



Avista Corp.
1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

August 12, 2021

Mark L. Johnson
Executive Director and Secretary
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Received
Records Management
08/12/21 08:52
State Of WASH.
UTIL. AND TRANSP.
COMMISSION

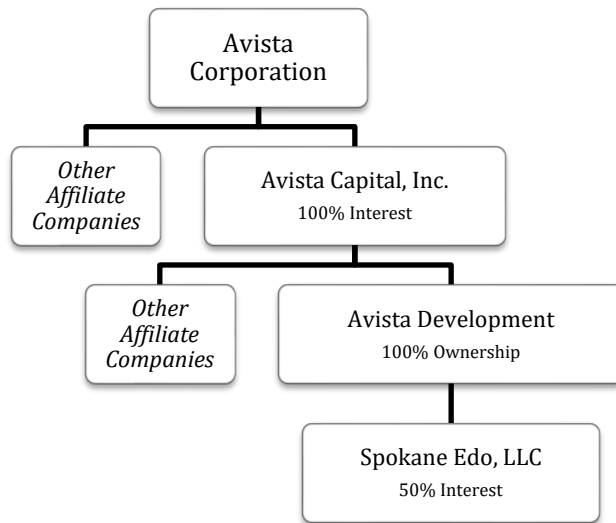
RE: Avista Corporation Affiliated Interest Filing pursuant to RCW 80.16.020

Dear Mr. Johnson:

Pursuant to RCW 80.16.020 and WAC 480-100-245, please find enclosed for electronic filing with the Commission a First Amendment to the Statement of Work (SOW) between Avista Corporation (Avista or “the Company”) and Spokane Edo, LLC (Edo), an affiliate of Avista. The original SOW was provided to the Commission in Docket No. UE-210243, as Exhibit A within Confidential Attachment A of Avista’s original filing of the Professional Service Agreement (“Agreement”) between the two parties on April 12, 2021; this docket was reviewed by Commission Staff and closed on May 21, 2021. The reason for this First Amendment is to reflect that industrial data gateway devices (“Gateway Devices”), which are owned by McKinstry Co., LLC (McKinstry), will be deployed at customer sites as part of the Active Energy Management (AEM) Pilot and Training Program (“Pilot”). With this filing, Avista hereby requests Commission approval of the Amendment (or otherwise take no action), attached hereto as Confidential Attachment A.

Organizational Chart

As illustrated in the organizational chart below, Avista Development, Inc. (Avista Development), a subsidiary of Avista Capital Inc. and, by extension, Avista Corporation, holds a 50% ownership interest in Edo. Consequently, Edo is an affiliate.



Background

On April 12, 2021, Avista provided notice to the Commission that it was Avista’s intent to enter into an Agreement with Edo to provide Avista with a monitoring-based commissioning program called Active Energy Management, designed to achieve energy efficiency savings through Avista’s Demand Side Management (DSM) program. Edo, a joint venture between Avista Development and McKinstry, offers a proprietary programmatic mix of Strategic Energy Management, Monitoring-Based Commissioning and Fault Detection Diagnostics (FDD), all of which contribute to addressing and overcoming the barriers that exist within the built environment.

AEM is an operational energy efficiency program that leverages advanced data collection and analytics to identify energy savings opportunities and provide root cause-based resolution. The Pilot leverages FDD software, combined with engineering support services, and is designed to be supported by Edo but delivered to customers by Avista. Edo will support Avista representatives in the development of AEM skills and processes that combine data acquisition, analytics, and the implementation of energy efficiency recommendations. The Pilot will allow Avista to not only provide AEM to its customers, but to also create an opportunity for Avista staff to learn new techniques for energy management while seeing the impacts of targeted energy efficiency and demand management at scale. As stated in its original filing, the objective of this collaboration is to demonstrate a utility energy management system that aligns incentives toward common goals

across the utility and its customers, which includes identifying energy efficiency savings as well as reducing carbon emissions at customer sites.

The First Amendment, provided as Confidential Attachment A, modifies the original SOW by adding a Section 5 which contains further details regarding the data analytics and device installation/removal policies for the Pilot. No other provisions of the original Agreement are changed with this filing. Avista believes this First Amendment is in the public interest, as it does not alter the original intent of the Pilot but rather simply provides additional clarity and specificity surrounding the Pilot's SOW. Avista respectfully requests that the Commission complete its review of this Agreement and promptly notify the Company if it believes that the agreement is inconsistent with public interest.

In accordance with WAC 480-07-160, Avista Corporation requests confidential treatment of the Statement of Work provided in Attachment A. This Attachment is marked "Confidential".

Please direct any questions regarding this filing to Ryan Finesilver at (509) 495-4873 or Jaime Majure at (509) 495-7839.

Sincerely,

A handwritten signature in black ink that reads "Patrick D. Ehrbar". The signature is written in a cursive style with a long horizontal line extending to the right.

Patrick D. Ehrbar
Director of Regulatory Affairs
Avista Utilities
509-495-8620
Pat.Ehrbar@avistacorp.com

Enclosure