Exhibit 1

From:	Reynolds, Deborah (UTC)
To:	bob.stolarski@pse.com; Anderson, Dan; Hemstreet, Andrew W (andrew.hemstreet@pse.com); Johnson, Dan;
	<u>Gifford, Amber; Don.Jones_JR@PacifiCorp.com; Ariel.Son@pacificorp.com; "linda.gervais@avista.com";</u>
	ken.s.johnson@pse.com
Subject:	[External] Comments on Draft 2018-19 Biennial Conservation Plans
Date:	Monday, October 23, 2017 10:05:36 AM
-	ken.s.johnson@pse.com [External] Comments on Draft 2018-19 Biennial Conservation Plans

Greetings,

Staff has been diligently reviewing the draft 2018-19 Biennial Conservation Plans. I have some overall guidance to offer, which you may or may not have time to incorporate before making your formal filings. You can expect these issues to recur in our formal comments if they are not addressed in your filings.

- 1. <u>Inclusion of NEEA in the target</u>: Staff has closely watched the impact of excluding NEEA from the target. Each year, it has created confusion and unnecessary discussion. Staff believes that NEEA should be restored to the target for the 2018-19 Biennium, which will match the approach taken by non-investor-owned utilities.
- 2. <u>Implement the National Standard Practice Manual</u>: Staff has worked closely with the National Efficiency Screening Project, and believes that a review of the resource value tests will streamline and optimize cost-effectiveness analysis. Each BCP should include a proposal and timeline for this review, to be completed in 2018. This will include the identification of non-energy impacts that should be quantified.
- 3. <u>Evaluation, Measurement and Verification 2.0</u>: Each BCP should discuss implementation of new approaches to EM&V, taking particular notice of new metering capabilities.
- 4. <u>Fuel Conversion</u>: These programs have continued to draw controversy each year. Staff believes these programs need to be completely removed from conservation programs. This includes cancelling any tariffs.
- 5. <u>On-bill Repayment</u>: This program has obvious benefits to moderate-income customers, with less access to capital. Without a demonstration that existing conservation programs are proportionally used by low- and moderate-income customers, utilities should offer on-bill repayment as a way to provide fair access to conservation programs.

Best regards,

Deborah Reynolds

Assistant Director, Conservation and Energy Planning (360) 664-1255 <u>dreynold@utc.wa.gov</u>

Utilities and Transportation Commission

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This e-mail states the informal opinions of commission staff, is offered as technical assistance, and is not legal advice. We reserve the right to amend these opinions should

circumstances change or additional information be brought to our attention. Staff's opinions are not binding on the commission.

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Do not click on links or open attachments that are not familiar. For questions or concerns, please e-mail <u>phishing@avistacorp.com</u> Exhibit 2

From:	Gifford, Amber
То:	Amy Wheeless; Anderson, Dan J; Baker, Mark; Ben Otto; Beverly Baker; Bing Tso; Bryan, Catherine; Chris Davis;
	Christie, Kevin; Christina Zamora; Chuck Murray; Colamonici, Carla (ATG); Johnson, Dan; Deborah Reynolds;
	Donn English; Elizabeth Osborne; Finesilver, Ryan; Gervais, Linda; Gifford, Amber; Holland, Kevin; Jeff Harris;
	Jones JR, Don (DSM); Kathi Scanlon; Kevin Keyt; Kristi Sherlock; Lienhard, Tom; Lisa Gorsuch; Ron Gaunt;
	Shawn Collins; Simon ffitch; Stacey Donahue; Stan Price; Tim Stout; Tina Jayaweera; WUTC Calendar
Subject:	URGENT: Comments Requested re: Avista WA Draft 2018-2019 Biennial Conservation Plan
Date:	Thursday, October 26, 2017 10:44:42 AM
Attachments:	BCP Draft Review Meeting with WUTC 10.24.17 - Notes.pdf
	BCP Review Meeting 10.24.17 Olympia.pdf

Hello Avista Advisory Group Members,

First, thank you to those who have submitted comments to our WA Draft 2018-2019 Biennial Conservation Plan, we are working to incorporate your feedback as well as answer any questions we received.

On Monday October 23rd, Avista received an email from Deborah Reynolds to the IOUs providing some guidance prior to making our formal filings (below). On Tuesday, Avista met with Deborah and her Staff, as well as Carla with Public Counsel at the WUTC to walk through the draft plan and discuss the 5 issues as provided in the email.

The following are a few items we would like to share with you, as well as get your input:

- Attached are meeting notes (referencing UTC's Staff comments) resulting from the BCP review meeting Tuesday;
- Also attached is the corresponding meeting slide deck; and
- Note: Item # 4 (below) has the biggest impact to DSM and our BCP; we have been informed by the Commission Staff that they will no longer accept fuel conversions as part of our DSM Program effective January 1, 2018; this includes all conversions (i.e., Low-Income and Multi-Family Market transformation).

We are asking for you to please provide comments by the end of the day tomorrow, Friday October 27th, I understand that is not a lot of time for review, however, we are looking for your input as soon as possible as the filing deadline for the BCP is this coming Wednesday, November 1st.

Sincerely, Amber

Amber Gifford DSM Planning and Analytics Manager



1411 E Mission MSC-15 Spokane, WA 99220 P 509.495.2896 C 509.671.0570 http://www.avistautilities.com From: Reynolds, Deborah (UTC) [mailto:dreynold@utc.wa.gov]Sent: Monday, October 23, 2017 10:05 AMSubject: [External] Comments on Draft 2018-19 Biennial Conservation Plans

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Best regards,

Deborah Reynolds

Assistant Director, Conservation and Energy Planning (360) 664-1255 <u>dreynold@utc.wa.gov</u>

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