

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of	DOCKET UE-190912 (<i>Consolidated</i>)
AVISTA CORPORATION'S d/b/a AVISTA UTILITIES	ORDER 03
2020-2029 Ten-Year Achievable Electric Conservation Potential and 2020-2021 Biennial Conservation Target Under RCW 19.285.040 and WAC 480-109-010	
In the Matter of the Petition of	DOCKET UE-200395 (<i>Consolidated</i>)
AVISTA CORPORATION d/b/a AVISTA UTILITIES	ORDER 02
For Exemption from WAC 480-109-130	APPROVING 2020-2021 BIENNIAL ELECTRIC TARGET REPORT

BACKGROUND

- The Energy Independence Act (EIA)¹ requires Washington's electric utilities to "pursue all available conservation" that is cost-effective, reliable, and feasible. Electric utilities are required to acquire this conservation by setting (and achieving) biennial conservation targets.² 2021 marks the second half of the 2020-2021 biennium and, as such, electric utilities are held accountable for the achievement of their biennial targets at the conclusion of the 2021 year.
- On May 31, 2022, Avista Corporation d/b/a Avista Utilities (Avista or Company) filed its 2020-2021 Biennial Conservation Report (Biennial Conservation Report) in consolidated Dockets UE-190912 and UE-200395,³ as required by rule. The Company's electric

¹ RCW 19.285.040.

² WAC 480-109-100(3).

³ Avista's electric biennial conservation target is contained with its 2020-21 Biennial Conservation Plan, which was approved in Order 01 in Docket UE-190912.

conservation target achievements as outlined in the Company’s Biennial Conservation Report are summarized in the tables below:

Electric Conservation Target⁴	Electric Conservation Target⁵	% of Electric Target Achieved
63,590	63,590	100%

3 Avista remained in a “critical” stage of its emergency operating plan throughout 2021, which limited all meetings to virtual, all public interactions to “critical only,” and all employee work to remote.⁶ Avista’s capacity to acquire energy efficiency was severely limited in 2020-2021, as was customers’ ability to seek out and pay for energy efficiency. Avista responded with incentive revisions, no-touch equipment drop-offs/pick-ups, and enhanced virtual programming, such as remote virtual audits. Thanks to Avista’s efforts, it achieved its targets. Indeed, Avista achieved excess savings of 4,841 megawatt-hours (MWh) of savings that could be applied to the 2022-2023 biennium. Commission staff (Staff) therefore recommends that the Commission approve Avista’s Biennial Conservation Report.

DISCUSSION AND DECISION

4 We agree with Staff’s recommendation. As a preliminary matter, we find that Avista has complied with the reporting requirements of WAC 480-109-120 and RCW 19.285.070 by timely filing a biennial conservation report with sufficient detail to allow the Commission to determine how Avista is performing compared to its conservation targets.

5 As stated in Staff’s comments on electric biennial conservation reports, 2020-2021 were difficult years for conservation achievement.⁷ The COVID-19 pandemic initiated an overflow of challenges, such as closures of utility offices and customer businesses; customer financial challenges; changes in customer demand; and labor and supply chain

⁴ This is the Company’s total local biennium target, which is equal to the EIA penalty threshold plus the decoupling threshold and does not include regional savings.

⁵ Application of excess savings from previous biennia is included in this target, also called total local conservation achievement, which is defined as conservation achieved by each utility that is subject to EIA penalty.

⁶ *In the Matter of Petition of Avista Corporation, d/b/a Avista Utilities*, Dockets UE-190912 and UG-190920, Annual Conservation Report at pages 5-6 (May 31, 2022).

⁷ Dockets UE-190905, UE-190912 & UE-190908, Commission Staff Comments Regarding Electric Utility Conservation Achievements Under the Energy Independence Act (Staff Comments) (July 1, 2022).

shortages. These elements added to the already significant challenges utilities face in achieving the remaining conservation in the region.

6 In this case, Avista successfully exercised adaptive management techniques to adapt to the challenges the pandemic introduced, and we find that it has complied with, and indeed exceeded, its biennial acquisition target for cost-effective conservation. We therefore agree that its Biennial Conservation Report should be approved.

FINDINGS AND CONCLUSIONS

- 7 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies.
- 8 (2) Avista is an electric company and a public service company subject to Commission jurisdiction. Avista is a qualifying electrical company under RCW 80.04.010.
- 9 (3) On May 31, 2022, Avista filed its Biennial Conservation Report, which showed that Avista met its conservation target.
- 10 (4) Avista has 4,841 megawatt-hours of excess conservation remaining for use in 2022-2023.
- 11 (5) This matter came before the Commission at a recessed open meeting on July 26, 2022.
- 12 (6) After reviewing Avista's report and Staff's comments, and giving due consideration to relevant matters, the Commission finds that Avista has complied with the reporting requirements of WAC 480-109-120 and RCW 19.285.070 and has exceeded its biennial acquisition target for cost-effective conservation.

ORDER

THE COMMISSION ORDERS:

- 13 (1) Avista Corporation's d/b/a Avista Utilities 2020-2021 Biennial Conservation Report is APPROVED.
- 14 (2) This Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it.

DATED at Lacey, Washington, and effective July 26, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVE W. DANNER, Chair

ANN E. RENDAHL, Commissioner