



Avista Corp.

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November 15, 2018

Via: UTC Web Portal

Mark L. Johnson
Executive Director and Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive S. W.
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Docket No. UG-_____ - Avista Utilities 2019 Natural Gas Annual Conservation Plan (ACP) and Tariff Revision Schedule 190

Dear Mr. Johnson,

Avista Corporation, dba Avista Utilities (“Avista or “the Company”), respectfully submits its “2019 Natural Gas Annual Conservation Plan (ACP)” for filing with the Commission, as well as proposed revisions to the Company’s associated natural gas tariff Schedule 190 – Electric Energy Efficiency Programs – to incorporate resultant provisions into the tariff and provide several housekeeping updates.

A draft copy of the 2019 Natural Gas ACP was provided to Avista’s Energy Efficiency Advisory Group (Advisory Group) on October 19, 2018. The Company received input from the Commission Staff, Public Counsel, and the Northwest Power and Conservation Council and have incorporated the input into its filing.

Avista’s Natural Gas ACP is intended to be a continuous planning process used to adaptively manage the Company’s natural gas Energy Efficiency portfolio. Revisions and updates to the Plan may occur over the course of the 2019 program year as the portfolio evolves, all of which will involve the collaborative efforts of the Advisory Group. Based on Avista’s 2018 Natural Gas Integrated Resource Plan (IRP), the Washington natural gas conservation potential for 2019 is 725,180 therms and the 2019 Natural Gas ACP expected acquisition is 726,128 therms.

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The Company has provided in its plan the annual estimated savings and budgets for each of its natural gas Energy Efficiency programs. Please see Appendix F for the annual program summary outlining Avista's planned savings by sector.

The 2019 ACP includes several appendices:

- Appendix A: 2019 Program Plans*
- Appendix B: 2019 Evaluation, Measurement and Verification Plan*
- Appendix C: Summarization of Cost-Effectiveness Methodology*
- Appendix D: Quick Reference Guide*
- Appendix E: Schedule 190, Washington*
- Appendix F: Program Summary*
- Appendix G: Impact Evaluation Recommendations*

Also attached for filing with the Commission, and included as Appendix E to the Company's ACP, are Avista's proposed revisions to the following tariff sheets, WN U-29:

Fifth Revision Sheet 190A Canceling **Fourth Revision Sheet 190A**

The Company also requests, for housekeeping purposes, cancellation of the following tariff sheets, WN U-29:

First Revision Sheet 190D
Original Sheet 190E
Original Sheet 190F
Original Sheet 190G

These requested tariff revisions include updates to incorporate the following changes:

1. Proposed revisions previously submitted as Appendix E to Avista's 2018-2019 Biennial Conservation Plan, to remove "Minimum measure life of 10 years" from the incentive pay-back table found on Sheet 190A, to add provisions regarding how measures with a TRC of less than 1 are incentivized for the low income sector, and to replace references of "Limited Income" with "Low Income" for clarification purposes.
2. Implement a change in the incentive level for residential weatherization measures that are eligible for both electric and natural gas incentives (e.g. windows and insulation). The Company proposes that such measures be incentivized at the higher of the electric and natural gas level, rather than be restricted by the \$3.00/therm

formerly used, as long as cost-effectiveness criteria is met. This proposed change was presented to the Advisory Group at its Fall Advisory Group Meeting on October 24, 2018, with the consensus being that as long as cost-effectiveness is still maintained there are no objections to providing the higher of the two available incentives. Further breakdown of this proposed change is provided in the ACP at page 8.

3. For housekeeping purposes, Avista requests cancellation of tariff sheets 190D-90G, as Commission Staff has notified the Company that these sheets are still on file with the Commission, yet have not been utilized in over ten years, with all relevant information having been otherwise incorporated into tariff sheets 190, 190A, 190B, or 190C during that time.

If you have any questions regarding this information, please contact Dan Johnson, Director of Energy Efficiency at 509-495-2807 or myself at 509-495-4975.

Sincerely,

/s/Linda Gervais/

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cc : Avista's Energy Efficiency Advisory Group

Enclosures