

Exhibit 2

California Home Energy Savings Program – Changes to the current incentives marked in redline form Measures, Incentives, and Qualifications

Applicable:

To new and existing residential customers in all territory served by Pacific Power in the state of California billed on Schedule D, DL-6, DS-8, DM-9 or NEM-35. Landlords who own rental properties served by Pacific Power in the state of California where the tenant is billed on Schedule D, DL-6, DS-8, DM-9 or NEM-35 also qualify for this program.

General Notes

- Incentive cannot exceed total price of product or service.
- All work must be installed per local, state, and federal building codes and requirements.

Per unit incentives for specific Energy Efficiency Measures (EEMs) are listed in the program incentive tables below. Current incentives can be found at <https://wattsmartsavings.net/california-residential/>.

Table 1 - Appliance Incentives Table

Measure	Qualifications	Customer Incentive
Clothes Washer	<ul style="list-style-type: none">• ENERGY STAR certified• Measure is available in single family, multifamily, and manufactured home installations as either new construction or normal replacement.	\$20
Clothes Dryer	<ul style="list-style-type: none">• ENERGY STAR® certified• Measure is available in single family, multifamily, and manufactured home installations as either new construction or normal replacement.	\$50
Refrigerator or Freezer	<ul style="list-style-type: none">• Must be on ENERGY STAR® qualifying list.• Measure is available in single family, multifamily, and manufactured home installations as normal replacement.	\$20

Room Air Cleaner	<ul style="list-style-type: none"> • Must meet clean air delivery rate (CADR) to watt ratio listed on program website. • Measure is available in single family, multifamily, and manufactured home installations as either new construction or normal replacement. 	\$40
Smart Connected Power Strip	<ul style="list-style-type: none"> • Must meet Tier 2 connected advanced power strip specifications as listed on program website. • Measure is available in single family, multifamily, and manufactured home installations as add-on equipment. 	\$30

Notes for appliance incentive table:

- See additional installation requirements and qualifying models on program website.
- Incentives for [appliances](#) apply to mid/upstream and/or downstream. Only one incentive will be provided per qualifying [measure](#).
- Incentives for [appliance measures](#) may be paid to the customer, retailer, and/or manufacturer and may be split between customer, retailer, and/or manufacturer.
- Incentives are not available for coin-operated clothes washers.

Table 2 - Water Heating Incentives Table

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Heat Pump Water Heater	<ul style="list-style-type: none"> • > 45 and ≤ 55 gallons: 3.09 or 3.31 UEF • Measure is available in single family, multifamily, and manufactured home installations as either new construction or normal replacement. 		\$400
Smart Pump	<ul style="list-style-type: none"> • High performance circulator pump must have variable speed controls to accommodate demand. • Pump must utilize an electronically commutated motor, have an integrated variable frequency drive, and have onboard pump controlling logic with self-optimizing programming to allow the pump to learn and operate at the best 		\$75

	<p>efficiency point on the pump curve.</p> <ul style="list-style-type: none"> • Measure is available in single family or multifamily domestic hot water applications as either new construction or normal replacement. • Hydronic heating applications are excluded from this measure. 	
Faucet Aerator/Flow Control Valve	<ul style="list-style-type: none"> • The existing faucet must have a flow rate of at least 2.2 gallons per minute (gpm), and must not have an aerator installed. • Measure is available in single family, manufactured, or multifamily homes as add-on equipment. • Kitchen sink aerators/flow control valves (FCVs) must reduce flow rate to 1.5 gpm or less. • Lavatory sink aerators/FCVs must reduce flow rate to 1.2 gpm or less. • This measure is not applicable to new faucets that meet or exceed 2016 CA Appliance Efficiency Regulations (Title 20) code requirement of 1.2 gpm flow rate for lavatory faucet and 1.8 gpm flow rate for kitchen faucet. 	\$5
Low Flow Showerhead	<ul style="list-style-type: none"> • Measure is available in single family, manufactured, or multifamily homes as normal replacement or new construction. • Showerhead must be 1.7 gpm or less. 	\$4
Flow Restriction Valve	<ul style="list-style-type: none"> • Measure is available in single family, manufactured, or multifamily homes as add-on equipment. • Flow restriction valve must be 1.7 gpm or less. 	\$30

Notes for water heating incentive table:

- Market partner incentives for all water heating measures apply to upstream or midstream.
- Home where measure is installed must have electrically heated domestic hot water
- See additional installation requirements on program website.
- Acronyms:
 - FCV:** Flow control valve
 - GPM:** Gallons per minute
 - UEF:** Uniform Energy Factor

Table 3 - New Homes Incentives Table

Measure	Qualifications	Customer Incentive
New Homes Whole Home Performance Path	To align with the California Advanced Homes Program, the Program will offer incentives to builders based on the new homes' percentage improvement beyond Title 24, beginning at 15% better than code and increasing. The home's performance will be modeled and verified by independent third-parties and the models will be delivered to the program for final savings and incentives calculations. See program website details.	Up to \$5,000

Notes for new homes incentive table:

- Incentives for all New Homes measures apply to downstream or mid/upstream. Only one incentive will be provided per home.
- Incentives may be paid to the customer, builder, and/or Rater and may be split between customer, builder, and/or Rater. The sum of the incentive payments per unit will be clearly displayed on the program website with applicable dates. The end use portion of the incentive may be changed.
- See additional installation requirements on program website.

Table 4 – HVAC Incentives Table

Measure	Qualifications	Customer Incentive
Smart Thermostat	<ul style="list-style-type: none"> • ENERGY STAR® certified. • Home must have a ducted heat pump as its primary source for heating. • Measure is available in single family, multifamily, and manufactured home installations as normal replacement. 	\$50
Central Brushless Fan Motor	<ul style="list-style-type: none"> • Must replace a permanent split capacitor (PSC) or shaded pole residential fan (blower) motor. • Measure is available in single family, multifamily, and manufactured home installations as normal replacement. 	\$15/ton
Ductless Heat Pump – Multifamily	<ul style="list-style-type: none"> • Minimum 9.0 HSPF. • Previous primary heat source must have been a permanently 	\$1,000

Ductless Heat Pump – Multifamily Hard-to-Reach	<ul style="list-style-type: none"> installed electric resistance heating system. Measure is available in multifamily home installations as normal replacement. 	\$1,500
Ductless Heat Pump replacing Forced Air Furnace	<ul style="list-style-type: none"> Minimum 9.0 HSPF. Previous primary heat source must have been a permanently installed electric forced air furnace. 	\$1,500
Ductless Heat Pump replacing Forced Air Furnace Hard-to-Reach	<ul style="list-style-type: none"> Measure is available in single family and manufactured home installations as normal replacement. 	\$2,000
Ductless Heat Pump replacing Zonal heat	<ul style="list-style-type: none"> Minimum 9.0 HSPF. Previous primary heat source must have been a permanently installed zonal electric heating system. 	\$1,500
Ductless Heat Pump replacing Zonal heat Hard-to-Reach	<ul style="list-style-type: none"> Measure is available in single family and manufactured home installations as normal replacement. 	\$2,000
Heat Pump Conversion	<ul style="list-style-type: none"> Minimum 9.0 HSPF. Previous primary heat source must have been a permanently installed electric resistance heating system. Measure is available in single family, multifamily, and manufactured home installations as normal replacement. 	\$2,500
Room Air Conditioner	<ul style="list-style-type: none"> ENERGY STAR® certified Measure is available in single family, multifamily, and manufactured home installations as either new construction or normal replacement. 	\$10

Notes for HVAC incentives table:

- Maximum of one smart thermostat per household.
- [See additional installation requirements on program website.](#)
- [Enhanced “Hard-to-Reach” incentives are available for customers meeting requirements listed on the program website.](#)

Definitions

British Thermal Unit (Btu): It is approximately the amount of energy needed to heat 1 pound of water from 39° to 40° Fahrenheit.

Consortium for Energy Efficiency (CEE): A consortium of US and Canadian gas and electric efficiency program administrators. Members work to unify program approaches across jurisdictions to increase the success of efficiency in markets. CEE members define one or more tiers of energy performance for a particular product or service. A specification is an advanced level of energy performance, higher than is normal in a market, for a residential, commercial, or industrial product or service.

Cubic Feet per Minute (CFM): A measurement of the velocity at which air flows into or out of a space.

Customer: Any party who has applied for, been accepted and receives service at the real property, or is the electricity user at the real property.

DEER (Database for Energy Efficiency Resources): is a California Energy Commission and California Public Utilities Commission-sponsored database designed to provide well-documented estimates of energy and peak demand savings values, measure costs, and effective useful life all with one data source.

Direct Install: Installation of an Energy Efficiency Measure directly by the Company, Program, or a Program-approved contractor or other 3rd party.

Downstream: Payment of incentive made by the Company to a customer, owner, contractor or other approved third party for the purchase or installation of an Energy Efficiency Measure pursuant to an approved energy efficiency incentive application.

Energy Efficiency Incentive: Payments of money made by Company to Owner or Customer or other approved party for installation of an Energy Efficiency Measure pursuant to an approved Energy Efficiency Incentive Application or Invoice.

Energy Factor (EF): Indicates a water heater's overall energy efficiency based on the amount of hot water produced per unit of fuel consumed over a typical day. The higher the energy factor, the more efficient the water heater. This is an older measure of water heater efficiency that is being phased out and replaced with Uniform Energy Factor (UEF).

Heating Seasonal Performance Factor (HSPF): The efficiency of heat pumps measured by the ratio of Btu heat output over the heating season to watt-hours of electricity used. The higher the number, the greater the efficiency.

Heating, Ventilation and Air Conditioning (HVAC): Refers to technology of indoor environmental comfort.

Light-emitting Diode (LED): A semiconductor light source.

Manufactured Homes (mobile homes): A type of prefabricated housing that is largely assembled in factories and transported to the site of use. Units are at least 320 square feet and installed with a permanent chassis to assure the initial and continued transportability of the home.

Mid-Market: An approved third party (typically a contractor, retailer or manufacturer) who installs Energy Efficiency Measures at the real property or sells Energy Efficiency Measures to a Customer.

Modified Energy Factor (MEF): Measures energy consumption of the total laundry cycle (washing and drying). It indicates how many cubic feet of laundry can be washed and dried with one kWh of electricity; the higher the number, the greater the efficiency.

NEEA: Northwest Energy Efficiency Alliance.

New Home: A newly constructed [single-family](#) residence [or a complete remodel of an existing structure into a new living space](#).

Owner: The person who has both legal and beneficial title to the real property, and is the mortgager under a duly recorded mortgage of real property, the trustor under a duly recorded deed of trust.

Regional Technical Forum (RTF): Part of the Northwest Power & Conservation Council, the RTF is an advisory committee established in 1999 to develop standards to verify and evaluate conservation savings.

R-Value: Indicates insulation's resistance to heat flow. The higher the R-value, the greater the insulating effectiveness.

Seasonal Energy Efficiency Ratio (SEER): The efficiency of air conditioners, measured by the cooling output in Btu during a typical cooling-season, divided by the total electric energy input in watt-hours during the same period. The higher the unit's SEER rating, the more energy efficient it is.

Uniform Energy Factor (UEF): The newest measure of water heater overall efficiency. The higher the UEF value is, the more efficient the water heater.

Upstream: Payment of incentive made by the Company directly to a manufacturer, retailer, or other pre-approved vendor to apply a pre-purchase discount for customers.