

2026-2027 BIENNIAL CONSERVATION PLAN



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Acronym Key

ADM- ADM, A QUALUS COMPANY

AEG- Applied Energy Group

ASHRAE- American Society of Heating, Refrigerating, and Air Conditioning Engineers

BCP- Biennial Conservation Plan

BTC- Bellingham Technical College

C/I- Commercial/Industrial

CAA- Community Action Agency

CAG- Conservation Advisory Group

CARES- Cascade Arrearage Relief and Energy Savings Program

CBSA- Commercial Building Stock Assessment

CNGC- Cascade Natural Gas Corporation

CPA- Conservation Potential Assessment

CY- Calendar Year

DBtC- Direct Benefit to Customers

DEA- Distributional Equity Analysis

DMPL- Deemed Measure Priority List

DOE- Department of Energy

DSM- Demand Side Management

EAG- Equity Advisory Group

EE- Energy Efficiency

EEIP- Energy Efficiency Incentive Programs

EM&V- Third Party Evaluation Measurement and Verification

ERA- Enterprise Rebate Application

ESCO- Energy Service Companies

EUI- Energy Use Intensity

EWIP- Enhanced Low-Income Weatherization Program

GHG- Greenhouse Gas

GTI- Gas Technology Institute

HB- House Bill

HE- High Efficiency

HVAC- Heating, Ventilation, Air Conditioning

ICF- ICF International

IRP- Integrated Resource Plan

MDU- Montana-Dakota Utilities

MDUG- Montana-Dakota Utilities Group

MOU- Memorandum of Understanding

NEEA- Northwest Energy Efficiency Alliance

NGAC- Natural Gas Advisory Committee

NWPCC- Northwest Power and Conservation Council

OLIEC- Oregon Low-Income Energy Conservation Program

PII- Personal Identifiable Information

POS- Point of Sale

QC- Quality Control

RBSA- Residential Building Stock Assessment

RFP- Request for Proposal

RTF- Regional Technical Forum

RTU- Rooftop Unit

SIR- Savings to Investment Ratio

TA- Trade Ally

TEN- Thermal Energy Network

TEP- The Energy Project

TRC- Total Resource Cost

TRC Companies- Third party C/I Business Development

TREAT- Targeted Residential Energy Analysis Tool

UCT- Utility Cost Test

VisionLoadMAP- Load Management Analysis and Planning

WA- Washington

WIP- Low-Income Weatherization Incentive Program

WP- Workpaper

WSEC- Washington State Energy Code

WUTC- Washington Utilities and Transportation Commission

1. Introduction

Cascade Natural Gas Corporation (Company, Cascade, or CNGC) submits its 2026-2027 Biennial Conservation Plan (BCP) in consultation with its Conservation Advisory Group (CAG) as an outline to the 2026 and 2027 Energy Efficiency (EE) Program strategy. This plan aligns with requirements established as part of House Bill (HB)-1257 within RCW [80.28.380](#) which include:

1. Gas companies must identify and acquire all conservation measures that are available and cost effective.
2. In addition, each company must establish an acquisition target every two years and must demonstrate the target will result in the acquisition of all resources identified as available and cost-effective.
3. The cost-effectiveness analysis required by this section must include the costs of greenhouse gas emissions established in RCW 80.28.395
4. These targets must also be based on a Conservation Potential Assessment (CPA) prepared by an independent third party and approved by the Commission to become effective as of 2026.

This BCP is a companion document to the Demand Side Management (DSM) chapter and appendices within the Company's 2025 Integrated Resource Plan (IRP)¹.

The DSM Chapter of the IRP includes an executive summary of the energy savings potential for the Company's EE efforts through the 2050 forecast horizon. It incorporates the 2025 CPA², filed on May 30th, 2025, and approved by the WUTC on 9/25/25. The CPA performed by ICF International outlines the Company's EE efforts as a resource toward meeting future demand in the context of environmental and legislative externalities.

In the BCP the Company focuses on near-term conservation and energy-efficiency program development as it addresses items noted in the 2025 IRP. Cascade identifies and acquires conservation opportunities through the CPA using various inputs including the Avoided Costs as calculated through the 2025 IRP. The Avoided Costs for the biennium increased across the Washington service territory compared to the 2023 IRP and can be found on Cascade's IRP Webpage³.

¹ Cascade Natural Gas Corporation 2025 Integrated Resource Plan: Docket UG-231023 Chapter 7 – Demand Side Management & Appendix D | [UTC Case Docket Document Sets](#) | [UTC \(wa.gov\)](#)

² Cascade Natural Gas Corporation 2025 Conservation Potential Assessment | [UG-250411](#)

³ [CNGC Washington Integrated Resource Plan Webpage](#)



The BCP also contains program implementation considerations, Washington state energy and building code impacts, an evolution in the program's Point of Sale incentive offering, and outreach plans. Additionally, results of savings potential are presented for the Company's Washington (WA) service territory through Load Management Analysis and Planning tool (VisionLoadMAP™) developed by ICF.

The 2024-2025 biennium involved significant review of Washington state energy code, building requirements, and outlook on the future of energy efficiency in the Pacific Northwest. Cascade committed to staying abreast of environmental headwinds, building standards, and codes which disincentivize natural gas use as a focus of decarbonization efforts. The position of building code specialist was created and filled within the external affairs department to provide the Company with the vital resource of a dedicated code expert. The Cascade EE department maintains a close relationship with the external affairs team to remain nimble in program delivery.

The first quarter of 2025 has seen rapid changes in future expectations and Program uptake due to administrative changes including equipment price increases and tariffs. This uncertainty impacts the C/I EEIP Program as many projects require significant investment, planning, and business valuation calculations which are sensitive to changes in future expectations. For example, the highly anticipated Whidbey Naval Air Station project projected to save 700,000 therms with \$3.5 million worth of Incentives between 2025-2026 was cancelled due to political concerns. Additionally, a mature Commercial heat recovery project with over 10,000 therms of predicted therm savings was terminated once Tariffs were announced in March 2025. Cascade is navigating the potential for more delays and terminations in energy efficient projects in the coming biennium; this dynamic is expected to continue and was factored into the 2025 CPA.

Cascade remains focused on overcoming these challenges through adaptive management techniques and increasing measure rebates for both residential and commercial customers.

1.1 Overview

Cascade is a natural gas provider serving approximately 318,500 customers in 95 communities, 67 in western and central Washington and 28 in central and eastern Oregon. Cascade covers more than 32,000 square miles and is a subsidiary of MDUG, a multidimensional natural resources enterprise with sister utility Companies Intermountain Gas Company, Great Plains Natural Gas and Montana-Dakota Utilities. As a utility Company, Cascade focuses on DSM to meet future gas load requirements. DSM refers to resources acquired through the reduction of natural gas consumption due to increases in



efficiency of energy use and/or load management. Unlike supply side resources, which are purchased directly from a supplier, demand side resources are purchased from individual customers in the form of reduced demand for energy from energy-efficiency upgrades.

The WUTC requires gas utilities to consider all cost-effective DSM resources in their energy portfolio on an equal and comparable basis with supply side resources. In the gas industry, DSM resources are energy-efficiency measures that include insulation, higher efficiency natural gas appliances, insulated doors, ventilation heat recovery systems and other Residential and Commercial/Industrial (C/I) equipment upgrades. By incentivizing rate payers to reduce their individual demand for gas, Cascade can avoid the need to purchase additional supplies; displace or delay contracting for incremental pipeline capacity; and possibly negate or delay the need for reinforcements on the Company's distribution system. Ultimately it is the consumer's choice to manage energy use and the Company's DSM efforts help inform and influence those decisions.

There are two basic types of demand side resources: base load resources and heat sensitive resources. Base load resources offset gas supply requirements throughout the year, regardless of outdoor weather. Base load DSM resources include measures like high-efficiency water heaters, cooking equipment and ozone injection laundry systems. Heat sensitive DSM resources are measures whose therm savings increase during cold weather. For example, a high-efficiency furnace will lower therm usage in the winter months when the furnace is utilized the most and will provide little, if any, savings in the summer months. Examples of heat sensitive DSM measures include ceiling, floor, and wall insulation measures, high-efficiency gas furnaces, and improvements to ductwork and air sealing. These types of heat sensitive measures offset increased amounts of the more expensive peaking and seasonal gas supply resources.



1.2 Program Goals & Budgets at a Glance

Table 1: EEIP Biennial Goals

	Calendar Year 2026				Calendar Year 2027				Biennial Totals
	Residential	C/I	Low Income	1st year Total	Residential	C/I	Low Income	2nd year Totals	
Cascade Admin Budget:	\$1,621,094	\$1,720,760	\$454,448	\$3,796,302	\$1,669,727	\$1,852,250	\$500,142	\$4,022,119	\$7,818,421
Therm Targets:	194,725	255,805	14,600	465,130	259,691	302,227	15,600	577,518	1,042,648
NEEA Natural Gas Market Transformation				\$651,234				\$651,234	\$1,302,468
Regional Technical Forum				\$39,400				\$39,400	\$78,800
Evaluation, Measurement & Verification				\$96,251				\$198,277	\$294,528
Conservation Potential Assessment				\$45,989				\$229,945	\$275,934

¹ Budgets in this table are estimates and refer to administrative costs for program implementation, not rebates.

² Therm targets have been developed with VisionLoadMAP through the 2025 CPA.

Cascade projects approximately a 4% decrease in residential administrative costs, a 27% increase in C/I costs, and a 2% decrease in low-income administrative costs compared to the 2024-2025 biennium. The therms savings goal for the program as calculated in the 2025 CPA is 41% lower overall compared to the previous biennium.

The growth in budget year over year reflects increased cost effectiveness within the Company despite inflationary pressures and an enhanced focus on equity with an energy efficiency analyst now dedicated to the low-income program. The 8% increase in administrative budget compared to the previous biennium will allow the company to increase staffing and expand outreach efforts during the biennium, while using the lower software costs from transitioning to the internally developed EE rebates processing software to improve administrative efficiency.

1.3 Performance Comparison

Figure 1 notes Company annual therm savings compared to IRP goals. Official totals for 2025 are not available until the annual report is filed in June 2026. Therm savings goals have decreased over the planning period due to the interactions between the updated customer forecasts, federal equipment standards, 2021 WSEC code requirements and market uncertainty. However, these lower savings remain an aggressive goal to reach, the program remains committed to capturing all available therm savings while accounting for new codes and headwinds projected.



Figure 1: Portfolio Level Goals and Achievements



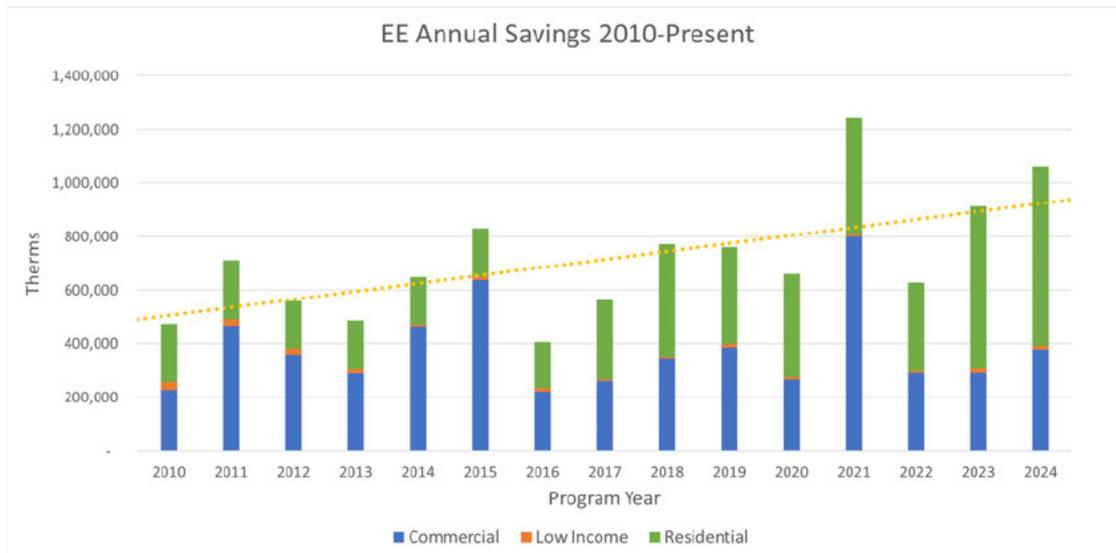
*2014 IRP goals were not acknowledged by the WUTC

Figure 2 displays the documented therms savings of the program. Cascade has historically seen an increase in therm savings over time as the program has grown in maturity and additional therm savings pathways developed. Savings potential is determined by the VisionLoadMAP tool’s model which incorporates ramp rate increases consistent with council methodology, which as defined in the Power Plan, can include market effects beyond utility programs.⁴

⁴CNGC 2026-2045 Natural Gas Conservation Potential Assessment– ICF International pg. 43



Figure 2: Portfolio Subset Goals and Achievements



1.4 Budgeting for 2026 & 2027 biennium

The Company provides the biennial budget highlights in Table 2 and includes a more detailed version in Exhibit 1 to clarify elements included as Direct Benefits to Customers (DBtC) versus costs incurred as administrative expenses.

Table 2: Biennial Program Budgets

Program Budgets 2026-2027			
Incentive Estimates			
Program	CY 2026	CY 2027	BIENNIUM
Residential	\$3,255,015	\$4,564,809	\$7,819,824
Commercial/Industrial	\$6,430,614	\$8,531,516	\$14,962,130
Low Income	\$1,363,345	\$1,500,426	\$2,863,771
Total Incentives	\$11,048,974	\$14,596,751	\$25,645,725
Non-Incentive/CNGC Program Implementation Expenses			
Program	CY 2026	CY 2027	BIENNIUM
Residential	\$1,621,094	\$1,669,727	\$3,290,821
Commercial/Industrial	\$1,720,760	\$1,852,250	\$3,573,010
Low Income	\$1,734,448	\$500,142	\$2,234,590
Portfolio Admin Total	\$5,076,302	\$4,022,119	\$9,098,421
Total Incentives (from above)	\$11,048,974	\$14,596,751	\$25,645,725
Regional Collaboration	\$690,634	\$690,634	\$1,381,268
Evaluation, Measurement & Verification	\$96,251	\$198,277	\$294,528
Conservation Potential Assessment (CY 2026/2027)	\$45,989	\$229,945	\$275,934
Total Portfolio Expense	\$16,958,150	\$19,737,726	\$36,695,876

*Detailed program budget table is available in Exhibit 1 and indicates DBtC categories



Cascade sets an administrative budget to plan and operate programs under the Avoided Costs shown in Appendix H of the 2025 IRP. This budget must ensure an acceptable ratio of costs balanced with therm savings achievements. Since therm savings offset the costs of administrative investment, the greater the achievements, the more cost-effective the program. If the budget or therm savings upon which the portfolio is built are unachievable, the Company risks developing a scale-dependent portfolio unable to maintain cost effectiveness. Additionally, Cascade recognizes WUTC staff have directed the Company to achieve its targets, and it will make every effort to meet the goals set forth in this BCP.

Cascade is committed to maximizing cost effective therm savings in the upcoming biennium. For the rebate budget in 2026 and 2027, Cascade once again partnered with ICF's program planning team to forecast total incentive disbursements based on variables including therms savings, costs, measure lifetime, and the rebate offerings for customers based upon the annual therm savings goal. The individual measure rebates are determined by their individual UCT ratios and their impact on the overall program UCT ratio, with a biennial portfolio target set at approximately 2.5.

The significant increase in C/I incentive budget projections biennium over biennium is a direct result of maintaining our prescriptive and custom project cost effectiveness targets in a period of elevated Avoided Costs. The C/I program yielded a UCT ratio of 5.65 during CY2024, meanwhile the 2026 plan projects a UCT of 1.69. As suggested by WUTC Staff, Cascade is invested in increasing participation in the prescriptive measure offerings alongside custom C/I projects. Custom projects have a cyclical nature and are often time-consuming, causing years with completed projects to have significantly higher therm savings than years where these projects are in progress. The Company is dedicated to consistently meeting the therm saving goal and has employed strategies such as increased outreach and rebate values while ensuring cost effectiveness to do so. Reducing the risk of additional project cancellations, as well as reaching customers previously limited by financial barriers in the previous biennium sets the 2026-2027 commercial portfolio up for success.

It should be noted that some residential and commercial measures, such as attic insulation, furnaces, and boilers have a significant impact on Cascade's portfolio UCT due to their high therm savings potential and individual UCT ratios. These measures have had their rebates increased to surpass projected incremental costs and continue to be very cost-effective. These increases were limited to maintain relative consistency in offerings while striving towards lowering the projected UCT ratio of Cascade's portfolio. The calculations can be seen in the BCP 2026-2027 Residential WP and the BCP 2026-2027 Commercial WP.



As always, actual incentives disbursed can vary significantly from plan. External factors including economic uncertainty, weather, consumer sentiment, and legislative activity have significant impact on the total volume of incentives distributed. Additionally, the proposed increase in incentive values for some of the historically popular measures in the Company's residential portfolio such as insulation, water heat, and HE furnaces as well as increased incentives for less-popular measures such as doors and windows could lead the program to exceed annual incentive budget and therm savings goals if demand for these measures are elastically impacted by enhanced incentive levels. The program has been designed with these factors in mind to ensure cost effectiveness at the portfolio level.

The Company believes these enhanced offerings are critical to maximizing the amount of cost-effective therm savings in the service territory. The Company will continue to inform the Advisory Group of program performance and incentive budgets throughout the biennium as consumer behavior unfolds.

Various benefit-cost ratios are modeled as part of the planning process to maintain a reasonable administrative budget and protect the EEIP's cost-effectiveness. The Company explores options at the portfolio level to determine which types of fiscal measures can be taken in the event an unexpected cost is incurred; economic conditions significantly vary from assumptions (such as potential tariffs) or participation levels do not meet ramp rate estimates. Should the programs meet goals for the biennium the portfolio budget will have adequate room to support administrative expenses for activities that do not tie directly to therm savings, but support program uptake, which is necessary to stay abreast of the continually evolving industry. The anticipated UCT cost-effectiveness buffer above 1.0 allows the Company to adaptively manage the program throughout the biennium including offering new promotions, enhancing efforts in underserved communities, expanding outreach, running pilot projects, and generally investing in resources to support goal acquisition.

While cost-effectiveness may be maintained as programs operate within the above budget parameters, the DBtC would be impacted based on the proportion of funds spent between rebates and administrative costs. To that end, the Company will continue to carefully balance cost-effectiveness to achieve or exceed the 60/40 DBtC target.



1.5 Direct Benefit to Customer Ratios

In January of 2017 Staff from WUTC engaged in a supplemental analysis of natural gas utility budgeting as a method of measuring program success. As part of this analysis the Company categorized its program expenditures under a ratio of DBtC compared to administrative program expenses.

Per WUTC direction DBtC ratios are to include customer incentives, payments to Community Action Agencies, and upstream incentives to energy program partners and Trade Allies (TA)s. Based on this guidance Cascade EEIP expenses are allocated as noted in Table 3:

Table 3: Direct Benefit to Customer Expenses

Cascade Natural Gas – 2026/2027 DBtC Category Clarifications		
	Direct Benefit	Program Delivery (Not included in DBtC)
Residential	<ul style="list-style-type: none"> ✓ Rebate payments ✓ QC Inspections ✓ Local energy program partnerships promoting the EEIP by assisting customers with rebates ✓ Customer service resolution ✓ Bundled measure promotions 	<ul style="list-style-type: none"> ✓ Labor ✓ TA program materials & outreach ✓ Cooperative marketing & training ✓ Residential EEIP ad placement <ul style="list-style-type: none"> ✓ Software access fees ✓ Industry appropriate organizational dues ✓ Travel expenses for program delivery ✓ Seminar and training attendance ✓ Miscellaneous operating expenses <ul style="list-style-type: none"> ✓ Admin costs for Pilots
Commercial & Industrial	<ul style="list-style-type: none"> ✓ Rebate Payments ✓ Partnerships with local energy programs promoting the EEIP through customer engagement ✓ Bundled measure promotions 	<ul style="list-style-type: none"> ✓ Third party program management inclusive of commercial marketing efforts ✓ Internal staffing & oversight from CNGC ✓ Industry specific Trade organization dues ✓ Travel expenses for program delivery <ul style="list-style-type: none"> ✓ Seminar and training attendance ✓ Promotional giveaways ✓ Miscellaneous operating expenses <ul style="list-style-type: none"> ✓ Admin costs for Pilots
Low income	<ul style="list-style-type: none"> ✓ Rebates for weatherization ✓ Agency customer outreach ✓ Agency indirect rates and administration fee 	<ul style="list-style-type: none"> ✓ CNGC labor for program administration ✓ Travel expenses for program delivery <ul style="list-style-type: none"> ✓ Admin costs for Pilots

The Company will aim for a minimum 60/40 DBtC ratio for the biennium. Per the budgets and goals, the upcoming Biennial DBtC is estimated at 79/21 as shown in Table 4. The following should be kept in mind when determining program DBtC ratios:



- The customer rebate budgets are forecasts which are highly dependent on customer uptake and individual consumer decisions. The Company can encourage participation through incentivization and outreach but cannot ultimately force participation in the efficiency efforts.
- The programs have specific fixed costs associated with administering incentives to customers. These costs are minimally elastic to rebate submission volume.
- Cascade’s territory is primarily rural and geographically spread out, typically requiring increased administrative effort and funds to effectively service.
- The Company is not a dual fuel provider.

Table 4: Biennial – DBtC

DBtC - Cascade Natural Gas 2026 Conservation Budget			
	Direct Benefit to Customers	Other Costs	Total Utility Costs
Residential	\$3,332,691	\$1,343,418	\$4,676,109
Non-residential	\$6,430,614	\$1,520,760	\$7,951,374
Low income	\$1,384,345	\$433,448	\$1,817,793
			\$14,445,276
Portfolio Ratio	77%	23%	
NEEA / RTF			\$690,634
EM&V			\$96,251
CPA			\$45,989
Pilots			\$1,680,000
Total 2026 Program Expense			\$16,958,150
DBtC - Cascade Natural Gas 2027 Conservation Budget			
	Direct Benefit to Customers	Other Costs	Total Utility Costs
Residential	\$4,644,815	\$1,383,721	\$6,028,536
Non-residential	\$8,531,516	\$1,646,250	\$10,177,766
Low income	\$1,522,056	\$478,512	\$2,000,568
			\$18,206,870
Portfolio Ratio	81%	19%	
NEEA / RTF			\$690,634
EM&V			\$198,277
CPA			\$229,945
Pilots			\$412,000
Total 2027 Program Expense			\$19,737,726
Biennial Totals:	79%	21%	

Costs associated with regional collaboration, Evaluation Measurement and Verification studies, Conservation Potential Assessments and Pilot Projects have been excluded from the DBtC ratios. Cascade values these endeavors while recognizing these benefit natural gas customers indirectly, thus appropriately associating the costs with the



Company.

1.6 ICF International CPAs

ICF (previously AEG) uses its Load Management Analysis and Planning tool modeling framework tool, VisionLoadMAP, to develop both the baseline projection and the estimates of potential. LoadMAP was originally developed in 2007 by ICF and has been enhanced over time. Previously built in Microsoft Excel, the tool has been adapted to a cloud-based modeling platform now known as VisionLoadMAP (see Figure 5) that is both accessible and transparent. Cascade first worked with ICF in CY 2017/2018 to develop its service territory specific CPA using the Northwest Power and Conservation Council's (NWPCC) methodology to determine the Company's conservation potential.

With the support of the Advisory Group, Cascade continued the partnership with ICF to conduct the 2025 CPA modeling and reporting. The 2025 CPA capitalized upon research and data gathered to build a complete update of the previous CPA while focusing modeling efforts on impacts to the program due to code and city ordinances, equipment supply, and past measure uptake. ICF then gathered this information to develop an independent estimate of achievable, cost-effective energy efficiency potential within Cascade's Washington service territory between 2026 and 2045.

The primary goals for ICF in this assessment included:

- Update the model base year consumption and characterization to 2023 using the latest available data resources and Cascade's actual billed gas sales for that year.
- Consider the impacts of Washington state legislation and city ordinances on natural gas use and presence of equipment.
- Estimate energy conservation potential for a broad array of possible measures to assist Cascade in conservation goal setting and program development.

Customer segmentation was improved with the addition of ICF's census data mapping. This provided Cascade with additional clarity as to which communities our program could focus equity efforts. Additional information can be found beginning on page 28 of the 2025 CPA.

As in past CPA's this study identified all available and cost-effective potential to satisfy requirements of RCW 80.28.380. The methodology in the NWPCCs 2021 Power Plan (2021 Electric Plan) was utilized, as well as the 2021 Electric Plan ramp rates customized for natural gas usage. ICF provided a fully configured end-use model through



VisionLoadMAP that Cascade can utilize for planning initiatives as well as provide inputs for Cascade’s Integrated Resource Planning (IRP) process.

Through a robust process of review with Cascade’s Energy Efficiency team, Conservation Advisory Group, Cascade’s building code expert, and TRC Companies, ICF developed a 20-year incremental savings potential for the program. Further details on the process and data evaluated can be found in docket UG-250411.

2. Development of Portfolios

Cascade’s current Avoided Costs are housed within Appendix H of the 2025 IRP. The Company’s EEIP offerings are highly sensitive to fluctuations in fossil fuel prices, distribution system costs, and environmental expenses reflected in those Avoided Costs. Per Climate Zone Avoided Costs are a primary input in the CPA and can be averaged or extracted over all climate zones within Cascade’s service territory.

Table 5: Service Territory Climate Zones

Washington Conservation Climate Zones by District		
<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>
<ul style="list-style-type: none"> • Bellingham 	<ul style="list-style-type: none"> • Aberdeen 	<ul style="list-style-type: none"> • Sunnyside
<ul style="list-style-type: none"> • Mount Vernon 	<ul style="list-style-type: none"> • Bremerton 	<ul style="list-style-type: none"> • Tri-Cities
	<ul style="list-style-type: none"> • Longview 	<ul style="list-style-type: none"> • Walla Walla
		<ul style="list-style-type: none"> • Wenatchee
		<ul style="list-style-type: none"> • Yakima



The 2025 IRP Avoided Costs reflect an increase in per therm projected savings and provides the opportunity to enhance incentives for select measure offerings across the portfolio. Average avoided cost per therm in this CPA was up 15% from the 2023 CPA and higher Avoided Costs lead to more cost-effective savings.



This change is in large part due to the increase in commodity cost as well as the addition of the Social Cost of Carbon to the carbon tax as noted by the WUTC. The Company's Resource Planning Team is continually evolving methodology for calculating Avoided Costs, which plays a significant role in both the CPA and program plan.

The Company is committed to offering meaningful Conservation and EE programs to help drive customer decisions toward higher efficiency appliances. To accomplish this Cascade works with the CAG to evaluate its programs through the lens of the Utility Cost Test (UCT) and the Total Resource Cost (TRC) in its Conservation Plan and Annual Report and continues to report achievements under both parameters. Further information on TRC valuation and calculations within the VisionLoadMAP model can be reviewed in the Company's 2025 CPA.

2.1 Docket U-121207 Cost-Effectiveness of Natural Gas Conservation Programs

The Company's approach to calculating cost-effectiveness reflects docket U-121207 which offers guidance regarding valuation of natural gas conservation efforts in the State of Washington. It addresses best practices for measuring cost-effectiveness: "[W]e are unwilling to allow utilities to end natural gas conservation programs as a result of an unbalanced or incomplete TRC analysis. Any TRC analysis without these values [conservation's risk reduction value, the downward price pressure from reduced demand, and non-energy benefits] is potentially biased against conservation programs. Accordingly, the UCT is an acceptable option when a properly balanced TRC is not available."⁵

The UCT remains the Company's preferred valuation (per consultation with the CAG) as a straightforward calculation of the utility's investment in DSM that does not penalize customers for weighing the cost-benefit of an upgrade. The UCT allows the natural gas efficiency programs to leverage positive market change through the installation of measures with long-lived deeper energy saving. Most notably, this includes fuel agnostic weatherization measures which play a pivotal role in this BCP.

2.2 Cost-Effectiveness Testing and Program Design

Under the UCT, rebate thresholds are set to achieve an optimal balance between driving program participation through persuasive incentive offerings while maintaining cost-effectiveness and ensuring a broad menu of offerings. The current incentive levels are

⁵ Washington Utilities and Transportation Docket U-121207 – Policy Statement on the Evaluation of the Cost-Effectiveness of Natural Gas Conservation Programs pg. 14-15



effective as of March 15, 2024, for the Residential and C/I program and January 1, 2024, for the LI program.

Industry standard cost effectiveness tests are performed to gauge the economic merits of the portfolio within the VisionLoadMAP model. ICF incorporated both the UCT and TRC calculations per staff recommendations to allow future valuation under regionally evolving metrics. The CPA and program planning focus on potential assessed under the utility cost test (UCT) which is consistent with prior CPAs.

2.3 Incentive Level

The Company seeks to develop a customized approach to setting incentive levels through ICF's VisionLoadMAP tool with an intention to adjust incentives to maximize individual measure uptake while remaining cost effective at a program portfolio level. Cascade worked closely with ICF's Program Planning team to identify measures whose cost effectiveness either warrants increasing rebates and/or reducing rebates to fall within the thresholds set through the updated Avoided Costs. The Advisory Group has been consulted to provide input and suggestions for consideration in the upcoming program plan. Current rebate offerings and proposed updates for 2026 and 2027 can be found in each program's respective work paper.

2.4 Emerging Technologies, Appliance Standards & Codes

Cascade, like other Energy Efficiency programs, experiences a continual cycle of high-efficiency measures that were once above code transition into standard code requirement. To stay ahead of this trend, CNGC collaborates with Regional and Technical partners, including the Gas Technology Institute (GTI), NEEA, and the RTF to ensure Cascade's portfolio of energy efficient options remains current and relevant.

2.4.1 Emerging Technology through Market Transformation

The Company constantly scans for new savings opportunities and a handful of emerging technologies and practices have arisen recently with the potential to surpass building code requirements and increase natural gas energy savings.

2.4.2 Home Energy Reports

In the fall of 2024 Cascade completed its first iteration of the Home Energy Report Pilot which sent bi-monthly reports to almost 10,000 residential customers. Cascade first began working on this project in 2022, using software developed by Brillion Inc. (formerly EnergyX) to encourage behavioral changes for customers through Home Energy Reports. These reports inform customers about their energy use and provide personalized, accurate reports outlining specific opportunities for households to save energy in their homes. The pilot has focused these reports on a subset of the



Company's residential customers and evaluated the results against a control group of residential customers.

The results of the first round of Home Energy Reports were analyzed by the third-party company ADM Associates Inc. (ADM) to provide Cascade with verified M&V findings and learnings for future implementations. These results were filed on July 17, 2025, in Docket UG-210838. ADM concluded that CNGC's 2023/2024 Behavioral Pilot Program was not associated with statistically significant gas savings at the .95 confidence level. However, the relatively small sample size of the pilot paired with many sensitivity analysis estimates approaching significance suggested that future iterations of a similar behavioral program may yield identifiable savings. Cascade utilized ADM's recommendations to propose an improved design for a second iteration of the Pilot.

As of Q3Y25, Cascade is preparing to launch its second round of this pilot utilizing a larger cohort, new participation selection criteria, and a digital based format. Reports will be sent digitally to participants throughout 2026 with the final report estimated to be sent during Q4Y26. The pilot will also strive to understand impacts of home energy reports on low income and vulnerable communities in the service territory. A similar EM&V process will be completed at the conclusion of the second iteration of the pilot to determine future therms savings potential for the program. These program design updates finalized in collaboration with the Advisory group poise the second iteration of the Home Energy Report Pilot for both cost-effective therm savings and equity for customers.

3. Biennial Strategic Plan

The following section provides a synopsis of current program offerings and context on strategic planning efforts for the biennium in addition to proposed rebate updates in the Residential and Commercial work papers. These updates are intended to meet therm savings goals, contribute to CO₂ emissions avoidance, and engage the communities within Cascade's WA territory to make optimal, efficient near-term and mid-term energy services decisions as part of legislation and customer-focused continual improvement cycles.

3.1 Current Portfolio of Measures

The Company offers a robust set of rebates to its customers as a means to acquire all available and cost-effective energy efficiency opportunities. A comprehensive list of program offerings, existing rebate amounts and proposed changes for the biennium is available in the work papers, however the following synopsis is provided as an outline of the program for 2026.



3.1.1 Residential Program Offerings

Customers receiving service from Cascade on a 503 rate schedule are eligible for the Company's Residential EEIP. Energy Efficiency incentives available through this program are dependent on existing equipment and building efficiencies requiring certain conditions be met to receive a rebate as these rebates are based on appliance standard requirements and estimates of savings above code. Additional requirements and restrictions apply for both the Residential and C/I program and are available for review on the Company's website under EE Terms and Conditions. Existing residential offerings are also available at www.cngc.com/energy-efficiency/residential-rebate-offerings/.

Despite the CPA projecting no new natural gas homes entering the market, rebates for furnace upgrades, clothes washers, tankless water heaters and condensing boilers are eligible for both new and existing homes assuming the installations meet the minimum qualifying efficiency.

Residential incentives offered solely to existing homes include both programmable and smart thermostats, as well as insulation upgrades including floor, wall, attic, ceiling, and duct insulation. Home eligibility for weatherization updates is dependent on the premise falling below a maximum preexisting condition and reaching a minimum improvement level post install. This program also offers rebates for windows and duct sealing as well as whole house and prescriptive air sealing. Cascade offers two additional incentives to customers to encourage a whole-home approach to home improvements. These bundles, or add on rebates, are provided in addition to the standard incentive and are available when the following criteria is met:

- Bundle A: A \$500 bonus for the installation of any two unique insulation measures performed at the same time with a minimum total of 1,000 square feet.
- Bundle B: The same conditions apply as Bundle A, however, to qualify for this \$2,000 incentive whole home air sealing and two insulation measures must be installed simultaneously.

These bundle offerings are examples of offerings which do not drive any therm savings independently but are offered to increase forecasted participation utilizing the buffer in projected portfolio UCT calculations.

3.1.2 C/I Program Offerings

Customers served by Cascade on rate schedules 504, 505, 511 and 570 are eligible to participate in the Company's Commercial and Industrial EEIP. This C/I program has two savings pathways available to customers. One is through the prescriptive rebate



offerings composed of a preapproved list of upgrades and rebate levels based on deemed energy savings. The second pathway is offered as a custom engineering calculation where multiple factors are incorporated into estimating the savings based on property characteristics and energy usage.

The prescriptive C/I EEIP offers four subcategories of rebates: Heating, Food Service Kitchen Equipment, Weatherization and Water. Each category includes multiple options, and eligibility is determined under similar parameters as the Residential program; meaning equipment must meet minimum efficiencies, weatherization upgrades are available for retrofit installs only and the customer must heat their water and/or space with natural gas. As with the Residential program baseline, assumptions play a key role in determining rebates, so the program holds strictly to its terms and conditions and efficiency requirements. The C/I prescriptive program uses rebate calculations that differ slightly from the Residential program and are noted online at www.cngc.com/energy-efficiency/commercial-rebate-offerings/.

Heating incentives available through the standard program include warm air furnaces, HVAC unit heaters, boiler steam traps, demand control ventilation and condensing boilers. Kitchen equipment includes gas griddles and ovens. Weatherization measures include windows, attic insulation, roof insulation, wall insulation, and hot water pipe insulation. Water heating and water saving rebates include domestic hot water tankless water heaters, domestic hot water recirculation controls and ozone injection laundry systems.

As mentioned, the C/I program also offers a custom pathway for efficiency. If a customer has a project that saves natural gas but does not fall within the scope of one of the prescriptive offerings, a custom incentive may be available. The Company's C/I implementation vendor, TRC Companies, works with each individual customer to determine eligibility, determine the incremental cost and savings associated with the project, provide a custom offer, and verify installation and operation prior to incentivization. Natural gas savings are calculated using standard engineering practices. Cascade reviews the natural gas savings calculations and reserves the right to modify energy savings estimates. These energy savings estimates are informed by both established industry knowledge pieces and independent EM&V which was conducted on the program in 2023.

3.2 Key Strategies for the Biennium

Cascade has identified key strategies to build upon and improve the EE programs this biennium, capitalizing upon internal reorganization, a deep dive into compliance with code standards and changes, data security, EM&V, an expanded TA network and rapidly



growing Point of Sale incentive offering, as well as a Thermal Energy Network Pilot. Below are observations from the previous biennium informing Cascade's plans:

- Cascade will continue to increase resource investment into the POS rebate program which lowers the barrier to entry for participation in the program, particularly for low-income and illiquid customers.
- The Company notes both an increase in weatherization measures in the past biennium as well as more diverse installs regarding weatherization projects over the past two biennium.
- Cascade is committed to pursuing high quality work as well as realizing all terms claimed.
- Cascade has built relationships with community action agencies for low-income weatherization work and quality assurance inspections. The Company will continue to partner with these agencies to better serve low-income communities.

3.2.1 Internal Reorganization

The Company's EE programs will have an increased focus on rebate processing efficiency, and equity. Beginning in 2024, Cascade began developing and migrating all Program processes to a new, in-house developed software known as Enterprise Rebate Application (ERA). Rebates first began processing through this software in Q1Y25, offering Trade Allies and customers the opportunity to directly submit their application and track status updates. The improved processing and payment disbursement features in ERA will continue to improve the efficiency of the program and the experience for Cascade Customers.

In 2025, Cascade added a dedicated Trade Ally Coordinator position to allocate additional time to train Trade Allies, improve the Contractor Central portal, as well as refine and enhance the POS program for customers. Additionally, a Conservation Analyst has been added to the low-income program to further improve reporting and assist with the heat pump pilot in Oregon. These additions, as well as continuing work with the Equity Advisory Group and Conservation Advisory Group demonstrate Cascade's commitment to equity work alongside the traditional Residential and Commercial Industrial program offerings.

3.2.2 Washington State Energy Code Compliance

Cascade recognizes the importance of energy efficient use of natural gas in the state of Washington and will stay abreast of code changes which are anticipated to impact the 10-year program trajectory.

Various legislative measures have affected natural gas usage at both state and



municipal levels. Cascade collaborated with ICF for the 2025 CPA to evaluate the impacts of state codes and municipal restrictions on natural gas consumption and potential savings. Further analysis by ICF as well as discussions with NEEA and Cascade, lead to the developed assumptions about builders' likely responses to new construction code credits due to the 2021 Washington State Energy Code (2021 WSEC), effective March 2024. Based on these assumptions, this CPA does not forecast any new construction buildings in residential or commercial sectors, nor does it account for any associated therm savings.

The 2025 Conservation Potential Assessment models savings potential using various codes and standards that allow Cascade to target cost effective therms while complying with legislative directives in Washington State. These inputs are shown in Figure 3.



Figure 3: Data Inputs for the Measure Characteristics in VisionLoadMAP

Model Inputs	Description	Key Sources
Energy Impacts	The annual reduction in consumption attributable to each specific measure. Savings were developed as a percentage of the energy end use that the measure affects.	<ul style="list-style-type: none"> • Cascade program data • 2021 Power Plan workbooks • RTF • ICF BEST • IL TRM • EIA 2023 Reference case • Other secondary sources
Costs	<p>Equipment Measures: Includes the full cost of purchasing and installing the equipment on a per-household, per-square-foot, or per employee basis for the residential, commercial, and industrial sectors, respectively.</p> <p>Non-Equipment Measures: Existing buildings – full installed cost. New Construction - the costs may be either the full cost of the measure, or as appropriate, it may be the incremental cost of upgrading from a standard level to a higher efficiency level.</p>	<ul style="list-style-type: none"> • Cascade program data • 2021 Power Plan workbooks • RTF • AEO 2023 • EIA 2023 Reference case • CA DEER • RS Means • Other secondary sources
Measure Lifetimes	Estimates derived from the technical data and secondary data sources that support the measure demand and energy savings analysis.	<ul style="list-style-type: none"> • 2021 Power Plan workbooks • RTF • EIA 2023 Reference case • IL TRM • AEO 2023 • CA DEER • Other secondary sources
Applicability	Estimate of the percentage of dwellings in the residential sector, square feet in the commercial sector, or employees in the industrial sector where the measure is applicable and where it is technically feasible to implement.	<ul style="list-style-type: none"> • 2022 RBSA, 2014/2019 CBSA • 2020 RECS, 2018 CBECs • 2021 Power Plan applicability guidelines • 2021 WSEC and NEEA research for limitations on new construction • IL TRM • CA DEER • Other secondary sources
On Market and Off Market Availability	Expressed as years for equipment measures to reflect when equipment technology is available or no longer available in the market.	<ul style="list-style-type: none"> • ICF appliance standards and building codes analysis

3.2.3 Expanded TA Network & Point of Sale Offering

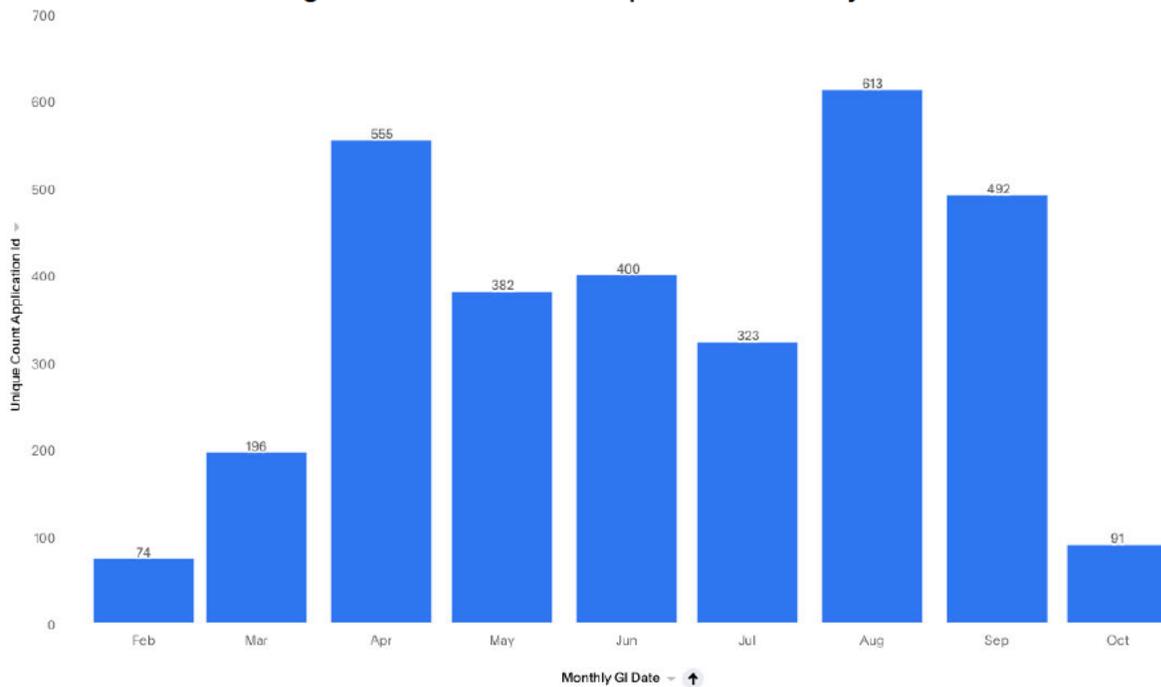
The Point of Sale rebate program has been extremely successful for Cascade and will continue to be a pathway for growth for the 2026-2027 biennium. The POS rebate program is an enhanced offering for Trade Allies who are in good standing and have participated in the Trade Ally program for a period of 6 or more months. A POS rebate, from the end customer’s perspective, provides an instant discount equating to the full



value of the rebate for the installed energy efficiency measure. The Trade Allies then submit a rebate application for reimbursement of this discount, which Cascade aims to process within a 20-day period to establish a positive connection with the contractor and encourage further work within the program.

In 2025 Cascade allocated an additional position to oversee the POS program full time due to the high demand. Figure 4 below depicts the completed POS projects excluding January due to a transition in processing software.

Figure 4: 2025 YTD Completed POS Projects



Data for Trade Allies and the POS program is warehoused in the Trade Ally Contractor Central portal providing ease of access to:

- List of Trade Allies and POS Vendors
- License and insurance documents
- Typical territory and service locations
- Contact information with full network communication capabilities
- Rebate application and payment status
- Training material

Public facing information such as contractor website, social media, and business type are automatically populated onto the list of Trade Allies housed on CNGC’s website.



This resource is used to help pair customers looking to make an energy efficient upgrade with certified contractors in their area.

The Company performs quality checks throughout the process to ensure the work is of high quality and energy savings estimates realized. These checks are facilitated through an established relationship with Community Action Agencies to inspect a subset of projects from each POS vendor to review the quality of the work being performed.

Biennium growth goals for the program include:

- Continuing to partner HVAC and Insulation POS Trade Allies for whole home energy savings
- Maximizing Trade Ally/POS enrollment in low service areas
- Partnering with LIW to ensure we take care of all CNGC residents
- Distributing newsletters and offering in-person Trainings
- Providing enhanced awareness on Multi-Family Residential opportunities

Administrative staff for trade companies have been prone to high turnover in the current biennium, leading to multiple training sessions required per contractor on occasion. This is a large commitment for CNGC but is crucial for time efficiency in processing and instills trust in the relationship for POS vendors. Because POS vendors are required to float the value of the rebate during the processing period, which can amount to hundreds of thousands of dollars, confidence in CNGC's administrative processes is paramount.

Cascade continues to invest significant resources in providing training to Trade Allies and POS vendors. By streamlining contractor invoicing, Cascade minimizes the quantity of direct customer applications received, this reduces the additional labor hours in follow up to clarify equipment specifications or additional residence data to process each rebate.

3.2.4 Commercial/Industrial Updates

The Program is currently navigating a dynamic landscape shaped by evolving market conditions, including equipment price increases and newly implemented tariffs. These changes have introduced uncertainty, particularly for the C/I EEIP Program, where projects often require significant investment, long-term planning, and sensitivity to future expectations.

This uncertainty has impacted project uptake for 2025; Cascade is anticipating more



delays and terminations in energy efficient projects in the coming biennium. This dynamic was incorporated in the 2025 CPA to ensure realistic forecasting and strategic planning. In response, Cascade is taking decisive action to strengthen engagement and maximize cost-effective energy savings across the market. Key initiatives include:

- Doubling the C/I outreach budget and planned activities compared to historical levels
- Newly sponsoring local building centers and relevant conferences
- Offering contractor social hours and connection opportunities
- Utilizing small business mailers and new outreach mediums

Additionally, in 2025, the Program continues to engage with Energy Service Companies (ESCOs) and other Energy Service Providers who are helping Cascade Natural Gas commercial and industrial (C&I) customers comply with the State of Washington Clean Building Performance Standards. Efforts have focused on educating C&I customers about requirements for benchmarking and compliance with the Clean Buildings Act.

For buildings in excess of 50,000 sq feet of floor area (defined as Tier 1 buildings) the C/I Program will work with the Building Owner, Building Manager, Building Operator, Energy Manager, and/or Qualified Energy Auditor/Person to help them qualify for eligible C/I Program incentives as they look to ensure their buildings comply with ASHRAE Standard 100 and Amendment WAC 194-50 rules. Where appropriate, the Program will look to assist these parties in meeting the requirements of the operations and maintenance program and the energy management plan. Most recently, buildings between 20,000 and 50,000 square feet of floor area (defined as Tier 2 buildings) are now a focus given the Department of Commerce customer notifications beginning in July of 2025. The Program will review the published rules, educate customers on pathways to compliance, and look to provide C/I Program support as appropriate.

Cascade remains committed to adapting in real time, supporting customers through uncertainty, and ensuring that energy efficiency continues to be a compelling and achievable investment.

3.2.5 Data Security

The importance of data security has only escalated in the current biennium. As Cascade continues to partner with third party vendors for services to elevate the program, the process of keeping customer personal identifiable information (PII) secure has become more stringent. MDU's Enterprise Information Technology Team has established processes for tracking all 3rd party data requests internally and performing security reviews on all external vendors receiving data. This also creates visibility internally as to the amount of data being shared which provides a high-level risk profile which is tracked



by the Company. Cascade utilizes MDU's secure delivery server, BISCUM, to securely transfer data to third-party companies following rigorous internal review to ensure that any PII has been removed.

Cascade employees are required to remain up to date on cyber security training, Artificial Intelligence training, pass random phishing tests, and be stewards of all customer information that exits and enters the company.

3.2.6 Thermal Energy Networks

As part of HB2131-2024, CNGC is allowed to develop Thermal Energy Networks (TENs) as part of its service offering. TENs provide direct heating and cooling to customers via non-emitting and non-combustion based thermal energy service. These systems are a highly efficient way to provide heating and cooling, leveraging internal heat sharing, larger scale equipment, and high efficiency system types.

CNGC is exploring how to offer TENs to potentially interested customers. Currently, a pilot project is being developed to help inform CNGC on how best to grow and develop this service offering. This proposed pilot is to develop a TEN at Bellingham Technical College (BTC) in Bellingham, WA. Initially, the pilot is expected to sell decarbonized heating and cooling energy to the two largest buildings which make up 35% of the total campus building space. While preliminary, the proposed TEN is expected to make a significant impact on BTC's energy use and carbon emissions, reducing total Energy Use Intensity (EUI) by 26 and emissions by 230 MTCO₂/yr.

3.2.7 Program Delivery Opportunities

Cascade and its CAG will evaluate all options to improve and enhance program delivery methods in the coming biennium. Considerations currently include:

- Continue to refine internal software such as ERA for rebate processing with Contractor Central portal.
- Reinvestment in the Trade Ally Point of Sale rebate pathway.
- Partnering with TRC Companies on a biennial basis for consistency in delivery.

TRC continues to be a strong strategic partner for the commercial and industrial program implementation. The Company intends to continue partnering with TRC Companies for program implementation through the 2026-2027 biennium.

3.2.8 Inspections

Inspections are one way the Company can ensure measures are installed correctly to count realized savings as well as improve the rebate experience for customers.

Cascade performs Quality Control (QC) Inspections on up to 5% of residential energy efficiency projects receiving incentives on an annual basis through its Energy Efficiency



Incentive Program. The Company increased the budget allocated towards inspections in the previous biennium, due to the increases in POS weatherization projects and their associated high dollar rebates. This provided the Company with valuable information which can be provided to educate and inform current and new Trade Allies. Additionally, TRC performs inspections on large commercial and industrial projects to ensure proper installation.

Cascade values these inspections as they offer an additional pathway for potential improvements. Quality Assurance throughout the biennium allows for:

- Identifying trends with certain measures or specific Trade Allies with repeat failures to improve the program's installation requirements
- Utilizing the collected data on common issues from previous inspections and implementing identified solutions with the assistance of the new full-time TA coordinator

Since July 2023, Cascade leveraged relationships with Community Action Agencies delivering the Low-Income Weatherization Program and their Inspectors to conduct QC Inspections for the EEIP, providing needed quality assurance checks for residential program measures completed across the service territory. Agencies have building science experts that hold certification in quality control and energy audits, all varying in length of service and experience.

Agencies ensure work performed under the EEIP is done correctly and meets all technical requirements necessary to qualify for incentives. Each Agency typically covers their assigned geographic area according to individual agreements held with Cascade. This partnership has worked very well, providing both a consistent stream of revenue for these agencies to rely upon and in return providing a skilled set of inspectors which Cascade can trust as stewards of the program.

3.3 Planning and Evaluation, Measurement & Verification (EM&V)

Process evaluation plays a key role in the overall context of a program evaluation. The primary purpose of EM&V is to empirically evaluate energy savings from installed measures and develop accountable recommendations for program design and operational changes that can cost-effectively improve program delivery.

In August of 2022, Cascade distributed a Request for Proposal (RFP) for third-party measure level EM&V of the program to build on historic internal evaluation efforts as outlined in section 9c of the condition's documents for docket UG-21083813:



“Cascade must perform EM&V annually on a maximum four-year schedule of selected programs such that, over the EM&V cycle, all major programs are covered. The EM&V function includes impact, process, market, and cost test analyses. The results must verify the level at which claimed energy savings have occurred, evaluate the existing internal review processes, and suggest improvements to the program and ongoing EM&V processes.”

The contract was awarded to ADM Associates, Inc. who provides the Company with billing data analysis, baseload estimation, implementation of codes and standards, quantification of therm savings, and recommendations for the program.

An impact review for commercial program offerings kicked off the first-year schedule of EM&V activities. Research areas for the commercial program included space heating, water heating, building envelope, food service, and custom projects. A final report was delivered and filed under docket UG-210838 on 9/15/2023. The study found a realization rate of 95% across the portfolio of evaluation, which indicates no statistical significance of deviation from claimed to realized energy savings. The portfolio of food service, space heating, water heating, and custom measures offered aligned with similar natural gas measure findings offered in the Pacific Northwest region. 93% of all respondents were satisfied or very satisfied with the program overall, and 95.5% were satisfied with Cascade as their natural gas provider.

Cascade continued EM&V efforts through the 2024-2025 biennium. In 2024 ADM Associates, Inc. conducted an impact evaluation for Cascade’s residential equipment measures for the years 2018 through 2022. Research areas included space heating, water heating, thermostats, and clothes washers. A final report was filed on September 13, 2024, in docket UG-210838 showing a realization rate of 121.1% and total verified savings of 1,293,451 therms.

Additionally, Cascade completed a biennial process review which involves thorough participant and non-participant surveying, Program partner interviews, as well as document and process reviews to improve future Program implementation. A final report was filed alongside the impact evaluation, in docket UG-210838. ADM Associates, Inc. found for Existing Homes participants 49.2% of participants cited their contractors as their initial source of information, highlighting the importance of the Trade Ally Point of Sale Program. Overall, the majority of participants across various segments expressed satisfaction with the application process, indicating that the Program has successfully designed a user-friendly process for most users.

Work on the Residential Envelope measure M&V is anticipated to conclude in Q4 of



2025. Cascade plans to begin work on the Low-Income Program Evaluation shortly thereafter to be completed in 2026.

Cascade has incorporated learnings from the three filed EM&V reports in the 2025 Conservation Potential Assessment as well as the 2026-2027 Program plan. The results of the upcoming Low-Income Program EM&V will provide valuable insight into how the program can provide more support to vulnerable communities, as well as overall improvements in equity for current and future customers.

3.4 Washington Low-Income

Cascade partners with Washington's Low-Income Weatherization providers to deliver the Low-Income Weatherization Incentive Program (WIP). The WIP provides rebates to low-income agencies delivering home energy improvements to eligible Cascade customers. The traditional WIP covers the installation of certain energy-efficiency measures following the completion of an energy audit performed by a qualifying Community Action Agency or Low-Income Agency. Calculations for rebates are based on the projected annual therm savings of the measure(s) x 100% of the Avoided Cost per therm and are revised according to the most recent Integrated Resource Plan.

The WIP is supplemented by the Enhanced Low-Income Weatherization Incentive Program (EWIP) which took effect on February 1, 2017. The WIP provides funds to agencies based on the Avoided Cost of tariff-eligible weatherization measures installed in a customer's home. Under EWIP, participating Agencies are also eligible to receive a rebate designed to bridge the gap between the Avoided Cost payment and the total installed cost of the approved weatherization measure. The Company periodically revisits program structure to ensure financial barriers are reduced for Agencies and therefore directly benefiting the customers participating in the WIP. In 2023 the Company, with help from Agencies proposed and implemented housekeeping changes to Schedule 301. The changes are as follows:

- Clarifying that the program and rebates are available to qualifying Cascade customers.
- Specifying that the program is administered by Department of Commerce approved Low-Income Weatherization providers and other Low Income Agencies providing weatherization services.
- Updating headers to clarify rebate information from eligibility information for program rebates.
- Removing references to the E-WIP and E-WIP rebates as the pilot has become a standard part of WIP. Schedule 301 pays the cost-effective job costs through the



WIP rebate and any remaining job costs through the E-WIP rebate. Both rebates are offered simultaneously through WIP to ensure clear communication about the program as well as for simplified program administrations.

- Enhancing Sheet 300B under General Provisions to include language requiring a memorandum of understanding (“MOU”) with agencies.
- Replacing references to efficiency standards with a reference to high efficiency measures to provide more clarity as code evolves standards over time.
- Revising the Energy Efficiency Measures section to reference the Deemed Measure Priority List (DMPL), previously referred to as the Weatherization Priority List, as well as adding language allowing agencies to demonstrate that a measure is cost effective by using the Department of Energy (DOE) Priority List. Both the DMPL and DOE Priority List are inclusive resources therefore the Company removes the usage of Avoided Costs to demonstrate cost effectiveness.
- Renaming the Rebate Calculation and Payment section to “Rebate Calculation” as well as consolidating the WIP and E-WIP offerings. This simplifies project cost calculations from a two-step process of combining WIP and E-WIP to cover costs, to WIP rebates fully covering project costs.
- Adding a section header for information on Agency Fees as well as increasing the projection coordination fee from 20% of the total project cost to 30%.
 - The agencies expressed concern that WIP program funding is not sufficient to pay labor costs associated with audits, inspections, intakes, rebate applications, and managerial review of project paperwork. The Company believes this change is necessary to enable qualifying customers to access weatherization services.

The Company believes the changes referenced above will not negatively impact program delivery and instead continue to help reduce barriers for participating Agencies serving energy justice communities.

Each Agency/Administrator interested in participating in the WIP program is required to provide a MOU estimating the amount of completed projects for the current year. The Company periodically revisits program structure to ensure financial barriers are reduced for these Agencies as well as increasing the benefit to customers participating in the WIP.

In fall of 2023 the Cascade Arrearage Relief and Energy Savings (“CARES”) low-income bill assistance program was implemented. Cascade worked to streamline processes and seek auto enrollment and direct referral opportunities to increase participation in its WIP program in 2024. The CARES program quickly became a consistent source of referrals



for WIP, by March of 2024 the program saw well over 700 referrals for WIP program. The unexpected influx of referrals identified both a need and Agency bandwidth barriers.

As a response to growing need in the community, careful consideration and review of potential bottlenecks, Cascade sought to revise the WIP program in September 2024 and allow for third party administration. The proposed revisions were brought forward and resulted in a pilot parameters outline, the document was a direct result of the following communications with Agencies and other interested parties, including customer representatives from vulnerable populations, Commission Staff, The Energy Project (“TEP”), and the Washington State Department of Commerce:

September 9, 2024:	Discussed the unmet need with WIP referrals with Cascade’s Equity Advisory Group
September 10, 2024:	Draft pilot plan provided to all CAG members (includes Agencies, TEP, and Commission Staff)
September 17, 2024:	Meeting on pilot plan with TEP
September 26, 2024:	Received written comments from TEP
September 27, 2024:	Meeting with Commission Staff and Department of Commerce to discuss draft pilot plan, which was significantly revised as a result of this meeting.
October 2, 2024:	Emailed a draft tariff filing including the revised WIP pilot plan to CAG
October 11, 2024:	Presented WIP pilot plan to the Equity Advisory Group
October 23, 2024:	Meeting with CAG on revised WIP pilot plan.
December 12, 2024:	Cascade met with TEP to discuss the WIP pilot
January 7, 2025:	TEP provided written feedback

These communications regarding the WIP Pilot concluded with the filing and approval on February 2025 leading the Company to revise Tariff WN U-3 for 12 months beginning March 1, 2025.

For 2026, the pilot utilizes third-party weatherization service contractors as program administrators to provide WIP services as defined in Schedule 301. CNGC has allocated \$1.28 million towards piloting contractor implementation alongside the traditional usage of Community Action Agencies (CAA) as in the standard WIP Program. Providing an additional pathway for low-income customers to receive assistance while the agencies continue to face headwinds with staffing aligns with Cascade’s commitment to identifying equity opportunities.

Overall, the WIP program is operating as intended, with engagement by the agencies



that deliver weatherization services in Cascade’s service territory. Maintaining relationships with the agencies in the upcoming biennium continues to be a priority as well as identifying potential with new contractor engagement via the WIP Pilot.

3.4.1 Deemed Measures

Cascade is committed to increasing participation from Community Action Agencies and Administrators to serve more customers through the Company’s combined Weatherization Incentive Program (WIP) and WIP Pilot.

There are a couple of important factors previously reported to take into consideration as we seek to align processes in 2025. First, our Agencies delivering the program will continue to use Targeted Residential Energy Analysis Tool (TREAT) to base all energy modeling and cost-effectiveness calculations for single family units. The Department of Commerce previously noted Agencies would transition energy modeling tools, however the planned software has proven to need additional testing. The new software would release the Agencies from the Savings to Investment Ratio (SIR) requirement in single family unit projects. There is no tentative date for this transition. The database will support the use of two separate lists of measures which have been preapproved as cost effective and energy efficient by the Department of Energy (DOE):

- DOE Priority List
- Department of Commerce Deemed Measure Priority List

ECOS does not support multi-family projects, therefore Agencies will continue the use of TREAT in these projects if software is implemented.

3.4.2 Equity Advisory Group

Cascade customers make their homes in over 95 different communities within Oregon and Washington. Cascade is committed to supporting its customers and the communities where they live. This commitment can be seen in Cascade’s provision of conservation education, its employees’ volunteerism, corporate giving, academic scholarships, matching funds for employee donations made to local non-profit organizations, environmental stewardship, and community environmental stewardships. In many ways, Cascade seeks to invest in and improve the communities where its employees and customers both live and work.

The Company established its Equity Advisory Group (EAG) in the fall of 2023. The EAG provides a forum for community members and community-based organizations to inform the development and implementation of energy equity in Cascade’s most vulnerable or



under-represented communities. Energy equity entails reducing barriers to highly impacted communities, increasing access to affordable energy for overburdened customers, and ensuring the energy future does not disproportionately impact marginalized communities.

Cascade's work with its EAG has resulted in significant positive changes to how Cascade works with and reaches out to its customers. With input from the EAG, Cascade has addressed language accessibility barriers by making its communications available in multiple translations as well as culturally correct translations. Cascade has worked with its EAG to engage more with the public and to do so in a way that encourages broader community representation. The Company has collaborated on the development of its bill payment assistance programs and its outreach to hard-to-reach customers who would benefit from the programs. Cascade credits its management and its collaboration with caring community partners for the successful advancement of a more equitable distribution of energy benefits for Cascade customers.

The Company continues to reference Final Order 09 Docket UG-210755 as it works to integrate equity more and more within its daily operations. The Company has developed a form for its procurement department to use in soliciting new vendors. The form is intended to promote inclusivity and equitable business practices by encouraging deference to minority-owned businesses.

Other steps in applying equity to Company operations include Cascade's work on developing a distributional equity analysis (DEA) for project decision making. In June 2025, Cascade engaged a contractor to lead the effort to design and train the Company to implement a DEA. This work is in its early stages but when completed, it will be a big step towards the adoption of an equity lens within Cascade's operations.

In addition, The Company is closely monitoring Equity Docket A-230217, for additional Commission directives or policy statements as it advances its work in applying an equity lens to its daily operations, as well as its definition of a DEA.

3.4.3 Low-Income Program Participation

Participation for each program year can be found in Table 6. The Company included the Avoided Costs used for 30-year measures in each program year, the total funds paid out to the Agencies per year, and the average rebate per home.



Table 6: Weatherization Incentive Program Participation & Savings by Year

Year	Number of Homes Served	Therm Savings	Total Funds Paid Out to Agencies	Average Rebate Per Home	Avoided Cost Per Therm Paid for 30-Year Measures
2008	46	13,985	\$101,631	\$2,209	\$13.06
2009	55	14,733	\$168,378	\$3,061	\$13.06
2010	112	30,809	\$358,316	\$3,199	\$13.06
2011	85	24,130	\$251,248	\$2,991	\$11.66
2012	64	21,824	\$233,162	\$3,643	\$11.66
2013	38	14,960	\$132,882	\$3,497	\$8.09
2014	21	7,338	\$54,374	\$2,589	\$8.09
2015	19	11,724	\$89,508	\$4,711	\$8.09
2016	24	11,743	\$87,065	\$3,628	\$8.09
2017	27	5,564	\$165,935	\$6,146	\$8.09
2018	28	5181	\$234,667	\$8,381	\$18.77
2019	66	13,416	\$910,314	\$13,793	\$30.98
2020*	38	8,125	\$552,684	\$14,544	\$30.98
2020*	5	1,088	\$86,785	\$17,357	\$24.85
2021	37	8,265	\$663,762	\$17,940	\$24.85
2022*	22	4,524	\$318,782	\$14,490	\$24.85
2022*	14	3,163	\$204,396	\$14,600	\$30.98
2023	124	17,601	\$1,152,367	\$9,293	\$30.98
2024	61	14,297	\$1,315,582	\$21,567	\$30.98

*Avoided Costs were updated in 2020 and 2022 to align with tariff updates. Split years are represented demonstrating program participation under each Avoided cost.

Cascade has invested heavily towards fostering equity in our low-income communities. Historical results and agency expectations per community are perhaps the best indicators for future potential of the Low-Income Weatherization program. Table 6 above shows historical performance for the program which has been used to predict 2026 and 2027 projects and therm savings potential for the program. Information utilized includes:



- Assumed average of 200 therms per completed project in the upcoming biennium.
- Avoided cost and weatherization requirements from the most recent Washington State Weatherization Manual ⁶.
- Forecasted bandwidth for project completions per action agency, in the form of anticipated MOUs.

Cascade anticipates a total savings potential for the Low-Income Weatherization program in Washington of approximately 14,600 therms for 2026 and 15,600 for 2027. As always, the Company appreciates its weatherization partners and is committed to working with the agencies and the Energy Project to ensure weatherization services are available to those who qualify.

3.4.4 Oregon Low-Income Energy Conservation Program

Cascade is committed to its Low-Income Programs and working to mitigate energy burden in Washington through multiple tools and views changes to programs. In addition, the Oregon Low-Income Energy Conservation Program (OLIEC) serves as a proactive effort to improve equitable access to services and reduce energy burden for low-income households.

The Company recently restructured its OLIEC program to remove barriers faced by Agencies serving low-income Cascade customers. Work was centered around an increase in funding and flexibility in incidental costs to ensure Agencies can perform the appropriate measures in eligible homes. By allowing this flexibility, it is expected to see less deferred homes and ensure homes are up to weatherization specifications before installing energy efficiency measures, therefore preserving affordable housing.

The OLIEC program provides services to qualifying low-income households within Cascade's service territory. OLIEC makes homes more energy efficient by providing rebates for the installation of certain weatherization and conservation measures.

4. Targets Developed through LoadMAP

Cascade is providing targets for its conservation potential based on the inputs from the 2025 IRP and outputs from the 2025 CPA. The administrative costs have been updated based on 2026 and 2027's estimated budgets and expected contracts. Savings targets

⁶ 2025 Weatherization Policy Manual | [Washington State Weatherization Manual](#)



were pulled from the CPA filed with the WUTC on May 30, 2025.

Projected achievements, or targets, are based on the Company's best estimates of its UCT Achievable Economic potential. Performance deviations from projections are subject to evolving efficiency technologies, economic impacts, customer interest and program participation levels, and most notably external influences from regional and regulatory bodies.

4.1 Biennial Targets

The Company continues to explore the cost-effectiveness of measures included in the CPA for both those measures that are and are not currently offered in its portfolio. A joint review of the CPA compared to program portfolios is reflected in the work papers which represents recommended program updates including addition of measures, reduction and increase to rebates and removal of offerings that have become code or no longer exhibit cost effective savings potential.

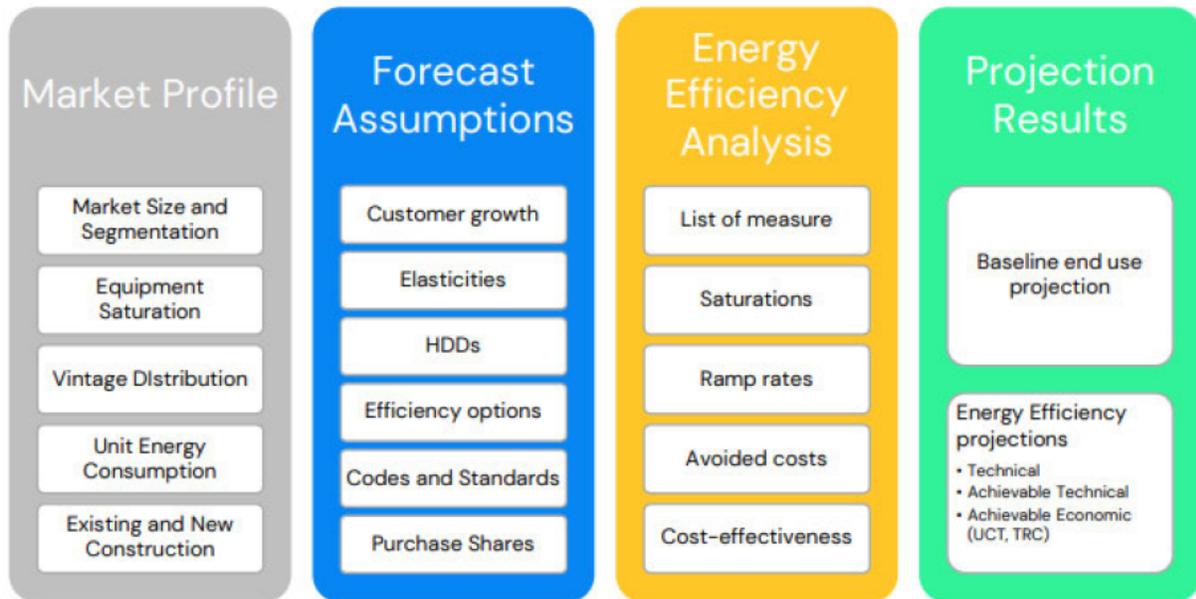
The conservation potential for this Plan calculated through the ICF VisionLoadMAP tool is separated into three customer classes for individual savings assumptions, market segmentations, and end uses (heat-sensitive resources have different savings potential by Climate Zone and income level for the Residential section).

VisionLoadMAP generated targets for the CPA are acknowledged in the BCP and the Company will aggressively strive towards these targets. Regardless of goal achievement, the programs are structured to ensure cost-effectiveness can be maintained, even if participation levels fall short or admin costs run higher than anticipated.

For this analysis, ICF used its VisionLoadMAP tool to develop both the baseline projection and the estimates of potential. LoadMAP was originally developed in 2007 and has been enhanced over time. Previously built in Microsoft Excel, the tool has been adapted to a cloud-based modeling platform now known as VisionLoadMAP that is both accessible and transparent. Consistent with the segmentation scheme and the market profiles we described in Figure 5, the VisionLoadMAP model provides projections of baseline energy use by sector, segment, end use, and technology for existing and new buildings. It also provides forecasts of total energy use and energy-efficiency savings associated with the various types of potential.



Figure 5: VisionLoadMAP Analysis Framework



This modeling tool integrates core principles of rigorous end-use models, including stock-accounting algorithms that distinguish between older, less efficient equipment and newer models, with replacements based on user-defined measure life and vintage. It balances simplicity and robustness by incorporating details such as equipment saturation, efficiency, and vintage, while treating end uses separately to reflect differences in data availability. New construction is isolated from existing building and equipment particularly in Washington with the 2021 WSEC. The model allows flexible, year-by-year control over appliance and equipment choices and can accommodate various levels of segmentation.

While Technical and Achievable Technical potential are both theoretical limits to efficiency savings, Achievable Economic potential embodies a set of assumptions about the decisions consumers make regarding the efficiency of the equipment they purchase. Cascade’s EE program adopted the Achievable Economic UCT potential to set goals under an array of possible future conditions in collaboration with the CAG.

Cascade’s Washington CAG has consistently strongly recommended the Council’s methodology to assess potential and develop ramp rates. The Council’s methodology was developed for, and used in, electric demand-side management (DSM) resource planning, and makes ramp rate and achievability assumptions that implicitly include market transformation impacts such as those from NEEA and energy codes. ICF utilized and adapted ramp rates and achievability from the 2021 Power Plan as



appropriate for use in the VisionLoadMAP Model. Additional details on ramp rates are available in the 2025 CPA.

4.2 Savings Potential

LoadMAP provides the Company with sector specific Technical, Achievable, Achievable Economic UCT and Achievable Economic TRC potential throughout the forecasting horizon. Cumulative savings potential for the upcoming biennium and throughout the planning horizon are outlined in the following section. Further details and narrative around these potential calculations are housed in Chapter 5: Overall Energy Efficiency Potential in the 2025 CPA.

4.2.1 Combined Residential and C/I Portfolio Potential

Figure 6 shows the cumulative DSM forecast by Technical, Achievable Technical and both UCT/TRC Achievable Economic Potentials. The Company aims to meet or exceed the Achievable Economic UCT Potential of 1,043,000 therms in the coming biennium.

Figure 6: Cumulative DSM Forecast by Potential (thousand therms)

Case	2026	2027	2030	2035	2040	2045
Baseline Projection	248,263	248,562	247,251	243,538	241,620	241,225
Cumulative Savings						
Achievable Economic UCT Potential	465	1,043	3,503	11,044	19,671	26,132
Achievable Economic TRC Potential	329	738	2,330	6,698	11,622	15,726
Achievable Technical Potential	1,124	2,559	9,061	27,940	48,840	65,061
Technical Potential	3,728	7,777	21,227	47,868	70,946	86,118
Cumulative Savings (% of Baseline)						
Achievable Economic UCT Potential	0.2%	0.4%	1.4%	4.5%	8.1%	10.8%
Achievable Economic TRC Potential	0.1%	0.3%	0.9%	2.8%	4.8%	6.5%
Achievable Technical Potential	0.5%	1.0%	3.7%	11.5%	20.2%	27.0%
Technical Potential	1.5%	3.1%	8.6%	19.7%	29.4%	35.7%

Figure 7 shows the Cumulative UCT Achievable Economic Potential by Sector. This cost test will remain the primary metric tracked and reported by the Company throughout the upcoming Biennium.

Figure 7: Cumulative UCT Achievable Economic Potential by Sector (thousand therms)

Sector	2026	2027	2030	2035	2040	2045
Residential	209	485	1,572	5,141	10,029	14,125
Commercial	157	359	1,407	4,913	8,398	10,701
Industrial	99	199	523	990	1,245	1,306
Total	465	1,043	3,503	11,044	19,671	26,132



ICF's modeling has provided an aggressive but achievable target for the Company following numerous updates to baseline assumptions as well as external factors such as economic uncertainty. Further information regarding these changes and their impacts can be found below as well within the 2025 CPA. Cascade intends to meet or exceed these targets through outreach, program delivery efficiencies, enhancements to the program plan, and collaboration with service providers and community influencers in the service territory.

4.3 Long Term Energy Savings Potential

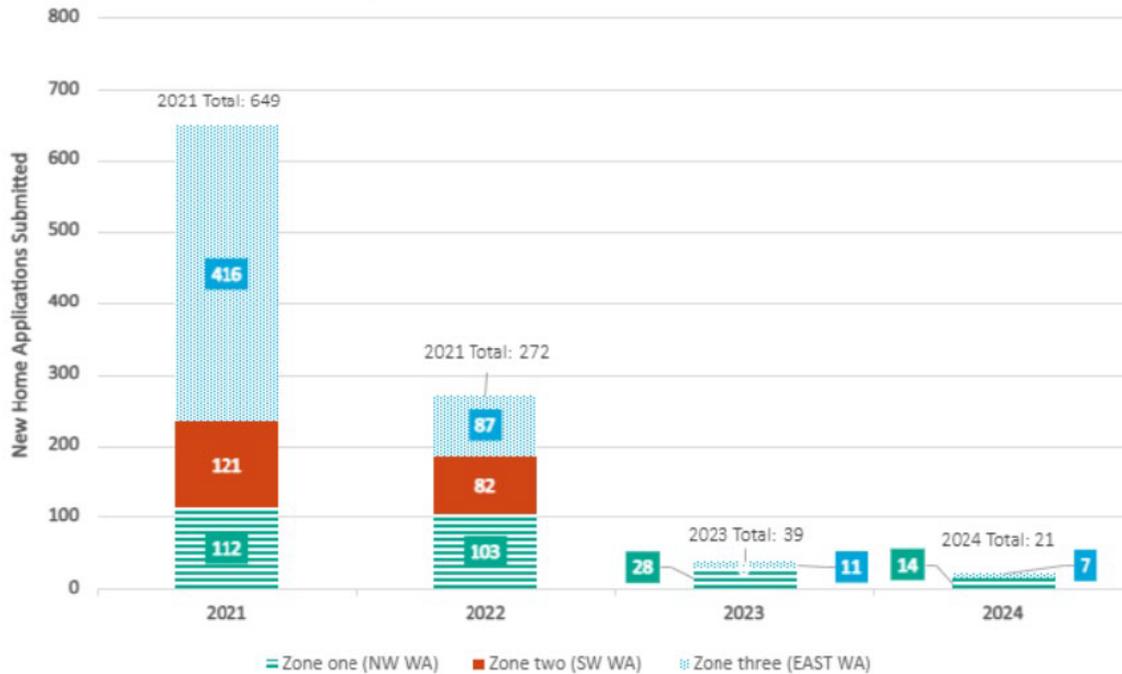
When projecting long term energy savings potential, external considerations must also be addressed. This includes product availability to utility customers and an adequate network of contractors, retailers, and TAs to support a program. As new measures or expanded programs are developed and added to the current program mix, internal and external resources and capabilities need to grow accordingly and progress through a "learning curve." Additionally, revised projections regarding the cost of natural gas and other external factors will lead to revisions to the Company's programs and will result in additional impacts on the company's projected participation levels.

Specifically, building codes play a significant role in Residential and Commercial therm savings potential. These assumptions will need to be continually updated as the impact on home builders and homeowners becomes more apparent as time progresses.

One very noticeable transition that was realized in the past biennium was a near total diminishment in new home rebate applications due to changes in Washington building and energy codes as shown in Figure 8.



Figure 8: New Home Applications per Year by Climate Zone



The Company has sought ways to make up the gap in savings from this realized transition away from high-efficiency natural gas in new homes. Cascade notes that all measures proposed in the 2026-27 conservation plan are available for existing homes with a particular emphasis on fuel agnostic weatherization measures. As new homes trend away from using natural gas this reduces the total potential available for the Company to incentivize. In addition, code restrictions from WSEC 2021 were included in the 2025 CPA. These assumptions may be continually updated through alternative scenario analysis in collaboration with the Resource Planning Team and CAG.

5. Regional Collaboration

Cascade engages with partners throughout the Pacific Northwest to increase availability of energy efficient appliances, develop industry accepted guidelines for program delivery and leverage efforts to maximize ratepayer value. These efforts currently involve membership in NEEA, the RTF, and joint utility program efforts and messaging.

5.1 Regional Technical Forum (RTF)

The RTF is a technical advisory committee to the Northwest Power and Conservation Council established in 1999 to develop standards to verify and evaluate energy efficiency savings. The RTF is funded by regional utility groups including Cascade. A five-year funding period is established to provide consistency with long-term goals; it also provides



flexibility to meet regional needs on an annual basis. RTF develops a work plan for each calendar year that lays out the generalities based on anticipated needs.

2025 marked the first year of the new 2025-2029 funding cycle, with an enhanced focus on measure work such as projects on commercial connected thermostats and heat pump research, and emerging dual fuel opportunities. Additionally, the RTF will be continuing its whole buildings work through updates to existing guidance documents for residential behavior and industrial strategic energy management.

Additional information on the Regional Technical Forum can be found at <https://rtf.nwcouncil.org/>.

5.2 NEEA Natural Gas Regional Market Transformation

Market Transformation efforts are a key element to increasing accessibility of new technologies to the region's natural gas consumers. NEEA's purpose, per their Strategic Plan for 2025-2029 states:

“NEEA is an alliance of utilities that pool resources and share risks to transform the market for energy efficiency to the benefit of consumers in the Northwest.”

As mentioned, the Company's participation in the alliance has proven beneficial in a number of ways, not the least of which is increasing Company familiarity with its regional counterparts and their EE efforts through “long-term value-creating relationships including access to knowledge, new ideas, expertise, improved market power, shared expenses and shared risk.”⁷ Additionally, NEEA serves an integral role in evaluating feasibility and accessibility to a number of natural gas products that seemed more viable than is currently available in the market. While proving a negative seems counterproductive, these discoveries from the alliance help steer efforts towards the more practicable opportunities for improvement and expansion.

NEEA's natural gas funders meet on a regular basis to discuss results and next steps of its efforts to move toward these goals. It is important to recognize savings from market transformation efforts are not realized immediately. Deemed savings are achieved in future years once the market can support the higher-efficiency options and that increased customer demand results in more advanced technological improvements. Cascade is

⁷ NEEA Strategic Plan 2020-24, pg. 2



committed to the alliance partnership throughout Cycle 7.

In Cycle 7, NEEA's gas portfolio will be managed with two related goals:

1. Maximizing near-to-medium term energy savings
2. Maintaining flexibility to advance products with the highest likelihood for achieving significant savings

NEEA will operate a portfolio of Market Transformation programs that concentrates efforts in three focus areas: gas heat pumps, dual-fuel and fuel-neutral products, and gas equipment.

Gas Heat Pumps: Gas heat pumps offer enormous savings potential in both space- and water-heating for the region, with the potential to improve efficiency by up to 50% over existing equipment. NEEA's gas heat pump work builds on investments made during the previous two business cycles. NEEA will build on this foundation and expand into new technology categories, including residential and commercial heat pumps, to build in flexibility for Cycle 7.

Dual-fuel and Fuel-neutral Products: This focus area will advance technologies that contribute to both electric and natural gas energy savings (i.e., fuel-neutral) or use both gas and electric fuel (i.e., dual-fuel). This includes the current High-performance Windows and dual-fuel HVAC programs which are funded by both natural gas and electric Funders. In particular, dual-fuel products and systems have significant non-energy benefits that potentially include decarbonization and winter-peak reduction.

Gas Equipment: The gas equipment category includes the current Efficient RTU program, as well as potential new programs advancing efficient gas technologies that do not include gas heat pumps or use both electric and gas as fuels (e.g., commercial dryers or hearths).

The Company's involvement and partnership with NEEA strategically invests in these technologies and opens the door to additional opportunities to evaluate GHG reduction potential outside of standard EE opportunities.

5.2.1 Funding & Cost Effectiveness

Cascade's funding for the NEEA Cycle 6 funding, 2020-2024 was \$1,744,540. After the close of 2024 and the full cycle of funds received are reconciled, Cascade will receive a credit for any funds advanced in excess of actual cycle expenditures. CNGC lists NEEA participation in the Annual Conservation Report and will represent the program's cost-effectiveness primarily without the NEEA efforts, due to the absence of significant



initial therm savings inherent in market transformation. Table 7 shows Cascade’s estimated Cycle 7 (2025-2029) allocations.

Table 7: NEEA Annual Cost Commitment

Year	CNGC Washington Commitment
2025	\$651,234
2026	\$651,234
2027	\$651,234
2028	\$651,234
2029	\$651,234
Cycle 7 Total	\$3,256,170

Cascade’s participation with the Alliance will continue, with efforts specifically centered on the Natural Gas Advisory Committee (NGAC), the Natural Gas Committee of the Board and the Board of Directors workshops and quarterly meetings. Cascade staff will also engage as needed in subcommittee discussions to leverage the membership.

5.2.2 Building Stock Assessment Review from NEEA

Cascade continues to participate with NEEA on Regional Building Stock Assessment reports. These assessments characterize the existing building stock to account for regional differences such as climate, building practices and fuel choices and are frequently referenced in CPAs.

Cascade has also been actively contributing to the Commercial Building Stock Assessment (CBSA) for the 2026 publishing as well as the Residential Building Stock Assessment (RBSA).

6. Outreach & Messaging Campaigns

Cascade’s outreach approach for the 2026-2027 biennium focuses on meeting customers online, in their local communities, and through organizations they trust. Continuing to optimize current established means of outreach, while developing new innovative ways to reach our customers digitally gives Cascade the opportunity to increase program participation using all channels available.

Cascade’s most scalable and cost-efficient engagement path for the upcoming biennium is to utilize a comprehensive paid digital marketing strategy. This biennium



will include:

- Targeted ads across Meta platforms, Google search, and YouTube that will be used to both increase visibility to customers and promote the simplicity of the company's rebate offerings.
- Using digital platforms to track additional data points associated with potential customer interactions. Digital ads allow Cascade to adjust advertisements based on seasonal timing, market conditions, and customer interaction.
- Utilizing Cascade's Contractor Central which provides similar tracking abilities as well as direct conversion tracking. Data gathered will allow the program to further improve the POS Trade Ally Program, and the overall experience with the portal.

The Company remains committed to establishing a meaningful presence in communities alongside developing comprehensive digital outreach. Engagement with youth programs such as sports leagues, after-school programs and community centers through sponsorships and partnerships makes Cascade part of rather than exclusively in service of various communities. Incorporating educational components builds energy efficiency awareness amongst families that extends beyond traditional marketing communications. Building trust and recognition increases program participation and customer satisfaction.

Cascade will further enhance the effectiveness of its digital marketing through the development of Ideal Customer Profiles (ICPs) this biennium. Anonymized data such as program participation, energy usage patterns, property characteristics, and response rates to various advertisement channels provides a "sketch" of the customer, which can then be assigned to the most appropriate profile. This profile gives Cascade a better "picture" of the customer, while ensuring data-security as specific customer PII is never used or collected. Outreach campaigns will be able to target customers most likely to participate, and outreach resources will be utilized more efficiently as customer motivations and barriers are better understood.

These strategic initiatives work together to create a modern, responsive outreach ecosystem. Digital marketing provides the scalability and precision needed for broad market coverage while community investments build the trust and awareness essential for program credibility. Improving customer segmentation ensures all channels deliver the right message to the right audience.

Cascade anticipates both increased program participation, as well as deeper customer relationships in this biennium that position energy efficiency as an accessible, valuable



investment. The Company will employ all cost-effective methods and strategies listed in this report to continuously improve its energy efficiency programs for all customers throughout 2026-2027 biennium.

