



ATTORNEY GENERAL OF WASHINGTON

Public Counsel

800 Fifth Ave • Suite 2000 • MS TB-14 • Seattle, WA 98104-3188 • (206) 464-7744

June 8, 2022

SENT VIA WUTC WEB PORTAL

Amanda Maxwell
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: *Avista's 2021 Clean Energy Implementation Plan (CEIP) pursuant to WAC 480-100-640, Docket UE-210628, Final Comments of Public Counsel*

Dear Director Maxwell:

The Public Counsel Unit of the Washington State Attorney General's Office (Public Counsel) submits these comments in advance of the June 16, 2022, Recessed Open Meeting. These comments are in response to Avista Utilities's (Avista or the Company) Final Clean Energy Implementation Plan (CEIP) filed on October 1, 2021, and subsequent conditions for approval of the CEIP filed on May 19, 2022 (Conditions).

Public Counsel's Recommendation:

Public Counsel recommends that the Washington Utilities and Transportation Commission (Commission) approve Avista's CEIP subject to the Conditions filed by the Company on May 19, 2022.

The CEIP provides an overview of Avista's plan for progressing towards the 2030 and 2045 clean energy requirements of WAC 480-100-610 (2) and (3) and the Clean Energy Transformation Act (CETA) codified at Chapter 19.405 RCW. WAC 480-100-640 requires that each CEIP discuss interim and specific targets, customer benefits, specific actions, incremental cost, and public participation.¹

Many stakeholders participated in the creation and review of Avista's CEIP. Public Counsel, Commission staff (Staff), The Energy Project, NW Energy Coalition (NVEC), Front &

¹ WAC 480-100-640 also requires discussion of alternative compliance and the early action coal credit, if applicable. Neither was applicable for this CEIP.

To: Amanda Maxwell, Executive Director and Secretary
Re: Avista's 2021 Clean Energy Implementation Plan (CEIP) pursuant to WAC 480-100-640,
Docket UE-210628
Date: June 8, 2022
Page 2 of 9

Centered, the Alliance of Western Energy Consumers (AWEC), Northwest Intermountain Power Producers Coalition in conjunction with Renewable Energy Coalition, and the Sierra Club have each provided feedback regarding Avista's CEIP in this Docket. Avista also discussed the CEIP with stakeholders through its advisory groups outside this Docket pursuant to WAC 480-100-655(1)(a) which requires the utility to involve all advisory groups, including the Equity Advisory Group (EAG), in developing its CEIP and its biennial CEIP update.

Public Counsel representatives serve on Avista's Integrated Resource Planning (IRP), Energy Efficiency, and Energy Assistance advisory groups. Additionally, we attend Avista's EAG meetings. As such, Public Counsel participated in the entire external advisory process and discussions within this Docket leading to Avista's Final CEIP and Conditions. We worked with other stakeholders to provide a guiding list of preliminary customer benefit indicators (CBIs) to each utility, provided initial feedback to the Company and the Commission regarding Avista's Draft CEIP,² provided additional feedback regarding Avista's Final CEIP,³ responded to other parties' remarks,⁴ and participated in numerous stakeholder discussions addressing the Conditions.

As noted in our January 28, 2022, comments, Avista's Final CEIP incorporated some changes suggested by stakeholders in comments on the Draft CEIP, including adding additional metrics to measure CBIs, and clarifying the statutory requirements associated with each CBI. Although stakeholder comments indicated multiple areas of consensus, there were differences regarding conditions needed for approval of the Final CEIP. To resolve remaining disputes, stakeholders convened five meetings to discuss appropriate conditions on which the stakeholders could recommend the Commission approve the CEIP.⁵

Public Counsel appreciates the high level of engagement on behalf of all the stakeholders in this Docket and in Avista's advisory groups, and commends the collaborative effort that resulted in the list of Conditions filed. Public Counsel does not object to any of the Conditions. We believe that the resulting commitments on behalf of the Company establish an appropriate starting point to reach the 2030 and 2045 renewable portfolio standards. We also believe that these commitments adequately hold the Company accountable to the protection of and equitable distribution of benefits to all customers, and particularly Vulnerable Populations and Highly Impacted Communities.⁶ This is the first CEIP of any Washington investor-owned utility since the passage of CETA, and while there is much detail yet to be determined as we all embark on this transition, it serves as a solid foundation for the future. Below, we highlight aspects of

² Initial Comments of Public Counsel (filed Sept. 7, 2021).

³ Second Comments of Public Counsel (filed Jan. 28, 2022).

⁴ Response Comments of Public Counsel (filed Mar. 14, 2022).

⁵ March 3rd, March 9th, March 18th, April 22nd, and May 9th.

⁶ Vulnerable Populations and Highly Impacted Communities as defined in WAC 480-100-605.

To: Amanda Maxwell, Executive Director and Secretary
Re: Avista's 2021 Clean Energy Implementation Plan (CEIP) pursuant to WAC 480-100-640,
Docket UE-210628
Date: June 8, 2022
Page 3 of 9

Avista's CEIP and associated Conditions imperative to the benefits of residential customers, and explain how Avista will be held accountable during the clean energy transition.

Company Accountability to Customer Benefits

WAC 480-100-610(4)(c) states that each CEIP must propose CBIs that ensure that all customers benefit from the transition to clean energy through the following:

- The equitable distribution of energy and non-energy benefits and reductions of burdens to Vulnerable Populations and Highly Impacted Communities;
- Long-term and short-term public health and environmental benefits and reduction of costs and risks; and
- Energy security and resiliency.

In accordance with RCW 19.405.060, Avista's Final CEIP and commitments made in the Conditions propose an extensive list of CBIs and associated metrics to ensure that all customers benefit from the transition to clean energy. Below, Table 1 outlines the final, complete set of CBIs and metrics resulting from the Final CEIP and Conditions and their associated statutory elements.

Table 1: Final Customer Benefit Indicators

CBI	RCW 19.405.060(1)(c)(iii) Statutory Elements	Metrics
1. Participation in Company Programs	<ul style="list-style-type: none">• Reduction of Burden• Reduction in Cost• Non-Energy• Energy	<ul style="list-style-type: none">• Participation in Weatherization Programs and Energy Assistance Programs (all and Named Communities⁷)• Saturation of Energy Assistance Programs (all and Named Communities• Number of residential appliance and equipment rebates provided to customers in Named Communities⁸

⁷ "Named Communities" is a term used by Avista to refer to both Highly Impacted Communities and Vulnerable Populations, which are defined in WAC 480-100-605.

⁸ 2021 Clean Energy Implementation Plan List of Conditions of Avista Utilities, ¶ 17.

To: Amanda Maxwell, Executive Director and Secretary
 Re: Avista's 2021 Clean Energy Implementation Plan (CEIP) pursuant to WAC 480-100-640,
 Docket UE-210628
 Date: June 8, 2022
 Page 4 of 9

CBI	RCW 19.405.060(1)(c)(iii) Statutory Elements	Metrics
		<ul style="list-style-type: none"> Number of residential rebates provided to customers in rental units⁹
2. Number of Households with a High Energy Burden (>6%)	<ul style="list-style-type: none"> Reduction of Burden Reduction of Cost 	<ul style="list-style-type: none"> Number and Percent of Households¹⁰ Average Excess Burden per Household
3. Availability of Methods/Modes of Outreach and Communication	<ul style="list-style-type: none"> Non-energy 	<ul style="list-style-type: none"> Number of Outreach Contacts Number of Marketing Impressions Increased Availability of translation services (by October 1, 2022)¹¹
4. Transportation Electrification	<ul style="list-style-type: none"> Non-energy Environment 	<ul style="list-style-type: none"> Number of Trips Provided By Community Based Organizations Number of Public Charging Stations Located in Named Communities
5. Named Community Clean Energy	<ul style="list-style-type: none"> Energy Energy Resiliency Reduction Of Burden Risk Reduction 	<ul style="list-style-type: none"> Percent Non-Emitting Energy Located in Named Communities (Energy Efficiency and Renewable Energy)
6. Investments in Named Communities	<ul style="list-style-type: none"> Reduction of Burden Energy Resiliency Risk Reduction 	<ul style="list-style-type: none"> Incremental Spending Each Year in Named Communities Number of Customers and/or Community Based Organizations Served

⁹ *Id.* ¶ 17. Avista additionally commits to work on expanding data availability during this CEIP period and discuss programs to increase the number of participating households with its Energy Efficiency Advisory group and move forward with feasible programs, if identified.

¹⁰ Avista agreed in the Conditions that the metrics associated with this CBI would be tracked separately for all Avista electric customers, known low-income customers, and Named Communities.

¹¹ 2021 Clean Energy Implementation Plan List of Conditions of Avista Utilities, ¶ 19.

To: Amanda Maxwell, Executive Director and Secretary
Re: Avista's 2021 Clean Energy Implementation Plan (CEIP) pursuant to WAC 480-100-640,
Docket UE-210628
Date: June 8, 2022
Page 5 of 9

CBI	RCW 19.405.060(1)(c)(iii) Statutory Elements	Metrics
		<ul style="list-style-type: none"> Quantification of energy/Non-energy Benefits from investments (if applicable)
7. Energy Availability	<ul style="list-style-type: none"> Reduction Of Risk Energy Energy Resiliency 	<ul style="list-style-type: none"> Average Outage Duration Planning Reserve Margin (Resource Adequacy) Frequency of customer outages (CEMI) for all customers, Vulnerable Populations, and Highly Impact Communities.¹²
8. Energy Generation Location	<ul style="list-style-type: none"> Energy Security 	<ul style="list-style-type: none"> Percent of Generation Located in Washington or Connected to Avista Transmission
9. Outdoor Air Quality	<ul style="list-style-type: none"> Environmental 	<ul style="list-style-type: none"> Weighted Average Days Exceeding Healthy Levels Avista Plant Air Emissions Decreased wood use for home heating (Biennial Update)¹³
10. Greenhouse Gas Emissions	<ul style="list-style-type: none"> Environmental 	<ul style="list-style-type: none"> Regional GHG Emissions Avista GHG Emissions
11. Employee Diversity	<ul style="list-style-type: none"> Public Health 	<ul style="list-style-type: none"> Employee Diversity Equal to Communities Served by 2035
12. Supplier Diversity	<ul style="list-style-type: none"> Public Health Non-energy 	<ul style="list-style-type: none"> Supplier Diversity at 11 percent by 2035
13. Indoor Air Quality	<ul style="list-style-type: none"> Public Health Non-energy 	<ul style="list-style-type: none"> In Development

¹² 2021 Clean Energy Implementation Plan List of Conditions of Avista Utilities, ¶ 21.

¹³ *Id.* ¶ 20.

To: Amanda Maxwell, Executive Director and Secretary
 Re: Avista's 2021 Clean Energy Implementation Plan (CEIP) pursuant to WAC 480-100-640,
 Docket UE-210628
 Date: June 8, 2022
 Page 6 of 9

CBI	RCW 19.405.060(1)(c)(iii) Statutory Elements	Metrics
14. Residential Arrearages and Disconnections for Nonpayment*	<ul style="list-style-type: none"> Energy Security 	<ul style="list-style-type: none"> Number and percentage of residential electric disconnections for nonpayment by month, measured by location and demographic information (zip code/census tract, known low income customers, Vulnerable Populations, Highly Impacted Communities, and all customers)¹⁴ Residential arrearages as reported pursuant to Commission Order 04 (Appendix A Third Revised Term Sheet, Section J, Part 8 a-c).¹⁵

Public Counsel views the list of conditions and metrics favorably. Public Counsel is particularly supportive of the metrics related to residential disconnections for nonpayment and residential arrearages, which were added as a result of the stakeholder discussions. Stakeholders worked to determine a reporting standard that reduced redundancy from reporting in other dockets, while maintaining and expanding transparency into these metrics. Customer affordability is paramount to a successful transition to clean energy, and these metrics are crucial to its measurement.

Prior to Avista's Draft CEIP filing, Public Counsel partnered with Northwest Energy Coalition, The Energy Project, and Front & Centered (collectively, Joint Advocates) to provide a comprehensive list of CBIs for the utilities to consider. The intent of this joint effort was to

¹⁴ 2021 Clean Energy Implementation Plan List of Conditions of Avista Utilities, ¶ 22. If residential disconnections are not required to be reported quarterly to the Commission in any other docket (e.g., Docket U-200281 or Docket U-210800) or rule, Avista will report residential disconnections as reported pursuant to Commission Order 04 (Appendix A Third Revised Term Sheet, Section J, Part 2a). *See, In re Response to the COVID-19 Pandemic*, Docket U-200281, Ord. 04, Appx. A (July 2, 2021).

¹⁵ 2021 Clean Energy Implementation Plan List of Conditions of Avista Utilities, ¶ 22. If residential arrearages are not required to be reported to the Commission in any other docket or rule, Avista will track the number of customers with past-due balances and the amount of past-due balances that are 30+, 60+, and 90+ days past due, and the total amount of arrearages by location and demographic information on a quarterly basis through the end of this CEIP implementation period.

To: Amanda Maxwell, Executive Director and Secretary
Re: Avista's 2021 Clean Energy Implementation Plan (CEIP) pursuant to WAC 480-100-640,
Docket UE-210628
Date: June 8, 2022
Page 7 of 9

provide each utility with guidance in developing their CBIs. The document was filed in Avista's CEIP Docket UE-210628, on August 20, 2021, and in the earlier CEIP public participation plan Docket UE-210295, on July 30, 2021.

While the complete set of CBIs and metrics outlined in Table 1 do not represent the full list of those recommended by the Joint Advocates, they do adopt or address those that Public Counsel believes are feasible for development now. Public Counsel understands that it takes time to gather and analyze data from different programs, and that some of the Joint Advocate CBIs need further development. We expect Avista to take steps necessary to expand data and continuously improve in its service to customers. The Conditions provide concrete actions the Company must take to catalyze this process, such as further discussion with advisory groups and the public to receive feedback on the CBIs that were not ultimately adopted and provide an update in its Biennial Update.¹⁶

Along with the new CBIs and metrics indicated in Table 1 above, stakeholders encouraged and the Company commit to further actions to expand data accessibility and use related to CBIs. Avista agreed to apply non-energy impacts and CBIs to all resource and program selections in determining its Washington resource strategy in its IRP progress report and to incorporate Commission guidance on how to best utilize CBIs in CEIP planning and evaluation. The Company also commit to engaging and consulting with its IRP advisory group and Energy Efficiency Advisory group (EEAG) regarding an appropriate methodology to do so.¹⁷ These actions will help ensure that all Company resource selections value the impact it will have on customers and society.

Additionally, the Company is required to update and expand its Vulnerable Population areas within its 2023 Biennial CEIP update, taking into account additional criteria developed by the EAG and Energy Assistance Advisory Group (EAAG).¹⁸ Currently, Avista's Vulnerable Population area is defined by only Census data, which lacks granularity. This work will help identify consistent data source(s) and create a map outlining the geographical area.

Finally, in order to provide more targeted benefits to Named Communities, Avista commits to collaborate with its EAG and EAAG to identify at least one specific action that will service a designated subset of Named Communities and will identify and track all CBIs relevant to this specific action.¹⁹ Public Counsel believes that this will help identify ways to better serve Named Communities and cater to the differing needs and potential benefits of clean energy within Named Communities.

¹⁶ 2021 Clean Energy Implementation Plan List of Conditions of Avista Utilities, ¶ 23.

¹⁷ *Id.* ¶ 2.

¹⁸ *Id.* ¶ 9.

¹⁹ 2021 Clean Energy Implementation Plan List of Conditions of Avista Utilities, ¶ 10.

To: Amanda Maxwell, Executive Director and Secretary
Re: Avista's 2021 Clean Energy Implementation Plan (CEIP) pursuant to WAC 480-100-640,
Docket UE-210628
Date: June 8, 2022
Page 8 of 9

Public Participation

The Final CEIP and associated Conditions also increase opportunities for and transparency within Avista's public participation process through both customer benefit indicators and additional commitments on behalf of the Company.

Several of the CBIs give Avista the opportunity to increase public participation in the clean energy transition. The metrics provided under the CBI "Participation in Company Programs" help ensure an increase in customer participation in weatherization and assistance programs, particularly those in Named Communities. The Company's additional commitment to track "increased availability of translation services" associated with the "Availability of Methods/Modes of Outreach and Communication" CBI will help facilitate this process and reach additional communities.

Further, Avista has committed to maintaining EAG transparency by continuing to hold meetings open to the public,²⁰ filing in this Docket a progress report on actions taken to reduce barriers to public participation since October 2021,²¹ and an update to the Company's customer engagement plan.²² We believe these actions will increase transparency to the public participation process and accountability to the Company to continue its improvement.

General Comments and Recommendation

In addition to the aspects of Avista's CEIP and Conditions highlighted above, Public Counsel believes the CEIP generally supports Avista's effort toward the 2030 and 2045 targets through its interim and specific targets, and provides opportunity for advisory group and other stakeholder engagement throughout this CEIP period. This includes Avista's commitment to update its IRP technical advisory group on material resource acquisitions,²³ including both quantitative and qualitative equity analyses to support its interim targets in its Biennial Update, sharing results and analyses regarding its pricing pilots,²⁴ creating a distribution planning advisory group,²⁵ and updating its energy efficiency target in the Biennial Update.²⁶

As acknowledged frequently throughout this Docket and in stakeholder conversations, this is the first CEIP filed by an investor-owned utility in Washington. With that, has come unique challenges and uncertainties. However, the stakeholders participating in this Docket have set an

²⁰ *Id.* ¶ 29.

²¹ *Id.* ¶ 30, subpart a.

²² *Id.* ¶ 30, subpart b.

²³ *Id.* ¶ 3.

²⁴ 2021 Clean Energy Implementation Plan List of Conditions of Avista Utilities, ¶ 11.

²⁵ *Id.* ¶ 13.

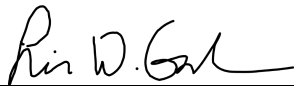
²⁶ *Id.* ¶ 16.

To: Amanda Maxwell, Executive Director and Secretary
Re: Avista's 2021 Clean Energy Implementation Plan (CEIP) pursuant to WAC 480-100-640,
Docket UE-210628
Date: June 8, 2022
Page 9 of 9

extroinary example for collabortation in navigating a new process. Avista's CEIP will inevitably need further refinement as we continue toward the 2030 and 2045 standards outlined in CETA, but the Final CEIP and Conditions serve as an appropriate starting point, and ensure that necessary further refinement takes place. For this reason, Public Counsel recommends the Commission approve Avista's CEIP subject to the Conditions.

We appreciate the collaboration with Avista, members of Avista's advisory groups, The Energy Project, NW Energy Coalition, Front & Centered, NIPCC, REC, and the members of the public that have participated in this process, and appreciate the opportunity to submit these comments. If you have any questions about this filing, please contact Shay Bauman at (206) 389-3040 or via e-mail at Shay.Bauman@ATG.WA.GOV.

Sincerely,

/s/ 

LISA W. GAFKEN, WSBA No. 31549
Assistant Attorney General
Public Counsel Unit Chief
Lisa.Gafken@ATG.WA.GOV
(206) 464-6595