2021 Clean Energy Implementation Plan Introduction

Annette Brandon

July 15, 2021

Meeting Guidelines

- Avista CEIP team is still working remotely for a few more months, but is available by email (ceta@avistacorp.com) and phone at 509-495-2255 for questions and comments
- Some processes are taking longer remotely
- Virtual IRP meetings will continue until we are back in the office and able to hold large group meetings
- CEIP information available at my webpage myavista.com/ceta

Virtual Meeting Reminders

- Please mute mics unless speaking or asking a question
- Use the Zoom chat box to write questions or comments or let us know you would like to say something
- Respect the pause
- Please try not to speak over the presenter or a speaker who is voicing a question or thought
- Remember to state your name before speaking for the note taker
- This is a public advisory meeting – presentations and comments will be recorded and documented

Follow up from 06/17/21 CEIP Meeting

- Q. Will Avista be pursuing bidirectional Electronic Vehicle Charging?

- A:“Fully bi-directional power transfer between the grid and a vehicle, also known as V2G, will not be pursued by Avista in the near term. Vehicle-to-home (V2H) or vehicle-to-building (V2B) technologies, however, may be piloted in the 2022-2023 timeframe. These technologies utilize vehicle batteries as a backup power source for a home or building, separate from the grid.”

- <u>SURVEY – key points</u>

  - Customer Benefit Indicators must be measurable
    - This is what we will be discussing today

  - Not all indictors addressed – such as jobs, climate impact to those outside service areas etc.
    - At June 17, 2021 meeting the participants voted and prioritized key indicators. Please see itemized Survey spreadsheet for details. Sent in pre-meeting packet.

  - Language – too technical
    - Incorporated into preparation and review process

2021 CEIP Public Participation Schedule

- **EAG Meetings: Wednesday, June 9, 2021 and Thursday June 10, 2021** – Discussion of benefits of transition to clean energy, burdens/barriers to those benefits

- **Meeting 2: Thursday, June 17, 2021** – Review CEAP targets, customer benefit indicators, breakout groups for Equity Advisory Group and Customer/Advisory Groups

- **Meeting 3: Thursday, July 15, 2021** – Review customer benefit indicators and measurement metrics, review customer programs and resources which may impact CBI. Brainstorm additional programs/resources and discuss barriers to participation, etc.

- **Meeting 4: Tuesday, August 17, 2021** –Correlated customer benefit indicators, resource mix and metrics, Cost-cap calculations, Non-energy impacts, Next steps for CEIP and engagement

- **Public Outreach: Wednesday, September 02, 2021**

- CEIP participation plan meeting agendas, presentations, meeting minutes and files available at: https://myavista.com/about-us/washingtons-clean-energy-future

Today's Agenda

Time	Topic	Presenter
9:00	Introduction and Welcome	Annette Brandon CEIP Project Lead Jason Thackston Sr. VP Energy Resources and Env. Compliance
9:10	Renewable Energy Credits	James Gall Integrated Resource Plan Manager
9:40	Customer Benefit Indicator Status Update and Program Overview	Annette Brandon CEIP Project Lead Ryan Finesilver Manager of Energy Efficiency Amber Lenhart Consultant
10:10	Break	
10:15	Brainstorming Session Programs, Barriers, etc.	Amber Lenhart Consultant
11:15	Closing – Next Steps	Annette Brandon CEIP Project Lead

Interim Target Proposal

James Gall
IRP Manager
CEIP Public Meeting, July 15, 2021

What is a Renewable Energy Credit (REC)?

When a renewable generator such as wind or solar produces electricity two things are created:

1. The actual electricity to power a home or business (measured as a megawatt-hour).

2. A separate, certificate of environmental benefit (REC).

REC – Renewable Energy Credit

- "REC" is the accounting method to track the environmental benefit or "attribute" of the renewable resource.
- In the west, RECs are tracked using WRGIS.
- Unbundled RECs are separated from the power delivery.

How RECs are utilized

- Sales - to third parties, reducing customer bills
- Retired – regulatory requirement for clean energy goals or regulation; no longer available for sale

Specified Sales

- Sale of power from specific resource type (hydro, biomass, wind)
- Does not require retirement or transfer of the REC

REC– Additional Information

Avista utilizes RECs generated from our portfolio of clean energy sources:

- To meet regulatory requirements (EIA/I-937 and CETA)
- To satisfy customer programs such as Solar Select and My Clean Energy
- To share the value of the clean energy with Avista's electric customers
  - Value is applied as a credit to customers electric rates

ENERGY SAVINGS

CETA Requirements - Interim Targets

- Utility must propose a series of interim targets demonstrating progress toward standards in WAC 480-100-610 (2), (3)
  - Ensuring all retail sales to Washington customers are greenhouse gas neutral by Jan. 1, 2030.
  - Lowest reasonable cost.
  - Pursuing all cost-effective, reliable, feasible conservation and efficiency resources and demand response.
  - Ensuring all customers are benefitting from the transition to clean energy (i.e. equity, health & environmental, energy security & resilience).

- For the Annual Clean Energy Progress report, utility will submit verification and documentation of the retirement of RECs used to comply with an interim target. (WAC 480-100-650 (3)(f)).
  - Except for electricity purchased from BPA if the nonpower attributes are tracked through contract language.

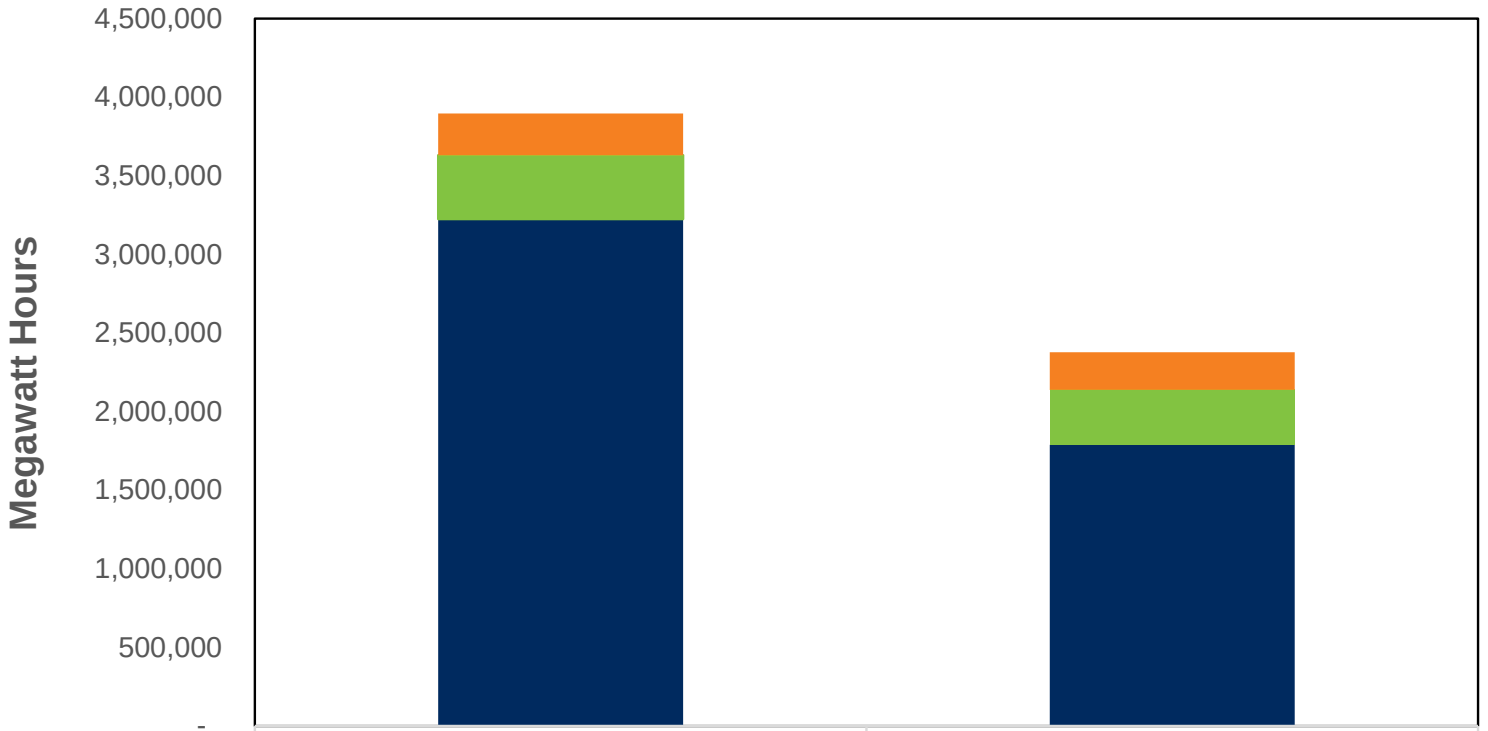
- Language on interim targets in WAC is silent on the broader REC issue – whether utilities can continue to sell of RECs to reduce customers' rate burden.

Current State

- Avista retires RECs to meet current regulatory compliance targets (I-937)
  - RECs that are retired are no longer eligible to be sold.

- Any surplus RECs or specified power not needed to meet compliance, are sold for the benefit of customers.
  - Reduces customer retail rates.
  - Historical impact to electric customers was approximately:
    - 2018: $4.8 million
    - 2019: $2.8 million
    - 2020: $4.1 million
  - Avista does not use RECs from specified power sales for compliance purposes.

2020 Example of Procured Clean Energy vs Retained Clean Energy

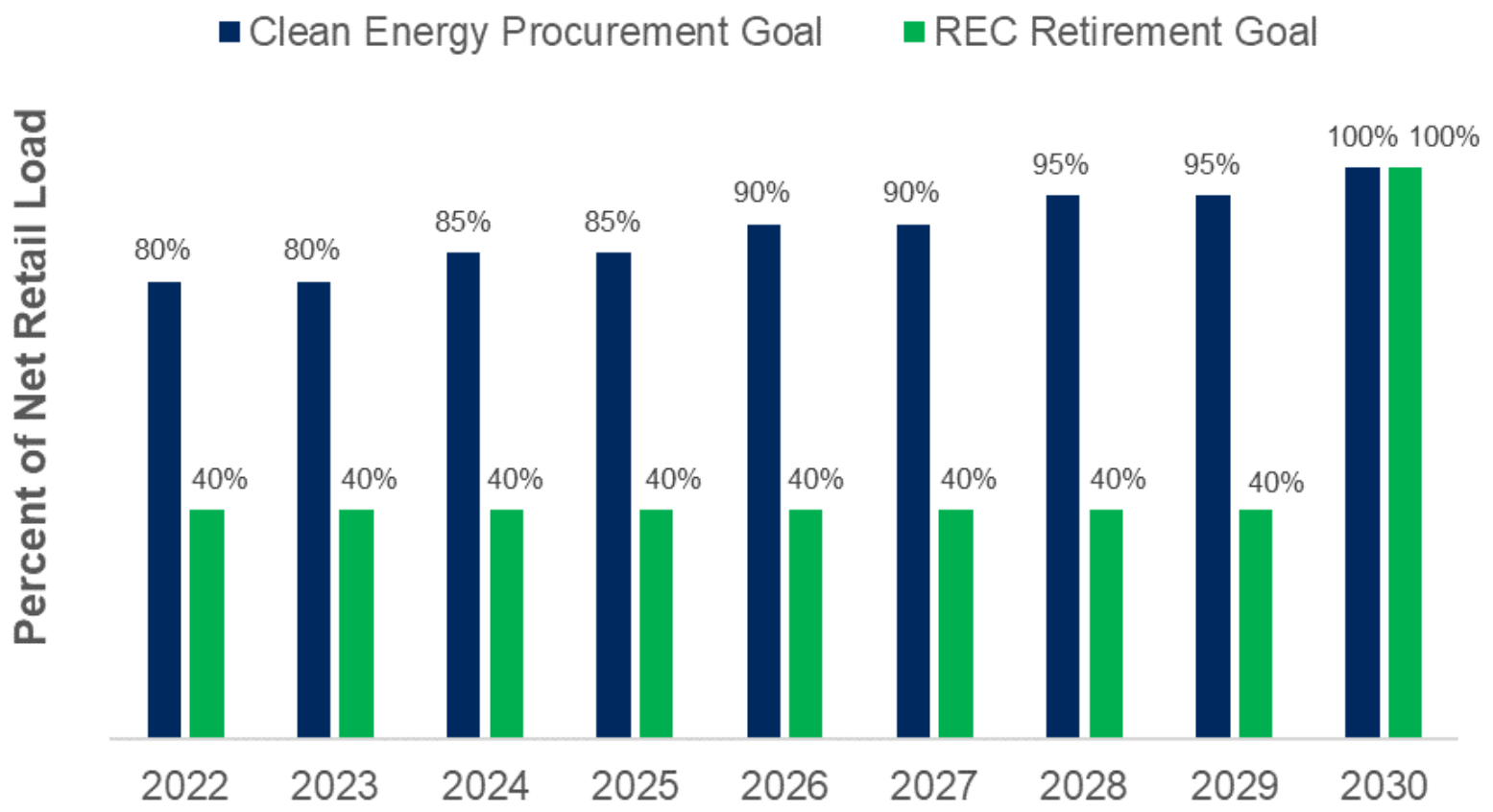


	Procured Clean Energy	Retained Clean Energy
Biomass	264,851	239,570
Solar	536	536
Wind	407,299	349,475
Hydro	3,224,185	1,789,076

Interim Proposal 2022-2029

- Procure clean generation equal to or greater than retail sales
  - 80% (2022-2023)
  - 85% (2024-2025)
  - 90% (2026-2027)
  - 95% (2028-2029)
- Avista will continue to sell surplus renewable energy not needed to meet EIA compliance.
- Avista's Interim Target is to retire RECs or clean energy attributes associated with qualifying renewable energy equal to **40%** of net retail sales between 2022-2029.
  - Renewable specified sales are excluded from the 40% and the RECs will be transferred to the purchasing party or retired.
  - Avista (WA) will not "purchase" Idaho's share of non-qualifying EIA resources, acquired prior to 2020, for compliance purposes except in the event in unusual circumstances (e.g. low water year, low wind year).

Proposed Interim Target – Procurement vs Retired RECs



Customer Value of Selling Excess Renewable Attributes

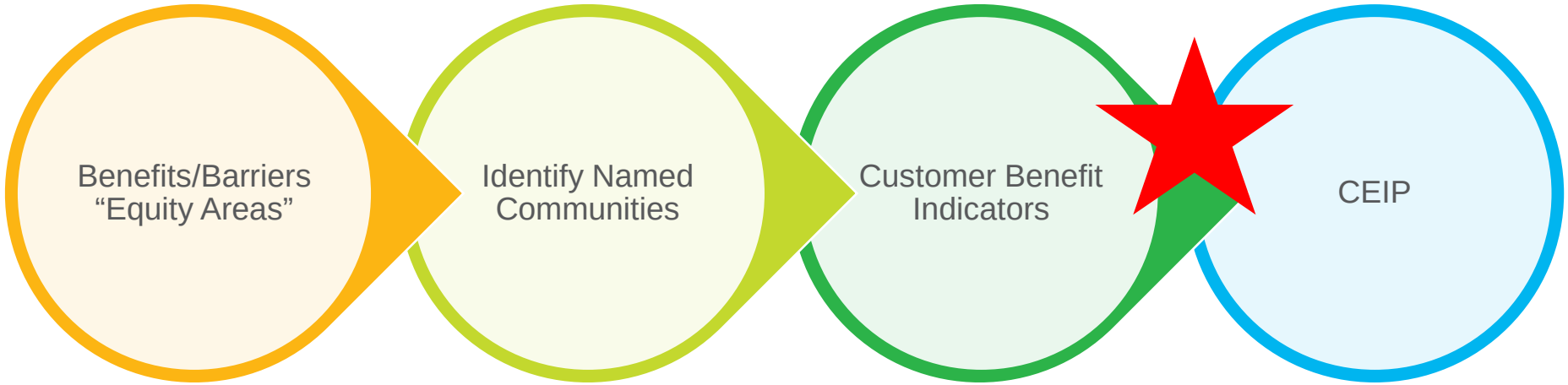
	2022	2023	2024	2025
WA REC sales	$6,091,845	$6,335,401	$6,326,142	$8,318,551
Rate Impact	1.0%	1.0%	1.0%	1.2%
Annual Average Residential Customer (914 kWh per month)	$12.22	$12.71	$12.50	$16.69
Annual Average Residential Customer using electric heat (2,000 kWh per month)	$26.75	$27.82	$27.34	$36.53

Estimated values of REC by clean energy resource:
$4.50 for wind/solar;
$8.50 for Spokane hydroelectric generation (dams) and Kettle Falls Generation Station (biomass plant);
$0.50 for other hydroelectric projects.

Avista's
Clean Energy Implementation Plan

July 15, 2021

Clean Energy Implementation Plan Process Overview



- Benefits of Clean Energy
- Prioritization
- Barriers to Participation

- Highly Impacted Communities
- Vulnerable Populations

- Measurable
- Accountable

- Resource Mix
- Lowest Reasonable Cost
- Resource Adequacy

Identifying impacts of transitioning to clean energy

How might our customers benefit from the transition to Clean Energy?

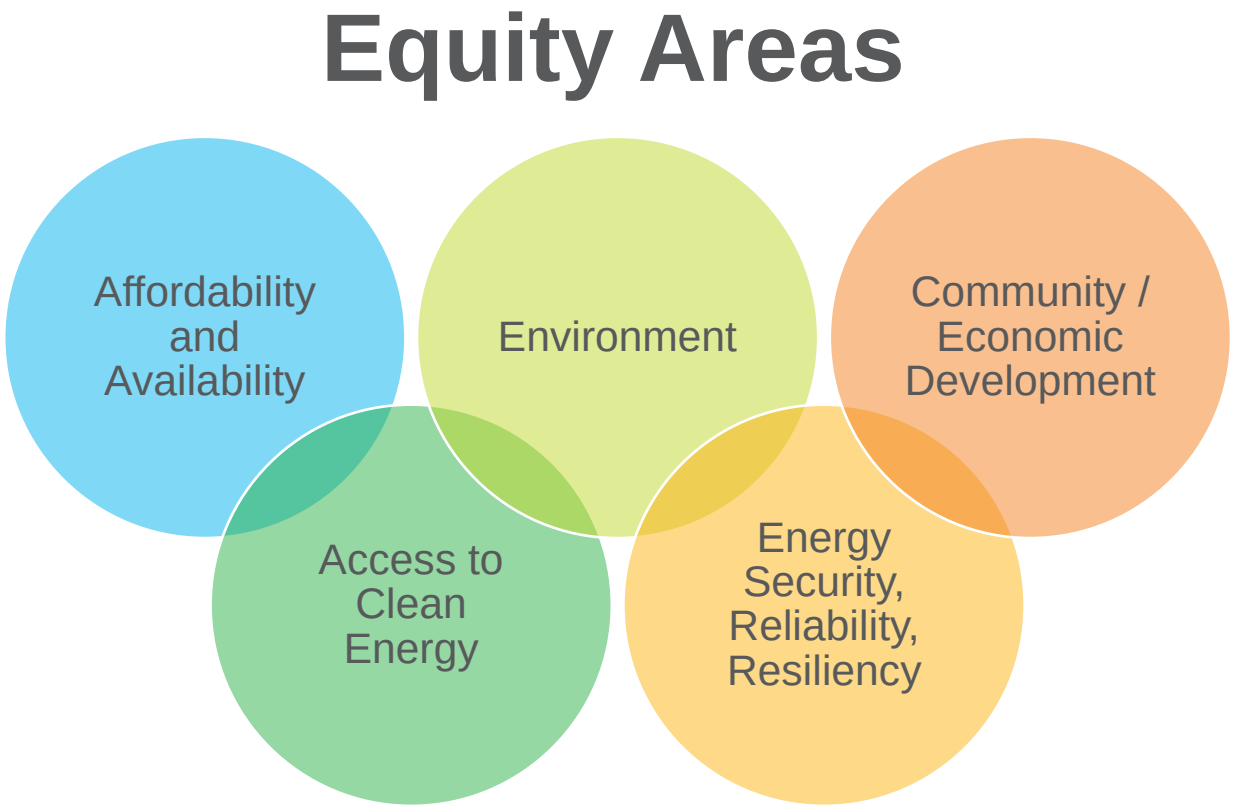
Community and Economic Development
- Equitable Distribution of investments
- Location of Clean Resources

Affordability and Availability
- Ability to Pay
- Number of Households participating

Access to Clean Energy
- Different Languages
- Communication

What are some barriers identified?

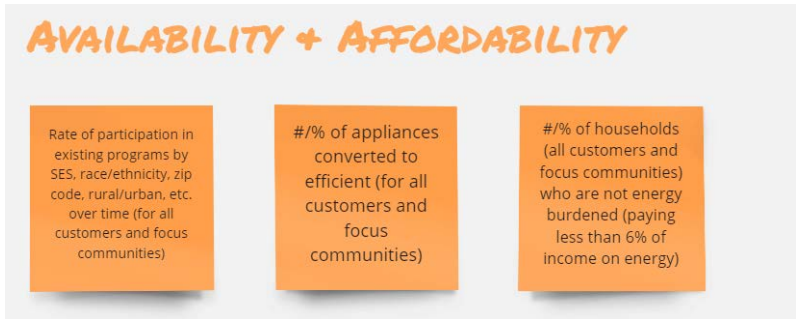
- Language
- Education Limitations
- Methods of communication
- Cultural

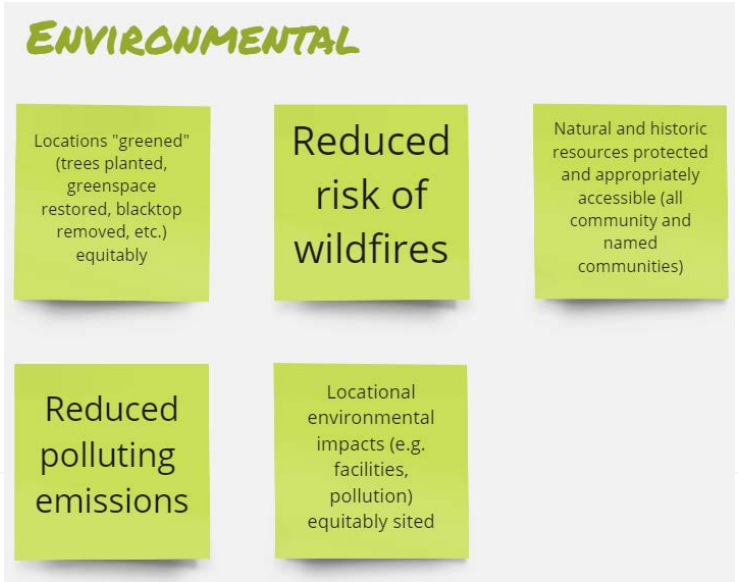


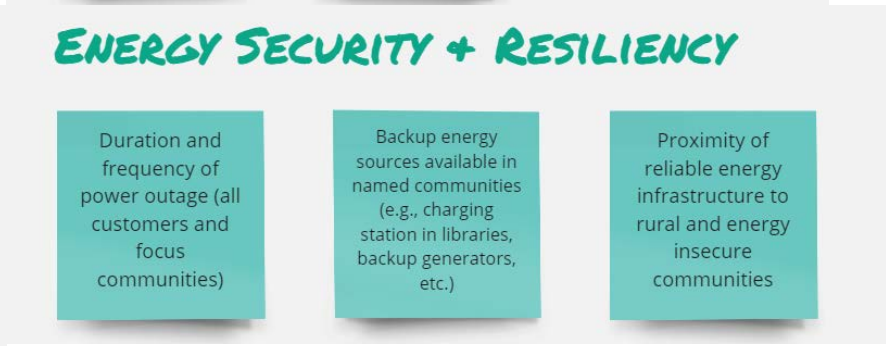
Identifying Customer Benefit Indicators

- How could the transition to clean energy benefit (or unintentionally harm) customers?
  - Through **availability?**
  - Through **access to clean energy?**
  - Through **changes to the environment?**
  - Through **energy security, reliability, and resilience?**
  - Through **community and economic development?**

From “a LOT” to 26 Customer Benefit Indicators







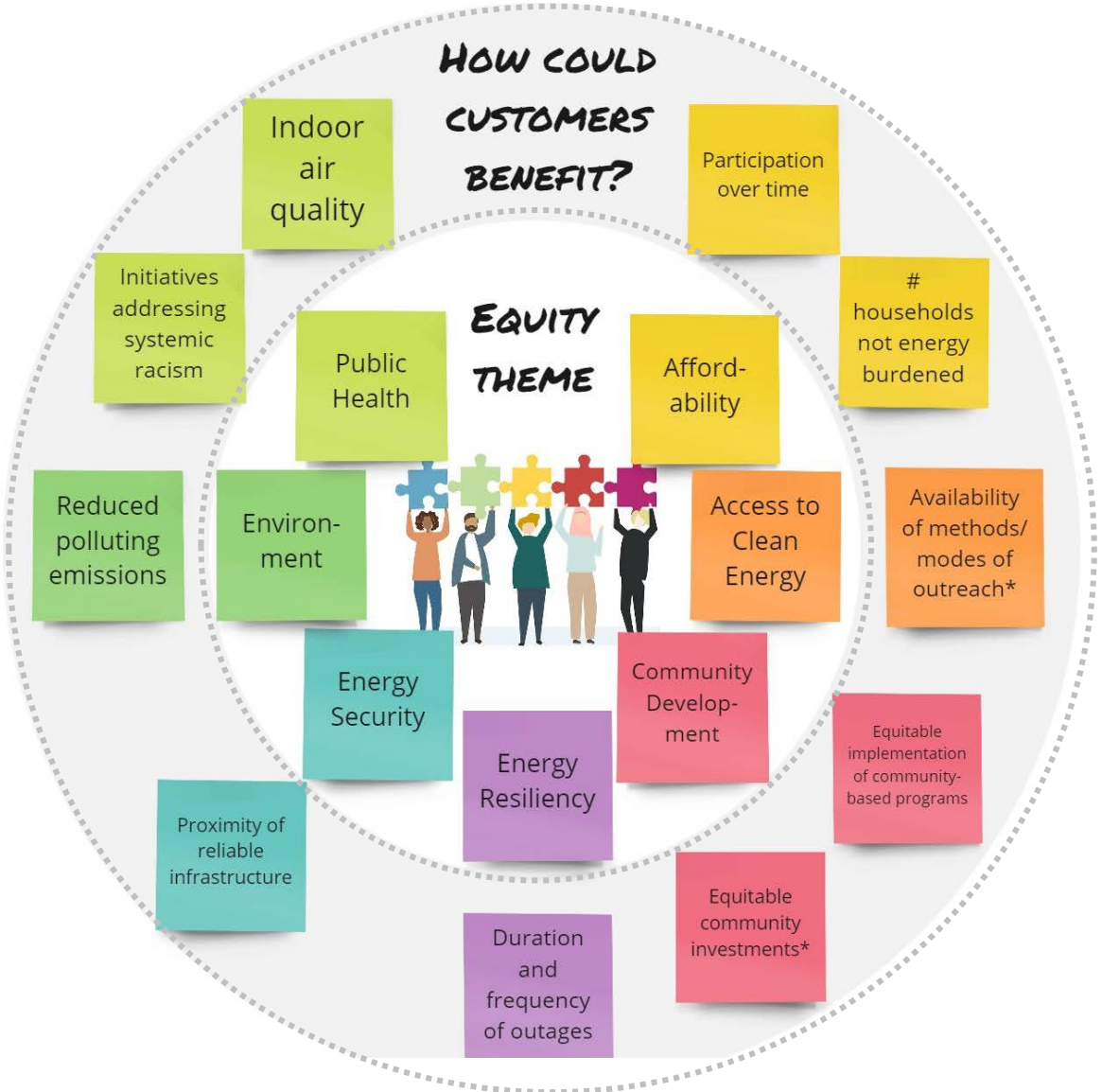
Prioritizing Customer Benefit Indicators

- Communication Power
  - To what extent is the indicator easily understandable by a broad audience?
- Proxy Power
  - Which are critically tied to everyone benefiting equitably from the transition to clean energy? (“Data Herd”)
- Data Power
  - Which are most able to be tracked, measured, and counted?

Prioritizing Customer Benefit Indicators

		EQUITY ADVISORY GROUP				OTHER				
	#	Proxy	Data	Communication	Total	Proxy	Data	Communication	Total	Combined Total
Affordability										
Rate of Participation in Existing Programs	**1**	12	9	8	29	6	4	5	15	**44**
Number of appliances coverted to efficiecnt	**2**	2	4	4	10	4		3	7	**17**
number of households who are not energy burdened	**3**	10	8	8	26	1		1	2	**28**
		24	21	20		11	4	9	24	
Access to Clean Energy										
Accessibility of methods/modes of outreach and communicaiton	**4**	8	4	4	16	3	1	4	8	**24**
#/% of households reached by and utilizing EV	**5**		3	2	5				0	**5**
Support to increase programs and promote awareness	**6**	5	1	4	10	2	2	2	6	**16**
Number of new, authentic two-way relationships	**7**	1	3	1	5				0	**5**
number of households reached by broadband	**8**	2	5	5	12	3	4	1	8	**20**
		16	16	16		8	7	7	22	
Community Development										
Workforce development programs for local jobs	**9**	4	2	3	9	1	1		2	**11**
Dollars equitably invested in communities	**10**	4	3	2	9	2	3	3	8	**17**
visibility of ugly infrastructure	**11**		3	2	5				0	**5**
property values	**12**	2	3	2	7				0	**7**
equitable implementation of community-based programs	**13**	6	3	7	16	4	4	4	12	**28**
		16	14	16		7	8	7	22	

Prioritized Customer Benefit Indicators



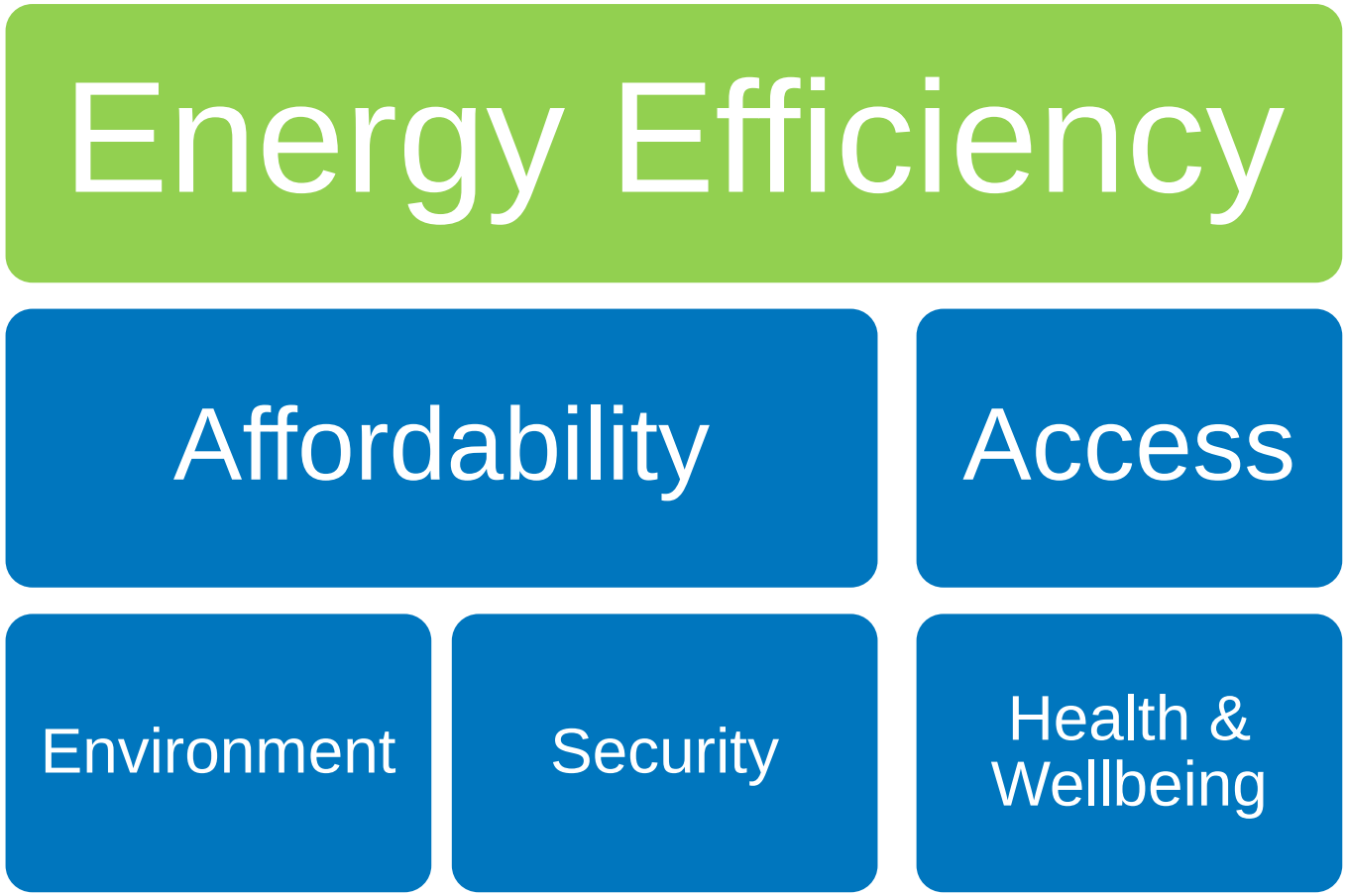
Who might have the hardest time reaching benefits?

How will we transition to Clean Energy?

Resources investments and resources will be primarily comprised of:

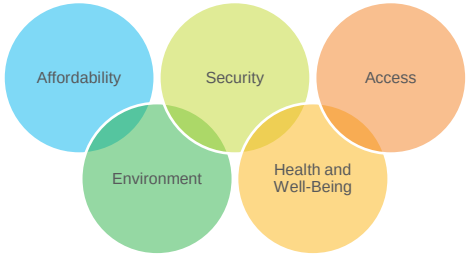
- ✓Energy Efficiency Measures
- ✓Additional Programs
- ✓Clean Sources of Power
- ✓ Company Initiatives & Programs

Customer Energy Efficiency's Role



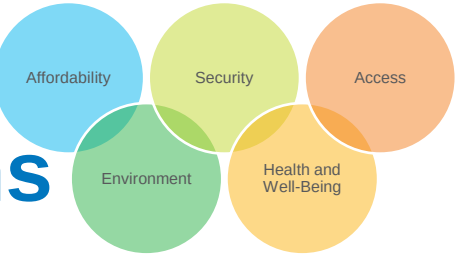
Energy Efficiency will play a key role in addressing **Customer Benefit Indicators** and identifying pathways for attaining measurable improvements.

Energy Efficiency Programs: Residential



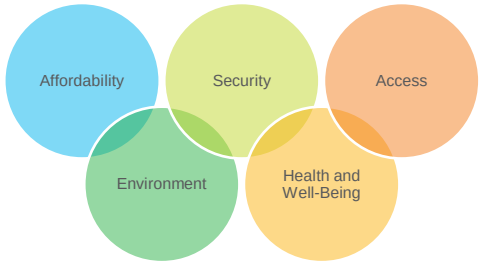
Low Income Programs	• Insulation, windows, HVAC, appliances. Free to income qualified customers
Community Energy Efficiency	• Funding for multifamily housing efficiency improvements; • Funding HVAC conversions from wood/ oil heat to heat pumps. • Supports outreach to rural small business
Multifamily Direct Install	• Installation of efficient lighting and other equipment in apartment units. Free for building residents
Targeted weatherization pilots for Named Communities	• Targeted outreach and partnership to enable weatherization for CETA named communities • More flexibility in eligibility to ensure broader participation
Small Home Weatherization	• Expansion of existing residential weatherization programs to include small single family homes in incentive eligibility
Residential Home Energy Audit	• Free energy audit for customers • Includes some direct install measures and some recommendations for larger efficiency projects

Energy Efficiency Programs: Business Programs



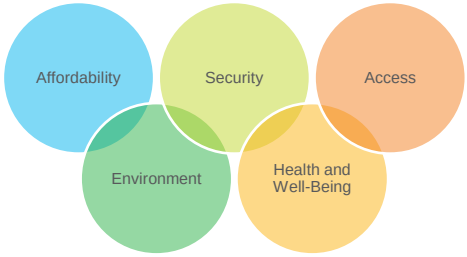
Site Specific Programs	• Custom calculation of energy savings incentives • Flexible approach for complex projects
Prescriptive Programs	• Simple rebates for a wide variety of commercial energy measures • Easy participation for small customers and contractors
Business Partner Program	• Targeted outreach for rural small business to encourage energy efficiency participation • Utilizes CEEP funding to provide free energy assessments
Clean Building Act and early adopter incentives	• Incentives for building owners who meet new efficiency standards before they are required
Active Energy Management	• Sophisticated approach leveraging real-time building data and algorithms to recommend energy savings for buildings in Avista's eco-district • Will eventually be offered to wider pilot pool of buildings

Additional Programs



Grid Modernization	• Partnership with Spokane Tribe to design a demonstration microgrid for critical Tribal buildings • Grid resiliency planning
On-Bill Financing	• Loans available to Avista customers for energy efficiency programs • Repayment is incorporated into monthly energy bill
Demand Response	• Incentives to encourage customers to shift certain high- energy use activities (**laundry**, car charging, etc**.)** to parts of the day when energy use isn't typically as high.
Market Transformation	• Regional effort driven by NEEA to encourage consumers to purchase more energy efficient equipment. • R&D focus as well as implementation

Clean Power Sources (Resource Supply)



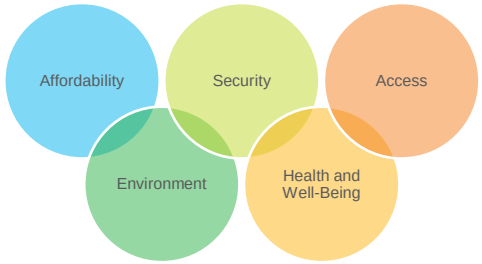
Clean Power Sources:

- Wind
- Solar
- Water (hydro)
- Biomass
- Renewable Energy Credits

Contribution to Customer Benefits:

- Reduces emissions (air quality)
- Cleaner air = healthier
- Provides locational access
- Aids in security and resiliency of overall grid

Company Initiatives



Key Focus Areas

- Diversity, Equity and Inclusion
- Affordability
- Conservation Education & Outreach Programs
- Customer Resiliency
- Community Development (Avista Foundation)
- Environment
- Transportation Electrification

Discussion of customer benefit indicators

- Was anything “lost in translation”? Any concerns with changes?
- What (if anything) is keeping all customers (especially those from “focus communities”) from reaching these benefits?
- What could help all customers (especially those from “focus communities”) reach these benefits?
- How could Avista ensure that all customers (especially those from “focus communities”) get to reach these benefits?
  - Low-cost/no cost ideas? Out-of-the-box ideas? Evidence-based ideas? Things to investigate?

*TEXT MODIFIED FROM ORIGINAL FOR SIZE

Pre-Meeting Reference Slides

Please review the information on the following slides in preparation for our discussion on July 15th

Reference Guide

The following slides are intended to provide additional context for the discussion which will be held on July 15, 2021.

- Slide 21 provides an overview of the equity areas identified, the customer benefit indicator and the metric for measuring which has been identified.

- Slide 22 provides an overview of the indicators categories in accordance with those sections required in the CEIP rulemaking.

- Slides 23-26 illustrates the programs we have available and the correlation with the equity area.

Pre-meeting reference slides also include an excel file which shows the results of the polling and/or voting on our indicators from the previous meeting.

Finally, we have included a word document with additional description for Avista programs and initiatives.

Identifying impacts of transitioning to clean energy

How can we ensure customers benefit from the transition to Clean Energy?

Equity Area	Customer Benefit Indicator	Evaluation Metrics
Affordability	• Rate of participation Over time • Number of Households not energy burdened	• % Participation in Company programs • %/# of participant households with energy burden greater than 6%
Access to Clean Energy	• Availability of methods/modes of outreach and communication methods	• Identification and development of new communication techniques, etc.
Community Development	• Equitable implementation of community-based programs to increase access • Equitable Investments in focus communities	• Percent of Clean MWh investments and programs • Percent of grants awarded to vulnerable populations vs. all customers
Energy Resiliency	• Duration and Frequency of outages	• System outage data as reported CEMI/SAID • Customer identification and development of new programs or methods
Energy Security	• Proximity of Reliable Infrastructure	• % of generation located or directly connected to Avista within Washington State
Environmental	• Reduced Polluting Emissions	• Regional GHG Emissions • Outdoor air quality metrics
Public Health	• Initiatives addressing systemic racism • Indoor air quality	• Supplier diversity / Employee diversity / training • In evaluation stage

CUSTOMER BENEFIT INDICATOR BY CATEGORY

Highly Impacted Communities and Vulnerable Populations ("Named Communities")

Energy
- Resiliency - Duration and Frequency of Outage
- Security – WA-sited generation sources
- Reliability

Non-Energy
- Improved Communication
- Community-based projects
- Supplier Diversity
- Initiatives addressing racism

Reduction of Burdens
- Participation from named communities
- %/# of participant households with energy burden greater than 6%
- Percent of grants for vulnerable populations
- indoor air quality

All Customers (including Named Communities)

Public Health
- Indoor air quality
- Initiatives addressing racism (less stress results in less anxiety-related illness

Environmental
- Outdoor Air Quality (GHG and other metrics)

Cost Reduction
- Participation from named communities
- %/# of participant households with energy burden greater than 6%

Risk Reduction
- Outdoor Air Quality
- Programs to help customer resiliency

Energy Security and Resiliency
- Resiliency – Duration and Frequency of outage
- Security – WA Sited sources
- Programs to help customer resiliency

Energy Efficiency: Residential Programs

	Affordability	Access	Health & Wellbeing
Low Income Programs	x	x	x
Community Energy Efficiency Program	x	x	x
Multifamily Direct Install	x	x	
Targeted weatherization pilots for Named Communities	x	x	x
Residential Prescriptive Programs/ Small Home Weatherization	x		x
Residential Home Energy Audit	x		x

Energy Efficiency: Business Programs

	Affordability	Access	Health & Wellbeing	Environmental
Site Specific Programs	x			
Prescriptive Programs	x	x		
Business Partner Program	x	x		
Clean Buildings Act early adopter incentives	x			
Active Energy Management	x			

Other Programs

	Affordability	Security	Access
Grid Modernization partnership With Spokane Tribe	X	x	x
On- Bill Financing	x		x
Demand Response	x	x	x
Regional Market Transformation	x		x

Renewable Energy

	Security/ Resiliency	Health and Affordability	Environment
Wind	x	**x**	x
Solar	x	x	X
Water	x	x	x
Upgrades	x	X	x

Avista Programs supporting the Clean Energy Implementation Plan

I. Efficiency Programs that are part of the Clean Energy Implementation Plan (CEIP)

a) **Multifamily Direct Install**: This program provides direct-installation of energy efficient lighting, low flow showerheads and other efficiency measures in apartment buildings of five units or more. The program targets a hard-to-reach market of customers who rent rather than own their property, helping increase access to energy efficiency programs by providing these items free of cost for residents, lowering their energy costs.

b) Low Income Programs: Avista partners with multiple community action partnership agencies and one Tribal Housing Authority to deliver low-income energy-efficiency programs). The agencies income-qualify customers, generate referrals, and have access to a variety of funding sources that can be used to best meet customers' home energy needs. The program fully funds a wide variety of efficiency measures, including home insulation, heat pumps, heat pump water heaters, lighting, and ENERGY STAR refrigerators. The program also allows agency partners to spend up to 30% of the program budget on health, safety and repairs that are needed to keep homes safe and to ensure the systems and improvements the home has received are operating as intended.

c) **Community Energy Efficiency Program:** A funding source created by the Washington State Legislature in 2009 to tackle hard-to-reach markets in both the residential and commercial/industrial sectors by encouraging energy-efficiency improvements. Avista has been a recipient of these funds. Currently, three community action agencies partner with Avista to implement the CEEP funds under two programs: energy-efficiency improvements for multifamily housing and converting income-qualified homes with alternative heat sources (e.g. wood and oil) to a heat pump system. In addition, CEEP funds are being used to match utility rebates for energy-efficiency work done in small businesses in rural communities.

d) **Targeted low-income weatherization programs (pilots for 2022):** For 2021, Avista is engaging in 2 pilot programs with named communities to identify **data gaps** and **other barriers** to ensuring an equitable distribution of energy efficiency program opportunities. One barrier identified is that nonprofit housing providers are often unaware that their properties are eligible for energy efficiency assistance through community action partnership agencies. The first pilot will leverage existing CAP partnerships to provide necessary insulation, window, and HVAC upgrades to a small nonprofit housing provider's entire single-family and duplex portfolio. The second pilot addresses energy needs of members of a resident-owned mobile home community, the majority of whom receive energy assistance. This pilot program will leverage multiple resources to provide health and safety updates, necessary window, insulation, HVAC, and hot water system upgrades to a significant number of residents in this community.

e) **Residential Prescriptive Programs/ Small Home Weatherization:** Prescriptive rebate programs use financial incentives to encourage customers to adopt qualifying energy-efficiency measures. Customers must complete installation and apply for a rebate, submitting proper proof of purchase, installation, and/or other documentation to Avista after the product has been installed. Residential prescriptive programs typically cover

single-family homes up to a four-plex. Incentives are available for HVAC systems, water heating, window and insulation upgrades, and appliances. New for 2021 is a segment of the residential program dedicated to providing weatherization measures for small homes (less than 1000 square feet in size) and multifamily dwellings (specifically customers in condominiums that are larger than a five-plex in size).

f) **Commercial/ Industrial Site-Specific Program:** Avista's site-specific program is the primary program available for commercial/industrial offerings. The program offers a flexible approach to energy-efficiency projects that have demonstrable kWh savings. Most of the site-specific electricity (kilowatt hour) savings are composed of custom lighting projects and custom heating, ventilation, and air conditioning (HVAC), building envelope, and industrial process load projects that do not fit the prescriptive path. The site-specific program is available to all commercial/industrial retail electric customers, and typically brings in the largest portion of savings to the overall energy-efficiency portfolio.

g) **Commercial/Industrial Business Partner Program:** designed to target Avista's rural small business customers by bringing awareness of utility programs and services that can assist them in managing their energy bills. The initiative includes an energy-efficiency assessment, along with awareness about other services such as billing options and energy-efficiency rebates. If an energy efficiency project is identified and qualifies for a utility rebate, CEEP funding is leveraged to match the rebate, thus assisting the customer with a lower out of pocket expense.

h) C**ommercial/Industrial Prescriptive Programs:** This group of programs encourages Avista's commercial electric customers to increase the energy efficiency of their business through direct financial incentives. The program uses a prescriptive approach, where customers receive a predetermined incentive amount for a range of common efficiency measures. The program makes it easier for smaller customers and vendors to participate. Incentives are available for lighting, heating, and building shell measures as well as for food service equipment, grocer equipment, air compression and motor equipment.

i) **Market Transformation:** Electric utilities in the Northwest came together in 1997 to establish and fund a cooperative effort toward sustaining market transformation on a regional basis, encouraging consumers to purchase more energy efficient equipment. That organization, Northwest Energy Efficiency Alliance (NEEA), conducts research and development to lead market transformation for new efficiency products in the region (e.g. ductless heat pumps), provides regional energy savings for the utility to count towards their energy efficiency efforts, and tracks market uptake of new technologies (e.g. heat pump water heaters).

j) Residential Home Energy Audit Pilot Program: This pilot program allows residential customers to receive a free home energy audit. This provides basic information and education for the customer about how the home is currently utilizing energy for heating and lighting and other appliances. Some efficiency measures are installed on site (e.g. screw in LED lights), while other efficiency measures are recommended for future projects.

k) **WA State Clean Buildings Act Early Adopter Incentives:** Washington State House Bill 1257 is a new law which requires existing commercial buildings over 50,000 square feet to comply with established energy efficiency standards. Compliance requirements for commercial building owners will be phased in starting in 2026, with all with all commercial buildings over 50,000 square feet expected to comply by 2028. Incentives for early adopters of these new standards are offered to building owners who comply with the new standards before 2026.

l) **Active Energy Management Pilot Program:** The Active Energy Management (AEM) pilot program will use the communication networks in Avista's eco-district (a campus of new "smart" buildings east of downtown Spokane), as well as cloud services and data mining algorithms, to capture, process, and disseminate information on ways to improve a building's energy usage to participants in the program. Potential building efficiency actions will be generated based on building data from the Scott Morris Center for Energy Innovation and the Catalyst building, both of which are located inside the eco-district, as well as data from up to 10 participating pilot program buildings located outside of the eco-district. Information to increase energy efficiency will be shared with participating pilot program buildings.

m) **On Bill Financing:** This new program allows customers to finance energy efficiency projects by offering competitive loans and then allowing customers to repay the loan as a line item on their monthly Avista bill. The program helps customers overcome the up-front cost hurdle for energy upgrades and allows them to gain benefits of efficient energy sooner rather than later. Loans are administrated through a third-party lender who works with Avista to provide reasonable loan rates that are more accessible to loan applicants than a typical private loan.

n) **"Always on" Behavioral program:** Avista is leveraging our Automated Meter Infrastructure ("smart meter") to help customers understand their energy use and save more energy. The targeted load behavioral program will use AMI- based Non-Intrusive Load Monitoring to identify the loads that are present within a residence. Load information will be shared with customers to better inform them of tailored energy-efficiency solutions and will include regular communication about their energy use. This program does not yet have a launch date.

o) **Demand Response (DR)** programs encourage customers to shift energy use from typical high-use energy periods of the day to periods of the day when overall energy use is lower. This shifting of loads from peak periods to low periods allows customers to play a significant role in electric energy Avista does not currently have an active demand response program in place but is considering this for future implementation. Demand Response (DR) programs encourage customers to shift energy use from typical high-use energy periods of the day to periods of the day when overall energy use is lower. This shifting of loads from peak periods to low periods allows customers to play a significant role in electric energy grid operations. Utilities can leverage time-based rates or offer other forms of financial incentives for customers interested in making this shift to help smooth out the daily peak load on the electric grid. Avista does not currently have an active program in place but is considering a demand response program for the future.

II. Other Company Initiatives and Programs

a) **Bill Assistance**: Programs to help Avista eligible customers for bill assistance includes the tariff-funded Low-Income Rate Assistance Program (LIRAP) and donation-based Project Share along with the CARES Donation program. These programs are in addition to the federal Low-Income Home Energy Assistance Program (LIHEAP). The federal program and LIRAP Heat are available to customers within 150% of the Federal Poverty Level (FPL) and are designed to help the lowest income customers with the highest energy burden. Project Share, LIRAP Emergency Share and CARES Donation provide financial relief for customers experiencing hardship or who are in jeopardy of disconnect due to non-payment. Avista LIRAP also includes a Rate Discount for customers who are 60 plus in age and/or who receive disability income.

b) **Conservation Education & Outreach:** Avista Outreach is designed to connect with marginalized customers to equip them with conservation education information and resources to save energy efficiently and effectively. Outreach is conducted through a variety of modalities that include educational workshops, company hosted energy fairs, partnerships with organizations that serve hard-to-reach and underserved populations, and a van that travels to foodbanks throughout our service area.

c) Transportation Electrification: With the support of a broad coalition of stakeholders and customers, Avista has developed a comprehensive Transportation Electrification Plan with supporting tariffs 077, 013 and 023, effective April 26, 2021. This provides the Company with the authorization and mandate to support electric transportation over the long term, resulting in major economic and environmental benefits for all customers. New authorized programs include charging infrastructure investments in both commercial and residential locations for personal, workplace, fleet, and public use, as well as fleet support services, education and outreach, load management, community support programs, and new commercial EV rates utilizing time-of-use (TOU) designs. Electric transportation is a tremendous long-term opportunity to transition to a better energy future for all – not just those using EVs and other forms of electrified transportation equipment – by using a cheaper and cleaner fuel, more efficiently utilizing grid infrastructure, and integrating renewable power resources that energize a healthy and more sustainable economy.

d) Avista Foundation: The Avista foundation is a community investment program of Avista Corp. It provides funding through grants for non-profit organizations addressing the needs of communities and citizens served by Avista Utilities. The foundation provides support for K-12 education particularly in the areas of math and science, provides assistance for vulnerable populations by providing assistance to those with limited income, supports economic and cultural vitality and helps support an employee matching gifts program that further benefits non-profit organizations.

e) Energy Affordability: Avista cares deeply about all of our customers and we keep their energy costs at the forefront of our decisions. Within Avista's service territories, there are man individuals and families living on fixed or limited income, including seniors and individuals with disabilities. These members of our communities may rely on assistance to maintain essential needs such as food or gasoline, access to healthcare and communication and utility services. Avista is committed to providing safe, reliable service that is there when needed, and that is affordable for our customers

f) **Equity, Inclusion and Diversity:** Avista has a strong commitment to equity, inclusion, and diversity. In addition to the Avista Foundation, focused primarily on the communities we serve, we also have strong commitment to ensure equity, inclusion and diversity goals are met for our employees as well as our business suppliers. Our goals can best be achieving by assembling a truly diverse workforce which represents the customers and communities we serve. We also recognize how important our business suppliers and vendors are to our success, and we are working to increase supplier diversity.

g) Customer Unplanned Outage (Resiliency): Avista has created a team (Major Unplanned Outage Customer Experience Team) lead by Customer Experience Leadership that focuses on improving how we communicate and respond to our customers during outage events. The focus of this team is to offer outage-related services to our customers that reduce the impact and provide timely, consistent, and accurate information across our service territory. The goal is to interact with customers in a positive manner, keep them informed, and get power back on as efficiently as possible.

CEIP Meeting #2 - Customer Benefit Indicators

		EQUITY ADVISORY GROUP				OTHER				
	#	Proxy	Data	Communication	Total	Proxy	Data	Communication	Total	Combined Total
Affordability										
Rate of Participation in Existing Programs	**1**	12	9	8	29	6	4	5	15	**44**
Number of appliances coverted to efficiecnt	**2**	2	4	4	10	4		3	7	**17**
number of households who are not energy burdened	**3**	10	8	8	26	1		1	2	**28**
		24	21	20		11	4	9	24	
Access to Clean Energy										
Accessibility of methods/modes of outreach and communicaiton	**4**	8	4	4	16	3	1	4	8	**24**
#/% of households reached by and utilizing EV	**5**		3	2	5				0	**5**
Support to increase programs and promote awareness	**6**	5	1	4	10	2	2	2	6	**16**
Number of new, authentic two-way relationships	**7**	1	3	1	5				0	**5**
number of households reached by broadband	**8**	2	5	5	12	3	4	1	8	**20**
		16	16	16		8	7	7	22	
Community Development										
Workforce development programs for local jobs	**9**	4	2	3	9	1	1		2	**11**
Dollars equitably invested in communities	**10**	4	3	2	9	2	3	3	8	**17**
visibility of ugly infrastructure	**11**		3	2	5				0	**5**
property values	**12**	2	3	2	7				0	**7**
equitable implementation of community-based programs	**13**	6	3	7	16	4	4	4	12	**28**
		16	14	16		7	8	7	22	
Energy Security/Resiliency										
Duration and Frequency of outages	**14**	4	7	6	17	4	4	4	12	**29**
Backup energy sources available in named communities	**15**	5	6	6	17	0	1	1	2	**19**
proximity of reliable energy infrastructure	**16**	7	3	4	14	3	2	2	7	**21**
		16	16	16		7	7	7	21	
Environmental										
Locations "greened"	**17**		1	5	6	1	1	1	3	**9**
reduced risk of wildfires	**18**	1		4	5	1		1	2	**7**
natural and historic resource protections	**19**	4	6	2	12				0	**12**
reduced polluting emissions	**20**	7	3	3	13	2	2	1	5	**18**
Locational environmental impacts equitably sited	**21**	4	6	2	12		2	1	3	**15**
		16	16	16		3	5	4	12	
Health and Wellbeing										
Improvements in indoor and outdoor air quality	**22**	4	4	3	11	1	2	3	6	**17**
customers who are not stressed or anxious	**23**	2			2				0	**2**
initiatives addressing systemic raciscm	**24**	4	6	6	16	3		1	4	**20**
customers who feel they have authentic seat at table	**25**	0	5	5	10	1		2	3	**13**
active transportation opportunities.	**26**	6	1	2	9	2		2	4	**13**
		16	16	16		7	2	8	17	