

Energy Independence Act (I-937) **Conservation Report 2016**

Utility	Avista Corp.
Report Date	
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Planning			
2014 - 2015 Planning		2016 - 2017 Planning	
2014-2023 Ten Year Potential (MWh)	2014 - 2015 Target (MWh)	2016-2025 Ten Year Potential (MWh)	2016 - 2017 Target (MWh)
394,200	97,204	383,063	82,477

Achievement

Conservation by Sector	2014 Achievement	
	MWh	Utility Expenditures (\$)
Residential	24,078	\$4,115,619
Commercial	15,024	\$3,781,678
Industrial		
Agriculture		
Distribution Efficiency	885	
Production Efficiency		
NEEA	15,198	\$1,445,817
Conservation expenditures NOT included in sector expenditures		
General		\$1,711,914
Total	55,185	\$11,055,028

	Summary of Achievement and Targets (MWh)	
	2014-2015 Biennial	2016-2017 Biennial
Target	97,204	82,477
Achievement	101,356	
Surplus (Deficit)	4,152	

Conservation by Sector	2015 Achievement	
	MWh	Utility Expenditures (\$)
Residential	10,927	\$4,468,709
Commercial	19,168	\$4,162,940
Industrial		
Agriculture		
Distribution Efficiency	628	
Production Efficiency	249	
NEEA	15,199	\$1,314,999
Conservation expenditures NOT included in sector expenditures		
General		\$2,074,515
Total	46,171	\$12,021,163

Note: Expenditure amounts do not include any customer or other non-utility costs.

Utility	Avista Corp.
Compliance Year	2016

Notes, including a brief description of the methodology used to establish the utility's ten-year potential and biennial target to capture cost-effective conservation:

The Company's energy efficiency acquisition targets for the 2014-2015 Biennium were based upon a Conservation Potential Assessment (CPA) completed as part of Avista's 2013 Electric Integrated Resource Plan (IRP) by a third-party consultant applying methodologies consistent with the Northwest Power and Conservation Council's (NWPCC) Sixth Power Plan.

Avista's 2014-2015 targets were approved in Order No. 01, Docket No. UE-132045, by the Washington Utilities and Transportation Commission (UTC) on December 19, 2013. <http://www.utc.wa.gov/docs/Pages/DocketLookup.aspx?FilingID=132045>

General rate case settlement in 2014 included a 5% increase in the 2014-15 Biennial Target for local energy savings.

64,956 MWh original target + 3,248 MWh (5% increase) = 68,204 MWh (local)

68,204 MWh (local) + 11,130 (NEEA) = 79,334 new 2014-15 Biennial Target

The Company's energy efficiency acquisition targets for the 2016-2017 Biennium were based upon a Conservation Potential Assessment (CPA) completed as part of Avista's 2015 Electric Integrated Resource Plan (IRP) by a third-party consultant applying methodologies consistent with the Northwest Power and Conservation Council's (NWPCC) Sixth Power Plan.

Avista's 2016-2017 targets were approved in Order No. 01, Docket No. UE-152076, by the Washington Utilities and Transportation Commission (UTC) on January 28, 2016. <http://www.utc.wa.gov/docs/Pages/DocketLookup.aspx?FilingID=152076>

Savings numbers are for I-937 and NEEA but do not include fuel switching of 9,445 MWh.

Commercial and Industrial customers are not tracked separately and are therefore listed under "Commercial."

Expenditures for distribution and production savings are part of the capital budget and not known specifically.

General expenditures are not applied to a specific sector.

Avista's evaluation, measurement and verification (EM&V) was performed by a contracted third party to calculate the verified energy savings in accordance with the Commission's Order. The Company's 2014 DSM Annual Report and 2015 DSM Annual Report (provided under separate covers) provide more data regarding Avista's 2014 and 2015 programs and results. Electric EM&V cost \$789,173 in 2014 and \$483,951 in 2015.