

**Clean Energy Implementation Plan**  
**Appendix C**  
**Energy Efficiency Programs**

## Avista Programs supporting the Clean Energy Implementation Plan

### I. Efficiency Programs that are part of the Clean Energy Implementation Plan (CEIP)

- a) **Multifamily Direct Install:** This program provides direct-installation of energy efficient lighting, low flow showerheads and other efficiency measures in apartment buildings of five units or more. The program targets a hard-to-reach market of customers who rent rather than own their property, helping increase access to energy efficiency programs by providing these items free of cost for residents, lowering their energy costs.
- b) **Low Income Programs:** Avista partners with multiple community action partnership agencies and one Tribal Housing Authority to deliver low-income energy-efficiency programs). The agencies income-qualify customers, generate referrals, and have access to a variety of funding sources that can be used to best meet customers' home energy needs. The program fully funds a wide variety of efficiency measures, including home insulation, heat pumps, heat pump water heaters, lighting, and ENERGY STAR refrigerators. The program also allows agency partners to spend up to 30% of the program budget on health, safety and repairs that are needed to keep homes safe and to ensure the systems and improvements the home has received are operating as intended.
- c) **Community Energy Efficiency Program:** A funding source created by the Washington State Legislature in 2009 to tackle hard-to-reach markets in both the residential and commercial/industrial sectors by encouraging energy-efficiency improvements. Avista has been a recipient of these funds. Currently, three community action agencies partner with Avista to implement the CEEP funds under two programs: energy-efficiency improvements for multifamily housing and converting income-qualified homes with alternative heat sources (e.g. wood and oil) to a heat pump system. In addition, CEEP funds are being used to match utility rebates for energy-efficiency work done in small businesses in rural communities.
- d) **Targeted low-income weatherization programs (pilots for 2022):** For 2021, Avista is engaging in 2 pilot programs with named communities to identify **data gaps** and **other barriers** to ensuring an equitable distribution of energy efficiency program opportunities. One barrier identified is that nonprofit housing providers are often unaware that their properties are eligible for energy efficiency assistance through community action partnership agencies. The first pilot will leverage existing CAP partnerships to provide necessary insulation, window, and HVAC upgrades to a small nonprofit housing provider's entire single-family and duplex portfolio. The second pilot addresses energy needs of members of a resident-owned mobile home community, the majority of whom receive energy assistance. This pilot program will leverage multiple resources to provide health and safety updates, necessary window, insulation, HVAC, and hot water system upgrades to a significant number of residents in this community.
- e) **Residential Prescriptive Programs/ Small Home Weatherization:** Prescriptive rebate programs use financial incentives to encourage customers to adopt qualifying energy-efficiency measures. Customers must complete installation and apply for a rebate, submitting proper proof of purchase, installation, and/or other documentation to Avista after the product has been installed. Residential prescriptive programs typically cover

single-family homes up to a four-plex. Incentives are available for HVAC systems, water heating, window and insulation upgrades, and appliances. New for 2021 is a segment of the residential program dedicated to providing weatherization measures for small homes (less than 1000 square feet in size) and multifamily dwellings (specifically customers in condominiums that are larger than a five-plex in size).

- f) **Commercial/ Industrial Site-Specific Program:** Avista's site-specific program is the primary program available for commercial/industrial offerings. The program offers a flexible approach to energy-efficiency projects that have demonstrable kWh savings. Most of the site-specific electricity (kilowatt hour) savings are composed of custom lighting projects and custom heating, ventilation, and air conditioning (HVAC), building envelope, and industrial process load projects that do not fit the prescriptive path. The site-specific program is available to all commercial/industrial retail electric customers, and typically brings in the largest portion of savings to the overall energy-efficiency portfolio.
- g) **Commercial/Industrial Business Partner Program:** designed to target Avista's rural small business customers by bringing awareness of utility programs and services that can assist them in managing their energy bills. The initiative includes an energy-efficiency assessment, along with awareness about other services such as billing options and energy-efficiency rebates. If an energy efficiency project is identified and qualifies for a utility rebate, CEEP funding is leveraged to match the rebate, thus assisting the customer with a lower out of pocket expense.
- h) **Commercial/Industrial Prescriptive Programs:** This group of programs encourages Avista's commercial electric customers to increase the energy efficiency of their business through direct financial incentives. The program uses a prescriptive approach, where customers receive a predetermined incentive amount for a range of common efficiency measures. The program makes it easier for smaller customers and vendors to participate. Incentives are available for lighting, heating, and building shell measures as well as for food service equipment, grocer equipment, air compression and motor equipment.
- i) **Market Transformation:** Electric utilities in the Northwest came together in 1997 to establish and fund a cooperative effort toward sustaining market transformation on a regional basis, encouraging consumers to purchase more energy efficient equipment. That organization, Northwest Energy Efficiency Alliance (NEEA), conducts research and development to lead market transformation for new efficiency products in the region (e.g. ductless heat pumps), provides regional energy savings for the utility to count towards their energy efficiency efforts, and tracks market uptake of new technologies (e.g. heat pump water heaters).
- j) **Residential Home Energy Audit Pilot Program:** This pilot program allows residential customers to receive a free home energy audit. This provides basic information and education for the customer about how the home is currently utilizing energy for heating and lighting and other appliances. Some efficiency measures are installed on site (e.g. screw in LED lights), while other efficiency measures are recommended for future projects.

- k) **WA State Clean Buildings Act Early Adopter Incentives:** Washington State House Bill 1257 is a new law which requires existing commercial buildings over 50,000 square feet to comply with established energy efficiency standards. Compliance requirements for commercial building owners will be phased in starting in 2026, with all with all commercial buildings over 50,000 square feet expected to comply by 2028. Incentives for early adopters of these new standards are offered to building owners who comply with the new standards before 2026.
- l) **Active Energy Management Pilot Program:** The Active Energy Management (AEM) pilot program will use the communication networks in Avista's eco-district (a campus of new "smart" buildings east of downtown Spokane), as well as cloud services and data mining algorithms, to capture, process, and disseminate information on ways to improve a building's energy usage to participants in the program. Potential building efficiency actions will be generated based on building data from the Scott Morris Center for Energy Innovation and the Catalyst building, both of which are located inside the eco-district, as well as data from up to 10 participating pilot program buildings located outside of the eco-district. Information to increase energy efficiency will be shared with participating pilot program buildings.
- m) **On Bill Financing:** This new program allows customers to finance energy efficiency projects by offering competitive loans and then allowing customers to repay the loan as a line item on their monthly Avista bill. The program helps customers overcome the up-front cost hurdle for energy upgrades and allows them to gain benefits of efficient energy sooner rather than later. Loans are administrated through a third-party lender who works with Avista to provide reasonable loan rates that are more accessible to loan applicants than a typical private loan.
- n) **"Always on" Behavioral program:** Avista is leveraging our Automated Meter Infrastructure ("smart meter") to help customers understand their energy use and save more energy. The targeted load behavioral program will use AMI- based Non-Intrusive Load Monitoring to identify the loads that are present within a residence. Load information will be shared with customers to better inform them of tailored energy-efficiency solutions and will include regular communication about their energy use. This program does not yet have a launch date.
- o) **Demand Response (DR)** programs encourage customers to shift energy use from typical high-use energy periods of the day to periods of the day when overall energy use is lower. This shifting of loads from peak periods to low periods allows customers to play a significant role in electric energy Avista does not currently have an active demand response program in place but is considering this for future implementation. Demand Response (DR) programs encourage customers to shift energy use from typical high-use energy periods of the day to periods of the day when overall energy use is lower. This shifting of loads from peak periods to low periods allows customers to play a significant role in electric energy grid operations. Utilities can leverage time-based rates or offer other forms of financial incentives for customers interested in making this shift to help smooth out the daily peak load on the electric grid. Avista does not currently have an active program in place but is considering a demand response program for the future.

## II. Other Company Initiatives and Programs

- a) **Bill Assistance:** Programs to help Avista eligible customers for bill assistance includes the tariff-funded Low-Income Rate Assistance Program (LIRAP) and donation-based Project Share along with the CARES Donation program. These programs are in addition to the federal Low-Income Home Energy Assistance Program (LIHEAP). The federal program and LIRAP Heat are available to customers within 150% of the Federal Poverty Level (FPL) and are designed to help the lowest income customers with the highest energy burden. Project Share, LIRAP Emergency Share and CARES Donation provide financial relief for customers experiencing hardship or who are in jeopardy of disconnect due to non-payment. Avista LIRAP also includes a Rate Discount for customers who are 60 plus in age and/or who receive disability income.
- b) **Conservation Education & Outreach:** Avista Outreach is designed to connect with marginalized customers to equip them with conservation education information and resources to save energy efficiently and effectively. Outreach is conducted through a variety of modalities that include educational workshops, company hosted energy fairs, partnerships with organizations that serve hard-to-reach and underserved populations, and a van that travels to foodbanks throughout our service area.
- c) **Transportation Electrification:** With the support of a broad coalition of stakeholders and customers, Avista has developed a comprehensive Transportation Electrification Plan with supporting tariffs 077, 013 and 023, effective April 26, 2021. This provides the Company with the authorization and mandate to support electric transportation over the long term, resulting in major economic and environmental benefits for all customers. New authorized programs include charging infrastructure investments in both commercial and residential locations for personal, workplace, fleet, and public use, as well as fleet support services, education and outreach, load management, community support programs, and new commercial EV rates utilizing time-of-use (TOU) designs. Electric transportation is a tremendous long-term opportunity to transition to a better energy future for all – not just those using EVs and other forms of electrified transportation equipment – by using a cheaper and cleaner fuel, more efficiently utilizing grid infrastructure, and integrating renewable power resources that energize a healthy and more sustainable economy.
- d) **Avista Foundation:** The Avista foundation is a community investment program of Avista Corp. It provides funding through grants for non-profit organizations addressing the needs of communities and citizens served by Avista Utilities. The foundation provides support for K-12 education particularly in the areas of math and science, provides assistance for vulnerable populations by providing assistance to those with limited income, supports economic and cultural vitality and helps support an employee matching gifts program that further benefits non-profit organizations.

- e) **Energy Affordability:** Avista cares deeply about all of our customers and we keep their energy costs at the forefront of our decisions. Within Avista's service territories, there are many individuals and families living on fixed or limited income, including seniors and individuals with disabilities. These members of our communities may rely on assistance to maintain essential needs such as food or gasoline, access to healthcare and communication and utility services. Avista is committed to providing safe, reliable service that is there when needed, and that is affordable for our customers
  
- f) **Equity, Inclusion and Diversity:** Avista has a strong commitment to equity, inclusion, and diversity. In addition to the Avista Foundation, focused primarily on the communities we serve, we also have strong commitment to ensure equity, inclusion and diversity goals are met for our employees as well as our business suppliers. Our goals can best be achieved by assembling a truly diverse workforce which represents the customers and communities we serve. We also recognize how important our business suppliers and vendors are to our success, and we are working to increase supplier diversity.
  
- g) **Customer Unplanned Outage (Resiliency):** Avista has created a team (Major Unplanned Outage Customer Experience Team) led by Customer Experience Leadership that focuses on improving how we communicate and respond to our customers during outage events. The focus of this team is to offer outage-related services to our customers that reduce the impact and provide timely, consistent, and accurate information across our service territory. The goal is to interact with customers in a positive manner, keep them informed, and get power back on as efficiently as possible.
  
- h) **Wildfire Resiliency**