend up to $15,000 to provide its California customers with information relating to non-IOU funded energy efficiency programs.

2.3 Future Energy Efficiency Program Administration

Term 2.3(A) PacifiCorp's withdrawal from administration of its California energy efficiency programs agreed to in this Settlement shall not constitute a permanent relinquishment of its authority or ability to administer Commission-authorized energy efficiency programs. Nothing in this Settlement shall preclude PacifiCorp from applying to administer future energy efficiency programs within PacifiCorp's California service territory.

Term 2.3(B) PacifiCorp shall notify Cal Advocates as soon as practicable if, in the future, if it identifies opportunities for cost-effective program offerings.[11] If PacifiCorp notifies Cal Advocates that it has identified opportunities for cost-effective program offerings, the Settling Parties agree to work in good faith to seek Commission approval through an application filing for those programs if the Settling Parties mutually agree the programs are projected to be cost-effective.

Term 2.3(C) The Settling Parties agree that changes in the methods utilized by the Commission to determine cost-effectiveness, or changes to the Avoided Cost Calculator (ACC) that render previously non-cost-effective programs cost-effective, can result in prior and/or current offerings becoming cost effective. In the event there is a change in the methods utilized by the Commission to determine cost-effectiveness, or in the input values utilized by the Avoided Cost Calculator (ACC), that render previously non-cost-effective programs cost-effective , the Settling Parties agree to meet and confer to determine if prior and/or current energy efficiency programs should be reinstated.

Term 2.4(D) PacifiCorp shall submit a Tier 1 advice letter modifying its tariffs for Wattsmart Homes (Schedule D-118), Wattsmart Business (Schedule A-140) indicating that the programs are suspended. PacifiCorp retains the ability to unsuspend the programs in the future consistent with Paragraphs 3.A. and 3.C.

Term 2.4(E) With the exception of actions taken in support of a potential future application referenced in Paragraph 3.B., above, PacifiCorp shall not be required to provide the Commission energy efficiency reporting for Calendar

[11] Opportunities for cost-effective programming could be the result of, but not limited to, new energy efficiency measures.

Year 2027 and any subsequent years in which it is not administering energy efficiency programs.

ARTICLE III

APPROVALS

Term 3.1 - Effective Date This Settlement Agreement shall become effective upon issuance of a final Commission order approving the Settlement Agreement.

Term 3.2 - Rejection or Modification If the Commission materially modifies this Settlement Agreement, any Settling Party may withdraw from the Settlement Agreement upon written notice to the other Settling Party.

Term 3.3 - Settlement Communications Settlement discussions shall remain confidential as provided by Rule 12.6 of the Commission's Rules of Practice and Procedure.

ARTICLE IV

MISCELLANEOUS TERMS

Term 4.1 - No Admissions Nothing in this Settlement Agreement constitutes an admission regarding any factual, legal, policy, or ratemaking position of either Settling Party.

Term 4.2 - No Change to Regulatory Obligations Nothing in this Settlement Agreement relieves PacifiCorp of any obligation imposed by statute, regulation, tariff, or Commission order.

Term 4.3- Non-Precedential Effect Except for purposes of implementing this Settlement Agreement, neither this Settlement Agreement nor any position taken in connection with it shall constitute precedent in any future proceeding.

Term 4.4 - Standard of Review The Settling Parties agree that Commission review of this Settlement Agreement shall be governed by Rule 12.1(d), which requires that settlements be reasonable in light of the whole record, consistent with law, and in the public interest.

Term 4.1 - Counterparts This Settlement Agreement may be executed in counterparts, each of which shall be deemed an original.

By ______________________________

Rick Link
Senior Vice President, Regulation and Planning
PacifiCorp d/b/a Pacific Power
825 NE Multnomah Street, Suite 2000
Portland, OR 97232
Email: rick.link@pacifiCorp.com

[This space intentionally left blank]

By ______________________________

Michael Campbell

Deputy Director - Energy

PUBLIC ADVOCATES OFFICE
California Public Utilities Commission

Date: August 21, 2026