Affiliated Tribes of Northwest Indians AirWorks, Inc.

Alaska Housing Finance Corporation Alliance to Save Energy

Allumia

Alternative Energy Resources Organization Ameresco

American Rivers Backbone Campaign Beneficial State Bank BlueGreen Alliance

Bonneville Environmental Foundation

City of Ashland

City of Seattle Office of Sustainability & Environment

CleanTech Alliance

Climate Smart Missoula

Climate Solutions Community Action Center of Whitman County

Community Action Partnership Assoc. of Idaho Community Action Partnership of Oregon

Community Energy Project

Earth Ministry Ecumenical Ministries of Oregon

eFormative Options

Elevate Energy

Energy350

EnergySavvy

Energy Trust of Oregon

Environment Oregon

Environment Washington Forth

Global Ocean Health

Green Energy Institute at Lewis & Clark Law School Grid Forward

Homes for Good

Home Performance Guild of Oregon

Human Resources Council, District XI

Idaho Clean Energy Association Idaho Conservation League

Idaho Rivers United

League of Women Voters Idaho League of Women Voters Oregon

League of Women Voters Washington

Montana Audubon

Montana Environmental Information Center Montana Renewable Energy Association

Multnomah County Office of Sustainability National Center for Appropriate Technology

National Grid

Natural Resources Defense Council

New Buildings Institute

Northern Plains Resource Council

Northwest EcoBuilding Guild

Northwest Energy Efficiency Council

**NW Natural** 

OneEnergy Renewables

Opportunities Industrialization Center of WA

Opportunity Council Oracle

Oregon Citizens' Utility Board

Oregon Energy Fund Oregon Environmental Council

Oregon Physicians for Social Responsibility

Oregon Solar Energy Industries Association

Pacific Energy Innovation Association Pacific NW Regional Council of Carpenters

Portland Energy Conservation, Inc.

Portland General Electric

Puget Sound Advocates for Retirement Action

Puget Sound Cooperative Credit Union

Renewable Northwest

Save Our wild Salmon

Seattle City Light Sierra Club

Sierra Club, Idaho Chapter

Sierra Club, Montana Chapter

Sierra Club, Washington Chapter Small Business Utility Advocates

Snake River Alliance

Snohomish County PUD Solar Installers of Washington

Solar Oregon

Solar Washington South Central Community Action Partnership Southeastern Idaho Community Action Agency

Spark Northwest Spokane Neighborhood Action Partners

Sustainable Connections

The Climate Trust

The Energy Project

Transition Missoula

UCONS, LLC Union of Concerned Scientists

United Steelworkers of America, District 12

Washington Environmental Council

Washington Physicians for Social Responsibility

Washington State Community Action Partnership Washington State Department of Commerce

Washington State University Energy Program

YMCA Earth Service Corps Zero Waste Vashon



December 5, 2019

Mark Johnson, Executive Director and Secretary Washington Utilities and Transportation Commission PO Box 47250 Olympia, WA 98504-7250

Re: Docket No. UE-190912, Avista's Ten-Year Achievable Conservation Potential, Biennial Conservation Target, and Biennial Conservation Plan for 2020-2021

The NW Energy Coalition (NWEC or Coalition) appreciates the opportunity to comment on Avista Utilities' (Avista or the Company) 2020-2021 Biennial Conservation Target and Biennial Conservation Plan (BCP). The Coalition is an active participant in the Company's Demand Side Management Advisory Group ("Advisory Group") and in the Company's Integrated Resource Plan Technical Advisory Group (IRP TAG), both of which help guide the utility's acquisition of conservation. We were also a participant in the Statewide Advisory Group (SWAG), which discussed issues in 2018 and 2019 related to the treatment of NEEA savings, in addition to other issues of common interest.

The passage of Clean Energy Transformation Act (CETA) underlines the continued importance of conservation and customer-side programs and thus this BCP process: 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 achieve 100% clean energy to meet demand. We understand that, with current rulemakings in process affecting utility resource and system planning, the context in which the Company is developing its 10-year conservation potential, the two-year target, and its BCP are in a state of flux. However, we expect the Company to pursue robust customer-side programs and initiatives to fulfill the intent of CETA, in addition to EIA requirements.

We generally support Avista's initial filing and look forward to an update in the spring of 2020 that includes an updated target that incorporates a social cost of greenhouse gases (GHGs) and description of how the Company will change its programming to reflect that update.

Records Managemen

12/05/19 04:44

**AND TRANSP** 

We appreciate the Company's receptivity to comments and advice from the Advisory Group, and believe the in-person meetings have been a useful venue for information sharing. Below are a few additional comments for the Company and the Commission to consider.

## **NEEA Savings**

We concur with the agreement made related to the treatment of NEEA savings in an EIA target for 2020-2021, as discussed in the SWAG memo. We would note, however, that with the implementation of new legislation, there may need to be changes in how market transformation savings and achievement will be treated in other utility targets in the future.

## Hard-to-Reach and Underserved Markets and Highly Impacted and Vulnerable Communities

In the past few years, stakeholders have spoken about hard-to-reach and underserved markets, and the recent CETA legislation references highly impacted and vulnerable communities, in reference to those being served or not served by clean energy and efficiency programs and their related benefits. While there are some differences in definition for all these terms, we group them together here as there is likely substantial overlap in the kinds of groups who are hard-to-reach or underserved and those who are highly impacted or vulnerable.

Under CETA, one of the intents of the legislation is that all customers, particularly highly impacted and vulnerable communities, will experience equitable energy and nonenergy benefits in the transition to clean energy. Under the 7<sup>th</sup> Power Plan, there is an acknowledgement that the Region will not be able to meet its efficiency acquisition needs if there are markets underserved by efficiency programming. However, how can these outcomes be measured if we do not have the data? More data and more granular data about customers served and how they are served will become an increasingly important part of measuring program success.

There will many more discussions in the Advisory Group and other regulatory venues on these topics as CETA is implemented. For the upcoming biennium, we request that Avista find ways to report its program accomplishments in more granular ways—where are participating customers and what are their characteristics? There will likely be a need to collect more information on those customers who are served in order to have a better picture of the needs. This kind of data can help inform a richer discussion on program barriers and opportunities.

The SWAG or another collaborative venue may be a useful group to convene to hold further discussions on data collection and research.

<sup>1</sup> See UE-171087, 2018 Annual Report of Washington State Investor Owned Utility Energy Efficiency Joint Advisory Group Activities and Outcomes, June 11, 2019.

# Nonenergy Impacts/Benefits

Related to the above, understanding how nonenergy benefits can flow equitably to all customers will require knowing more about the nonenergy benefits themselves. Staff has proposed some conditions for the utilities related to conducting research on the nonenergy impacts in the coming biennium. We are supportive of these ideas, and encourage Staff to facilitate common venues to discuss this work to minimize duplication.

#### **Pilots**

The Company plans to implement a number of pilots in the coming biennium. As lessons are learned, NWEC encourages the Company to share them with the Advisory Group through the biennium. Brief conference calls on particular pilots may be useful. We provide comments on a few of the pilots below:

Home Energy Audits: The Company will continue this program in the coming biennium. Based on Advisory Group discussions, it seems like this pilot has been an excellent customer service entry point and opportunity to understand program barriers for certain customer classes. We look forward to more learnings from this program and how to move it or a component of it into a full-fledged program.

Behavioral Pilot and Bill Notifications: The NW Energy Coalition is excited by the results in the behavioral pilot and the new interactive billing system that the Company is working on, and looks forward to more information sharing with the Advisory Group.

Targeted market transformation: As shared with the Advisory Group and briefly in the BCP, the Company is exploring, with Idaho Power, the idea of a targeted market transformation initiative in Idaho and Eastern Washington. Not much information was available at the time of the last Advisory Group meeting; NWEC encourages the Company to convene the Advisory Group when appropriate to discuss this idea more fully and how it would not interact with any funded NEEA work or planned work.

## **Other Comments**

*Proposed Conditions:* Staff has proposed some edits to the conditions that govern the BCPs and Staff and the utilities have iterated on these conditions over the last few months. The NW Energy Coalition has been involved in the discussions and generally agrees with the proposed conditions as provided by Staff on November 27.

Coordination with utilities: As CETA is implemented, there will be more opportunities or needs for joint utility coordination on how to overcome certain program barriers for customers or collect data that will help inform program development. In addition to participating in the SWAG or similar IOU-focused group, we encourage coordination with nearby consumer-owned Washington utilities.

Demand Response: As the Company takes on demand response programming, it may make sense to at least start the program discussions in the Advisory Group, as the Company

notes in the BCP. The draft findings of the IRP indicate that some demand response programming will be needed beginning in at least 2025, if not sooner. As these programs can take some time to stand-up, we would encourage at least initial discussions in this biennium.

I plan to attend the December 17 recessed open meeting in person.

Respectfully submitted,

Amy Wheeless Policy Associate