December 17, 2021

Amanda Maxwell Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503 State Of WASH.
JTIL. AND TRANSP.
COMMISSION

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Re: NW Energy Coalition's comments on Avista's 2022-2023 Biennial Conservation Plan, Docket UE-210826 and Docket UG-210827

Dear Ms. Maxwell:

The NW Energy Coalition ("NWEC") appreciates the opportunity to offer comments on the proposed biennial conservation plan (BCP) from Avista for 2022-2023. NWEC is an alliance of more than 100 organizations united around energy efficiency, renewable energy, fish and wildlife preservation and restoration in the Columbia basin, low-income and consumer protections, and informed public involvement, all towards the mission of building a clean and affordable energy future. NWEC has been an active participant in Avista's DSM Advisory Group throughout the development of this BCP, and is also active in the Company's integrated resource plan (IRP) process.

We appreciate the Company's thorough filing and the meetings held throughout the year to incorporate advice and share information, as well as provide updates on the impacts of the COVID-19 pandemic on conservation offerings and operations. We offer a few brief comments for consideration.

Interaction between BCP and CEIP: The passage and implementation of Clean Energy Transformation Act (CETA) underlines the continued importance of conservation and customerside programs: one of the core requirements of CETA is that every utility must reduce or manage their overall load through cost effective, reliable and feasible conservation, energy efficiency and demand response measures, and this requirement in CETA is specifically prior to the requirement to acquire 100% clean energy to meet demand. The Company has submitted its Clean Energy Implementation Plan (CEIP) in Docket UE-210628; we have submitted comments into that docket about the overall direction that the Company is headed in meeting the intention of CETA, and we are reviewing the final now. A very clear conservation target and a strong efficiency plan is key to ensuring that the Company meets the intention of CETA, and thus the BCP will continue to be a critical planning document.

NEIs: We appreciate that the Company has undertaken work with DNV to assess non-energy impacts (NEI), and thank company staff for frequent updates throughout the process. We think however, that this work is not done, but only the start of the work. The study itself has resulted in what we think are relatively conservative values for NEIs, and we think there is still more work to do to continue developing robust NEIs. Continuation of this work may make sense in a joint venue, amongst all the stakeholders and companies, and we would encourage the Companies to engage stakeholders early in the process.

Residential Savings: The forecast for electric savings shows that a relatively small proportion will come from the residential sector, and of those savings, more than half come from the company's Always-On Behavioral pilot. NWEC is supportive of behavioral savings programs, but is concerned that this shift to getting most residential savings from a pilot is somewhat risky. We encourage the Company to evaluate the program early on to assess whether there should be adaptive management or addition of new residential offerings.

On-Bill Payment Program: We appreciate the work of the Company to develop and roll-out its onbill payment program over the last few years, and we look forward to seeing initial results and lessons learned in the first part of the biennium.

Targeted market transformation: Sine 2019, the Company has been discussing the idea of a targeted market transformation initiative in Idaho and Eastern Washington and is now planning to pilot a heat pump program in 2022. NWEC encourages the Company to provide frequent updates to the Advisory Group on this work and continue to ensure that there is not duplication of work with NEEA's programming, or the Company's work on a mid-stream offering.

Gas programming: There are a number of external pressures that may require the Company to adaptively manage its portfolio during the implementation period, including federal appliance standards, state building energy codes, implementation of the Climate Commitment Act, and further state legislation and policy direction to reduce greenhouse gas emissions. With those pressures in mind, we encourage the Company to explore ways to increase envelope measure offerings for customers, as we think that these measures will provide benefits to customers and less risk overall to both the Company and the customers.

Conditions: We understand the proposed conditions for approval are still under review and discussion by Staff and stakeholders. We appreciate Staff's work to finalize these conditions and look forward to any further discussion on these conditions at the open meeting in January.

Thank you for the opportunity to provide comments.

Respectfully,

/s/ Amy Wheeless Senior Policy Associate NW Energy Coalition