



# Clean Energy Implementation Plan

*June 27, 2023 - Public Participation Meeting*

# Agenda

Topic	Speaker
Introduction	Tamara Bradley, Manager of Social Impact
Welcome	Scott Kinney, VP of Energy Resources
Electric Energy Supply Update	James Gall, Manager of Integrated Resource Planning
Customer Benefit Indicators	Shawn Bonfield, Sr. Manager of Regulatory Policy & Strategy
Wrap up/Next Steps	Tamara Bradley

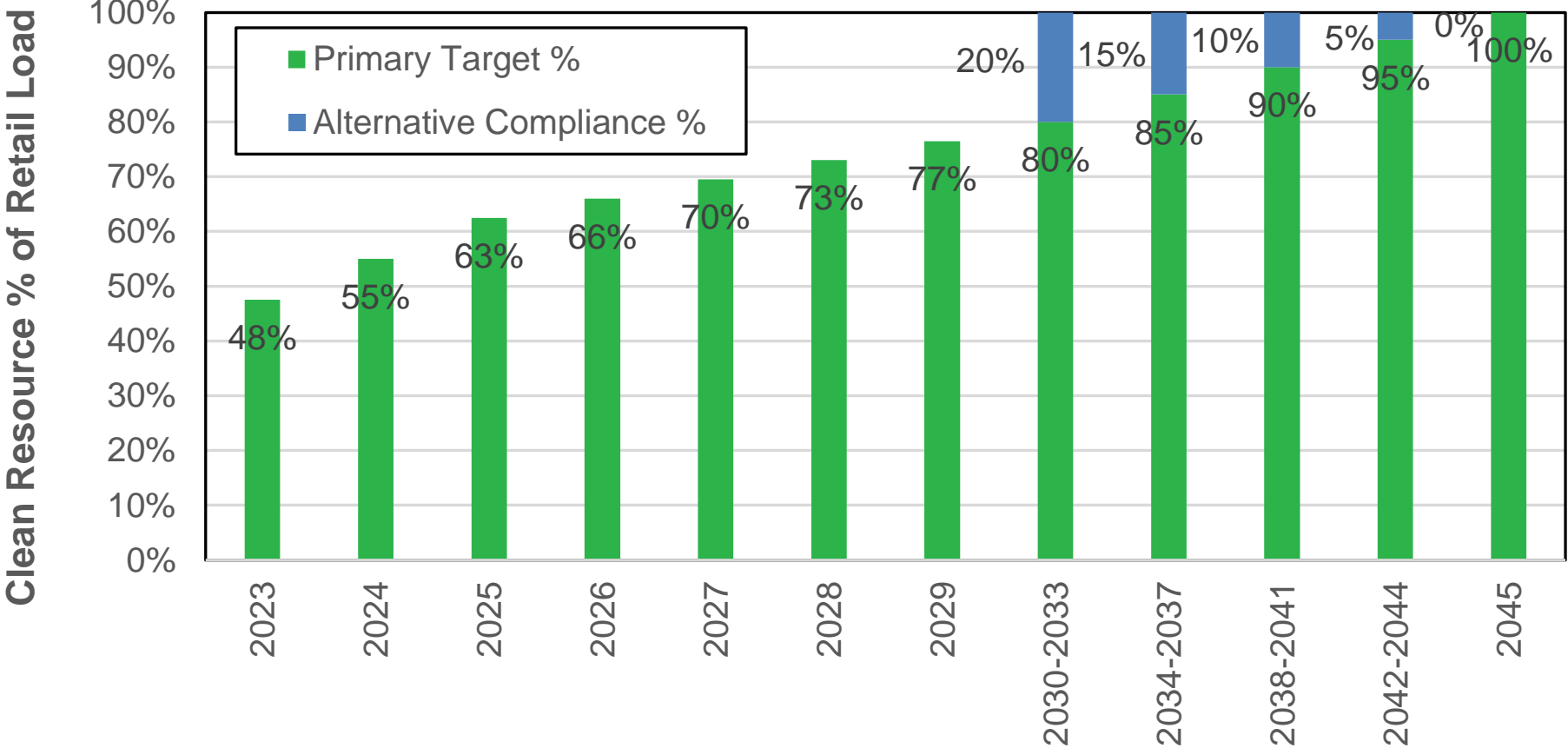


# Electric Energy Supply Update

# Major Clean Energy Transformation Act Requirements

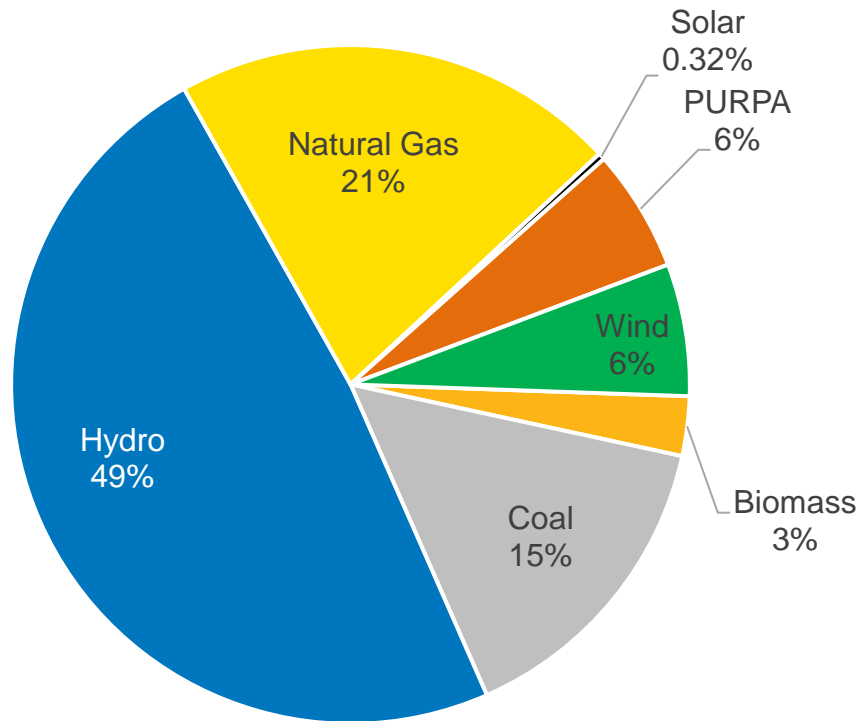
- Remove coal fired power from energy supply by the end of 2025
- 100% neutral greenhouse gas energy supply mix by 2030
  - 80% clean energy and 20% alternative compliance
- 100% clean energy by 2045
- Ensure all customer are benefiting from the transition to clean energy.
  - Including an equitable distribution of energy benefits and reduction of burdens to vulnerable populations and highly impacted communities.
    - Long-term and short-term public health
    - Economic
    - Environmental benefits
    - The reduction of costs and risks
    - Energy security and resiliency

# Clean Energy Targets

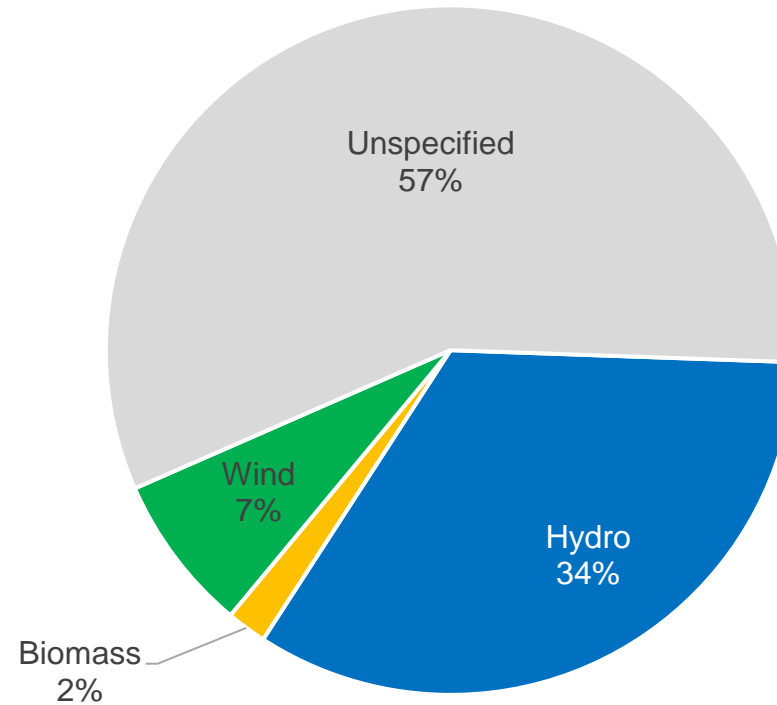


# Current Resource Mix

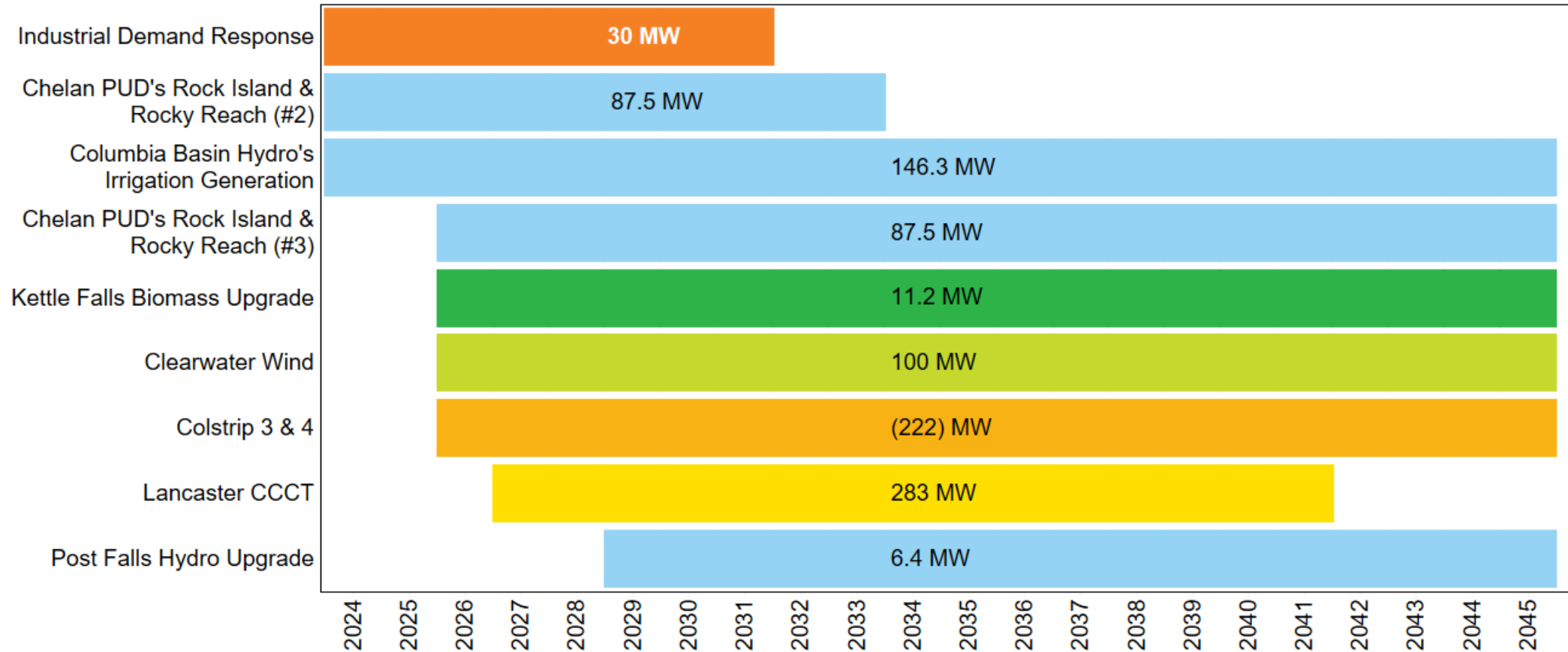
## 2022 Generation Sources



## Washington State Fuel Mix Estimate for 2022 Customers



# Recent Resource Commitments

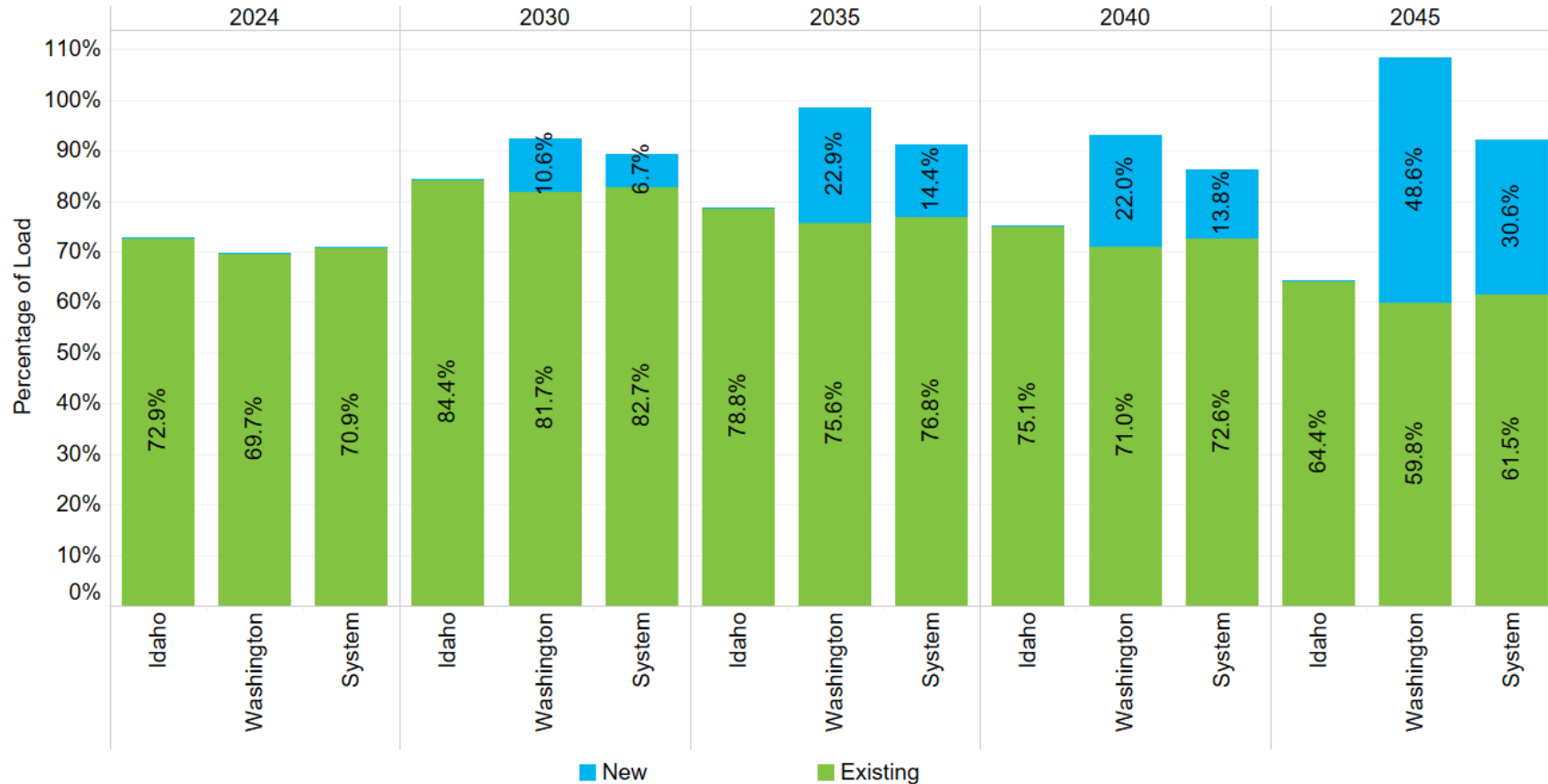


# Long Term Resource Strategy

Resource	2024-2029	2030-2034	2035-2039	2040-2045	Total
Natural Gas	0	90	0	213	304
Natural Gas Retirements	0	0	(62)	(482)	(544)
Coal Retirements	(222)	0	0	0	(222)
<b>Thermal Total</b>	<b>(222)</b>	<b>90</b>	<b>(62)</b>	<b>(269)</b>	<b>(462)</b>
Hydrogen to Ammonia CT	0	0	88	608	696
<b>Power to Gas Total</b>	<b>0</b>	<b>0</b>	<b>88</b>	<b>608</b>	<b>696</b>
Biomass	11	0	0	0	11
<b>Biomass Total</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>
Northwest Wind	0	200	0	300	500
Montana Wind	100	200	0	0	300
<b>Wind Total</b>	<b>100</b>	<b>400</b>	<b>0</b>	<b>300</b>	<b>800</b>
Distributed Solar	4	4	1	1	10
Utility-Scale Solar	0	0	0	0	0
<b>Solar Total</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>10</b>
Demand Response	7	0	0	0	7
<b>Demand Response Total</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>
Short-Duration Storage (<8 hr)	0	0	0	25	25
Medium-Duration Storage (8-24 hr)	0	0	0	0	0
Long-Duration Storage (>24 hr)	0	0	52	0	52
Distributed Storage (<4hr)	0	0	1	2	2
<b>Energy Storage Total</b>	<b>0</b>	<b>0</b>	<b>53</b>	<b>27</b>	<b>79</b>
Hydropower	322	6	0	0	328
Hydropower Contract Expirations	(24)	(88)	0	0	(111)
<b>Hydropower Total</b>	<b>298</b>	<b>(81)</b>	<b>0</b>	<b>0</b>	<b>216</b>
<b>All Resource Total</b>	<b>198</b>	<b>413</b>	<b>80</b>	<b>667</b>	<b>1,357</b>
Additions	444	500	142	1,149	2,234
Subtractions	(246)	(88)	(62)	(482)	(877)



# 2023 Integrated Resource Plan's Clean Energy Forecast



*Generated clean energy under average conditions compared to customer load, generation may or may not be used for customer demand*



# CEIP Condition #23 - CBIs

# Customer Benefit Indicators

A CBI is an attribute, either quantitative or qualitative, of a resource or related distribution investment associated with customer benefits.

## Benefit Areas



ENERGY



NON-ENERGY



REDUCTION IN BURDEN



ENVIRONMENT



PUBLIC HEALTH



ENERGY SECURITY



ENERGY RESILIENCY



REDUCTION IN COST



REDUCTION OF RISK

CBIS are intended to measure the success of ensuring all customers are benefitting from the transition to clean energy, with special emphasis on customers residing in Vulnerable Populations and Highly Impacted Communities.

Several CBIs crossed over into multiple Statutory Benefit Areas

# Avista's Proposed CEIP CBIs

## Affordability

Participation in Company Programs  
Number of Households with high energy burden (>6%)

## Energy Resiliency

Energy Availability

## Environmental

Outdoor Air Quality  
Greenhouse Gas Emissions

## Accessibility

Availability of Methods/Modes of Outreach & Communication  
Transportation Electrification  
Named Community Clean Energy  
Investments in Named Communities

## Energy Security


Energy Generation Location

## Public Health

Employee diversity  
Supplier diversity  
Indoor Air Quality

# Final CBIs Approved


- 1 new CBI: Residential Arrearages and Disconnections for Non-Payment with two associated metrics
- 1 revised CBI: Named Community Clean Energy - metrics replaced to track distributed energy and storage resources in Named Communities
- 9 additional metrics



**Reduction in Burden**

**CBI: Methods/Modes of Outreach**

Metric:  
Track increased availability of translation services



**Reduction in Risk**

**CBI: Energy Availability**

Metric:  
Track frequency of outages for all customers, VPs, and HICs




**Energy Security**

**CBI: Residential Arrearages, Disconnects**

Metric:  
Residential disconnections for non-payment

Residential arrearages



**Public Health**

**CBI: Indoor Air Quality**

Metric:  
Identify and develop a metric with advisory groups

Total of 14 CBIs with 31 metrics and 74 data points

# Performance Based Ratemaking

Senate Bill 5295 requires a utility to include PBR metrics when proposing a multi-year rate plan.

PBR metrics used to assess utility's performance, including equitable outcomes, during rate plan.

*“The overarching goal for PBR in Washington for the WUTC is to integrate equity into all that we do. This includes ensuring equitable service for Highly Impacted Communities and Vulnerable Populations that is not less reliable or less safe than non-named communities.”*

*-WUTC*

## 92 Metrics Agreed to in 2022 GRC

Affordability (15)	Capital Formation (2)	Equitable Service (17)
Electric Reliability (15)	Wildfire (17)	Customer Experience (6)
GHG Emissions (7)	Electric Grid Benefits (10)	Gas System Benefits (3)

Metrics can be found at: <https://www.myavista.com/about-us/our-rates-and-tariffs/washington-pbr-metrics>

# Proposed CBIs & Metrics Not Adopted

## Affordability

- Reduction in bills due to actions to improve efficiency
- Reduction in number/percent of residential customers with lowest and 2<sup>nd</sup> lowest utility credit code scores
- Assessment and review of Avista's internal credit code scoring system
- Reduction in number/percent of residential customers sent to collections
- Reduction in risk of disconnection as evidenced by increased participation in arrearage management plans

## Equitable Service

- Increased number of local low-income representation in clean energy apprenticeships and/or training programs in the state
- Increase in number of living wage/union jobs
- Reduction in health care cost burden and reduced health care bills

# Proposed CBIs & Metrics Not Adopted - Continued

## Greenhouse Gas Emissions

- Reduced number of school/work absences due to illness triggered by poor air quality in HIC
- Improved comfort in home due to more affordable bills
- Reduction in hospital admissions for asthma

## Electric Reliability

- Increased capacity of local community to respond to local disasters or weather events

## Electric Grid Benefits

- Increased water savings due to water efficiency measures





# Next Steps

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- Biennial CEIP Update due by November 1<sup>st</sup>
- October Energy Fairs
  - Colville, WA
  - Clarkston, WA
  - Spokane, WA



# Next Steps

- Wildfire Town Hall Meetings



## Join Avista for a Live Conversation about Wildfire

We're hosting a series of Telephone Town Hall Meetings: July 10-13 at 6 p.m. [Register for a Wildfire Telephone Town Hall Meeting](#)

[www.myavista.com/wildfire](http://www.myavista.com/wildfire)

### Register for One or More Avista Teletownhall Events Below

- ALL Avista Telephone Town Hall Meetings
- Monday, July 10 at 6pm - North Idaho - Benewah, Bonner, Kootenai and Shoshone counties
- Tuesday, July 11 at 6pm - Spokane region - Lincoln and Spokane counties
- Wednesday, July 12 at 6pm - North Central Idaho/Lewis-Clark region - Asotin, Clearwater, Idaho, Latah, Lewis, Nez Perce and Whitman counties
- Thursday, July 13 at 6pm - Northeast Washington - Ferry, Pend Oreille and Stevens counties

Thank You

[www.myavista.com/ceta](http://www.myavista.com/ceta)