



Clean, affordable energy for everyone

## Draft 2021 Annual Budget and 2021-2022 Action Plan

October 14, 2020





## Presentation Outline

- Draft 2021 budget summary
- 2021 goals and context
- Draft 2021 budget and action plan highlights
- Key takeaways



## Draft 2021 Budget Summary



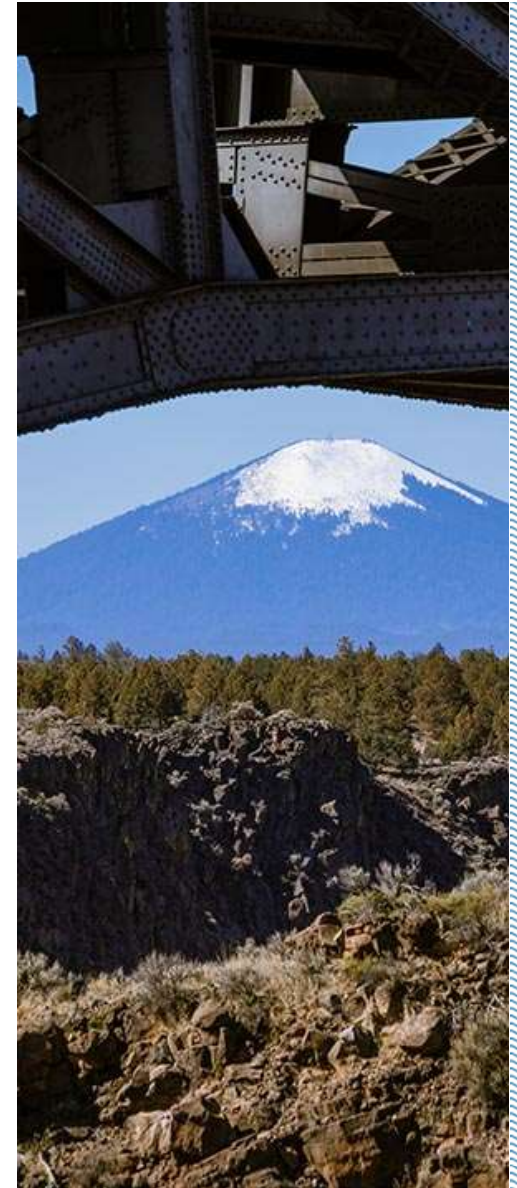
- **Investing \$209.6 million** of utility customer funds
- **Saving 41.5 aMW and 6.4 MMTh**
- **Delivering highly cost-effective energy**
  - 4.1 cents/kWh levelized
  - 46.6 cents/therm levelized (Oregon)
  - 76.4 cents/therm levelized (Washington)
- **Generating 3.51 aMW**
- **Distributing \$116.1 million in incentives; 55% of total expenditures**
- **Administrative costs just under 8%**

*aMW: average megawatts (of electricity)*

*MMTh: million annual therms (of natural gas)*

## Customer Benefits from 2021 Investments

- **More access** for diverse and rural communities
- **Lower energy bills and energy burden** for participants—\$711 million in future bill savings
- **Opportunities for 1,900 local businesses** and investments in workforce development
- **Cleaner air** by avoiding 3.9 million tons of carbon dioxide
- Local investments that **keep dollars in our communities**



# 2021 Goals and Context

# Building Our Budget and Action Plan



# 2021 Organizational Goals

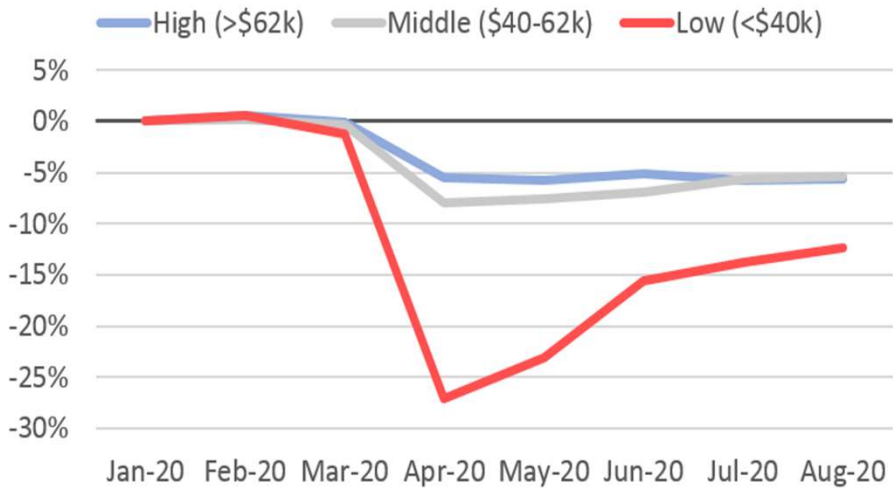


*Please see complete goal statements, which include additional detail on how efforts will be focused, in the supplemental section of this presentation*

# Context Shaping the Budget

## Oregon Employment by Wage

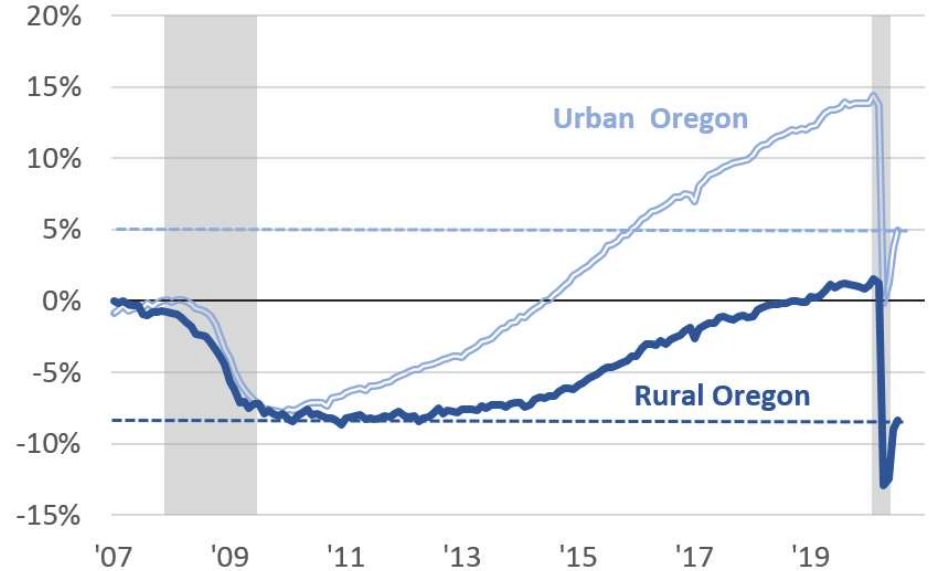
Percent Change Since January 2020, Terciles Based on Industry Average Wage



Source: Oregon Employment Department, Oregon Office of Economic Analysis

## Urban-Rural Employment in Oregon

Employment Change from Pre-Great Recession Peak



Latest data: July 2020 | Source: Oregon Employment Department, Oregon Office of Economic Analysis



# Context Shaping the Budget

## COVID-19, recession reshape savings and generation opportunities

- Pandemic-related supply chain disruptions, combined with trade conflicts, equipment costs and tariffs, create price volatility
- Slowdown of new construction and upgrade projects; projects in progress delayed
- Viability of business models and design/location of buildings uncertain



30-60% increase  
in air freight costs



84% of multifamily construction  
companies expect project delays



12% Portland Metro office  
vacancy rate

# Context Shaping the Budget

## **Pandemic, natural disasters and recession change customer needs**

- Businesses interested in lower-cost equipment, Strategic Energy Management; few capital projects
- More interest in equipment that improves air quality
- Higher energy burdens; more interest in low- and no-cost residential solutions
- Wildfire devastated communities have an urgent need to rebuild, esp. housing



3,124 residences  
destroyed by  
wildfires



1,400 other  
structures  
destroyed by  
wildfires

# Context Shaping the Budget



## **Value of savings influenced by codes, standards, market transformation and evaluations**

- Energy efficiency baselines increasing due to federal equipment standards and state building codes, resulting in fewer savings
- Low-cost LED savings opportunities limited by market transformation, with continued opportunities for low-income and rural customers
- Evaluations indicate very few savings opportunities for water-savings devices; showerheads and faucet aerators discontinued in most markets
- Interest in peak load management continues to grow

# Context Shaping the Budget



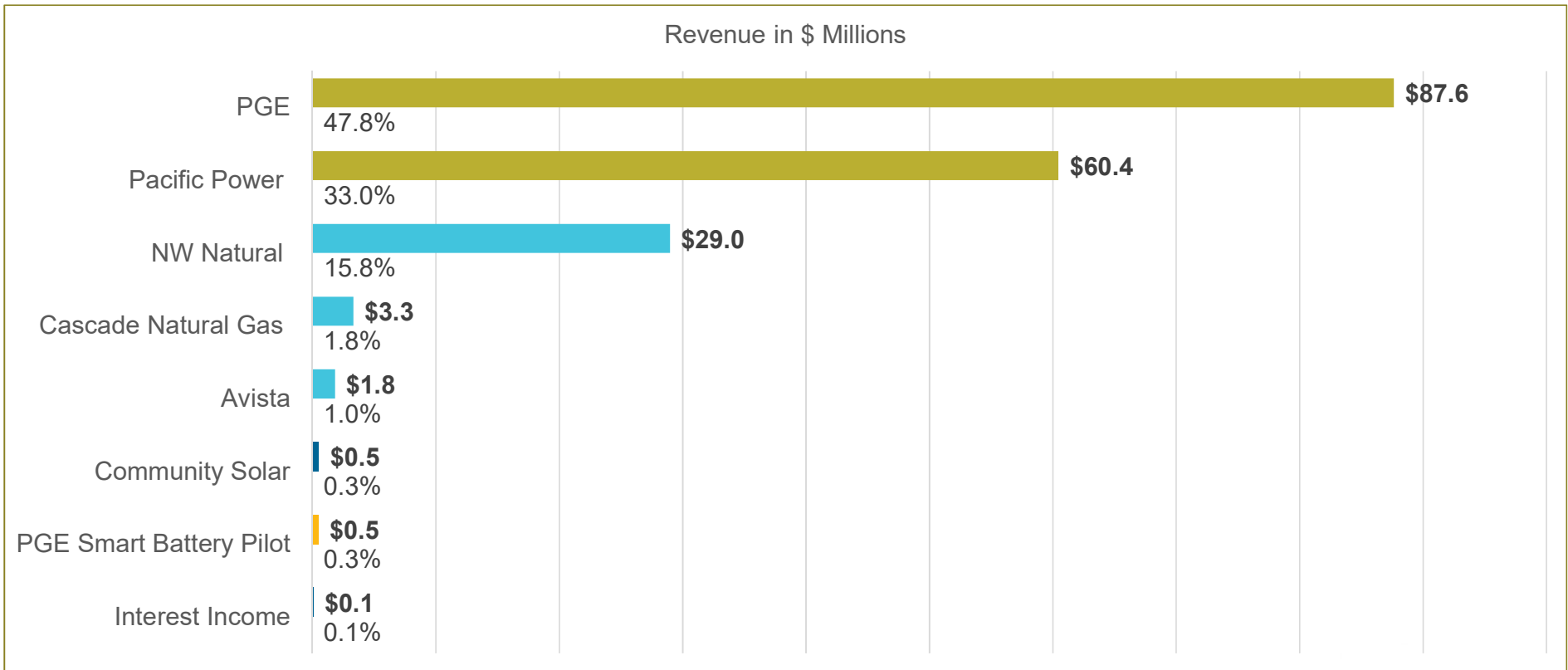
## **Communities emerge as both customers and partners in reaching residents and businesses**

- Cities, counties and local organizations seeking help to achieve energy and climate goals
- Community-based organizations interested in working as program delivery partners
- Stakeholder and customer feedback urges investments in building relationships with communities of color

# Draft 2021 Budget and Action Plan Highlights

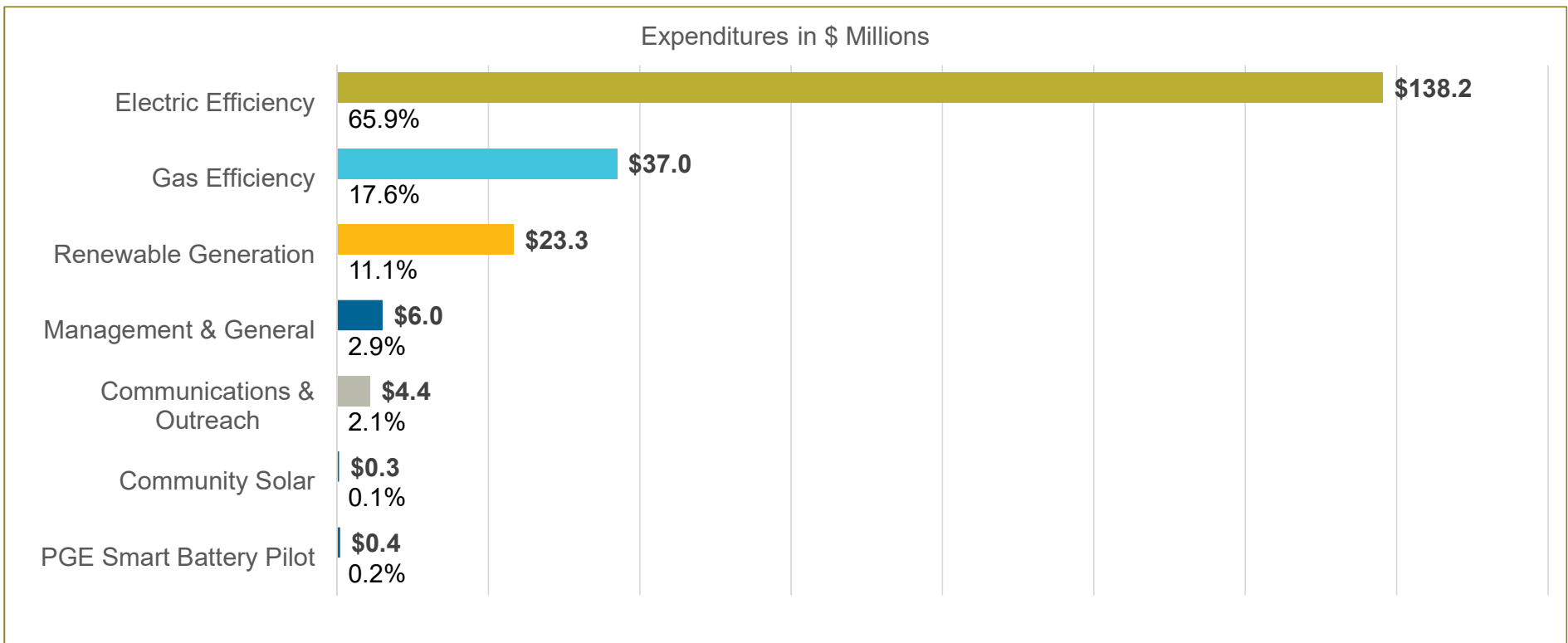
# 2021 Draft Budget Revenue

\$183.3 million, up 1% from 2020 budget



# 2021 Draft Budget Expenditures

\$209.6 million, up 2.5% from 2020 budget



*The budget uses reserves to cover planned expenses in excess of anticipated revenue*

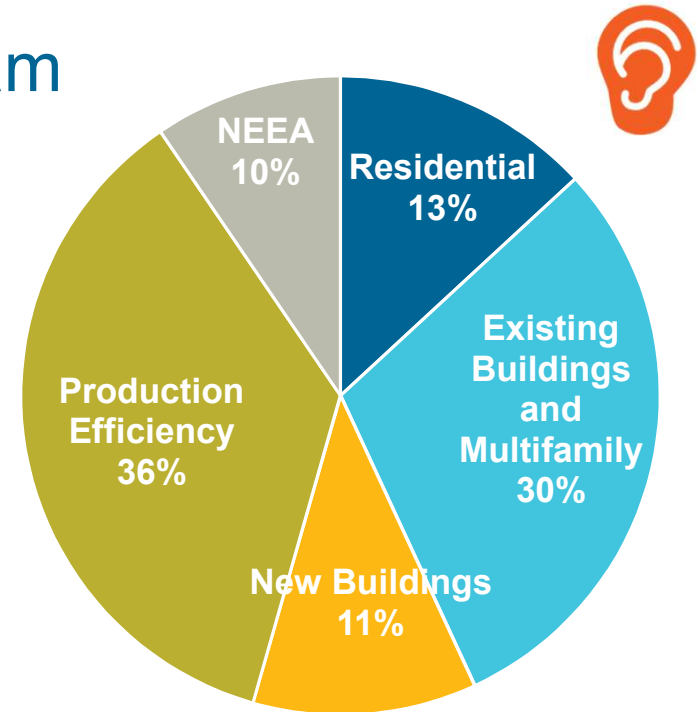
# Action Plan Overview





## 2021 Draft Electric Savings by Program

- Savings down 8.5%
- \$145.4 million in total costs, including customer incentives, services and delivery
- Business customers opting for smaller projects or operations and maintenance
- Increasing incentives to drive savings during recession
- Savings impacted by baseline changes, code changes and sources of very low-cost savings shrinking



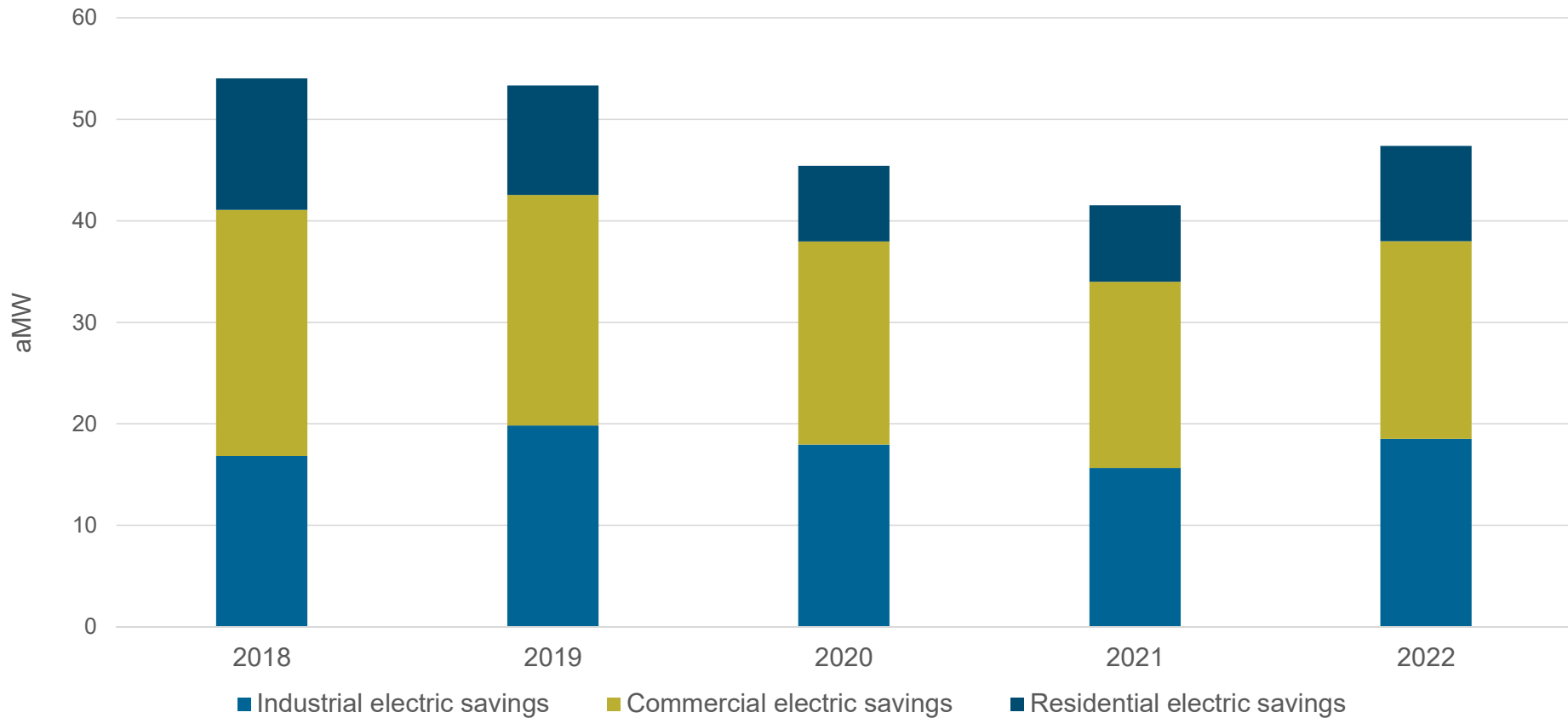
41.5 aMW savings  
4.1 cents/kWh

*aMW: average megawatts*

*Cost per kWh is levelized*

*Comparisons are draft 2021 budget to 2020 budget*

# Electric Savings Trends by Sector

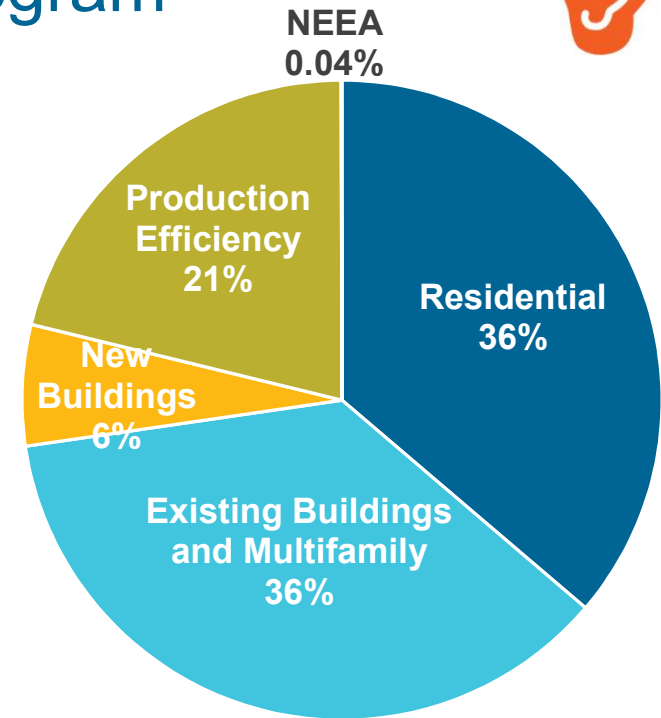


*Chart shows 2018-2019 actuals, 2020 budget, draft 2021 budget and draft 2022 budget*

# 2021 Draft Natural Gas Savings by Program



- Savings down 7%
- \$38.9 million in total costs, including customer incentives, services and delivery
- Business customers opting for smaller projects or operations and maintenance
- Increasing incentives to drive savings during recession
- Savings impacted by baseline changes, code changes and market evaluations



6.4 MMTh savings  
46.6 cents/therm (OR)

*MMTh: million annual therms*

*Cost per therm is levelized*

*Comparisons are draft 2021 budget to 2020 budget*

# Gas Savings Trends by Sector

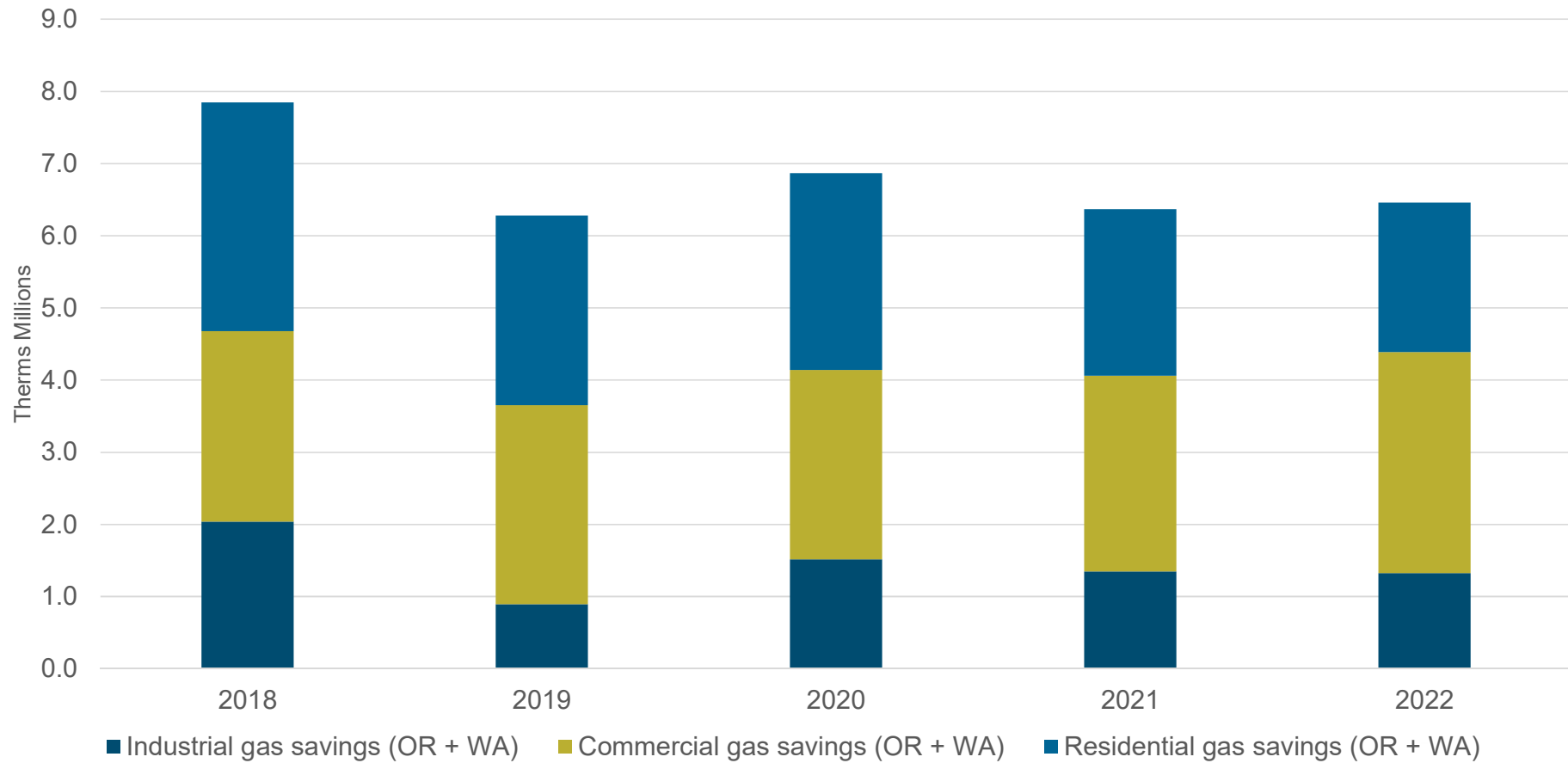
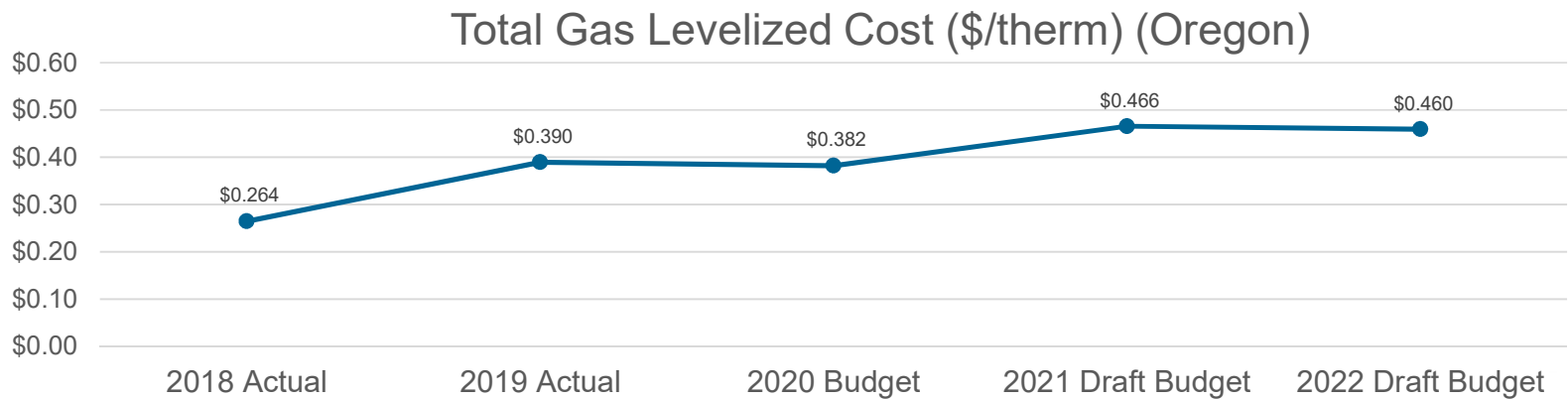
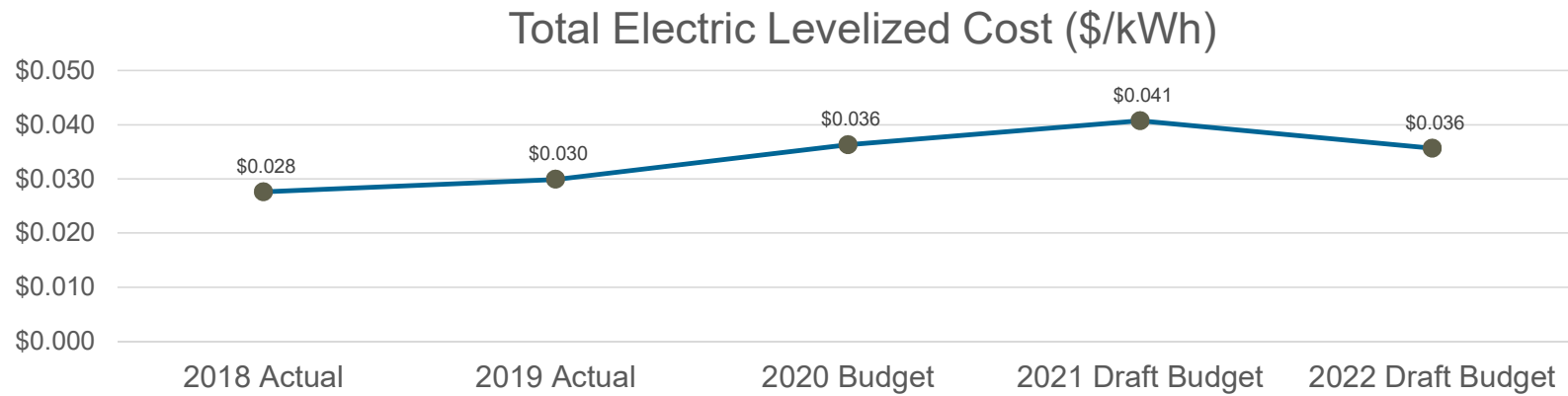


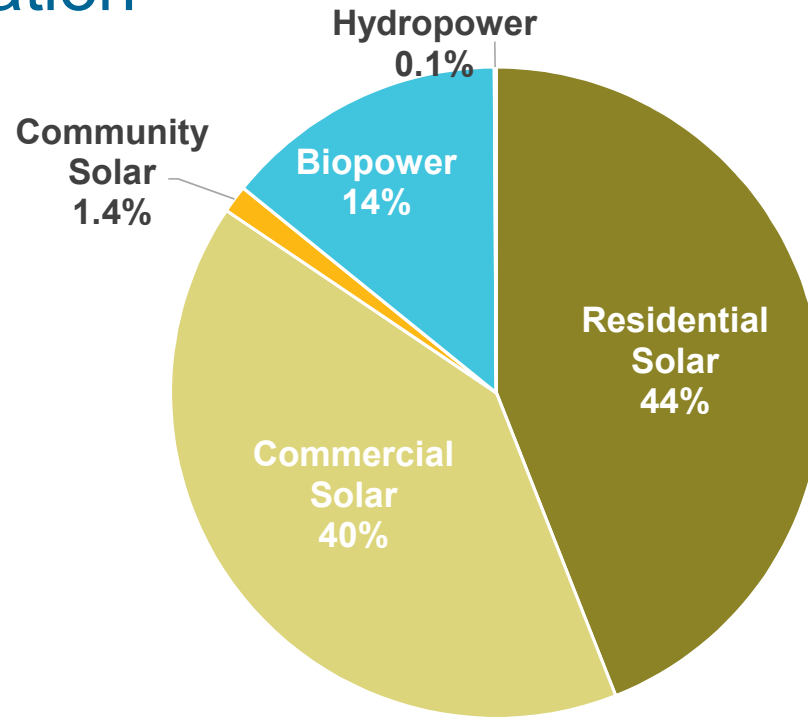
Chart shows 2018-2019 actuals, 2020 budget, draft 2021 budget and draft 2022 budget

# Levelized Cost Trends



# 2021 Draft Renewable Generation

- Generation up 7%
- \$24.6 million in total costs, including customer incentives, services and delivery
- Meeting higher demand for solar systems
- Expanding support for low-income customers and communities of color
- 2 Other Renewables projects completing
- Investing in project development assistance to build pipeline



3.51 aMW generation





## Additional Contracts



### Community Solar Program

- Subcontract to Energy Solutions for program development and delivery
- Second full year of contract
- Program developed and underway
- 5-10 aMW of Community Solar Program generation expected in 2021; not Energy Trust generation

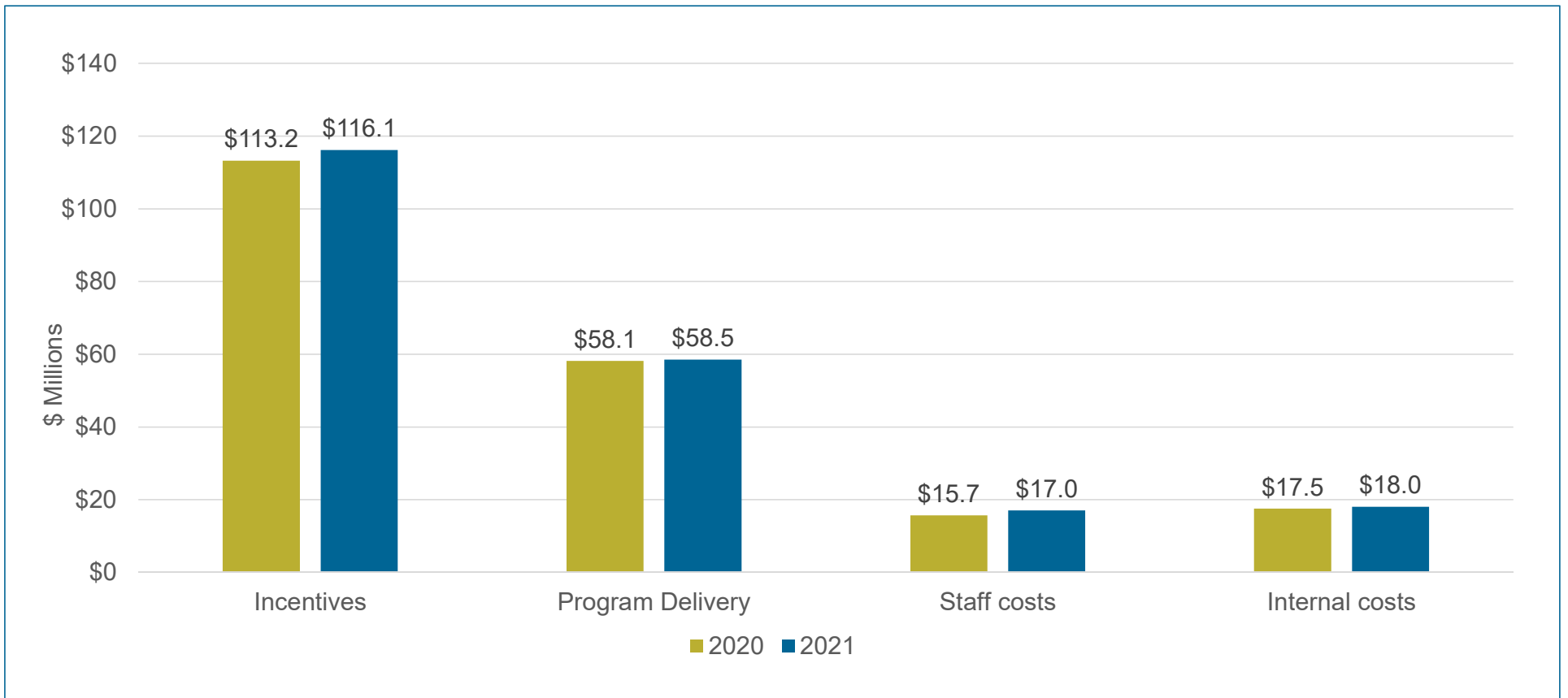
\$0.3M total costs

### PGE Smart Battery Pilot

- Contract with PGE for outreach, quality management and upfront incentive pass through
- Launched in late 2020
- Goal of enrolling 525 qualifying smart battery systems in 5 years

\$0.45M total costs

# 2021 Draft Budget Expenses by Category





# Administrative and Program Support Costs and Staffing Costs Subject to OPUC Performance Measures



- In 2021, Energy Trust projects to meet the OPUC performance measures for administrative and program support costs and staffing costs
- Administrative and program support costs are budgeted at \$14.4 million
- Staffing costs are budgeted at \$16.4 million; increasing due to healthcare costs and resource demands for community outreach and cross-program delivery coordination

2021 Administrative and Program Support Costs	Current OPUC Performance Measure Compliance
8% (rounded up) of annual revenues	<8% of annual revenues
3.9% year-over-year increase	≤10% year-over-year increase

2021 Staffing Costs	Current OPUC Performance Measure Compliance
8.7% year-over-year increase	≤9% year-over-year increase

# Summary



## Key Takeaways

1. Adapting to meet customers' needs in an uncertain future, guided by our strategic plan
2. Serving communities and building relationships is key to reach energy goals
3. As forecasted, electric and gas savings declining and costs increasing; remain least-cost resource for customers
4. Investments in innovation, outreach, systems and tools will pay off in future savings, generation and cost management
5. Working differently and more efficiently and equitably to operate expanding program portfolio



Thank You

Michael Colgrove

Executive Director

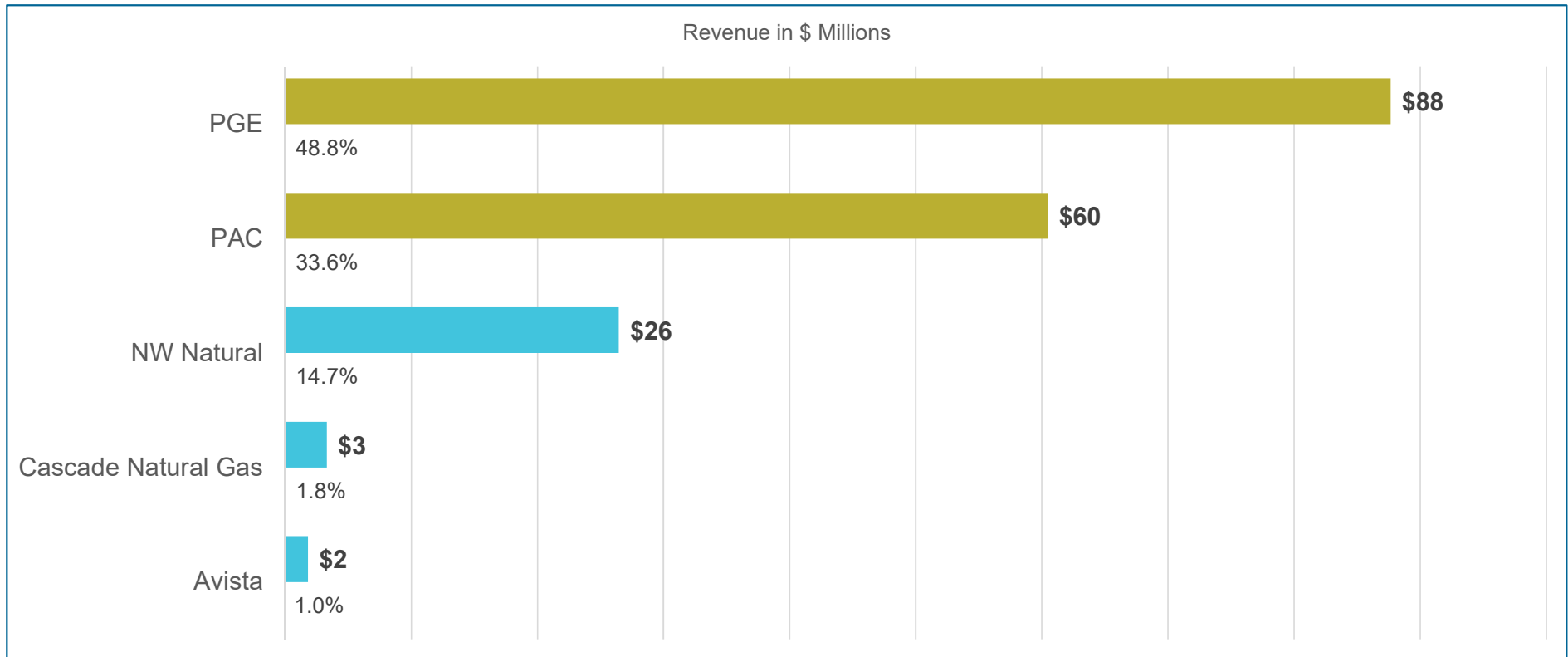
[michael.colgrove@energytrust.org](mailto:michael.colgrove@energytrust.org)

# Supplemental Information

Oregon Utility Ratepayer Programs Only:  
Revenues, Expenditures and OPUC Performance Measures

# 2021 Draft Budget Revenue (Oregon only)

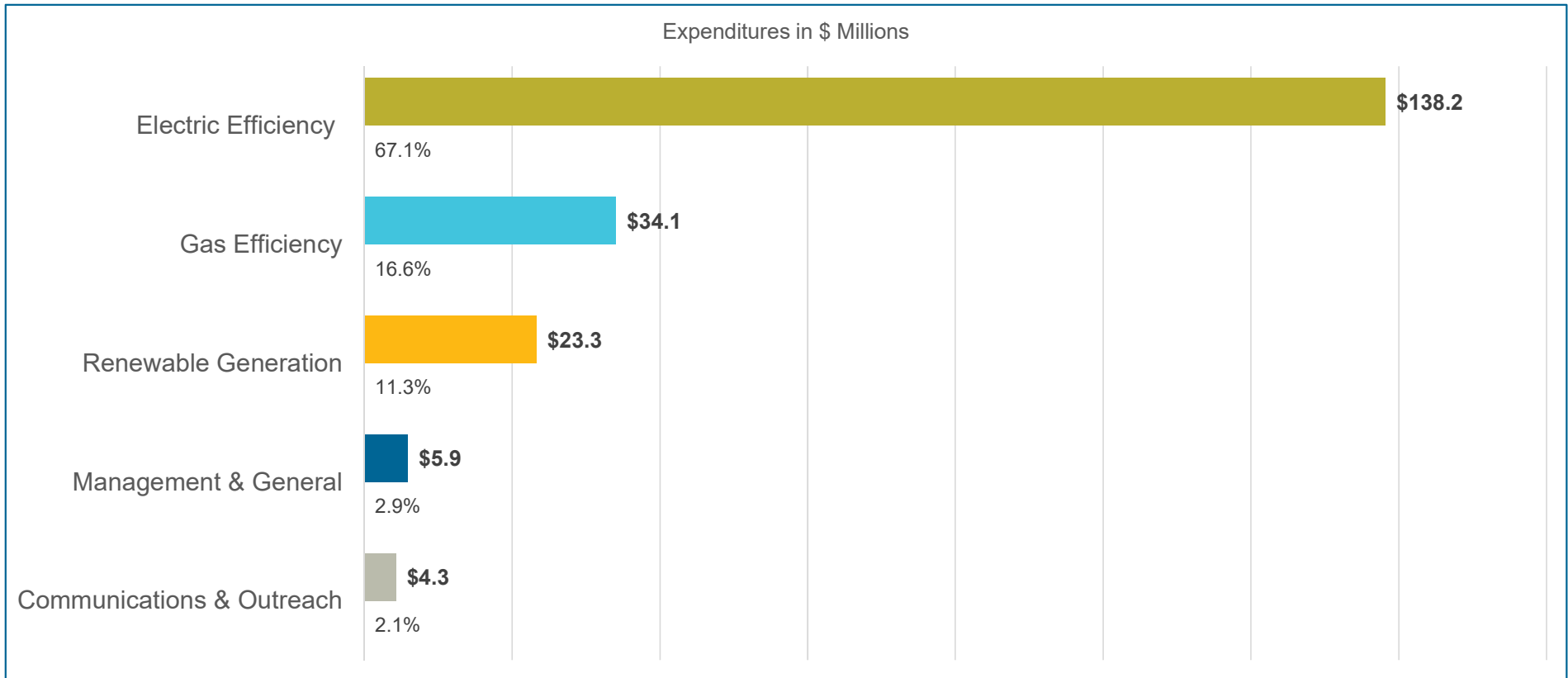
\$179.7 million, up 1.3% from 2020 Oregon budget



Figures exclude NW Natural Washington, Community Solar Program, PGE Smart Battery Pilot and Development funds

# 2021 Draft Budget Expenditures (Oregon only)

\$205.9 million, up 2% from 2020 Oregon budget



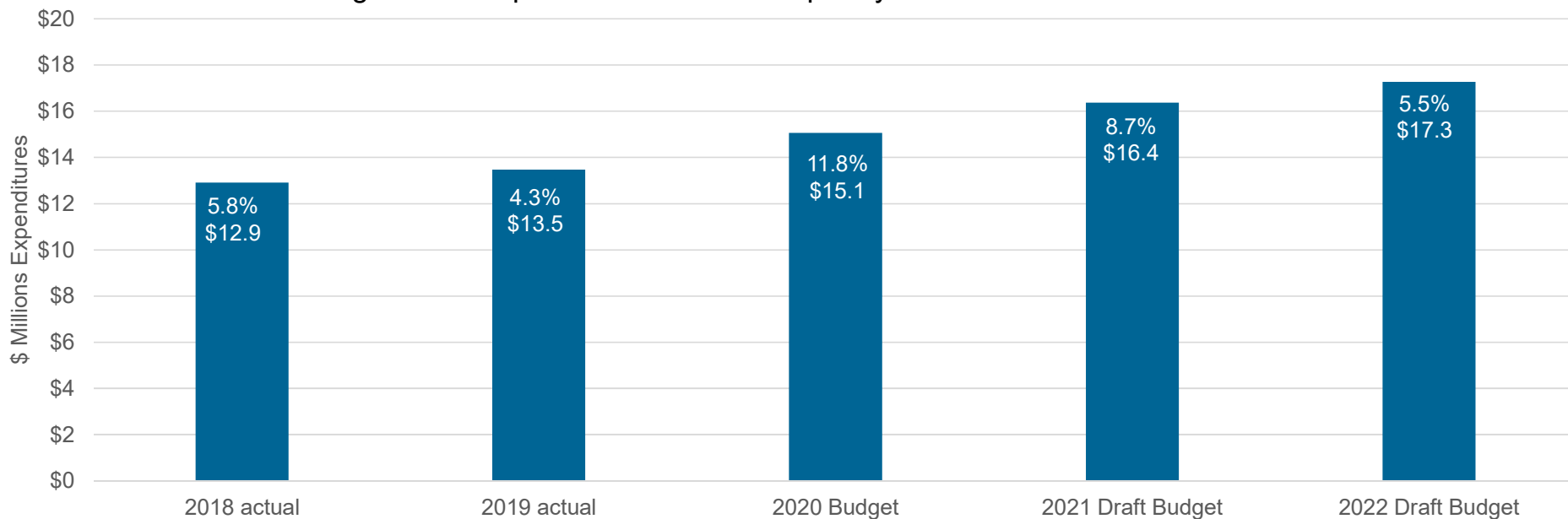
*The budget uses reserves to cover planned expenses in excess of anticipated revenue*

*Figures exclude NW Natural Washington, Community Solar Program, PGE Smart Battery Pilot and Development funds*



# Staffing Costs Subject to OPUC Performance Measure

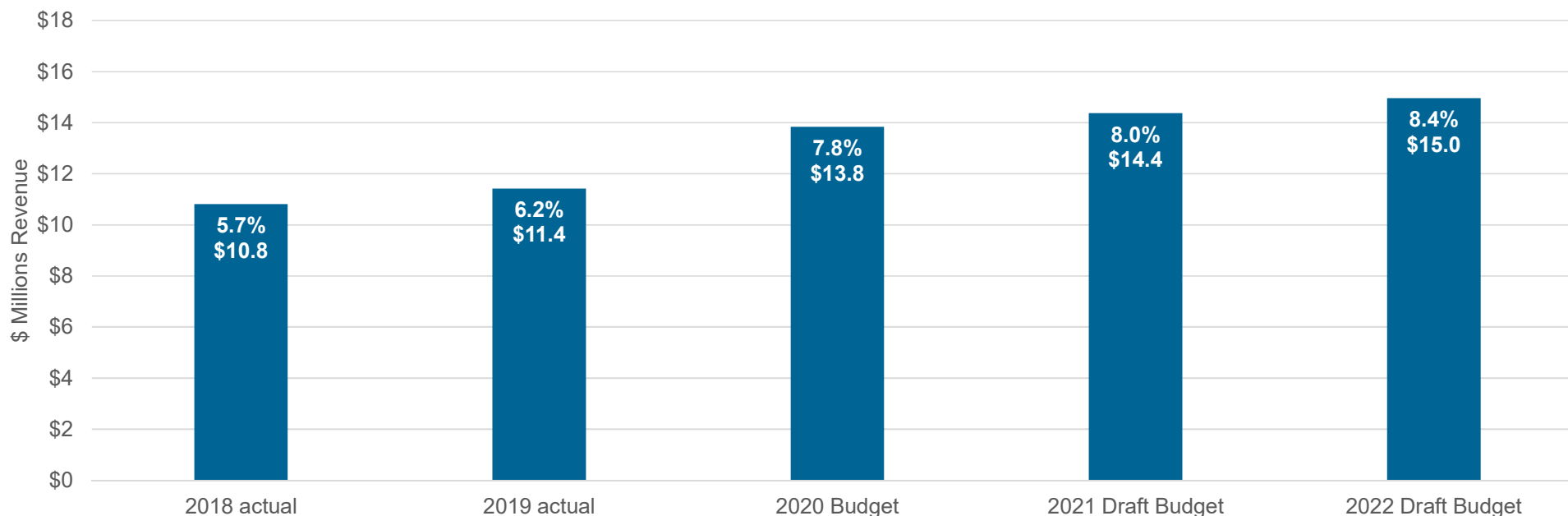
- Staffing costs below current OPUC performance measure (year-over-year increase limited to 9%; costs as percentage of expenditures)
- Increases due to rising health insurance costs, minimal compensation adjustments, two new diversity fellows, two new outreach staff to build relationships with underserved communities and a new solar project manager
- Chart shows staffing costs and percent increase over prior year



*Staffing costs are embedded in internal program delivery, general communications & outreach, and management & general. Figures exclude NW Natural Washington, Community Solar Program, PGE Smart Battery Pilot and Development funds*

# Administrative and Program Support Costs Subject to OPUC Performance Measure

- Administrative and program support costs below current OPUC performance measure (cap of <8% of revenue; annual increase limited to ≤10%)
- Costs just under 8% of annual revenue (rounded up), increasing 3.9% from 2020 budget
- Chart shows costs and costs as percentage of revenue



Figures exclude NW Natural Washington, Community Solar Program, PGE Smart Battery Pilot and Development funds

# OPUC Performance Measure: Diversity, Equity and Inclusion

2021 will be the second year with performance measures regarding diversity, equity and inclusion

- 2021 diversity, equity and inclusion measures are anticipated to be approved in February 2021

For reference, the 2020 performance measures:

1. Implement the 2020 data enhancement project and report at least 4 times to the Diversity Advisory Council
2. Publish and implement the Diversity, Equity and Inclusion Lens after Diversity Advisory Council approval
3. Complete 1,000 projects with minority-owned trade ally contractors
4. Implement a rural-focused workshop

# Draft 2022 Budget



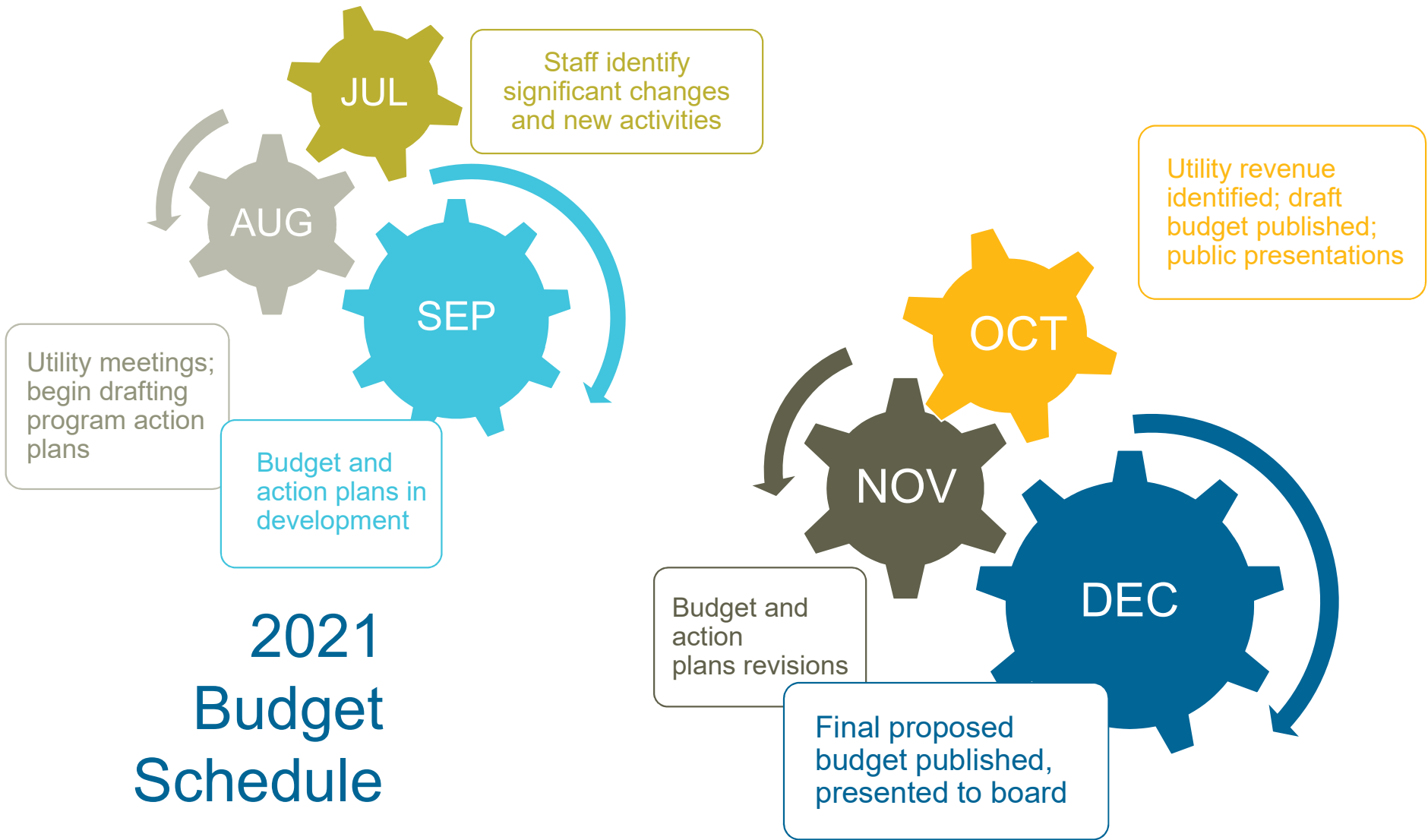
## 2022 Draft Budget Projection

- Expenditures to decrease 3.8%
- Electric savings to increase 14%
  - Levelized costs to decrease by 12.5%; from 4.1¢/kWh to 3.6¢/kWh
- Gas savings to increase 1.5%
  - Oregon levelized costs to decrease by 1.3%; from 46.6¢/therm to 46.0¢/therm
  - Washington levelized costs to increase by 25.3%; from 76.4¢/therm to 95.7¢/therm
- Renewable generation to decrease 20%

*Comparisons are draft 2022 budget to draft 2021 budget*

# Developing the Budget and Action Plan

# 2021 Budget Schedule



# Helping achieve Oregon's clean energy future

2020–2024 Strategic Plan

Focus Areas

## 1 ENGAGING CUSTOMERS

Engaging customers with programs, information and services, with attention to underserved customers.

## 2 SUPPORTING UTILITIES

Linking to the approaches utilities are using to meet changing customer energy needs.

## 3 INFORMING POLICYMAKERS

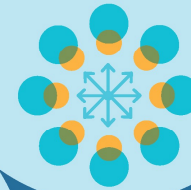
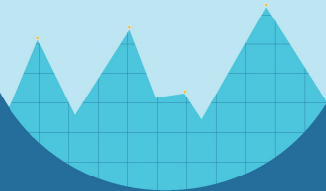
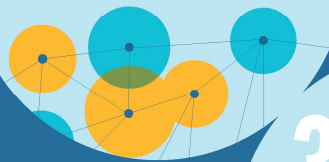
Supporting energy policies by providing objective information and analyses.

## 4 DELIVERING MULTIPLE BENEFITS

Leveraging additional funding to advance clean energy investments that deliver multiple benefits.

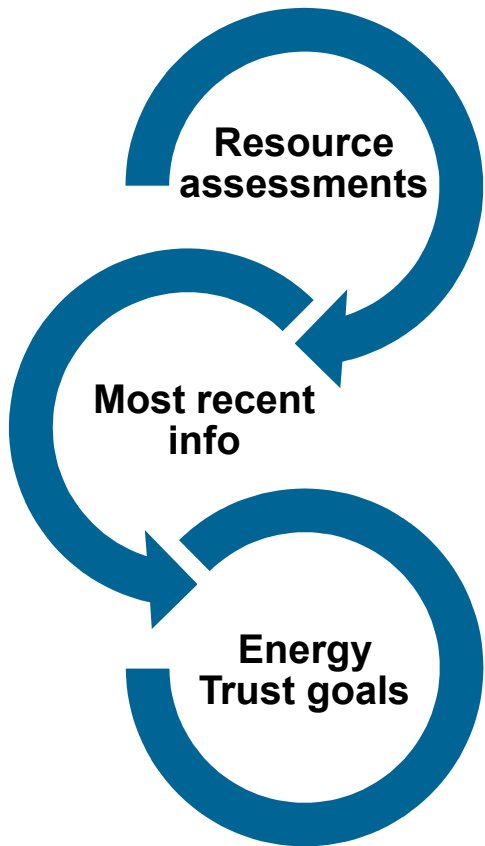
## 5 ADAPTING TO CHANGE

Enhancing our ability to respond to changes, needs and new opportunities.





# Annual Target Setting



- Annual savings goals related to each utility's Integrated Resource Plan (IRP) target
  - Staggered two-year IRP cycles
  - Energy Trust annual goals can vary from the IRP target because of new information
  - Utilities file tariffs to collect funding necessary to meet annual goal
- Generation goals informed by resource availability and market drivers

## 2021 Goals



**Goal 1: Meet savings and generation targets with offers and services designed to support customers during the economic and social recovery related to the COVID-19 pandemic.**

We will meet 2021 targets of 41.5 aMW and 6.4 million therms of savings and 3.51 aMW of generation while creating opportunities for future savings and generation with a particular focus on:

- Continuing to adapt program design to respond to market changes resulting from the recovery related to the COVID-19 pandemic.
- Meeting the OPUC metrics for cost-effectiveness, diversity, customer service and innovation.
- Targeting savings and generation within specific communities when and where they have the greatest value to the utility grid.

## 2021 Goals



### **Goal 2: Invest in relationships and collaborations with other entities to meet common needs and future objectives.**

We will focus resources on working with utilities, agencies, communities and business- and community-based organizations on joint initiatives that help each entity accomplish its purpose with a particular focus on:

- Collaborating with workforce organizations to enhance the diversity of our Trade Ally Network.
- Resolving funding uncertainties to enable continued delivery of clean energy programs and benefits and identifying other funding sources for complementary initiatives.
- Connecting our programs to community planning, housing affordability, economic recovery, resiliency and greenhouse gas reduction efforts.
- Collaborating with the Portland Clean Energy Fund and prospective grantees.
- Working with the OPUC and state agencies to support implementation of the state's energy- and climate-related policies.
- Working with mid-stream market actors to retain our ability to deliver affordable, clean energy at volume.

## 2021 Goals



### **Goal 3: Enhance operating processes and internal culture to efficiently respond to change.**

We will enhance operating efficiency through process improvements and continued investment in innovation that results in a flexible workforce and work environment with a particular focus on:

- Enhancing employee development and growth with an emphasis on intercultural awareness and inclusion.
- Improving the efficiency of our budget process.
- Continuing policy development and technology adoption to support remote work arrangements and social distancing for staff.
- Learning from experience and adapting our organizational structure to support progress in the focus areas identified in the strategic plan.
- Furthering our efforts to foster and promote innovation.
- Accelerating our use of digital platforms and increased process automation to enhance our customer and contractor experience through increased efficiency.

# Savings and Generation Detail

## 2021 Utility Savings & Generation Summary

	2020 Budget Savings & Generation (aMW or MMTh)	2020 Budget Cost (\$ Millions)	2021 Budget Savings & Generation (aMW or MMTh)	2021 IRP Target (aMW or MMTh)	2021 Cost (\$ Millions)	2021 Budget Levelized Cost (per kWh or therm)
<b>PGE (Efficiency)</b>	27.41	\$90.28	23.40	29.46	\$86.89	4.2¢
<b>Pacific Power (Efficiency)</b>	17.99	\$61.78	18.13	18.90	\$58.50	3.9¢
<b>NW Natural (OR)</b>	5.59	\$25.81	5.09	6.03	\$29.13	45.6¢
<b>NW Natural (WA)</b>	0.34	\$2.58	0.28	0.38	\$3.03	76.4¢
<b>Cascade Natural Gas</b>	0.55	\$3.36	0.56	0.56	\$4.21	57.2¢
<b>Avista</b>	0.39	\$1.87	0.44	0.32	\$2.55	43.5¢
<b>PGE (Renewable)</b>	2.43	\$10.45	2.29	N/A	\$16.47	N/A
<b>Pacific Power (Renewable)</b>	1.10	\$8.06	1.22	N/A	\$8.09	N/A

*MMTh: million annual therms; aMW: average megawatts; gross savings*

## 2021 Electric Savings, Budget by Program

	2020 Budget Savings Goal (aMW)	2020 Budget Cost (\$ Million)	2021 Budget Savings Goal (aMW)	2021 Cost (\$ Million)	2021 Levelized Cost/kWh	% 2021 Savings
<b>Residential</b>	5.50	\$36.56	5.45	\$34.87	7.1¢	13%
<b>Existing Buildings (including multifamily)</b>	14.58	\$52.44	12.45	\$45.97	4.2¢	30%
<b>New Buildings</b>	4.76	\$16.92	4.70	\$17.07	3.8¢	11%
<b>Production Efficiency</b>	17.14	\$39.42	14.98	\$39.03	3.1¢	36%
<b>NEEA combined</b>	3.41	\$6.73	3.96	\$8.45	3.0¢	10%
<b>TOTAL</b>	<b>45.40</b>	<b>\$152.07</b>	<b>41.53</b>	<b>\$145.40</b>	<b>4.1¢</b>	

aMW: average megawatts; columns may not total due to rounding; gross savings

## 2021 Natural Gas Savings, Budget by Program

	2020 Budget Savings (MMTh)	2020 Budget Cost (\$ Millions)	2021 Budget Savings (MMTh)	2021 Cost (\$ Millions)	2021 Levelized Cost/ therm (OR)	2021 Levelized Cost/ therm (WA)	% 2021 Savings
<b>Residential</b>	2.71	\$15.79	2.31	\$16.90	45.7¢	81.2¢	36%
<b>Existing Buildings (including multifamily)</b>	2.07	\$11.00	2.32	\$14.76	55.3¢	69.3¢	36%
<b>New Buildings</b>	0.55	\$1.85	0.39	\$1.70	39.4¢	N/A	6%
<b>Production Efficiency</b>	1.51	\$3.56	1.35	\$3.68	26.7¢	N/A	21%
<b>NEEA combined</b>	0.02	\$1.43	N/A*	\$0.00	N/A*	N/A	0.04%
<b>TOTAL</b>	<b>6.87</b>	<b>\$33.63</b>	<b>6.37</b>	<b>\$37.05</b>	<b>46.6¢</b>	<b>76.4¢</b>	

MMTh: million annual therms; columns may not total due to rounding; gross savings

\* NEEA costs represent both present activities and future focused R&D. Because gas is new to the portfolio and not yet producing volume savings, levelized costs are not shown for NEEA.



## 2021 Renewable Energy, Budget by Utility

	2020 Budget Generation (aMW)	2020 Budget Cost (\$ Millions)	2021 Generation (aMW)	2021 Budget (\$ Millions)
<b>PGE</b>				
<b>Solar</b>	1.33	\$6.57	1.80	\$10.22
<b>Other Renewables</b>	0.92	\$3.88	0.49	\$6.26
<b>TOTAL</b>	<b>2.25</b>	<b>\$10.45</b>	<b>2.29</b>	<b>\$16.47</b>
<b>Pacific Power</b>				
<b>Solar</b>	0.92	\$4.07	1.21	\$5.46
<b>Other Renewables</b>	0.11	\$3.99	0.004	\$2.63
<b>TOTAL</b>	<b>1.02</b>	<b>\$8.06</b>	<b>1.22</b>	<b>\$8.09</b>

# Energy Efficiency Detail by Utility

## Energy Efficiency Summary by Utility

	2021 Budget Savings Goal (aMW or MMTh)	2021 Levelized Cost (per kWh or therm)	2021 Budget (\$ Million)
<b>PGE (Efficiency)</b>	23.40	4.2¢	\$86.89
<b>Pacific Power (Efficiency)</b>	18.13	3.9¢	\$58.50
<b>NW Natural (OR)</b>	5.09	45.6¢	\$29.13
<b>NW Natural (WA)</b>	0.28	76.4¢	\$3.03
<b>Cascade Natural Gas</b>	0.56	57.2¢	\$4.21
<b>Avista</b>	0.44	43.5¢	\$2.55

*Gross savings*

## PGE: 2021 Savings, Budget by Program

	2020 Savings Goal (aMW)	2020 Savings Forecast (aMW)	2021 Savings Goal (aMW)	2021 Budget (\$ Million)	2021 Levelized Cost/kWh	% of 2021 Savings
<b>Residential</b>	3.11	3.58	2.24	\$19.67	8.1¢	10%
<b>Existing Buildings (including multifamily)</b>	8.96	7.17	7.58	\$29.45	4.5¢	32%
<b>New Buildings</b>	3.27	3.11	2.86	\$11.27	4.1¢	12%
<b>Production Efficiency</b>	10.13	8.90	8.46	\$21.66	3.0¢	36%
<b>NEEA combined</b>	1.94	1.83	2.26	\$4.84	3.0¢	10%
<b>Total</b>	<b>27.41</b>	<b>24.60</b>	<b>23.40</b>	<b>\$86.89</b>	<b>4.2¢</b>	

*Gross savings*

## Pacific Power: 2021 Savings, Budget by Program

	2020 Savings Goal (aMW)	2020 Savings Forecast (aMW)	2021 Savings Goal (aMW)	2021 Budget (\$ Million)	2021 Levelized Cost/kWh	% of 2021 Savings
<b>Residential</b>	2.39	2.74	3.21	\$15.20	6.4¢	18%
<b>Existing Buildings (including multifamily)</b>	5.62	5.21	4.87	\$16.52	3.9¢	27%
<b>New Buildings</b>	1.49	1.66	1.84	\$5.79	3.4¢	10%
<b>Production Efficiency</b>	7.02	5.76	6.51	\$17.38	3.3¢	36%
<b>NEEA combined</b>	1.47	1.38	1.70	\$3.61	3.0¢	9%
<b>Total</b>	<b>17.99</b>	<b>16.74</b>	<b>18.13</b>	<b>\$58.50</b>	<b>3.9¢</b>	

*Gross savings*

## NW Natural: 2021 Savings, Budget for Oregon (excludes Industrial DSM)

	2020 Savings Goal (MMTh)	2020 Savings Forecast (MMTh)	2021 Savings Goal (MMTh)	2021 Budget (\$ Million)	2021 Levelized Cost/therm	% of 2021 Savings
<b>Residential</b>	2.14	2.11	1.77	\$12.57	46.8¢	52%
<b>Existing Buildings (including multifamily)</b>	0.95	0.67	1.09	\$6.50	51.5¢	32%
<b>New Buildings</b>	0.44	0.38	0.29	\$1.30	40.2¢	9%
<b>Production Efficiency</b>	0.40	0.20	0.26	\$0.70	24.6¢	7%
<b>NEEA combined</b>	0.02	0.02	0.002	\$1.39	N/A*	0.1%
<b>Total</b>	<b>3.95</b>	<b>3.38</b>	<b>3.40</b>	<b>\$22.46</b>	<b>48.6¢</b>	

Gross savings

\*NEEA costs represent both present activities and future focused R&D. Because gas is new to the portfolio and not yet producing volume savings, levelized costs are not shown for NEEA.

## NW Natural: 2021 Savings, Budget for Oregon (only Industrial DSM)

	2020 Savings Goal (MMTh)	2020 Savings Forecast (MMTh)	2021 Savings Goal (MMTh)	2021 Budget (\$ Million)	2021 Levelized Cost/therm	% of 2021 Savings
<b>Existing Buildings (including multifamily)</b>	0.57	0.71	0.67	\$3.94	57.3¢	40%
<b>New Buildings</b>	0.02	0.02	0.01	\$0.09	63.6¢	1%
<b>Production Efficiency</b>	1.05	1.57	1.00	\$2.64	26.6¢	59%
<b>Total</b>	<b>1.64</b>	<b>2.31</b>	<b>1.69</b>	<b>\$6.67</b>	<b>39.4¢</b>	

Gross savings

## NW Natural: 2021 Savings, Budget by Program (Washington)

	2020 Savings Goal (MMTh)	2020 Savings Forecast (MMTh)	2021 Savings Goal (MMTh)	2021 Budget (\$ Million)	2021 Levelized Cost/therm	% of 2021 Savings
<b>Residential</b>	0.23	0.19	0.16	\$2.01	81.2¢	59%
<b>Existing Buildings (including multifamily)</b>	0.11	0.10	0.11	\$1.02	69.3¢	41%
<b>Total</b>	<b>0.34</b>	<b>0.29</b>	<b>0.28</b>	<b>\$3.03</b>	<b>76.4¢</b>	

Gross savings



## NW Natural: 2021 Savings, Budget by Program (All Programs, Both States)

	2020 Savings Goal (MMTh)	2020 Savings Forecast (MMTh)	2021 Savings Goal (MMTh)	2021 Budget (\$ Million)	2021 Levelized Cost/therm (OR)	2021 Levelized Cost/therm (WA)	% of 2021 Savings
<b>Residential</b>	2.37	2.31	1.93	\$14.58	41.0¢	81.2¢	36%
<b>Existing Buildings (including multifamily)</b>	1.63	1.49	1.87	\$11.46	44.7¢	69.3¢	35%
<b>New Buildings</b>	0.46	0.40	0.31	\$1.40	29.5¢	N/A	6%
<b>Production Efficiency</b>	1.45	1.78	1.25	\$3.33	23.4¢	N/A	23%
<b>NEEA combined</b>	0.02	0.02	0.002	\$1.39	N/A*	N/A	0.0%
<b>Total</b>	<b>5.93</b>	<b>5.98</b>	<b>5.37</b>	<b>\$32.16</b>	<b>39.1¢</b>	<b>76.4¢</b>	

Gross savings

\*NEEA costs represent both present activities and future focused R&D. Because gas is new to the portfolio and not yet producing volume savings, levelized costs are not shown for NEEA.

## Cascade Natural Gas: 2021 Savings, Budget by Program

	2020 Savings Goal MMTh	2020 Savings Forecast MMTh	2021 Savings Goal MMTh	2021 Budget (\$ Million)	2021 Levelized Cost/therm	% of 2021 Savings
<b>Residential</b>	0.17	0.17	0.17	\$1.33	48.9¢	31%
<b>Existing Buildings (including multifamily)</b>	0.28	0.22	0.27	\$2.06	64.8¢	48%
<b>New Buildings</b>	0.04	0.04	0.05	\$0.21	37.6¢	9%
<b>Production Efficiency</b>	0.06	0.04	0.07	\$0.29	36.4¢	12%
<b>NEEA combined</b>	-	-	-	\$0.32	N/A*	0.1%
<b>Total</b>	<b>0.55</b>	<b>0.49</b>	<b>0.56</b>	<b>\$4.21</b>	<b>57.2¢</b>	

Gross savings

\*NEEA costs represent both present activities and future focused R&D. Because gas is new to the portfolio and not yet producing volume savings, levelized costs are not shown for NEEA.

## Avista: 2021 Savings, Budget by Program

	2020 Savings Goal (MMTh)	2020 Savings Forecast (MMTh)	2021 Savings Goal (MMTh)	2021 Budget (\$ Million)	2021 Levelized Cost/therm	% of 2021 Savings
<b>Residential</b>	0.17	0.20	0.20	\$1.0	32.7¢	46%
<b>Existing Buildings (including multifamily)</b>	0.16	0.12	0.18	\$1.2	57.9¢	42%
<b>New Buildings</b>	0.04	0.04	0.03	\$0.1	25.1¢	7%
<b>Production Efficiency</b>	0.01	0.02	0.02	\$0.1	24.0¢	5%
<b>NEEA combined</b>	0.002	0.002	0.0002	\$0.2	N/A*	0.1%
<b>Total</b>	<b>0.39</b>	<b>0.38</b>	<b>0.44</b>	<b>\$2.6</b>	<b>43.5¢</b>	

Gross savings

\*NEEA costs represent both present activities and future focused R&D. Because gas is new to the portfolio and not yet producing volume savings, levelized costs are not shown for NEEA.

# Washington Levelized Costs Detail

# Levelized Cost Trends (WA)

Total Gas Levelized Cost (\$/therm) (Washington)

