

Organization	Comment	Avista Response
OVERALL		
Spokane Neighborhood Action Agency (Energy Assistance Advisory Group)	SNAP supports the details provided in the Company's 2023 Biennial CEIP.	
INTERIM TARGETS		
Northwest Energy Coalition (NWECC)	We recommend that Avista include a data visualization or description that summarizes the Company's position of renewable energy use in comparison to the interim targets approved in condition 7, and not simply show the interim targets listed in condition 7 (Table 1) as that is not an update on progress pertaining to the condition.	Avista included additional analysis and explanation within Section 3.1, Figure 1.
SPECIFIC TARGETS		
Washington Commission Staff	Avista proposes a reduced EE target based on changes to the 2024-2025 Biennial Conservation Plan (BCP). Staff recommends Avista expand on why this target is reduced, beyond referencing the changes from the BCP and CPA. In other words, please elaborate with more detail within the Biennial Update itself on what causes and conditions have prompted lower EE conservation potential.	Avista included additional explanation in Section 3.2.
CUSTOMER BENEFIT INDICATORS		
NWECC	<p>CBI 1: Participation in Company Programs</p> <p>The metrics — saturation of energy assistance programs for all customers and for Named Communities — both decrease from the 2021 baseline. We urge the Company to ask itself why these metrics decrease and what can be done to raise the saturation of eligible customers enrolled in energy assistance programs. We look forward to seeing how Avista's new My Energy Discount program and arrearage management program will impact these metrics.</p>	<p>Participation levels in Avista's energy efficiency and energy assistance programs have increased from the 2021 baseline, however it is important to note that the 2021 data is based on a lower eligibility threshold.</p> <p>Originally, 95,387 customers were eligible based on the 2020 Low Income Needs Assessment provided by Evergreen Economics. They used a threshold of 200 percent of the Federal Poverty Level (FPL) to determine eligibility.</p> <p>In 2022, the Company updated the number of eligible customers to 129,266 to include the Clean Energy</p>

		<p>Transformation Act (CETA) requirements of 80 percent of the Area Median Income (AMI), thus increasing the number of eligible customers.</p> <p>In addition, 2021 was a record-setting year for Avista in terms of energy assistance provided to customers with the addition of \$7.2M in COVID-19 energy assistance grants. The Company does not anticipate a decrease in saturation rates between 2022 and 2023.</p>
NWEC	<p>CBI 2: Number of households with a High Energy Burden (>6%)</p> <p>The percentage of households with a high energy burden increased for all customers and for Named Communities since the 2021 baseline, though the percentage of known low-income households with a higher energy burden decreased in this time. This may indicate effective energy assistance access and delivery to <i>known</i> low-income customers but shows the need to expand assistance to other energy burdened low- and moderate-income customers. Similar to our comment above, we look forward to seeing how Avista’s new My Energy Discount program and arrearage management program will impact these metrics.</p>	<p>The Company agrees that energy assistance options continue to evolve in an effort to meet customer needs. With the addition of the new Washington Bill Discount Program effective October 1, 2023, the Company anticipates a continued decrease in household energy burden.</p>
NWEC	<p>CBI 5: Named Community Clean Energy</p> <p>For the metric—total of MWh of energy storage resources under 5 MW— we note that there were zero MWh of energy storage resources in Named Communities in 2021 and 2022. In response to condition 26, Avista states that it “endeavored to identify residential and commercial storage resources less than 5 MW, as well as any small generation PURPA contracted resources with storage” but that there are no qualifying resources in Named Communities at this time.¹⁰ We urge the Company to continue to look for opportunities to develop energy storage resources within Named Communities and look forward to seeing progress on this metric in the next CEIP.</p>	<p>The Company is currently pursuing projects to increase this metric, please see Section 6.5 for information on the Martin Luther King, Jr. Community Center located in Spokane, WA.</p>
NWEC	<p>CBI 7: Energy Availability</p> <p>The metrics — average outage duration for all customers and for Named Communities — both increased from the 2021 baseline. We urge the Company to ask why these metrics increase and what can be done to decrease the average outage duration for its customers, especially those living within Named Communities.</p>	<p>Average outage duration: The duration of an outage varies based on the cause of the outage. Avista continues to strive to reduce customer outage duration, however there are external factors outside of the Company’s control that contribute to an outage duration. It is also important to compare this data to the</p>

	<p>The metrics — planning reserve margin for both winter and summer — decreased from the 2021 baseline. We urge the Company to ask itself why these metrics decreased and what can be done to increase the planning reserve margin. Overall, the Company should holistically and continually assess the metrics within CBI 7 and address any reliability concerns that these metrics indicate within the narrative of the CEIP.</p>	<p>frequency of outages experienced by customers, which was reduced from 40.42% in 2021 to 27.8% in 2022.</p> <p>Planning reserve margin: The Planning Reserve Margin (PRM) represents a planning standard comparing available generation to load at 50th percentile weather.</p> <p>The metric shown here is the resulting reserve margin for actual operations using actual load and actual available generation. As long as this metric stays above approximately 6 percent, the Company believes it is meeting both its load and reserve obligation. It will not be at its planning margin every season due to load and resource variance.</p>
NWEC	<p>CBI 14: Residential Arrearages and Disconnections for Non-Payment</p> <p>This CBI is essential to ensure affordability for Avista’s customers during implementation of the CEIP. We recommend that Avista include this data in Table 3 instead of the current language referring the reader to Attachment A. As the Company did not provide Attachments A through F to its advisory groups when releasing the draft Biennial Update, NWEC separately requested Attachment A so that we could assess the data for this CBI, and we thank the Company for providing us with the attachment. Viewing the data in Attachment A was helpful and we recognize that, due to restrictions stemming from the COVID-19 pandemic, 2021 is not a complete annual dataset. We look forward to continually assessing the data from this CBI and its metrics and hope to see it directly included in CEIPs and Biennial Updates as opposed to a separate attachment.</p>	<p>Avista recognizes the importance of document readability. The CBI data required, and volume of data does not easily lend itself to presentation in written form. The Excel attachment provides visual analytics for volume-heavy CBI metrics.</p>
SPECIFIC ACTIONS		
NWEC	<p>In general, we note that Avista’s renewable generation portfolio remains heavily dominated by hydropower. Hydropower generation was down by about 26 percent in the first seven months of 2023 compared to 2022 due to drought. The EIA predicts a 19 percent decrease for the year. Given that we can anticipate hydropower to become more variable due to the impacts of climate change, we continue to recommend that the Company continue to integrate more non-hydro renewables to diversify its resource mix.</p>	<p>All renewable energy is variable year-to-year and season to season. To address this production risk, Avista plans for this variation by including an energy risk adjustment for all renewable resources and load. Further, the Columbia Basin Hydro</p>

	<p>We also reiterate a prior recommendation we offered in our comments on Avista’s 2021 CEIP on January 28, 2022, which is to consider lower cost clean energy alternatives to the Post Falls upgrade. The delay in the upgrade provides another opportunity for the Company to evaluate what other options exist to provide its customers with affordable clean energy.</p>	<p>(CBH) acquisition is not streamflow dependent.</p> <p>Lastly, climate models anticipate more hydro generation in the future rather than less. This is due to additional rain in winter months as compared to the spring snow run-off that is not captured by our facilities generation capability. Although, summer production is expected to lessen, the addition of the CBH project should offset any potential energy losses.</p> <p>Originally built in 1906, the Post Falls Hydro Electric Dam upgrade is vital to the community and requires a replacement of the aging generators that are more than 100 years old as replacement parts for the aging equipment are scarce or don’t exist. This is a risk to on-going operations, as the Company would no longer be able to generate power or maintain hydro license requirements if the generators were to fail.</p> <p>Avista is considering least cost options to maintain generation and hydro license compliance at the facility.</p>
CONDITIONS		
Washington Commission Staff	<p><i>Condition 5 – In its 2023 Biennial CEIP Update and in future CEIPs, Avista will include descriptions of quantitative (i.e., cost based) and qualitative (e.g., equity considerations) analyses that support interim targets to comply with the Clean Energy Transformation Act’s (CETA) 2030 and 2045 clean energy standards.</i></p> <p>Staff believes that Avista’s response to this condition does not comply with the requirements of the condition. It appears Avista’s understanding is that because its interim targets did not change in the Biennial Update, it is not required to include descriptions of quantitative and qualitative analyses that support its interim targets. Staff has a different understanding of this condition. Staff understands that this condition must be met in the Biennial Update (and</p>	<p>Avista included additional analysis and explanation within Section 9 CEIP Condition Detail, Condition 5.</p>

	<p>future CEIPs) regardless of whether the interim targets have changed. In other words, Avista is expected to include this descriptive analysis to better show how it arrived at its 2021 interim targets, even given that the targets were negotiated after Avista made its first proposal. Staff believes that part of the intention behind this condition was to transparently and descriptively show how aspects that could include but are not limited to incrementalism, affordability, impacts of the rate of emission reduction and equity factored into the interim targets. Therefore, even if the targets have not changed since 2021, Staff still expects that Avista will meet the requirements of this condition in its final Biennial Update.</p>	
NWEC	<p><i>Condition 5 – In its 2023 Biennial CEIP Update and in future CEIPs, Avista will include descriptions of quantitative (i.e., cost based) and qualitative (e.g., equity considerations) analyses that support interim targets to comply with the Clean Energy Transformation Act’s (CETA) 2030 and 2045 clean energy standards.</i></p> <p>We are unsure whether the Company has satisfied the requirements of this condition. We believe Staff’s original intention of condition 5 was to ensure that the Company brings an equity lens into the development and justification of the interim targets. However, based on Avista’s response, this does not seem to be evident. It appears that Avista believes that this condition is satisfied because the interim targets were already approved by the Commission in condition 7. Condition 7 does not void condition 5. We support more discussion on how the Company can address equity considerations as it relates to interim targets.</p>	<p>Avista included additional analysis and explanation within Section 9 CEIP Condition Detail, Condition 5.</p>
Washington Commission Staff	<p><i>Condition 9 – Avista agrees to update and expand its Vulnerable Populations areas within its 2023 Biennial CEIP Update taking into account the additional criteria developed by the EAG and Energy Assistance Advisory Group (EAAG) and to ensure updates are in line with the definition of Vulnerable Populations outlined in RCW 19.405.020(40). Additional work is needed to develop a consistent methodology and data source identification. This additional work is primarily related to identifying a consistent data source(s) to evaluate each characteristic and then overlaying it onto a map.</i></p> <p>It is unclear to Staff if Avista has met the first component of this condition, to update and expand its Vulnerable Population (VP) areas. Staff requests that Avista clarify how it has updated and expanded VP areas, beyond selecting the new data source, in this Biennial Update perhaps by comparing and contrasting to the 2021 VP areas. Regarding other components of this condition, in the coming months Staff intends to dig deeper into understanding the data source that Avista has selected in collaboration with the EAG and may request more information at a later date.</p>	<p>Avista included additional explanation and defining characteristics in Attachment F within Section 9 CEIP Condition Detail, Condition 9.</p>
NWEC	<p><i>Condition 9 – Avista agrees to update and expand its Vulnerable Populations areas within its 2023 Biennial CEIP Update taking into account the additional criteria developed</i></p>	

	<p><i>by the EAG and Energy Assistance Advisory Group (EAAG) and to ensure updates are in line with the definition of Vulnerable Populations outlined in RCW 19.405.020(40). Additional work is needed to develop a consistent methodology and data source identification. This additional work is primarily related to identifying a consistent data source(s) to evaluate each characteristic and then overlaying it onto a map.</i></p> <p>In its response to this condition, Avista explains that it “has endeavored to identify a data source that identifies vulnerable populations in alignment with the factors identified by the EAG”.⁵ What are these factors? A summative explanation of what these factors are would be beneficial to understanding how the Company’s EAG was involved in this process.</p> <p>Avista then states that the White House Climate and Economic Justice Screening Tool (CEJST) appears to meet the qualifications needed to identify Vulnerable Populations and “is the methodology that Avista will pursue for alignment with the identification of Vulnerable Populations for its 2025 CEIP.” From this response, it is unclear whether the Company has satisfied condition 9. Waiting until the 2025 CEIP to update to expand on Vulnerable Populations is not what condition 9 directs the Company to do. Rather, Condition 9 requires this work to be completed by and included in the 2023 Update.</p> <p>We strongly urge the Company to describe and present how it has expanded on its Vulnerable Populations areas within this Update. For further consideration, we also recommend that Avista review the methodology approved by the Commission in Puget Sound Energy’s 2021 CEIP— Order 08 in docket UE-210795 (see PSE conditions 9-11)— as it would be insightful to Avista in further developing a method for identifying Vulnerable Populations.⁷ Finally, Avista should include an explanation of how the White House CEJST tool works and how it is different from the methodology that the Company used in the 2021 CEIP to identify Vulnerable Populations.</p>	<p>Avista included additional explanation and defining characteristics in Attachment F within Section 9 CEIP Condition Detail, Condition 9.</p>
NWEC	<p><i>Condition 20 – Avista agrees that for the CBI – Outdoor Air Quality, it will adopt a metric related to decreased wood use for home heating in its 2023 Biennial CEIP Update. The data included in this metric may include the data from the Company’s wood stove replacement program offered in partnership with the Spokane Clean Air Agency, as well as data from other sources. Avista will work with its EEAG and other appropriate advisory groups to identify and evaluate additional wood stove usage metrics to be proposed in the 2023 Biennial CEIP Update, if applicable.</i></p> <p>In response to this condition, Avista explains that it “receives data from the Spokane Regional Clean Air Agency (SRCAA) quarterly identifying wood stove upgrades completed within Spokane County that were performed</p>	<p>Avista included additional context within Section 9 CEIP Condition Detail, Condition 20.</p>

	<p>utilizing the SCRAA grant program. This quarterly data is mapped to Avista’s service territory and the total pounds of avoid PM2/5 emissions is calculated.”</p> <p>We are glad to understand that Avista is working with SRCAA to satisfy this condition. However, it remains unknown to the reader whether the Company also presented this new metric to the EEAG and other appropriate advisory groups, and whether it plans to explore other metrics with these advisory groups. An update on the latter half of this condition would be helpful.</p>	
Washington Commission Staff	<p><i>Condition 23 – Avista must formally present and discuss any Joint Advocate or other stakeholder proposed CBI that was not included in the Company’s filed CEIP and the final Commission approved CEIP with conditions, to its advisory groups, customers, and other interested stakeholders at a CEIP Public Participation Meeting(s) and at a separate joint advisory group meeting(s), to include the EEAG, EAAG, and EAG. Following these discussions and careful consideration of the feedback received, Avista will propose an updated set of CBIs and associated metrics in its 2023 Biennial CEIP Update.</i></p> <p>Staff understands that Avista did meet the first part of this condition to present and discuss the Joint Advocate proposed CBIs. However, Staff is unclear about an updated set of CBIs and associated metrics that Avista is required to propose based on that discussion. Staff requests that Avista make it clear which, if any, CBIs and associated metrics it is proposing in this Biennial Update based on those discussions.</p>	Avista included additional explanation within Section 9 CEIP Condition Detail, Condition 23.
NWEC	<p><i>Condition 23 – Avista must formally present and discuss any Joint Advocate or other stakeholder proposed CBI that was not included in the Company’s filed CEIP and the final Commission approved CEIP with conditions, to its advisory groups, customers, and other interested stakeholders at a CEIP Public Participation Meeting(s) and at a separate joint advisory group meeting(s), to include the EEAG, EAAG, and EAG. Following these discussions and careful consideration of the feedback received, Avista will propose an updated set of CBIs and associated metrics in its 2023 Biennial CEIP Update.</i></p> <p>NWEC attended the June 2, 2023 Joint Advisory Group meeting that the Company held to discuss the Joint Advocate proposed CBIs. In its description of condition 23 on page 50, Avista directs its readers to Attachment F for details of this Joint Advisory Group discussion. However, as Attachment F wasn’t provided with the draft Update, we were directed to Avista’s website that provided the meeting materials.⁹ After reviewing the meeting notes, it wasn’t clear whether Avista planned to include any additional CBIs or metrics in the Update.</p>	Avista included additional explanation within Section 9 CEIP Condition Detail, Condition 23.

	<p>If Avista believes that the advisory groups had no additional CBIs or metrics to add, then that should be made explicit in the Update. In any case, we recommend that the Company also include a summary of the discussion and the conclusions in its response to condition 23, similar to how it detailed the results after advisory group discussions in condition 24. A summary of the Joint Advisory Group discussion, as well as the conclusions, are substantive to complying with condition 23.</p>	
NWEC	<p><i>Condition 38 – Avista must choose at least two of its current CBIs which it will track for at least five subsets of named communities, at a granularity to be determined by agreement with Staff, stakeholders, and the Company’s Equity Advisory Group. Avista will incorporate relevant updates in its 2023 Biennial CEIP update.</i></p> <p>Similar to our recommendation for condition 23 above, we believe that Avista should include the results of the data tracking required in condition 38 in the Update. We consider this to be a “relevant update”.</p>	Condition 38 metrics are available in Section 2, Table 2.
PUBLIC PARTICIAPTION		
Washington Commission Staff	<p>Staff notes that as per WAC 480-100-655 (1), WAC 480-100-655 (1)(a), and WAC 480-100-655 (1)(i), the utilities must demonstrate and document how they consider input from advisory group members in the development of the CEIP and biennial CEIP update, along with a summary of advisory group comments received during the development of the biennial update with the utility’s responses. This must be done for all advisory groups, including the EAG.</p> <p>While not seeing this requirement met in the draft we received, Staff understands that Avista has met this requirement in the 2021 CEIP with a comment matrix as an Appendix to the filing and expects that the Company will do something similar to meet these requirements for this update. Staff notes that these requirements apply for all advisory groups, not only the EAG.</p>	<p>Avista included additional explanation in Section 7, Public Participation.</p> <p>This Comment Matrix is provided in compliance with this requirement.</p>