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AVISTA CORPORATION dba Avista Utilities

SCHEDULE 90 ELECTRIC ENERGY EFFICIENCY PROGRAMS WASHINGTON

1. AVAILABILITY

The services described herein are available to specified residential, commercial, and industrial, retail electric distribution customers of Avista for the purpose of promoting the efficient use of electricity. Customers receiving electric distribution service provided under special contract and/or customers receiving electric services not specified under Tariff Schedule 91 (Energy Efficiency Rider Adjustment) are not eligible for services contained in this schedule unless specifically stated in such contract or other service agreement. The Company may provide partial funding for the installation of electric efficiency measures and may provide other services to customers for the purpose of identification and implementation of cost-effective electric efficiency measures as described in this schedule. These services are available to owners of facilities, and also may be provided to tenants who have obtained appropriate owner consent.

Assistance provided under this schedule is limited to end uses where electricity is the primary energy source. Assistance may take the form of monetary incentives or non-monetary support, as further defined within this tariff. The Company shall strive to develop a portfolio of programs that is cost-effective on an aggregate basis. Customer participation under this schedule shall be based on eligibility requirements contained herein.

2. ELIGIBLE CUSTOMER SEGMENTS

All customers in all customer segments to whom this tariff is available are eligible for participation in electric efficiency programs developed in compliance with this tariff. The broad availability of this tariff does not preclude the Company from targeting measures, markets and customer segments as part of an overall effort to increase the costeffectiveness and access to the benefits of electric efficiency.

3. MEASURES

Only electric efficiency measures with verifiable energy savings and demand response measures intended to achieve capacity reductions are eligible for assistance. Measure eligibility may not necessarily apply to all customer segments. Final determination of applicable measures will be made by the Company. Eligible technologies may include, but are not limited to, energy-efficient appliances, assistive technologies, controls, distributed renewable energy, motors, heating, ventilation and air-conditioning (HVAC) systems, lighting, maintenance, monitoring, new technologies, and shell.

Incentives for distributed renewable energy measures will be limited to net-metering facilities operating under Avista Utilities Idaho/Washington Rate Schedule 63 Net Metering rules. Incentives will be limited to energy production not to exceed 100% of the average annual energy use of the facility for the preceding three years or if new, a similar facility's annual use as calculated by the Company. Any project design that is fully complete and submitted before December 31, 2021 will be considered for eligibility. Submitted project must meet cost-effectiveness requirements to be determined eligible, and project must be completed by December 31, 2022.

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SCHEDULE 90 (continued) Market transformation ventures will be considered eligible for funding to the extent that they improve the adoption of electric efficiency measures that are not fully accepted in the marketplace. These market transformation efforts may include efforts funded through regional alliances or other similar opportunities. **4. FUNDING AND NONMONETARY ASSISTANCE 4.1 Funding** The Company shall offer incentives for projects based upon the incremental capital cost associated with the energy efficiency of the project. Energy savings are calculated using the current retail energy rates. The Company shall pay an incentive up to a maximum of the incremental measure

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cost. The Company shall make adjustments to the percent of incremental cost paid to attempt to obtain the greatest energy savings at the lowest cost

Low-income measures that have a TRC of 1.0 or higher are incentivized at 100% of the project cost. For measures that have a TRC of less than 1, the project is incentivized at an amount equal to the present value of avoided cost.

Incentives for efficiency measures within the following categories shall not exceed 100% of the project cost:

- **4.1.1** Energy efficiency programs delivered by community action agencies contracted by the Company to serve low-income or vulnerable customer segments, including agency administrative fees and health and human safety measures.
- **4.1.2** Low-cost electric efficiency measures with demonstrable energy savings (e.g. compact fluorescent lamps).
- **4.1.3** Programs or services supporting or enhancing local, regional or national electric efficiency market transformation efforts.
- **4.1.4** Prescriptive programs are guided by the typical application of that measure in accordance with the previously defined incentive structure. Incentive levels for these programs are based on market conditions at the time of program design and are not dependent on actual project cost relative to incentive caps. Incentives shall not exceed project costs.
- **4.1.5** Incentives for demand response programs shall not exceed 75% of the calculated capacity present value of the measure if and when an interruption event is triggered.
- **4.1.6** Effective October 1, 2021, pending Commission approval, On-Bill Repayment (OBR) Program interest rate buydowns for qualifying electric energy efficiency measure financing as provided through the Company's partner lender.

(M) material transferred from Sixth Revision Sheet 90B Issued June 1, 2021

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SCHEDULE 90 (continued)

4.1.7 Incentives for customers designated as part of a vulnerable population or highly impacted community pursuant to RCW 19.405.020. Funding is limited to 100% of the project costs for installation and use of energy efficiency equipment. Equipment or repairs related to the health and safety of the customer or community is also allowed under this section.

The Company will actively pursue electric efficiency opportunities that may not fit within the prescribed services and described in this tariff. In these circumstances the customer and the Company will enter into a site-specific services agreement.

4.2 Non-Monetary Assistance

Assistance without the granting of direct monetary incentives to the customer is available across all applicable segments and may be provided in various ways, that include, but are not limited to, the following:

- **4.2.1. Educational**, training, or informational activities that enhance electric efficiency. This may include technology or customer-segment specific seminars, literature, tradeshow or community events, advertising, or other approaches to increasing the awareness and adoption of resource efficient measures and behaviors.
- **4.2.2. Financial** activities intended to reduce or eliminate the financial barriers to the adoption of electric efficiency measures. This may include programs intended to reduce the payment rate for resource efficiency measures, direct provision of leased or loaned funds or other approaches to financial issues with better than existing market terms and conditions.

(K) material transferred to Ninth Revision Sheet 90A

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