



Low-Income Rate Assistance Program (LIRAP)

Annual Summary Report

For the program period October 2017 through September 2018

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 14 October 2017 – September 2018.....	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 Impacts	11
Energy & Heat Burden	11
Table 6 - Energy Burden - Total Energy costs divided by household income	12
Program Distribution Percentage	13
Table 7 – Direct Service Distribution.....	13
Avista Electric and Natural Gas Assistance	13
Table 8 – Percentage of LIRAP Grants Issued by Fuel Type	14
Regulatory Changes	14
Senior and Disabled Customer Rate Discount Pilot.....	14
Table 9 – Rate Discount Pilot – Participants.....	15
Income Based Payment Program (IBPP) Pilot and Balance Management Arrangement (BMA) Pilot ..	15
True-Up Mechanism.....	18
Program Process	18
Agency Meetings.....	18
Avista Energy Assistance Advisory Group.....	19
Conservation Education and Outreach	20
Agency Conservation Education Activities.....	21
Avista Outreach and Education	23
Avista and SNAP Energy Assistance Day	24
Energy Assistance Outreach.....	26
Senior Directories and Publications	26
Key Terms	27
Data Collection	28
Participating LIRAP Agencies	28
Contacts	29

Overview

Avista Utilities' Low-Income Rate Assistance Program (LIRAP), 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 (CAA's 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 a household avoid having its utilities shut off or help reestablish service after a disruption and can also help pay ongoing energy costs. The current LIRAP program is comprised of six components:

- LIRAP Heat: mimics the LIHEAP program in terms of intake requirements and benefit calculation. LIRAP Heat income eligibility has been updated for the 2018 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 Energy Outreach: targets a third 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. Effective October 1, 2017 customers living with a disability were added to the eligibility criteria for this grant;
- 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) Pilot¹: 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) Pilot²: 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.

Avista is committed to reducing the burden of energy costs for our customers most affected by rising energy prices, including low income individuals and families, seniors, disabled and vulnerable customers. To assist our 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 of community programs that increase customers' ability to pay basic costs of living.

Program Year Results

During the program year, \$5,519,305 of electric revenue was collected and \$3,034,448 of natural gas revenue was collected, for a total of \$8,553,752.³ In the Company's Washington service territory, 17,621 electric and natural gas customers received total energy grants averaging \$359 and the average LIRAP heat grant averaged \$437.

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

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

³ Includes funding for both LIRAP and the Rate Discount Pilot Program.

In this program year, 53% of LIRAP participants had household average incomes less than \$15,000. Approximately 17% 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. Customers renting their residences constituted 73% of the total.

The following Table reflects the total budget of the Washington LIRAP program, the amount 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	Unspent Funding
Electric	\$ 5,224,842	\$ (5,019,575)	\$ 205,267
Natural Gas	\$ 3,069,213	\$ (3,056,902)	\$ 12,311
Total	\$ 8,294,055	\$ (8,076,477)	\$ 217,578

The remaining balance of \$217,578 is made available to agencies in the 2018-2019 program year.

Participants and Fund Distribution

Avista’s LIRAP provided 17,621 grants in the current program year, with the total grant amount averaging \$359. Participants may have received a total of two grants from LIHEAP, LIRAP and LIRAP Emergency Share at different times during the program year. The CAA’s are able to serve repeat participants according to the LIHEAP/LIRAP guidelines, specifically using income qualifications and by demonstrated need. To demonstrate the continued outreach and

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.

Table 2 - Number and Amount of Grants by Component

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
Year 16 - October 2016 through September 2017			
Program Component	Number of Grants	Grant Amount	Avg. Grant Amt.
LIRAP Heat	7,269	\$ 3,029,926	\$ 417
LIRAP Emergency Share	8,935	\$ 2,868,087	\$ 321
Senior Outreach	1,699	\$ 620,156	\$ 365
Total	17,903	\$ 6,518,169	\$ 364

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 14 October 2017 – September 2018

Washington LIRAP			
Data Compilation - GRANTS			
October 1, 2017 through September 30, 2018			
	# of Households	% of Households	Cumulative %
Home Ownership			
Own	4,766	27%	27%
Rent	12,855	73%	100%
Total	17,621		
Heating Fuel Source			
Electric	13,699	64%	64%
Natural Gas	7,679	36%	100%
Other	6	0%	100%
Total	21,385		
Size of Household			
1 Person	6,756	38%	38%
2 People	3,986	23%	61%
3 People	2,536	14%	75%
4+ People	4,343	25%	100%
Total	17,621		
Annual Income Level			
Under \$2,000	1,334	8%	8%
\$2,000-\$3,999	507	3%	10%
\$4,000-\$5,999	489	3%	13%
\$6,000-\$7,999	744	4%	17%
\$8,000-\$9,999	2,685	15%	33%
\$10,000-\$11,999	1,323	8%	40%
\$12,000-\$14,999	2,198	12%	53%
Over \$15,000	8,340	47%	100%
Total	17,621		

Administration and Program Support Fees

A portion of the revenue collected is provided to the six Community Action Agencies in Avista's Washington service territory for disbursement to qualifying customers and for administration of the program. 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 deliver LIRAP programs. The programs and partnerships Avista and the agencies have formed have been invaluable to customers who have limited incomes and are struggling to afford basic necessities.

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. Additionally, customers experiencing emergencies are eligible for assistance under LIRAP Emergency Share. For senior and disabled customers who exceed the federal income guidelines, there is LIRAP Senior/Disabled Outreach that 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, therefore allowing the customer to pay a fixed 1/12 of their estimated annual bill, based on previous or estimated future use.

For this reporting program year, a total of \$1,368,519 was distributed to the Agencies for administration and program support fees support. This amount, including the \$147,968 carry over from the previous reporting program year, totaled \$1,516,487 available for administration and program support costs.

Excluding the amount subsidized from other funding sources, the amount utilized by the agencies to support program administration was \$1,277,250, leaving an unspent administration and program support fee balance of \$239,237 at September 30, 2018. Table 4 below represents a

recap of the administration and program fees spent and the amount available at September 30, 2018.

Table 4 – Administration and Program Support Fees

Table 4 WASHINGTON LIRAP Admin and Program Support Fees Funds October 1, 2017 through September 30, 2018	
Admin and Program Fees Carry Over from Program Year 16	\$ 147,968
Program Year 17 - Admin & Program Support Funds paid to Agencies	<u>1,368,519</u>
Net Funds Available for Admin and Program Support Fees	1,516,487
Admin and Program Support Funds Spent by Agencies	(1,277,250)
Unspent Admin and Program Support Fees at September 30, 2018	<u><u>\$ 239,237</u></u>
Percent Unspent in Comparison to Available Funds	15.78%

Conservation Education Staff & Labor Support

The Company budgets 4.2% of 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 in monthly payments along with Administration and Program Support funds.

For this program year, a total of \$348,350 was distributed to the Agencies for Conservation Education Staff & Labor. This amount, including the \$50,445 carry over from the previous reporting program year, totaled \$398,795 available for Conservation Education Staff and Labor.

The amount spent by the agencies from LIRAP funds was \$282,292, leaving an unspent Conservation Education Staff and Labor balance of \$116,503 at September 30, 2018. 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 of the agencies. The table below represents a recap of the Conservation Education Staff and Labor spent and the amount available at September 30, 2018.

Table 5 – Conservation Education Staff and Labor

Table 5 WASHINGTON LIRAP Conservation Education Staff and Labor October 1, 2017 through September 30, 2018	
ConEd Staff and Labor Carry Over from Program Year 16	\$ 50,445
Program Year 17 - ConEd Staff and Labor paid to Agencies	<u>348,350</u>
Net Funds Available for ConEd Staff and Labor	398,795
ConEd Staff and Labor Funds Spent by Agencies	(282,292)
Unspent ConEd Staff and Labor at September 30, 2018	<u><u>\$ 116,503</u></u>
Percent Unspent in Comparison to Available Funds	29.21%

Program Impacts

Energy & Heat Burden

“Energy burden” is the percentage of income that households pay for energy service for a 12-month period. This term is relevant to low-income issues as a comparison to income used for other essential needs such as food, housing, clothing, and health services. Table 6, which includes information provided by the Spokane Neighborhood Action Partners (SNAP), depicts reductions in the energy burden experienced by Spokane County energy assistance participants in the current program year. The column titled “Before Benefits” represents the energy burden to low-income customers prior to receiving the energy assistance benefits. Each successive column illustrates low-income customers’ energy burden after receiving the specified energy assistance benefit. Information for customer Energy Burden (Table 6) is for October 2017 through September 2018.

Table 6 has been calculated as follows:

- The remaining households’ energy burden was calculated by dividing the annual household income by the annual energy costs.
- Annual income was calculated by multiplying the three-month average, required at the time of application, by four to determine the annual amount.
- Annual energy costs were determined by the actual previous 12 months energy usage from the date of application.

Table 6 - Energy Burden - Total Energy costs divided by household income

ENERGY BURDEN 2017/2018⁴						
Energy costs are reduced by benefits for these calculations						
		Before Benefits	EAP or Avista	Plus Senior	Plus Avista Emergency	All Benefits
0-50%FPL	N					
	579 elec	34.1%	21.1%	21.1%	18.0%	17.8%
	<u>330 gas</u>	38.9%	27.7%	27.7%	23.6%	23.5%
	909 all	35.9%	23.5%	23.5%	20.0%	19.9%
51-100%FPL	N					
	1,832 elec	10.8%	7.0%	7.0%	6.3%	6.2%
	<u>1,073 gas</u>	11.0%	7.9%	7.9%	7.3%	7.2%
	2,905 all	10.9%	7.4%	7.3%	6.6%	6.6%
101-125%FPL	N					
	899 elec	7.3%	5.2%	5.2%	4.8%	4.7%
	<u>783 gas</u>	7.1%	5.5%	5.5%	5.1%	5.1%
	1,682 all	7.2%	5.3%	5.3%	4.9%	4.9%

For customers between 0 and 50% FPL receiving energy assistance benefits, household energy burden decreased by approximately 15.98%—from 35.9% of income prior to benefits to a 19.9% burden after all benefits were received—equating to a 44.5% reduction in their original energy burden. Customers at 51% to 100% FPL saw a 39.4% reduction in energy burden, from 10.9% of income to 6.6%, and energy assistance recipients between 101% and 125% of the FPL reduced their burden by approximately 31.9%.

⁴ Table 6 – Energy Burden information provided by Spokane Neighborhood Action Partners (SNAP) and features their experience in Spokane County; includes 12 months of data (October 2017 through September 2018).

Program Distribution Percentage

The percentages for program 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	60.00%	26.00%	14.00%
Community Action Partnership Asotin	52%	45%	4%
OIC	49%	50%	1%
Rural Resources	70%	24%	6%
SNAP	57%	35%	8%
WGAP	100%	0%	0%
Community Action Center Whitman	24%	67%	9%
Total	58%	35%	7%

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

Avista Electric and Natural Gas Assistance

To improve the equitability of the distribution of LIRAP funds and based on discussions with Commission Staff and other interested parties, the Company agreed to allow electric revenue to be used for natural gas heat customers as long as those same customers also use Avista electric service. Of the total LIRAP assistance grants issued, approximately 66% were electric and 34% were natural gas. The 2017/2018 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	54%	46%
OIC	97%	3%
Rural Resources	86%	14%
SNAP	62%	38%
Community Action Center Whitman	72%	28%
Total	68%	34%

Regulatory Changes

Senior and Disabled Customer Rate Discount Pilot

Beginning in October 2015, Avista introduced a Rate Discount pilot for senior and disabled households with fixed incomes between 126 to 200% of FPL. The per kilowatt-hour and per therm rate discounts 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 program⁵. The rate discounts is \$0.03153 per kilowatt-hour of electricity and \$0.40663 per therm of natural gas. The pilot program 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 can determine whether the program will be fully subscribed or

⁵ The actual benefit amount received by each customer may be more or less than \$300 depending on actual usage.

to terminate. As of September 30, 2018, 606 of the original enrollment are still on the discounted rate, 56 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, 2017 through September 30, 2018			
	SNAP	Rural Resources	Total
Electric	385	52	437
Gas	165	4	169
Total Enrollment	550	56	606
Targeted Enrollment	700	100	800
Current percent of target enrollment	79%	56%	76%
Note: The total sign-ups reflect total individuals enrolled at the end of the program year.			

The total budget for the Rate Discount Pilot for the 2017-2018 program year was \$312,648. Of that amount, actual expenditures for the Rate Discount program totaled \$287,714 with \$225,066 issued as rate discounts and \$62,648 for agency administrative support. Evergreen Economics conducted the pilot evaluation for this program, with the Final Report included as an Appendix to last year’s LIRAP Annual Report.

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 contributing to the group. Participants from the Company included collections analysts and program 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 Admin/Program Delivery Costs, \$10,000 to each agency for start-up costs, and \$40,000 for evaluation of the pilot. The pilot is limited to 300 total participants for a one-year term, to end on September 30, 2019.

The Direct Service funding amount is based on the following estimates:

- IBPP average participant benefit: \$1,050
- BMA average participant benefit: \$350

The IBPP is targeted to electric residential customers with an income at 10% 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 will also screen all IBPP enrollees

for unpaid past and current balances to determine eligibility for the Balance Management Arrangement (BMA) program, which is an opt-in program that can be utilized concurrently with the IBPP. The CARES representative individually contact 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 will reduce the amount owed by 1/12 of the overall arrears balance each month that the customer participates. 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 Energy Assistance Advisory Group subcommittee identified the pilot evaluation components for both the IBPP and BMA pilots. Metrics to be evaluated include the impact on pilot participants with regards to average benefit amount, energy burden, and disconnection rates, as well as the number of customers who do not complete the program. General information regarding the participants' payment/account activity and overall satisfaction will also be reported. Additionally, the evaluator will conduct an assessment of the enrollment and engagement process for efficiency and effectiveness.

A review of proposals from interested evaluators resulted in Evergreen Economics being selected to conduct the pilot evaluation. Evergreen Economics will provide the final report by December 31, 2019.

True-Up Mechanism

Per Docket Nos. UE-140188 and UG-140189 dated June 25, 2015, the Company will file an annual true-up request to ensure recovery of the annual budget each year; the true-up mechanism aligns the dollars collected with the annual budgeted amounts communicated to the agencies. The difference between the actual collections and the annual budgeted amount will be adjusted in the LIRAP rate schedules 92 and 192. For the current program year, LIRAP collections from customers were lower than the targeted budget by \$119,838 (\$40,006 under collected electric and \$79,833 under collected natural gas). When a true up adjustment is made, the resulting adjustment to customer rates would increase the electric LIRAP rate (Schedule 092) and increase the natural gas LIRAP rate (Schedule 192) so that actual collections from ratepayers would align with the program budget.

Program Process

Agency Meetings

The Company met with the LIRAP agencies twice in 2018; first in May following the end of the 2017/2018 heating season and then again in September prior to the launch of the 2018/2019 heating season. The discussion that occurs during the meetings provides direction for continued program refinement and clarity for program implementation.

At the spring meeting an overview of program spending along with the 2018/2019 annual budget were provided by Avista's program analyst.

During the fall meeting an update regarding Regulatory Affairs and information related to the Company's Advanced Meter Infrastructure (AMI) deployment were provided. Additionally, the group discussed spending of Direct Service funds when funds have been transferred from one organization to another and when Direct Service funds are limited. The group consensus was that transferred Direct Service funding should be for energy assistance only and should not be spent on conservation education items.

In addition to the group meeting, Avista staff 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 processing of energy assistance grants. The session also covers the bill cycle, 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, as well as a presentation about the implementation of smart meters through which they received an overview outlining the priorities of AMI, which include safety, accuracy, privacy and security during the smart meter implementation process, along with online resources and the deployment schedule.

Avista Energy Assistance Advisory Group

The Energy Assistance Advisory Group met twice in 2018, with representatives from The Energy Project, UTC Staff, SNAP, Rural Resources, 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 monitors and explores ways to improve LIRAP by: evaluating alternative program designs, and reviewing administrative

costs to ensure that more funding is directed toward meeting the program’s goals. The Group meets at least two times each year.

During the February 2018 meeting, the Advisory Group supported the decision to provide the IBPP Pilot benefit in the form of a discount. The discount is designed to reach 6% of a participating customer’s monthly income, and the cost of the discount is to be credited against LIRAP Direct Services.

Key agenda topics at the July 2018 meeting included an update on LIRAP spending to date and the 2018/2019 program year budget, along with an update of the implementation for the IBPP and BMA Pilots.

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. 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.”

Also provided in Staff's memo is the inclusion of the 4% funding level to the Company for Conservation Education. Based on this Order, 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 and that all Avista customers who have received 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, preferred due date, and
 - Energy saving methods and resources

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 702 Avista customers 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, plastic window kits, hot water gauges, and kitchen and bathroom faucet aerators. CAC also provided conservation and bill/payment brochures and flyers to over 1,300 Avista households. CAC collaborated with Avista Outreach to

host a workshop for 40 households. All workshop attendees were provided with a home energy kit.

Rural Resources serving Stevens, Lincoln and Ferry counties, notified Avista customers in their annual application mailing that they can pick up a home energy kit from their local Rural Resources or Davenport Family Resource Centers, or the Loon Lake Food Pantry; 637 kits were provided to Avista customers. This program year each Avista customer within the Rural Resource client base received an Avista billing and payment option brochure. Additionally, at the time of intake, education and in-depth counseling and personalized troubleshooting is provided to high energy bill customers. Energy intake staff connect customers to the weatherization program when needed.

OIC of Washington has a television in the lobby area. The intent is 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 includes energy saving tips that highlights the highest consumption for energy use, common areas for air leaks, thermostat settings, and how to save water. The PowerPoint has English and Spanish tips. 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. OIC estimates that 2,500 Avista customers were reached through their public awareness campaign in Grant and Adams counties and 2,000 were provided with energy saving items, such as door sweeps, caulking tape, LEDs bulbs, and switch/outlet gasket covers.

Serving Spokane County, SNAP's primary LIRAP conservation education activities occur during the energy assistance intake appointment, workshops, outreach events, and televised interviews, social media, radio and website visitors. SNAP conducted 15 conservation education

workshops for approximately 1,000 Avista customers and non-Avista individuals living in Spokane County. 15,490 educational kits and 10,000 window plastic kits were distributed by SNAP at energy appointments. Each kit included a hygrometer/temperature gauge, window plastic, tip sheets and energy coloring books for kids. SNAP participated at community outreach events at ValleyFest, Avista Energy Fairs, Northeast Youth Center Summer Camp, MLK Jr. Center, CampFire's Camp Dart-Lo, and Headstart/Early Childhood Centers. At community outreach events SNAP distributed furnace filter whistles, water temperature cards, low flow showerheads, faucet aerators, night lights and shower timers. Other mediums that SNAP utilizes to promote energy saving tips are the Reader Board at SNAP's facility, social media (Twitter, Facebook, Blog, Website), print materials (that include flyers, brochures, posters, children's activity book energy wheels and instruction cards), demonstration videos on the Living Green website, tips sheets on office bulletin boards, to SNAP Ambassadors, community partner communication and Youth Summary Camp presentations.

Additionally, SNAP conducts outreach appointments in Avista's Mission campus lobby on the last Friday of the month during the heating season. On this day, 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.

Avista Outreach and Education

The majority of households seeking assistance contact the Community Action Agencies (CAA's) directly. However, Avista has a variety of methods to support outreach efforts to engage

those in need and guide them to the agencies and promote the availability of assistance programs and energy conservation.

The Company has provided energy use guides, and billing and payment options sheets to the agencies to support their conservation education and outreach activities.

The Company hosts community workshops, energy fairs, and mobile outreach events and participates in general outreach events throughout our service area to provide education and resources for home energy management and to raise awareness about the local agencies and the services they provide – most specifically energy assistance. For the 2017/2018 program year, approximately 9,442 individuals were reached through 107 events through Avista hosted activities. Where possible, the Company and agencies collaborate to participate at community events. At these events, Avista focuses on providing energy saving information and resources and the Agency will promote their services, with a focus on energy assistance and weatherization.

During the record high temperatures, fans were purchased and distributed by SNAP, Rural Resources and Avista to customers who were identified as needing help with keeping cool.

An Avista CARES representative hosted a booth at SNAP's Northeast Community Center when emergency appointments were being scheduled to answer questions about bills and provide energy saving information and resources.

Avista and SNAP Energy Assistance Day

On October 10, 2017 Avista and SNAP partnered to host the 2nd annual energy assistance appointment day. The objective was to process energy assistance appointments for approximately 700 low-income and senior/disabled 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 one day event.

Over 100 Avista employees along with over 50 SNAP employees helped 711 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 visit demonstrations tables where Avista employees demonstrated the easy ways to 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 Aging & Disabilities Helpline, Federal Tax Clinic of Gonzaga Law, 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. All attendees were provided with a meal.

Customer feedback from the program was overwhelmingly positive. Some customer comments included:

- This is an awesome program with a lot of dedicated staff who are very kind. Awesome surprise was lunch and education on energy savings;
- Thank you for treating me with dignity and respect;
- Thank you for today! Your set-up here is so easy and efficient and so welcoming!
- Thank you for making winter warm possible for my family.

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. The email includes the income guidelines for qualification along with the agency contact and appointment information. The agencies, that have requested this promotional support, report that the emails are effective in heightening the number of scheduled energy assistance appointments.

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.

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. 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)

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