



Received
Records Management
May 17, 2023

Avista Corp.

1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

May 17, 2023

Ms. Amanda Maxwell
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503

DO NOT REDOCKET

Docket No. UE-230212

RE: WN U-28 - Avista's Proposed Time-of-Use and Peak Time Rebate Pricing Pilots and Monitoring and Reporting Plans

Attached for electronic filing with the Commission is the following revised tariff sheets proposed to be effective June 1, 2023:

1st Revised Sheet 017

1st Revised Sheet 018

1st Revised Sheet 084

On March 31, 2023, Avista filed a proposal to implement two separate time-of-use pilot programs and a peak time rebate pilot program. Subsequent to filing, it was discovered by the records center that the Company inadvertently filed Sheets 017, 018, and 084 as "Original Sheets" when in fact they are the 1st revisions to those sheets. Included with this filing are revised Sheets 017, 018, and 084 with the correct version names. No other changes were made to these tariff sheets from the original filing.

Additionally, since the filing on March 31, 2023, the Company has had discussions with Staff of the Washington Utilities and Transportation Commission (Staff) and the Public Counsel Unit of the Washington Attorney General's Office (Public Counsel) regarding details of the pilot programs and documents provided included with the original filing. Based on those discussions, the Company is clarifying the following details:

1. Customers receiving LIHEAP or other grant-based assistance are eligible to participate in

the time-of-use and peak time rebate pilot programs.

2. In regard to the proposed bill guarantee that customers participating in the time-of-use pilots will pay no more than 10% above what they would have paid under their default rate schedule for the first year, for customers receiving LIHEAP benefits, the guarantee will be applied consistent with Avista's bill discount program policy.
3. The following clarifications are made to details in the cover letter filed March 31, 2023 to ensure consistency between the cover letter, tariffs and M&R plans:
 - a. On page 4 it stated "For the first year, customers will receive a price-guarantee that will ensure they will pay no more than 10% above the amount they would have paid under their default rate schedule. Customers may opt-out of the program at any time and return to their default rate."

Clarification: Although customers can opt-out at any time, in order to receive the price-guarantee, customers must remain on the pilot for a full year and no payment shall be given if a customer terminates service on the pilot program before the end of the first year on the program. This is consistent with language in the Monitoring and Reporting (M&R) Plans and tariff sheets for the time-of-use pilot programs.

- b. On page 11, Footnote 5 stated "Low Income customers would take service under Schedules 007 or 008 and would be separately identified for monitoring and reporting purposes."

Clarification: Low Income customers could also participate in the peak time rebate pilot program under Schedule 084 and would be separately identified for monitoring and reporting purposes of that pilot program.

- c. On page 11, it stated "a personalized on-line savings comparison tool will be offered to customers to learn if a TOU rate plan would be beneficial to them over their standard rate option. This tool may be leveraged to provide monthly feedback to enrolled TOU participants comparing rates. Avista will also consider any other information or digital tools that help educate participants on how the pilot rates would impact their bills with respect to their expected behavior."

Clarification: As discussed in part 4(d) below, there will be a tool available for customers to learn if a time-of-use rate would be beneficial to them prior to enrolling and a personalized on-line comparison chart for time-of-use pilot program participants will be made available that shows monthly time-of-use charges compared to a counterfactual of standard tiered rate charges.

- d. Pages 13-14 state that, "the Company will promote enrollment in the program across multiple channels that may include:
 - Bill messaging
 - Website

- Newsletters
- Targeted email announcements
- Social media posts
- Outreach through Avista’s Energy Assistance Advisory Group, Energy Efficiency Advisory Group, Equity Advisory Group, and other applicable organizations
- Outreach conducted in languages other than English in line with local customer demographics”

Clarification: In addition to the items above, the Company may also utilize targeted direct mail outreach, local media outreach, and Avista Account Executives and Regional Business Managers. These additional items are included in the M&R Plans.

4. The changes below were made to the original M&R Plans filed March 31, 2023. The revised M&R plans are included as attachments (Attachments A – C) to this filing.
 - a. The enrollment limits for the residential time-of-use pilot were updated to agree with the tariffs, as filed, which allow for up to 1,000 residential customers to opt-in to each of the time-of-use pilots (TOU-A and TOU-B). The maximum will be limited to 500 customers from low-income residential and 500 standard residential for a total of up to 1,000 in each residential time-of-use pilot program, for a combined maximum of up to 2,000 participants between the two pilot programs.
 - b. The enrollment limits for the peak time rebate pilot were updated to agree with the tariff, as filed, which allow for up to 500 low-income residential customers, 500 standard residential customers, and 500 general service customers to opt-in to the pilot for a maximum of 1,500 participant in total.
 - c. In order for the M&R Plans to state the objective of the morning discount rate in TOU-B (Schedules 008 and 018), the following was added to the Residential and Non-Residential time-of-use M&R Plans:
 - i. “The TOU-B summer discount is offered to encourage customers to shift usage to match regional solar generation during its higher levels of production and when regional power prices are at their lowest, and thereby reducing the potential for higher loads in the afternoon when other loads such as air conditioning are increasing load. The pilot’s load impact studies will analyze this theory.”
 - d. Page 2 of the Residential and Non-Residential Time-Of-Use M&R Plans stated that participants would receive a notification after their first year of enrollment informing them of their net savings or cost on the pilot. This has been updated with the language below to clarify that participants will receive this annually throughout the pilot:



- i. “Annually on the anniversary of the participant’s enrollment in the program, a letter will be sent to the participant informing them of their net savings or cost relative to their previous rate schedule. Included in that communication may be an invitation to participate in an online survey. To increase the response rate to the survey, an incentive will be offered.”
 - e. In the Residential and Non-Residential Time-Of-Use M&R Plans, the following was added on Page 2 under Pilot Design and Implementation to clarify online tools that will be available:
 - i. A personalized on-line savings comparison tool will be offered to customers to learn if a TOU rate plan would be beneficial to them over their standard rate option before enrollment.
 - ii. A personalized on-line comparison tool for TOU pilot program participants will be made available that shows monthly TOU charges compared to a counterfactual of standard tiered rate charges.
 - f. In an effort to assess the online time-of-use comparison tool’s contribution toward participant success, the Customer Satisfaction measures on page 3 of the Residential and Non-Residential M&R Plans were updated to include the following:
 - i. Surveys will be conducted to determine satisfaction with the program and if the materials and education provided were adequate for participant success.
 - ii. Net customer bill savings/cost relative to service under default Schedule 01 and 02 will be tracked for each participant on an annual basis. A distribution of net savings/cost will be examined.
 - iii. Webpage analytics will be tracked for online TOU tools available to customers.
 - g. The Reporting sections of the Residential and Non-Residential time-of-use M&R Plans and the Peak Time Rebate M&R Plan has been updated to include the following:
 - i. “Avista will convene interested parties to review a proposed draft survey plan prior to pilot launch.”
- 5. Public Counsel provided feedback that participants in the time-of-use pilots should receive feedback, or have access to receive feedback, on as close to a real time basis as possible in order to assess how their usage activity is impacting their bill on the time-of-use rate, and how that compares to what their bill would have been under their default rate.

Avista will provide a rate comparison tool that can be used by customers prior to enrollment to help educate themselves on whether or not a time-of-use rate would work for them based on their historical usage. Avista is planning on using this tool for that purpose, however, this tool will not allow a month-to-month comparison once a customer is enrolled in a new rate. After consideration from discussions with Public Counsel, Avista will create a chart



showing the pilot participant’s time-of-use rate charges by month compared to what they would have been billed had they remained on their default rate. Both tools will be available to customers online and require customers to authenticate on their Avista MyAccount. Costs for this added online chart is included in the updated expenditure breakdown of the pilot programs below.

Category	Original Cost		Revised Cost
	Estimate	Change	Estimate
Implementation - Capital	\$ 3,000	\$ 200	\$ 3,200
Marketing	\$ 450		\$ 450
Evaluation, Measurement & Verification	\$ 300		\$ 300
Program Management	\$ 300		\$ 300
Total	\$ 4,050	\$ 200	\$ 4,250

**Amounts above shown in thousands*

Please direct any questions related to this filing to Marcus Garbarino (509.495.2567 or marcus.garbarino@avistacorp.com) or Joe Miller (509.495.4546 or joe.miller@avistacorp.com).

Sincerely,



Patrick Ehrbar
 Director of Regulatory Affairs

