

July 19, 2018

Mark L. Johnson  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 South Evergreen Park Drive SW  
P.O. Box 47250  
Olympia, WA 98504

*Re: Docket No. UE-152076, Avista's Report Concerning its Progress in Meeting Its Conservation Target during 2016-2017, pursuant to RCW 19.285.070 and WAC 480-109-040*

The NW Energy Coalition and Renewable Northwest appreciates the opportunity to comment on Avista's (Avista or the Company) progress report on meeting its conservation goal during the 2016-2017 biennium. The Coalition has engaged in Avista's Integrated Resource Plan (IRP) process, and actively participates in Avista's DSM Advisory Group. This Advisory Group is where the majority of conversation with stakeholders has happened around Avista's conservation programs, and the Coalition appreciates the time that Avista staff has put in to make these meetings an open exchange of ideas between parties interested in improving conservation service to Avista customers.

#### **Avista Conservation Targets**

Avista has successfully achieved conservation savings of 139,450 MWh (after subtracting NEEA savings), which exceeds the commission-approved target, which includes Avista's decoupling obligation (76,257 MWh). We understand that a very popular non-residential lighting program, among other programs, pushed Avista's conservation program to exceed its targeted expectations, leaving the Company with significant excess savings to carryover to future biennia (65,074 MWh, plus excess savings from 2014-2015 of 2,755 MWh).

In the last four biennia, Avista has consistently exceeded its penalty targets, providing the utility with cost-effective acquisition of conservation and benefiting their customers. In the 2018-2019 biennium, Avista has proposed a higher target than for 2016-2017 (84,274 MWh), though lower what it actually achieved in this most recent biennium. Given Avista's history of handily achieving its targets, as shown in this and past filings; the importance that conservation plays in the Company's forward-looking resource portfolio; and the opportunities that exist for deeper conservation measures, particularly in the areas of residential weatherization and HVAC, we encourage Avista to aim high in setting strong conservation goals that will push the Company to go after savings that can be achieved in innovative ways.

#### **Fuel Conversion Information**

We would also note that we had difficulty with Avista's 2017 annual report, as the Company's fuel conversion programs are included in the results for savings, expenditures, and cost-effectiveness, making it hard to distinguish these efforts from I-937 compliant conservation. Obviously, as shown in this filing, Avista's fuel conversion programs are a large driver of the Company's 2016-2017 efforts, and, as detailed in other dockets, cannot be considered conservation.

Cordially,

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