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ATTORNEY GENERAL OF WASHINGTON

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January 11, 2023

SENT VIA WUTC WEB PORTAL Kathy Hunter Acting Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

Avista's 2023 Clean Energy Implementation Plan (CEIP) Biennial Update pursuant to Re: WAC 480-100-640(11), Docket UE-210628

Dear Acting Director Hunter:

The Public Counsel Unit of the Washington State Attorney General's Office (Public Counsel) submits these comments in advance of the January 11, 2023, final filing date. These comments are in response to Avista's Clean Energy Implementation Plan (CEIP) Biennial Update (Update) filed on November 1, 2023. The Commission approved Avista's Final 2021 CEIP on June 23, 2022, and the Update provides a review of Avista's progress towards its CEIP and the 2030 and 2045 clean energy requirements of WAC 480-100-610 (2) and (3) in the time since its approval.

Public Counsel's Recommendation:

Public Counsel recommends that the Washington Utilities and Transportation Commission (Commission) require Avista to submit a filing before its next CEIP showing compliance with Conditions 5 and 9 from the Commission's Final Order regarding the 2021 CEIP in Docket UE-210628.

The Commission approved Avista's Final CEIP on June 23, 2022, and subjected its approval to Avista's compliance with 38 Conditions. Nine of the Conditions required Avitsa to show compliance within the Biennial Update.²

According to WAC 480-100-655(1)(a), the utility must 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

¹ AVA Approved CBIs-Metrics-Conditions Excel Spreadsheet (filed June 27, 2022).

Kathy Hunter, Acting Executive Director and Secretary To:

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Efficiency, and Energy Assistance advisory groups. Additionally, we attend Avista's EAG meetings. Public Counsel has participated in the advisory processes leading to this filing, and we additionally provided comments and feedback that lead to the Final CEIP and Conditions approved by the Commission. Public Counsel reviewed the Update for compliance with WAC 480-100-640(11) and the Conditions. Our review found that Avista has not complied with the following Condition 5 and Condition 9.

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.

WAC 480-100-640 requires that each utility CEIP propose interim and specific targets to demonstrate how the utility will make reasonable progress toward meeting the 2030 and 2045 standards identified in WAC 480-100-610 (2) and (3) and provide specific targets for energy efficiency, demand response, and renewable energy.³ Avista states that the IRP progress report did not make changes to the interim renewable energy targets, and thus the targets in the Update are the same as previously approved. Instead of providing the analysis agreed to in the condition, Avista simply updates the customer costs to reflect the increased value of clean enegy due to the implementation of the Climate Commitment Act.

Public Counsel argues that this is inadequate, and that Avista should provide the agreed upon analyses whether or not the targets change. Condition 5 does not specify that Avista must only do so when the targets change, and so Avista's reasoning for not providing the analysie is insufficient. The means of meeting interim targets and complying with CETA are rapidly changing, and the clean energy landscape today is not the same as the landscape of when the targets were approved. In the event the targets do not change, this condition should require Avista to look provide the quantitative and qualitative analyses that support the continuation of those targets through the next compliance period.

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.

³ WAC 480-100-640(2)–(3).

⁴ Avista's CEIP Biennial Update at 46 (filed Nov. 1, 2023).

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RCW 70A.02.010(14) defines Vulnerable Populations as groups that are more likely to be at higher risk for poor health outcomes in response to environmental harms, due to: (i) Adverse socioeconomic factors, such as unemployment, high housing and transportation costs relative to income, limited access to nutritious food and adequate health care, linguistic isolation, and other factors that negatively affect health outcomes and increase vulnerability to the effects of environmental harms; and (ii) sensitivity factors, such as low birth weight and higher rates of hospitalization. This includes, but is not limited to:

- (i) Racial or ethnic minorities;
- (ii) Low-income populations;
- (iii) Populations disproportionately impacted by environmental harms; and
- (iv) Populations of workers experiencing environmental harms.

Avista's initial methodology for identifying Vulnerable Populations was based on the Walshington State Health Disparities map, forcusing on census tracts scoring nine or higher for either the socioeconomic or sensitive population indicators. While this method was approved because of its availability, census tracts are not granular enough to identify Black, Indigenous, People of Color (BIPOC) households, workers experiencing environmental harm, etc. Avista's EAG identified additional characteristics the Company should consider in identifying Vulnerable Populations, outlined in Attachment F to the Update, including LGBTQIA+, people with disabilities, and renters.⁵

Avista acknowledges that the current data through the Health Disparities Map is insufficient to identify these households, and that it has "endeavored to identify a data source that identifies Vulnerable Populations in alignment with the factors identified by its EAG, provide identification across a broader service territory, and is supported by statistically valid research methods." The Company has identified the White House Climate and Economic Justice Screening Tool (CEJST) as a potential option, and intends to use this methology for Vulnerable Poopulation identification in its 2025 CEIP.

Public Counsel appreciates Avista's work towards compliance, but reiterates that this work was supposed to be completed for review by the Biennial Update, and Avista has therefore not complied with the condition. We recommend that the Commission require Avista to work with its EAAG and EAG to continue to expand this definition and identify appropriate data, and how it should be applied to the tracking of customer benefit indicators. Avista must submit a compliance filing before the 2025 CEIP outlining the advisory group process and expanded definition. Avista must then use the new data and CBI tracking methods in its 2025 CEIP.

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⁵ Avista's CEIP Biennial Update Attachment F.

⁶ Avista's CEIP Biennial Update at 50–51.

⁷ *Id.* at 51.

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We and appreciate the opportunity to submit these comments and look forward to continued collaboration. 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,

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