AVISTA CORP. RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION: WASHINGTON DATE PREPARED: 06/19/2015 UE-150204 & UG-150205 WITNESS: CASE NO.: Don F Kopczynski **REQUESTER:** Public Counsel/Energy Project RESPONDER: Larry La Bolle TYPE: Data Request DEPT: State & Federal Regulation PC/EP - 010 **TELEPHONE:** (509) 495-4710 **REQUEST NO.:** EMAIL: larry.labolle@avistacorp.com

REQUEST:

Does the Company agree that there are no demand response or time of use pricing programs useful or cost effective for natural gas customers and that, as a result, the only potential benefits for the "smart meter" technology proposed for natural gas customer meters relate to operational cost savings? If the answer to this question is not "yes," please explain your response in detail with specific examples and supporting evidence.

RESPONSE:

Avista did not evaluate or estimate the potential benefits associated with demand response or time of use pricing for natural gas customers. But we don't agree, however, with the subject statement that there are no potential benefits related to advanced metering for natural beyond operational benefits. As one example, the combination of advanced metering and smart thermostats could provide insights into poor performing HVAC equipment and/or building envelope problems.