



Low-Income Rate Assistance Program (LIRAP)

Annual Summary Report

For the program period October 2018 through September 2019

WASHINGTON

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Table of Contents

Overview	3
Program Year Results	4
Table 1 – Program Budget and Program Year Expenditures	5
Participants and Fund Distribution.....	5
Table 2 - Number and Amount of Grants by Component	6
Table 3 - Demographic Data, Year 18 (October 2018 – September 2019).....	7
Administration and Program Support Fees	8
Table 4 – Administration and Program Support Fees	9
Conservation Education Staff & Labor Support	9
Table 5 – Conservation Education Staff and Labor	10
Program Distribution Percentage	10
Table 7 – Direct Service Distribution.....	11
Avista Electric and Natural Gas Assistance	11
Table 8 – Percentage of LIRAP Grants Issued by Fuel Type	11
Senior and Disabled Customer Rate Discount Pilot.....	12
Table 9 – Rate Discount Pilot – Participants.....	12
Income Based Payment Program (IBPP) Pilot and Balance Management Arrangement (BMA) Pilot ..	13
True-Up Mechanism.....	16
Program Process.....	16
Avista Energy Assistance Advisory Group.....	16
Agency Meetings.....	17
Conservation Education and Outreach.....	19
Agency Conservation Education Activities.....	20
Avista Outreach and Education.....	24
Avista and SNAP Energy Assistance Day	24
Energy Assistance Outreach.....	26
Senior Directories and Publications	26
Key Terms	28
Data Collection	29
Participating LIRAP Agencies.....	29
Contacts	29

Overview

Avista Utilities' Low-Income Rate Assistance Program (LIRAP or "Program"), approved by the Washington Utilities and Transportation Commission (UTC) in 2001, collects funding through electric and natural gas tariff surcharges on Schedules 92 and 192. These funds are distributed by Community Action Agencies ("CAAs" or "Agencies") in a manner similar to the Federal and State-sponsored Low Income Home Energy Assistance Program (LIHEAP). LIRAP, like LIHEAP assistance, can help reduce the energy cost burden among those customers that are experiencing difficulty paying their energy bills.

Avista is committed to reducing the burden of energy costs for customers that are impacted most by changes in energy prices, including low income individuals and families, seniors, disabled and vulnerable customers. To assist customers in their ability to pay, the Company focuses on actions and programs in four primary areas:

- 1) advocacy for and support of programs providing direct financial assistance;
- 2) low income and senior outreach programs;
- 3) energy efficiency and energy conservation education; and
- 4) support for community programs that improve affordability of basic living costs for resource constrained customers.

For the 2018-2019 program year, LIRAP was comprised of six components:

- LIRAP Heat: mimics LIHEAP in terms of intake requirements and benefit calculation. LIRAP Heat income eligibility was updated for the 2018-2019 program year to 150% of the Federal Poverty Level ("FPL"). Washington State LIHEAP eligibility is 125% FPL;
- LIRAP Emergency Share: LIRAP Emergency Share emulates the Project Share community fund that is funded through voluntary donations that are used to help customers in emergency or hardship situations;
- LIRAP Senior/Disabled Outreach: this grant based program targets a distinct customer group that have incomes between 151% to 200% FPL, by providing a one-time per program

year benefit of \$100 for customers who have an alternative heat source, or \$400 for customers who heat with Avista;

- Senior/Disabled Rate Discount Pilot: A rate discount program for senior and disabled households with fixed incomes between 126-200% FPL.
- Income-Based Payment Plan (IBPP) Pilot:¹ Available to electric customers with income at 10-50% FPL, this pilot provides a fixed percentage discount that reduces the customer's bill to 6% of their income; and
- Balance Management Arrangement (BMA) Pilot:² Available to customers who have qualified for enrollment in the IBPP and have amounts owed in arrears or a balance they cannot pay at the time of enrollment, this pilot is a one-time benefit that reduces customer arrearage owed over a 12-month period by providing an incentive for regular, on-time payment of these balances.³

Program Year Results

During the 2018-2019 program year, \$5,847,365 of electric revenue was collected and \$3,404,790 of natural gas revenue was collected, for a total of \$9,252,155.⁴ In the Company's Washington service territory, 18,341 electric and natural gas customers received total energy grants averaging \$344 and the average LIRAP heat grant averaged \$422.

¹ Formerly known as the Percent of Income Payment Plan (PIPP) Pilot

² Formerly known as the Arrearage Management (AMP) pilot.

³ Notably, the Senior/Disabled Rate Discount Pilot was approved as a permanent LIRAP offering, effective October 1, 2019³, and both the IBPP and BMA Pilots ended on September 30, 2019.

⁴ Includes funding for both LIRAP and the Senior/Disabled Rate Discount Pilot Program.

Table 1 below reflects the total budget of the Washington LIRAP program, actual amounts collected through Schedule 92 and Schedule 192, and the expenditures during the program year. Expenditure amounts include Direct Services, Administration, and Conservation Education.

Table 1 – Program Budget and Program Year Expenditures

Program Year October 1 - September 30	WA Program Budget	Program Year Expenditures ⁵	Unspent Funding
Electric	\$5,635,949	\$5,412,485	\$223,464
Natural Gas	\$3,303,501	\$2,789,547	\$513,954
Total	\$8,939,450	\$8,202,032	\$737,418

The remaining balance of \$737,418 is made available to Agencies in the 2019-2020 program year.

Participants and Fund Distribution

Avista’s LIRAP provided 18,341 grants during the 2018-2019 program year, with the total grant amount averaging \$344. Participants may have received a total of two grants from LIHEAP/LIRAP Heat and LIRAP Emergency Share at different times during the year, as CAAs are able to serve a customer more than once in a program year if the household continues to experience hardship after receiving assistance. To demonstrate the Program’s impact in meeting the need, Table 2 below shows a year-to-year comparison of the number of grants issued for each Program component, with the total and average amounts for each.

⁵ Includes adjustments in the amount of \$24,858 for refunds made to the Agencies, in order to release unused LIRAP funding back to the LIRAP program.

Table 2 - Number and Amount of Grants by Component

Year 18 - October 2018 through September 2019			
Program Component	Number of Grants	Grant Amount	Avg. Grant Amt.
LIRAP Heat	6,710	\$2,828,633	\$422
LIRAP Emergency Share	10,211	\$2,957,961	\$290
Senior Outreach	1,420	\$530,050	\$373
Total	18,341	\$6,316,644	\$344

Year 17 - October 2017 through September 2018			
Program Component	Number of Grants	Grant Amount	Avg. Grant Amt.
LIRAP Heat	7,586	\$3,312,502	\$437
LIRAP Emergency Share	8,797	\$2,538,627	\$289
Senior Outreach	1,238	\$471,150	\$381
Total	17,621	\$6,322,279	\$359

In this program year, 49% of LIRAP participants had average household incomes less than \$15,000, and approximately 15% of the grant recipients had annual household incomes less than \$8,000. Over 62% of the LIRAP participants had households of two or more people, with customers renting their residences constituting 70% of total participants.

Table 3 below shows a collection of demographic data intended to be responsive to requests for general information of participating customers. This data was collected by the participating Community Action Agencies.

Table 3 - Demographic Data, Year 18 (October 2018 – September 2019)

Washington LIRAP			
Data Compilation - GRANTS			
October 1, 2018 through September 30, 2019			
	# of Households	% of Households	Cumulative %
Home Ownership			
Own	5,590	30%	30%
Rent	12,751	70%	100%
Total	18,341		
Heating Fuel Source			
Electric	11,857	65%	65%
Natural Gas	6,484	35%	100%
Other	0	0%	100%
Total	18,341		
Size of Household			
1 Person	7,172	39%	39%
2 People	4,139	23%	62%
3 People	2,683	15%	76%
4+ People	4,347	24%	100%
Total	18,341		
Annual Income Level			
Under \$2,000	1,192	6%	6%
\$2,000-\$3,999	438	2%	9%
\$4,000-\$5,999	484	3%	12%
\$6,000-\$7,999	648	4%	15%
\$8,000-\$9,999	2,701	15%	30%
\$10,000-\$11,999	1,363	7%	37%
\$12,000-\$14,999	2,242	12%	49%
Over \$15,000	9,273	51%	100%
Total	18,341		

Administration and Program Support Fees

A portion of the revenue collected through Schedules 92 and 192 is provided to the six Community Action Agencies in Avista's Washington service territory for the administration and delivery of the Program to qualified customers. These funds are referred to as "Administration and Program Support Fees" or "Admin Fees", and are essential in supporting the Agencies in their ability to implement LIRAP programs. Avista and its partner Agencies have developed and provided essential LIRAP programs to ensure ease of access and maximum benefit for low income customers struggling to afford basic living costs.

As stated previously, customer eligibility for LIRAP Heat is determined according to existing guidelines established by Federal and State standards used for the Low-Income Home Energy Assistance Program. However, effective October 1, 2017, LIRAP Heat income eligibility was increased to 150% FPL, while LIHEAP remains at 125% FPL. Additionally, customers experiencing emergencies are also eligible for assistance under LIRAP Emergency Share. For senior and disabled customers who exceed the LIRAP Heat income guidelines, LIRAP Senior/Disabled Outreach is designed to be used in conjunction with the Company's Comfort Level Billing plan (CLB). Avista's CLB plan provides an approximate monthly average of the customer's estimated annual billings, based on the previous 12-months' usage at a property, therefore allowing the customer to pay a fixed 1/12 of their estimated annual bill each month.

For this reporting program year, a total of \$1,528,664 was distributed to the Agencies for administration and program support fees. This amount, when combined with the \$239,237 carryover from the previous reporting program year, provided \$1,767,902 made available to the Agencies for administration and program support costs in 2018-2019. Excluding the amount subsidized from other funding sources, the amount utilized by the Agencies to support program administration was \$1,347,090, leaving an unspent balance of \$420,812 for Administration and

Program Support Fees at September 30, 2019. Table 4 below represents a recap of the Admin Fees spent, and the amount available at September 30, 2019.

Table 4 – Administration and Program Support Fees

Table 4 WASHINGTON LIRAP Admin and Program Support Fees Funds October 1, 2018 through September 30, 2019	
Admin and Program Fees Carry Over from Program Year 17	\$ 239,237
Program Year 18 - Admin & Program Support Funds paid to Agencies	<u>1,528,664</u>
Net Funds Available for Admin and Program Support Fees	1,767,902
Admin and Program Support Funds Spent by Agencies	(1,347,090)
Unspent Admin and Program Support Fees at September 30, 2019	<u><u>\$ 420,812</u></u>
Percent Unspent in Comparison to Available Funds	24%

Conservation Education Staff & Labor Support

The Company budgets 4.2% of its Program funding to help support the CAAs’ labor related to the Conservation Education program. These funds are used to support the staffing and administration needs of each agency, specifically for conservation education activities. “Conservation Education Staff & Labor”, or “Con Ed S&L” funds are paid out to the Agencies monthly, along with the Administration and Program Support Fees.

For this program year, a total of \$375,457 was distributed to the Agencies for Conservation Education Staff & Labor. This amount, when combined with the \$116,503 carry over from the previous reporting program year, totaled \$491,960 made available to the Agencies for Conservation Education Staff and Labor. Agencies spent \$353,417 in LIRAP funds for Conservation Education Staff and Labor during the 2018-2019 program year, leaving an unspent

balance of \$138,543 at September 30, 2019. This funding has been distributed to the individual Agencies and, per their discretion, can be carried forward into the next reporting program year for future Conservation Education Staff and Labor costs. Table 5 below represents a recap of the Conservation Education Staff and Labor spent, and the amount available at September 30, 2019.

Table 5 – Conservation Education Staff and Labor

Table 5 WASHINGTON LIRAP Conservation Education Staff and Labor October 1, 2018 through September 30, 2019	
ConEd Staff and Labor Carry Over from Program Year 17	\$ 116,503
Program Year 18 - ConEd Staff and Labor paid to Agencies	<u>375,457</u>
Net Funds Available for ConEd Staff and Labor	491,960
ConEd Staff and Labor Funds Spent by Agencies	(353,417)
Unspent ConEd Staff and Labor at September 30, 2018	<u>\$ 138,543</u>
Percent Unspent in Comparison to Available Funds	28%

Program Distribution Percentage

The percentages for distribution among the three grant programs (i.e., LIRAP Heat, Emergency Share and Senior Outreach) are 60% for LIRAP Heat, 26% for LIRAP Emergency Share, and 14% for Senior Energy Outreach. The Direct Service distribution results for this program year were as follows:

Table 7 – Direct Service Distribution

Agency	Heat	Emergency Share	Senior Outreach
Recommended Percent for Program Distribution	60%	26%	14%
Community Action Partnership Asotin	49%	48%	3%
OIC	52%	44%	4%
Rural Resources	69%	27%	5%
SNAP	41%	50%	9%
WGAP	100%	0%	0%
Community Action Center Whitman	44%	48%	8%
Total	49%	48%	3%

The Company recognizes that each agency service territory is unique and attributes the differences in program distribution to the diversity of need experienced by each agency.

Avista Electric and Natural Gas Assistance

Of the total LIRAP assistance grants issued, approximately 66% were electric and 34% were natural gas. The 2018-2019 results for heating source assistance are as follows:

Table 8 – Percentage of LIRAP Grants Issued by Fuel Type

Agency	Electric	Gas
Community Action Partnership Asotin	45.58%	54.42%
OIC	98.78%	1.22%
Rural Resources	89.17%	10.83%
SNAP	63.63%	36.37%
Community Action Center Whitman	72.42%	27.58%
Total	67.21%	32.79%

Senior and Disabled Customer Rate Discount Pilot

By way of background, beginning in October 2015, Avista introduced a Rate Discount Pilot (“Pilot”) for senior and disabled households with fixed incomes between 126 to 200% of FPL. The per kilowatt-hour and per therm rate discounts, \$0.03153 and \$0.40663, respectively, were designed to provide an average benefit of \$300 per participant per program year, consistent with the grant amount provided through the existing LIRAP Senior Energy Outreach Program.⁶ The Pilot was originally set to conclude at the end of the 2016-2017 program year. However, as the Company prepared to implement additional pilots to be considered for its LIRAP portfolio, and based on discussions with the Energy Assistance Advisory Group (“Advisory Group”), the Company extended the term for the rate discount enrollment to remain on the rate schedule until it could determine whether the program would be fully subscribed or terminated. As of September 30, 2019, 508 of the originally-enrolled participants are still on the discounted rate, 158 of which are natural gas customers. Table 9 below summarizes the Rate Discount Pilot participant enrollment by agency.

Table 9 – Rate Discount Pilot – Participants

Table 9 WASHINGTON LIRAP RATE DISCOUNT PILOT - PARTICIPANTS October 1, 2018 through September 30, 2019			
Targeted Enrollment	SNAP	Rural Resources	Total
Electric	304	46	350
Gas	154	4	158
Total Enrollment	458	50	508
Note: The total sign-ups reflect total individuals enrolled at the end of the program year.			

⁶ The actual benefit amount received by each customer may be more or less than \$300 depending on actual usage.

The total budget for the Rate Discount Pilot for the 2018-2019 program year was \$269,200. Of that amount, actual expenditures for the Rate Discount Program totaled \$253,427 with \$199,772 issued as rate discounts and \$53,655 for agency administrative support. With support from its Advisory Group, the Company requested to transition the Pilot into a permanent LIRAP offering, open to all Agencies effective October 1, 2019. The Senior/Disabled Rate Discount, modified to accommodate customers with variable incomes between 151-200% FPL, was approved by the UTC in Docket No. 190648 and will be a permanent LIRAP component with the 2019-2020 program year.

Income Based Payment Program (IBPP) Pilot and Balance Management Arrangement (BMA) Pilot

As provided in last year's LIRAP Report, the remaining \$581,687 Direct Service balance from the 2016-2017 program year was dedicated to funding the IBPP and BMA Pilots, implemented on October 1, 2018. These programs were designed by the Advisory Group subcommittee in 2016 and 2017, with representatives from UTC Staff, The Energy Project, Rural Resources, SNAP and Avista. Participants from the Company included collections analysts and program analysts, regulatory analysts, as well as Energy Efficiency and Consumer Affairs Program Managers.

Of the funding provided, approximately \$420,000 was dedicated to Direct Services, \$87,000 to Agencies for Administration and Program Delivery Costs, \$10,000 to each agency for start-up costs, and \$40,000 for evaluation of the pilot. The Direct Service funding amount was based on an estimated average participant benefit of \$1,050 for the IBPP and an estimated average participant benefit of \$350 for the BMA.

The IBPP and BMA pilots were limited to 300 total participants for a one-year term, which ended on September 30, 2019. The Company was able to enroll approximately 170 customers into the pilots upon implementation. The IBPP is targeted to electric residential customers with an income up to 50% FPL. The IBPP benefit is a fixed percentage discount that reduces the customer's bill to approximately 6% of their income, based on annualized current income and the previous year's electric usage. It is administered as a monthly discount on the participant's bill, with the resulting total cost reflecting 6% of the customer's income. The fixed percentage discount design of the IBPP addresses the affordability of energy while also keeping customers mindful of their energy use. It is assumed that since the payment is set at a reasonable rate of 6% of the customer's income, the affordability will result in regular payments and will reduce the rate of disconnections and arrears for the participant population.

Avista's Customer Assistance, Referrals and Education Specialist (CARES) representatives set up all IBPP enrollees in the Company's Customer Care & Billing (CC&B) system. At the time of enrollment, the CARES representative screened all IBPP enrollees for unpaid past and current balances to determine eligibility for the BMA program, an opt-in program that can be utilized concurrently with the IBPP. The CARES representative individually contacted all BMA candidates to invite them to participate in the program.

The BMA is a one-time benefit designed to assist IBPP participants by reducing the arrears amount owed over time and by rewarding regular payment behavior. The BMA is available to IBPP participants who have an arrears or a balance they cannot pay at the time of IBPP enrollment. The intention of the BMA is the amortization of 90% of the customer's arrears over a twelve-month period, which is then forgiven from the customer's account with each on-time payment the customer makes toward the other 10%. The BMA reduces the amount owed by 1/12 of the overall arrears balance each month that the customer participates. The program design provides that by

the end of the 12-month period, the customer will have paid 10% of the arrears balance owed, and the other 90% will have been forgiven via BMA incentive. The intent is that the incentive will 1) influence the desired stable customer payment behavior of regular, on-time payments; 2) reduce the burden an arrearage places on customers and their ability to pay current and future utility bills; 3) reduce individual, business, and program expenses associated with disconnections and reconnections; and 4) reduce the amount of bad debt that the Company carries as a result of nonpayment.

The Income Based Payment Program and Balance Management Arrangement pilots ended on September 30, 2019. In preparation for expiration of the pilots, customer notices were sent to all customers still enrolled in the pilots—along with a home energy kit—thanking each participant for partaking in the pilots. Additionally, customers identified as having higher usage were provided an opportunity to participate in a free home energy audit through Avista; one customer elected to participate. Rural Resources and SNAP also reached out to participants to conduct energy assistance intake and reviewed accounts in order to provide those who may qualify with appropriate weatherization programs.

During the pilot term, 176 IBPP customers were served, 81 of which also participated in the BMA. \$159,831 was provided in IBPP benefits, with the average benefit per customer being \$908 for the pilot term. A total of \$10,565 in benefits were provided for the BMA group, with a total average overall benefit of \$130 per participant. Of the 81 IBPP customers that elected to also participate in the BMA, 50 completed the program in its entirety, and 31 were terminated for missed payments.

Pilot evaluation components for both the IBPP and BMA were identified by the Energy Assistance Advisory Group subcommittee and provided to a third-party evaluator. Metrics to be evaluated include identifying the number of customers who do and did not complete the program,

as well as assessment of the pilot's impact on participants with regards to average benefit amount, energy burden, and disconnection rates. General information regarding the participants' payment/account activity and overall satisfaction with the pilot will also be reported. Additionally, the evaluator will conduct an assessment of the enrollment and engagement process for efficiency and effectiveness.

The third-party evaluator for the IBPP and BPA pilots was selected based on a review of proposals from interested parties, in consultation with the Advisory Group. Evergreen Economics, the chosen evaluator, presented the Interim Evaluation Report (provided as Attachment A to this Report) to the Advisory Group on July 16, 2019, with a final report anticipated in February 2020.

True-Up Mechanism

Per Order 07 in Docket Nos. UE-140188 and UG-140189, the Company files an annual true-up request to ensure appropriate recovery of the annual LIRAP funding each year; the true-up mechanism aligns the actual dollars collected with the annual budgeted amounts communicated to the Agencies. The difference between the actual collections and the annual budgeted amount is adjusted through LIRAP rate Schedules 92 (electric) and 192 (natural gas). For the 2018-2019 program year, LIRAP collections from customers were lower than the targeted budget by approximately \$254,323 (a \$149,244 under-collection for electric and \$105,069 under collected for natural gas).

Program Process

Avista Energy Assistance Advisory Group

The Energy Assistance Advisory Group met three times during the 2018-2019 report period, with representatives from The Energy Project, UTC Staff, SNAP, Rural Resources, Opportunities Industrialization Center (OIC) of Washington, Aging and Long Term Care of

Eastern Washington, Public Counsel, and the Department of Commerce, as well as Avista staff from Regulatory Affairs and Customer Solutions. The Advisory Group works to continuously monitor and improve LIRAP by evaluating existing and alternative program designs, as well as reviewing program and administrative costs to ensure that funding is appropriately allocated toward meeting the program's goals. The Group meets at least two times each year.

In 2019, the Advisory Group met on March 7, 2019; July 16, 2019; and July 25, 2019. As previously noted, Evergreen Economics presented the interim report for the for the Income Based Payment Program (IBPP) and Balance Management Arrangement (BMA) pilot at the July 16, 2019 meeting. They also provided an overview of the work plan for the Low Income Needs Assessment (LINA) at that time; LINA is discussed further in the forthcoming "Agency Meetings" section of this LIRAP Report. Additionally, the Group reached consensus, during the first July meeting, to pursue the full implementation of the Senior/Disabled Rate Discount, on a permanent basis, for qualified residential customers. The subsequent July 25, 2019 meeting was conducted to further discuss key elements of the Senior/Disabled Rate Discount, including but not limited to: proposed modifications from the original Pilot to a permanent program; customer outreach strategy; alignment of agency incorporation; and overall timeline for implementation and transition from the grant-based senior/disabled offering.

Agency Meetings

The Company met with the LIRAP Agencies twice in 2019; first on May 7, 2019 following the end of the 2018-2019 heating season, and then again on September 5, 2019, prior to the launch of the 2019-2020 heating season. Discussions and collaboration during these meetings provides direction for continued program refinement and clarity for program implementation. Recent examples of program changes that resulted from these Agency meetings include the Temporary

Exception Program (TEP) implemented in 2016, which helps customers in the event of extremely high bills in arrears; increasing LIRAP Heat to 150% and increasing the benefit amounts for LIRAP Emergency Share and Senior Outreach are further examples of this collaborative process helping to promote better assistance options and availability to Avista customers.

At the 2018 fall meeting on September 11, 2018, the Agencies requested to increase the LIRAP Senior/Disabled Outreach Grant income guideline to 300% FPL, with the rationale that individuals with income just above 200% FPL are not qualifying for this grant, yet are still facing severe hardship and having difficulty with basic costs of living. The group specifically identified the following customer populations as particularly vulnerable, yet not quite qualifying for the Senior/Disabled Outreach Grant under the existing FPL guidelines:

- veterans with retirement *and* disability benefits;
- seniors with multiple incomes;
- seniors with adult children and/or grandchildren that reside in the home but are not contributing to the increased household costs; and
- seniors unwilling to discuss medical costs, thereby eliminating the ability of Agencies to make income adjustments for non-reimbursed medical expenses to aid in grant qualification.

Based on the Agencies' request, the Company recognized the need to more adequately identify this potential qualifying population, and began the process of identifying a vendor to conduct an analysis of the Washington eligible population up to 300% FPL. Through the Request for Proposals process, Evergreen Economics was selected to conduct this Low Income Needs Assessment for Avista's Washington service area. Evergreen's Statement of Work is attached as

Attachment B of this LIRAP Report. The final findings of the LINA are scheduled to be presented to the Advisory Group at its January 2020 meeting.

At the 2019 spring meeting on May 7, 2019, covered updates regarding the 2019-2020 LIRAP budget program spending, along with an overview of the LINA and IBPP/BMA pilot. Additionally, informational presentations regarding ratemaking and utility regulation, as well as smart meter implementation and web tools were provided.

Avista staff also conducted training for energy intake staff at SNAP and the Community Action Center prior to the beginning of the heating season. The agenda for the sessions included an overview of the CARES and Avista Customer Service – both entities that interact with agency staff on a daily basis for the efficient processing of energy assistance grants. The training also covered customer bill cycles, Avista online resources, customer billing and payment options, and effective use of the Company’s Energy Assistance workbench, where Agencies can get customer usage and billing/payment history and post a grant. SNAP’s staff training also included a presentation regarding Avista’s regulatory process.

Conservation Education and Outreach

Conservation Education (Con-Ed) is a key component of the LIRAP energy assistance program, as it supports the Program’s intent to encourage self-sufficiency among limited income customers. Teaching and demonstrating proven approaches to managing energy use may potentially reduce customers’ bills and increase customers’ ability to pay. In the original Program dockets (Docket Nos. UE-010436 and UG-010437), the Commission Staff’s decision memo dated April 25, 2001 states:

“Staff believes that a comprehensive educational program should be designed to contribute toward changing the behavior of customers with respect to energy conservation and efficiency. The educational materials may include video, workshops, articles, brochures and newsletters, etc. The production of educational materials,

including how well the message is structured, ease with which it can be comprehended by customers and whether or not there are alternative forms of educational materials to enhance conservation measures, should be evaluated by consultants.”

Based on this guidance, Avista has recognized the following educational strategies as efficient and effective means for delivering the energy conservation program:

- Energy Conservation workshops for groups of Avista customers with the primary focus on reaching seniors and low-income.
- Energy Conservation kits that include items such as: window plastic, V-seal, outlet draft stoppers, and other items to encourage effective energy management practices. All Avista customers who receive an energy assistance grant are provided with energy conservation materials.
- Avista printed materials that feature information on:
 - Avista Assistance Programs, such as payment arrangements, Comfort Level Billing, and preferred due date
 - Energy saving methods and resources
 - Outage preparation for those with medical equipment
 - Scam avoidance
 - Electric and Gas Safety

Also provided in Staff’s memo was the inclusion of the 4% funding level for the Company’s Conservation Education and Outreach efforts; over time, however, the funding level for Con-Ed has been reduced to its current level of 0.08%.

Agency Conservation Education Activities

The Agencies can use up to 6% of direct service funding to purchase energy saving items to disburse to individuals either at the time of their appointment or through other means.

The Community Action Center (CAC) that serves Whitman County provided energy conservation information to 1,346 Avista customers receiving either LIHEAP or LIRAP assistance during intake at their Pullman and Colfax offices and thirteen winter outreach locations throughout

Whitman County. During the assistance intake process, the CAC staff discusses energy saving tips and payment information. Rather than a pre-packaged kit, the CAC allows the families to choose the energy saving items that they will use in their home. CAC staff estimate that around 2,800 conservation supplies were given out during this program year; those items included LED bulbs, foam gasket covers, plastic window kits, hot water gauges, and kitchen and bathroom faucet aerators, plastic weather-stripping and informational materials. CAC also provided conservation and bill/payment brochures and flyers to over 1,400 households. An Avista CARES representative also attended the CAC annual barbeque event to distribute conservation education materials.

In addition to conservation education, CAC also shows customers how to go about making a calls to their local utility. According to CAC representatives, clients are often afraid to contact the utility without assistance, so CAC staff contact the utility with the customer present to demonstrate how to talk to the utility representative and conduct account management activities such as setting up a payment arrangement.

Rural Resources, serving Stevens, Lincoln and Ferry counties, notified Avista customers in their annual application mailing that home energy kits are available for pick up at the Loon Lake Food Pantry, or from their local Rural Resources offices in Colville, Ione, Davenport and Newport. As a result, at least 815 of these kits were distributed to Avista customers, with an additional 1,798 Avista customers receiving conservation education during their intake appointment. Customers with high usage received education and personalized troubleshooting to address the underlying causes of usage, often being referred for additional weatherization services. Rural Resources staff also reached approximately 50 families while conducting outreach at the Colville School District free immunization clinic and Head Start meetings.. To help individuals understand energy saving benefits, Rural Resources staff often use personal examples, or stories, to encourage energy saving behavior.

OIC of Washington has a television in the lobby area. The intent of this feature is to ensure that every client who walks in for service will be informed on how to improve energy conservation in their home. The slow-running PowerPoint presentation, which runs in both English and Spanish, includes energy saving tips that highlight sources of high energy consumption, common areas for air leaks, thermostat settings, and how to save water. Additionally, a case manager follows up with clients during intake to reinforce the steps they can take to conserve energy. OIC also conducts outreach by setting up tables at local food banks, community events, health centers, and connecting with school personnel and parenting programs. Announcements for OIC are featured in local newspaper and radio broadcasts. OIC estimates that 3,000 Avista customers were reached through their public awareness campaign in Grant and Adams counties, and 2,700 were provided with energy saving items, such as caulking tape, LEDs bulbs, switch/outlet gasket covers and print materials.

Serving Spokane County, Spokane Neighborhood Action Partners (SNAP) conducts its primary LIRAP conservation education activities during the energy assistance intake appointment and through other mediums such as displays in offices, workshops, outreach events, partner communication, youth summer camps, SNAP ambassadors, social media, the agency reader board and the organization's website. During the 2018-2019 reporting period, SNAP participated at community outreach events such as Tom's Turkey Drive, Camp Fire's Camp Dart-Lo, Engaging Fatherhood Conference, Meals on Wheels and Headstart/Early Childhood Centers. Additionally, they conducted 10 conservation education workshops for approximately 154 Avista customers and non-Avista individuals living in Spokane County (with an estimated 80% of attendees being Avista customers). 15,490 educational kits, 10,000 window plastic kits, 1,340 LED bulbs, 525 little window kits, 1,325 nightlights, 660 outlet covers, and 270 summertime tips magnets were distributed at SNAP energy appointments. Each kit provided to customers includes a

hygrometer/temperature gauge, window plastic, tip sheets, outlet cover kits, night lights, LED bulbs and energy coloring books for kids. Conservation education also occurs at SNAP's energy outreach appointments, with the Con-Ed specialist providing information and resources to those in the outlying communities. During its program year, SNAP encountered a change in staff and on-boarded a new Conservation Education specialist.

SNAP often partners with Avista Outreach to co-host booths and Avista's mobile outreach van at community events and food banks. During these events, SNAP staff shares information about the agency's programs and Avista staff provides energy saving information and materials. Additionally, SNAP conducts outreach appointments at Avista's Mission campus lobby throughout the heating season. These visits are specifically targeted to coincide with times higher lobby traffic—when many customers receive paychecks and visit the lobby to pay their utility bill. During this time, Avista Customer Service staff can direct customers with a disconnect notice or in a hardship situation to the SNAP intake worker, who will either conduct intake for regular or emergency assistance or schedule an appointment. This activity provides direct access to energy assistance benefits, is helpful in identifying new customers for assistance, and is well-received by customers.

The Community Action Partnership (CAP) serving Asotin County provides conservation education to customers during energy intake and participation in community events. . Individuals attending energy intake appointments or visiting CAP for other services have access to informational brochures and a rotating Power Point presentation. During the 2018-2019 reporting year, 72 energy outreach bags were distributed to customers, and the agency hosted a booth at the *Alive After Five* in June and July, with 51 individual visits the CAP booth. CAP, like SNAP, experienced staffing changes during this program year, hiring and training a new education specialist

Avista Outreach and Education

The majority of households seeking assistance contact the Community Action Agencies directly. However, Avista has a variety of methods to support the outreach efforts by engaging those in need, promoting the availability of assistance programs, guiding customers to the Agencies, and providing energy conservation education and resources.

To the Agencies, the Company provides energy use guides, and billing and payment options sheets to support their conservation education and outreach activities. During the summer months, fans were purchased and distributed by SNAP, Rural Resources and Avista to customers who needed assistance cooling their homes. Additionally, Avista hosts community workshops, energy fairs, and mobile outreach events, as well as participating in general outreach events throughout the Company's service area. At such events, Avista provides education and resources for home energy management and raises awareness about the local Agencies and the services they provide – most specifically energy assistance. For the 2018-2019 program year, approximately 7,020 individuals were reached through 119 Avista-hosted activities. Where possible, the Company and Agencies collaborate to participate at community events; Avista focuses on providing energy saving information and resources at these events, while the Agencies typically promote their services, with a focus on energy assistance and weatherization.

Avista and SNAP Energy Assistance Day

For Avista and SNAP's 3rd annual Energy Assistance Day, both parties agreed to extend the event, which had previously been a one-day occasion, to two days: October 2, 2019 and October 3, 2019. With the expanded timeframe, the previous year's objective of processing energy assistance appointments for approximately 700 income-qualified customers doubled to a target of reaching at least 1,400 of these customers, to achieve the following goals:

- Build awareness of energy assistance programs;
- Reach new customers;
- Connect with customers and reinforce Avista’s commitment and advocacy for vulnerable customers; and
- Further leverage SNAP’s infrastructure by reaching more customers through a two day event.

Approximately 100 Avista employees, along with over 50 SNAP employees, helped 1,486 Avista customers get qualified for energy assistance.

Prior to the event, eligible customers were able to schedule an energy assistance appointment at time that was convenient for them. Walk-ins were served on an “as able” basis. After each attendee completed their appointment, they could visit the energy fair, where they received an energy savings kit that included items to help weatherize their homes. At the fair, they could also visit demonstration tables where Avista employees showed how to easily install the weatherization materials in the kit. Attendees could also visit with community service partners including: Aging and Long Term Care of Eastern Washington’s Statewide Health Insurance Benefits Advisors (to sign up for or learn about MediCare benefits), Spokane County Bar Association & Volunteers Lawyers Program, Community Health Plan of Washington, Frontier Behavioral Health’s Kinship Navigators and Care Cars programs, Goodwill Industries, SNAP, Spokane Regional Clean Air Agency, Special Mobility Services, Spokane Veterans Services, the Department of Health & Human Services, and WorkSource. All attendees were also provided with a meal. For those not scheduling an energy assistance appointment with SNAP, the energy fair was free and open to the general public; 2,286 kits were distributed during the two-day event, and customer feedback from the program was overwhelmingly positive.

Energy Assistance Outreach

When requested by an agency to help promote the availability of energy assistance to customers, Avista will send targeted emails informing customers of their local Community Action Agency and the assistance that is available. The email includes the income guidelines for qualification, along with the agency contact and appointment information. The Agencies that have requested and utilized this promotional support report that the emails are effective in heightening the number of scheduled energy assistance appointments.

Ensuring qualified customers are aware of and connected to assistance is an important objective of Avista's Outreach and Education program. In addition to including assistance and agency information to customers during outreach activities, Avista strives to effectively close the gap between referring a customer to an agency and ensuring they are actually connected to the program, and hopes to explore future opportunities to streamline this referral process. One such example of a process that supports this desire to connect possible candidates directly to assistance is SNAP's secure vendor referral site for customers. SNAP's process would allow Avista CARES staff to access the site through a secure log-in and enter customer information that reaches SNAP directly, allowing them to then contact the customer to set up an appointment. By the Company's current process, the Avista CARES team manually sends out letters to customers in their caseload to ensure they are connected to assistance; only approximately 25% of those customers on the CARES caseload receive assistance from the Agencies.

Senior Directories and Publications

The Company continues its practice of placing ads in senior publications as part of a strategic effort to reach seniors with information about energy efficiency, billing assistance, Senior Energy Outreach workshops and CARES information. Featured below is a snapshot of an

advertisement that is published in various publications to educate customers about the resources that are available to them.




Helping you is energy well spent.

When budgeting for energy needs becomes challenging, Avista has options.

- **Bill Payment Options** such as Comfort Level Billing to even out your energy bill's seasonal highs and lows;
- **Senior Outreach** educational workshops to learn how to conserve and use energy efficiently;
- **Referrals** to local agencies for assistance;
- **Dedicated** customer service representatives to help with medical or family crisis situations;
- **Online Tools** to help you with your home energy management.

For more information, please call **1-800-227-9187** or visit avistautilities.com/senior.



The Company also promotes free tax preparation in Spokane, Adams and Grant counties through mailed bill inserts about Earned Income Tax Credit (EITC) refundable tax credit for low-to moderate-income working individuals, couples and particularly those with children. In 2019, there were eight locations in Spokane County: Cheney Library, Northeast Community Center, Medical Lake, Spokane Public Library, Spokane County Library Argonne, Spokane County Library Spokane Valley, Spokane County Library Moran Prairie and Spokane County United Way. Collectively, 4,985 tax returns were prepared, resulting in \$5,876,700 total refunds, of which \$1,422,181 was in Earned Income Tax Credit.

Key Terms

Key terms used in this Report are described as follows.

- Energy Cost Burden, Energy Burden: The percentage of income that households pay for energy service.
- LIHEAP: The Low Income Home Energy Assistance Program (LIHEAP) is a federal program established in 1981 and funded annually by Congress. These federal dollars are released directly to states, territories, tribes and the District of Columbia who use the funds to provide energy assistance to low-income households. LIHEAP offers financial assistance to qualifying low-income households to help them pay their home heating or cooling bills. Under federal law, a household must have income below either 150% of the federal poverty level or 60% of state median income level, whichever is higher. However, states can set lower income thresholds if they choose to. Some states use non-federal funds to expand their programs to include more households or to provide higher benefits.
- LIRAP Emergency Share: Funds provided for “emergency” purposes. Customers cannot receive both Emergency Share and Project share but can receive other forms of energy assistance.
- LIRAP Heat: For clients receiving “regular” energy assistance (i.e., LIRAP Heat), the eligibility determination is the same as the Federal LIHEAP program; however, LIRAP income guideline goes to 150% FPL. The amount of the assistance provided is based on household income, energy costs (all electric or natural gas costs, used for space heating or base load) and housing type (single family, multifamily, etc.) and then calculated using the Office of Community Development’s (OCD) mechanism. The benefits of using this mechanism include leveraging established systems and staff knowledge already in place at the Agencies as well as using a system that indexes assistance to income and need.
- LIRAP Senior Energy Outreach: This program denotes an offering unique to low-income senior customers.
- Participants: Customers who received LIRAP grant(s).
- Tariff Schedule 92: Avista tariff including the electric surcharge LIRAP rate.
- Tariff Schedule 192: Avista tariff including the natural gas surcharge LIRAP rate.

Data Collection

The data collection and measures used by Avista Utilities in the evaluation of LIRAP include:

- LIRAP Database;
- Customer Service System (Avista Utilities' information management data base);
- Ongoing Advisory Group review.

Participating LIRAP Agencies

- Spokane Neighborhood Action Partners (Spokane County)
- Opportunities Industrialization Center of Washington (Grants & Adams Counties)
- Community Action Center of Whitman County
- A Community Action Partnership (Asotin County)
- Washington Gorge Action Programs (Skamania and Klickitat Counties)
- Rural Resources Community Action (Lincoln, Stevens, and Ferry Counties)

Contacts

For further information, please contact:

- Ana Matthews
LIRAP Program Manager
509.495.7979
Ana.Matthews@avistacorp.com
- Ryan Finesilver
Energy Efficiency Manager
509.495.4873
ryan.finesilver@avistacorp.com
- Jaime Majure
Regulatory Policy Analyst
509.495.7839
jaime.majure@avistacorp.com