



Equity Advisory Group

*Named Communities Investment Fund | Energy Efficiency
Ratemaking: How are rates determined and what they cover*

October 20th, 2023



Introductions & Agenda

Topic	Topic Owner
Welcome & Introductions	Amber Lenhart
Overview of the Meeting: rules and intent	Amber Lenhart
Partner Shares	Amber Lenhart
Named Communities Investment Fund	Ana Matthews
Rates 101	Amanda Ghering
Wrap-up	Amber Lenhart

Guest Introductions

- Name
 - Pronouns
- Organization



Today's Meeting

Equity Lens Session October 2023

NCIF & EE efforts



Provide an update on EAG prioritized projects utilizing the Named Communities Investment Fund

Rates 101



Understand how rates are filed and what they cover.

INCREASING LEVEL OF PUBLIC IMPACT				
INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
Public Participation Goal:	Public Participation Goal:	Public Participation Goal:	Public Participation Goal:	Public Participation Goal:
To provide the public with balanced and objective information to assist them in understanding the problems, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision-making in the hands of the public.

Rules for Engagement



- Encouraged to actively participate in discussions
- Each member will be provided time to speak
- Healthy and civil debate is encouraged
- Members should be open to new ideas and concepts
- Respectful of differing opinions
- Collectively the group should strive to align varying options (e.g., identify shared goals for different perspectives)

Partner Shares

- Upcoming relevant community events or opportunities
- Pressing issues facing our community or a need someone might be able to address
- Challenges your organization is facing (especially around equity)





Named Communities Investment Fund

Energy Efficiency

Ana Matthews



Named Communities Investment Fund

- Specific Action dedicated to the equitable distribution of energy and non-energy benefits and reduction in burdens to Named Communities
- Funding is limited to 1% or approximately \$5.0 million of electric revenues, annually

40% or up to \$2M
Supplement and support **energy efficiency** efforts targeted to Named Communities

20% or up to \$1M
Investments in distribution resiliency efforts for Named Communities

20% or up to \$1M
Incentives or grants to develop projects by local customers or third parties

10% or up to \$500,000
Used for newly developed targeted outreach and engagement efforts specifically for Named Communities.

10% or up to \$500,000
Used for other projects, programs or initiatives specific to Named Communities

Named Communities Investment Fund

Energy Efficiency

40% or up to \$2M
Supplement and support
energy efficiency efforts
targeted to Named
Communities

EE NCIF

Community Identified
Projects

Multifamily Building
Split Incentive

Health & Safety for
Manufactured & Mobile
Homes

Named Community
Single Family
Weatherization

Community & Small
Business Energy
Efficiency

Online grant application

- Live in July, promoted to over 200+ community and social service organizations throughout the service area
- Open continuously, until funding is exhausted
- Support for interested applicants



Named Community Investment Fund (NCIF) EAG Prioritization Process



- Considering initiatives for implementation
- Regular progress updates

EAG Energy Efficiency NCIF Prioritization

Rank	Initiatives
1	Focus efforts on improving energy efficiency (and EE awareness/education) for schools, community centers, and other places where Named Communities spend time
1	Focus efforts on improving energy efficiency for Spokane Tribe partners
2	Improve energy efficiency in multi-family and mobile home communities
3	Increase tree canopy and shade in Named Communities (consider tradeoffs with solar)
3	Increase access to energy efficient products and appliances for Named Communities
4	Increase awareness of and engagement in energy efficiency programs while also meeting whole-house needs through community-based partnerships and referrals to services
5	Set aside funds to match for energy efficiency grant applications for community organizations and tribal partners (could have higher feasibility)
6	Focus efforts on improving energy efficiency for community members without stable housing (consider including with other initiatives)

EAG NCIF Prioritization Update

Rank	Initiatives
1	Focus efforts on improving energy efficiency (and EE awareness/education) for schools, community centers, and other places where Named Communities spend time

Solar & Storage for MLK community center located in Spokane County

- Project: solar with battery storage systems, energy efficiency, and EV charging to enhance grid resiliency and backup power for MLK building to support critical needs
 - Model can be replicated in other communities in Eastern Washington
 - Improvements to roof and HVAC system
 - Energy Efficiency & LED lighting building upgrades
- Leverage state, municipality and utility funds
 - Recipient of Department of Commerce for solar power with battery back-up systems to bolster community resilience; 91 grants – 1 of 5 for maximum grant award of \$1.5M
 - Resilience NCIF support for the battery
 - EE NCIF for lighting, windows and recommissioning assessment of HVAC

EAG NCIF Prioritization Update

Rank	Initiatives
1	Focus efforts on improving energy efficiency (and EE awareness/education) for schools, community centers, and other places where Named Communities spend time

- \$116K+ renovation of Stevens County Food Pantry
 - Includes: insulation, windows, lighting, ductwork, preparation of ceilings and walls, and permits
 - USDA grant with loan
- EE NCIF requires separation of gas and electric
 - facility’s energy use is 43% electric
- Community NCIF will cover Ductwork

**Total Incentive Package:
\$47,055**

Labor & Materials	Cost	2023 Rebate	Program	Cost after rebate(s)	EE NCIF	Community NCIF
Insulation						
Wall R0 - R21 (1680 Sq Ft)	\$ 28,168	\$ 2,100	\$1.25 per sq ft/PSC	\$ 26,068	\$ 11,209	
Attic R11 - R38 (2700 sq ft)	\$ 7,357	\$ 2,700	\$1.00 per sq ft/PSC	\$ 4,657	\$ 2,003	
Windows						
150 sq ft	\$ 16,800	\$ 2,300	Site Specific	\$ 14,500	\$ 6,235	
Lighting						
	\$ 14,565	\$ 4,421	Prescriptive	\$ 10,042	\$ 10,246	
		\$ 102	Site Specific			
Ductwork						
						\$ 5,740
Totals	\$ 66,890	\$ 11,623		\$ 55,267	\$ 29,693	\$ 5,740

EAG NCIF Prioritization

Rank	Initiatives
1	Focus efforts on improving energy efficiency for Spokane Tribe partners

Clean Energy Fund Grid Resiliency Design Project: Financial support to design and engineer an energy storage and microgrid project in partnership with the Spokane Tribe. The project will support increased energy resilience and energy sovereignty.

Energy Audits for 11 buildings in Wellpinit: Help the Tribe understand current energy consumption and evaluate potential of possible energy efficiency upgrades; can help shape Tribe’s energy strategy.

Grant Writing support: Help identify and pursue funding opportunities to carry out various energy efficiency and grid modernization projects that advance the Tribe’s energy strategy

Clean Energy Fund (CEF) 5 Rural Energy Award: \$990,880 to conduct significant energy efficiency/ decarbonization overhaul of the Tribal Administrative Building



LOCAL NEWS

Eastern Washington gets more than \$2 million for green energy investments

The funding was provided by Washington's Clean Energy Fund, bringing new opportunities for environmentally friendly initiatives.

EAG NCIF Prioritization Update



Rank	Initiatives
2	Improve energy efficiency in multi-family and mobile home communities

Renovation of Spokane Neighborhood Action Programs (SNAP)'s affordable housing complex – Pine Villa in Spokane County, 3 Phase project

- Multi-Family renovation/housing preservation – 6 building, 50-unit apartment complex built in 1972
- Residents are below 50% Area Median Income
- Three (3) Phases, 2023 through 2025
- Phase 1 commitment of \$450K for windows with sliders, exterior doors, insulation for walls and roofs

EAG NCIF Prioritization Update

Key Consideration for the Pine Villa renovation future phases

- SNAP's interest in converting heating and water to electric



EAG NCIF Prioritization Update

Rank	Initiatives
2	Improve energy efficiency in multi-family and mobile home communities



Replacement of Packaged Thermal Air Conditioners (PTAC) in affordable housing complex in Spokane County

- Owned by ecumenical non-profit group
- Replace 76 units that have high failure rate and can only be replaced (not repaired)
- Improved energy efficiency and refrigerant is environmentally friendly
- Funding \$249K with incentive for proper recycling of the replaced units
- Considering other energy efficiency measures for the complex - windows

EAG NCIF Prioritization Update



Photo Credit: Spokane Journal of Business <https://www.spokanejournal.com/local-news/in-housing-shortage-mobile-home-values-soar/>

Rank	Initiatives
2	Improve energy efficiency in multi-family and mobile home communities

Health & Safety for Mobile Homes

- Partnership with SNAP
 - Phase 1 Mobile Home Co-op
 - Phase 2 Manufactured Homes in Census Block with high portion of low-income
 - Serves as model for other Named Communities and community action partnerships throughout company's service territory

EAG NCIF Prioritization Update

Rank	Initiatives
2	Improve energy efficiency in multi-family and mobile home communities

Project development underway for Aero-seal duct sealing for manufactured/mobile homes in Stevens, Ferry and Pend Oreille counties

- 1 year demonstration project with start-up small business
- Project Evaluation
 - Engagement of electric residential customers (contacts to promote, vs. recipients of the service)
 - Number of customers and homes served
 - Types of homes serviced (manufactured/mobile, single or double wide)
 - Before and after duct blaster testing
 - Energy Savings
 - Connectedness to Avista programs (i.e., bill discount, weatherization, rebates, CARES)



EAG NCIF Prioritization Update

Rank	Initiatives
3	Increase tree canopy and shade in Named Communities (consider tradeoffs with solar)

A lot of opportunity/potential.....figuring out the path(s) forward

Spokane County Conservation District and Spokane City: Awarded \$12 Million in U.S. Department of Agriculture Grant Funding for Urban Forestry Programs (\$6M each)

Department of Natural Resources

Avista tree removal

Enhance the Arbor Day Foundation Fall campaign for targeted outreach to Named Community

Funding for initiatives underway

- Local Municipality Citizens Advisory Group: identified disadvantaged areas and mass planting project
- Matched grant opportunity for non-profit's urban forestry program

EAG NCIF Prioritization Update

Rank	Initiatives
4	Increase awareness of and engagement in energy efficiency programs while also meeting whole-house needs through community-based partnerships and referrals to services

Explore how we may make furnace filters available to low-income customers



**Don't forget
about your
furnace filter.**

**Extend your
furnace's
life by
changing
its filter
regularly.**

A clean furnace filter reduces dust, dirt and pet dander from the air in your home, so you can breathe easier. It keeps air moving freely too, so your furnace doesn't have to work as hard to keep you comfortable. Join Avista's Furnace Filter Reminder program so you never forget to change yours again.

It's easy. Choose between two helpful options:

- Get an email reminder sent to your inbox every three months, or
- Let us ship new furnace filters directly to your doorstep.

Learn more and sign up today at myavista.com/furnacefilter

Q&A

Thank you~



Rates 101

Regulatory







Amanda Ghering



Avista's Regulatory Structure

- ✓ Regulated Utility
- ✓ Investor-Owned Utility (IOU)
- Different regulation than other forms of electric utilities

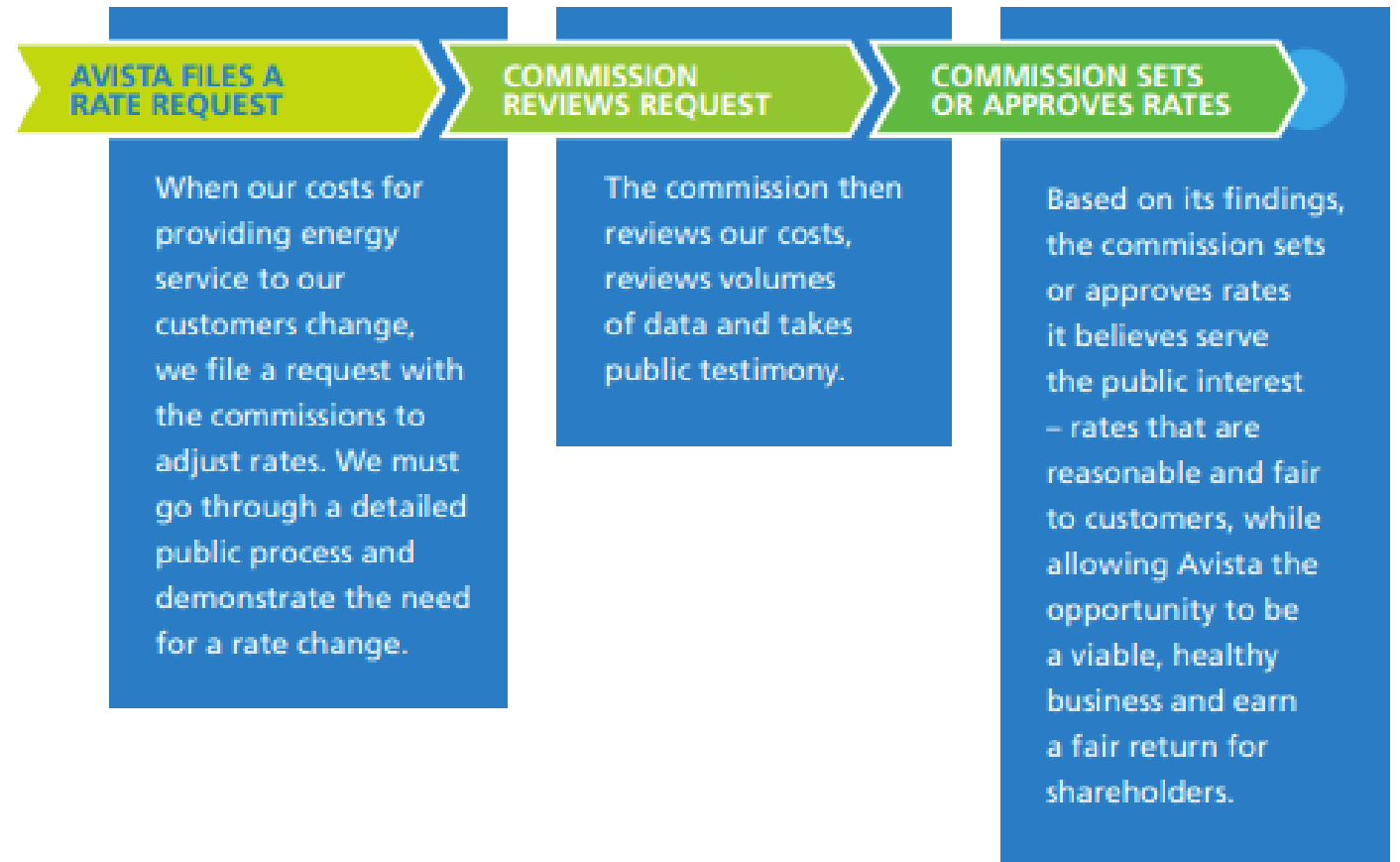
Investor-Owned Utilities vs. Public Utilities Districts

	IOU	PUD
shareholders invest money in the utility to provide safe, reliable energy for customers		
state regulatory commissions approve or set rates they believe are reasonable and fair		
invests in technology that drives economic growth and strengthens communities		

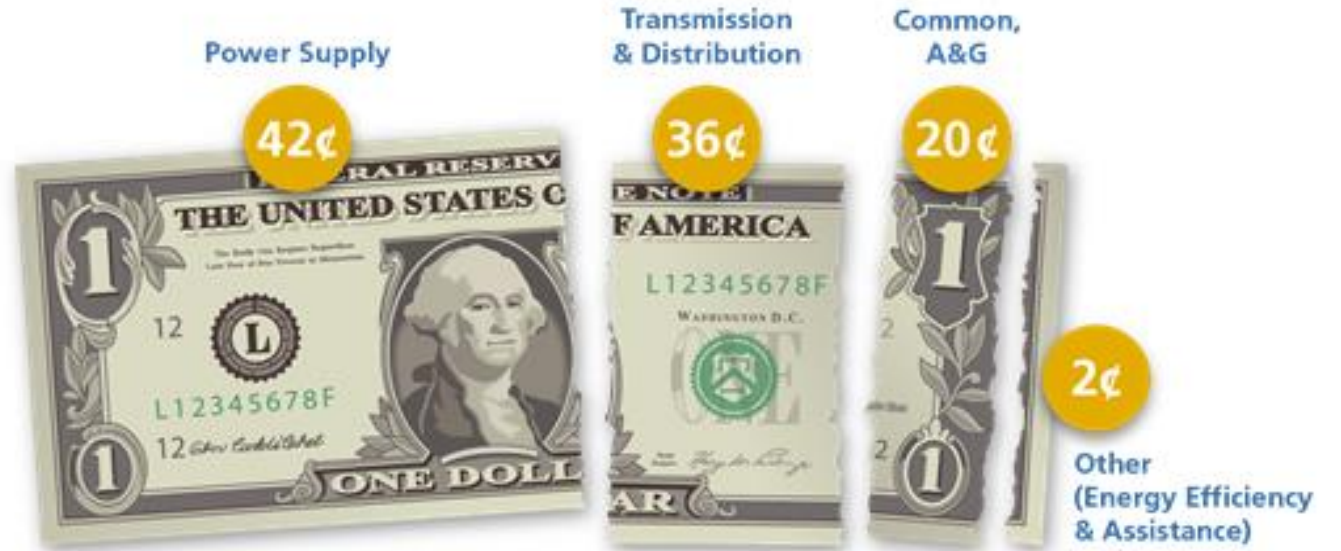
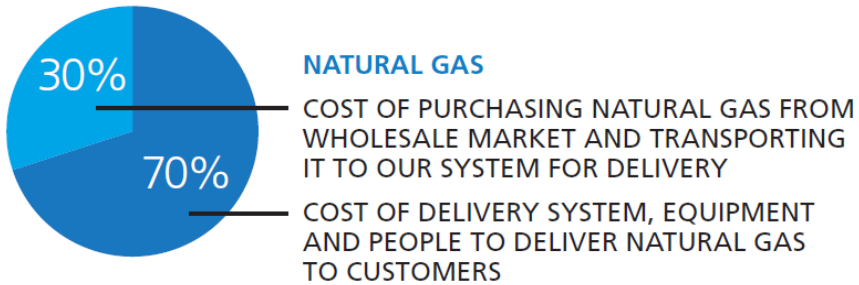
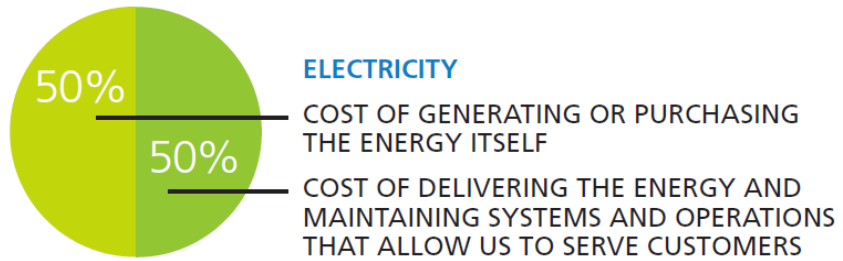
How Are Rates Set

How rates are set

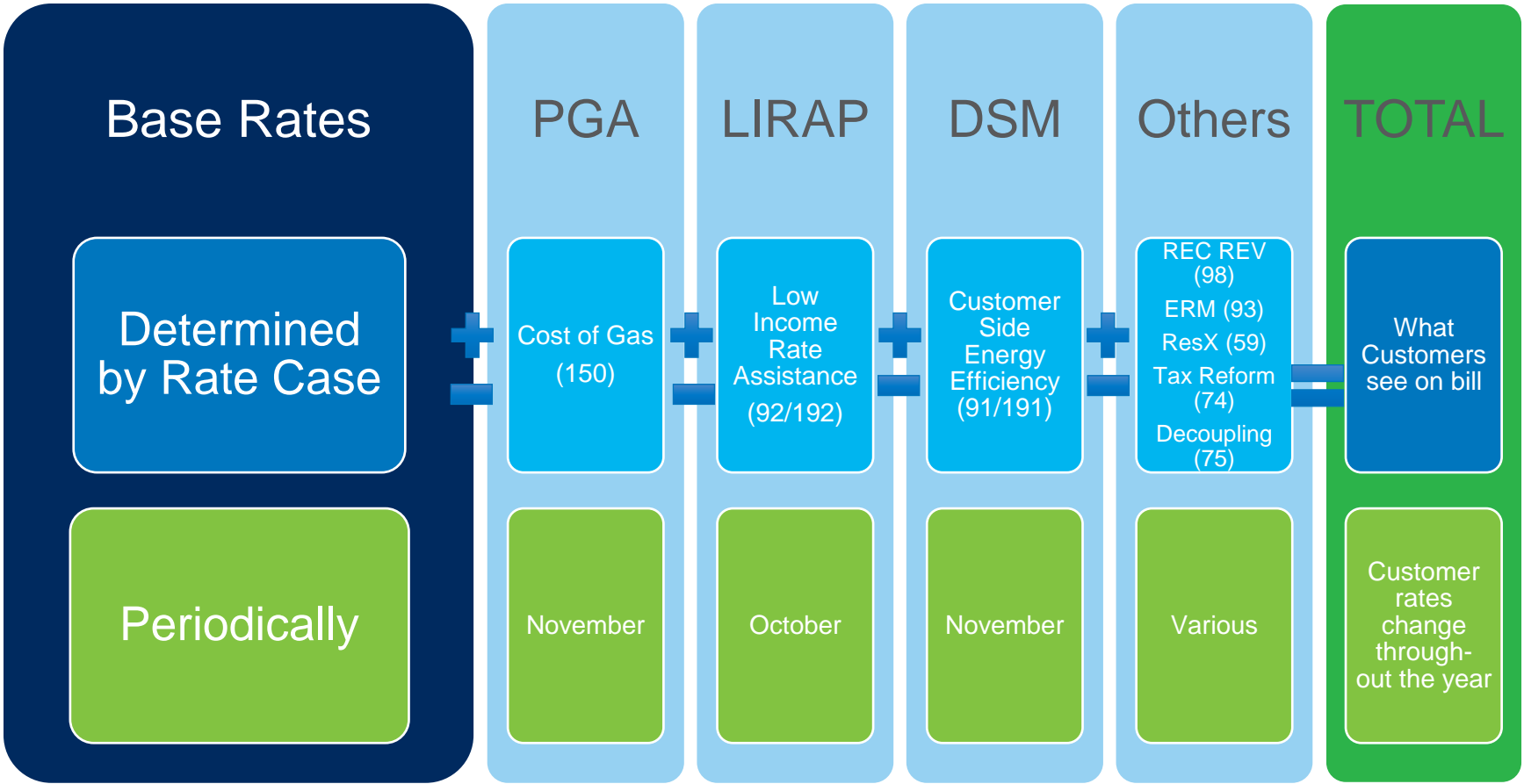
Avista is a regulated utility. That term, "regulated utility," is important because it means that regulators set or approve our rates. It's common to think we can raise our rates whenever we want, but in fact, the opposite is true. Avista's rates can only be changed with approval from state public utility commissions. Here's how the process works:



What Rates Cover

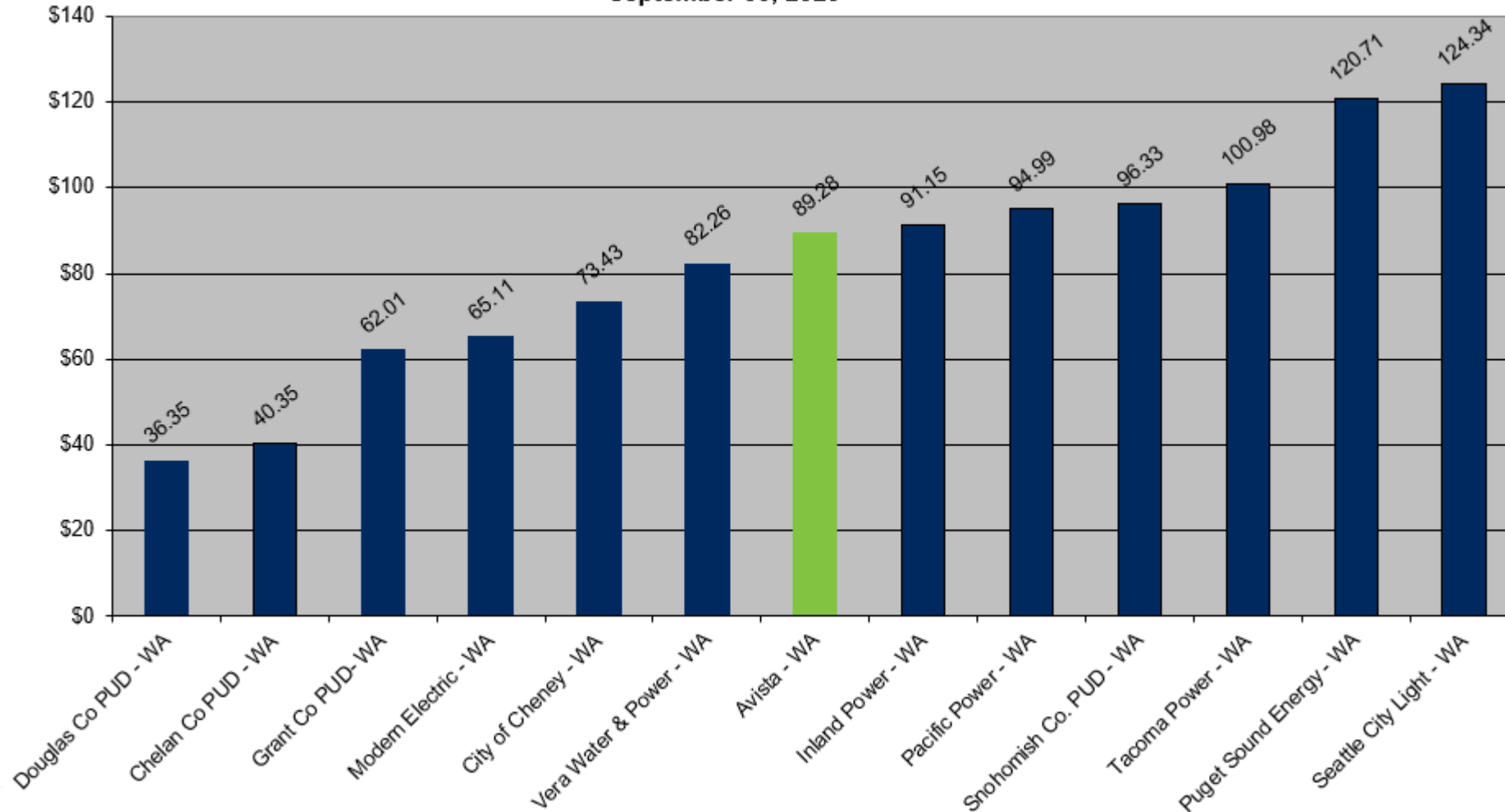


Multiple Programs = Multiple Adjustments



Washington Electric Utility Bill Comparison

Washington Electric Utility Residential Bill Comparison
(Based on 950 KWhs)
September 30, 2023



Q&A

Thank you~

Next Meeting | Support Team

November
17th

- 7:30 – 9:00 am

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Thank You

