

Equity Advisory Group Charter

Aligning Avista programs and policies to customer
and community needs and expectations

This charter describes the Equity Advisory Group (EAG), its rationale, its goals, and its participants.

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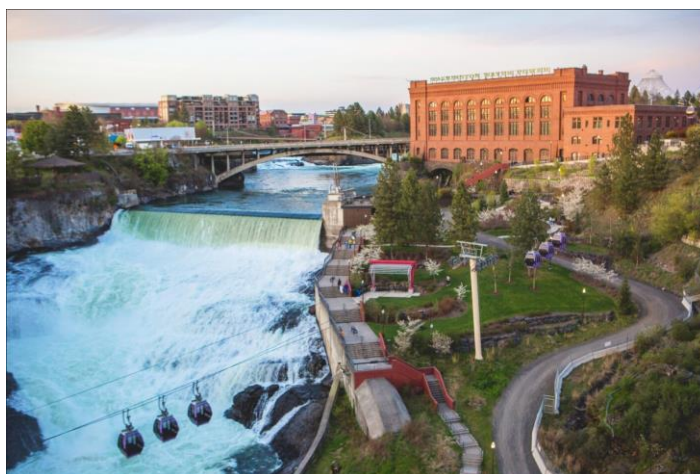
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Introduction

Washington’s Clean Energy Transformation Act (CETA), passed by legislature in 2019 requires utilities to ensure an equitable distribution of energy benefits and a reduction of energy burdens on vulnerable populations and highly impacted communities.



Avista Utilities (Avista or “Company”) is forming an Equity Advisory Group (EAG or Group) that will inform the development of the Company’s Clean Energy Implementation Plan (CEIP) to meet regulatory requirements of CETA, as well as advise and provide guidance on other company activities.

Background

On May 7, 2019, Washington State Governor Jay Inslee signed into law Senate Bill 5116, or CETA, which commits Washington to an electricity supply free of greenhouse gas emissions by 2045. Utilities will need to replace coal-based resources with renewable power sources to meet this standard. The law includes provisions to protect customers located in highly impacted communities or vulnerable populations, jointly referred to as Named Communities.

The legislation also requires utilities to use a framework that enables the facilitation of public participation and oversight. Specifically, the law requires utilities to convene an equity advisory group per WAC 480-100-655(1)(b).

WAC 480-100-655(1)(b)

A utility must maintain and regularly engage an external equity advisory group to advise the utility on equity issues including, but not limited to, vulnerable population designation, equity customer benefit indicator (CBI) development, data support and development, and recommended approaches for the utility's compliance with WAC 480-100-610 (4)(c)(i). The utility must encourage and include the participation of environmental justice and public health advocates, tribes, and representatives from highly impacted communities and vulnerable populations in addition to other relevant groups.

Avista’s EAG provides a forum for interested parties to engage with the Company through meaningful dialogue to ensure that customer initiatives and company programs do not disproportionately impact named communities who may experience undue challenges pertaining to energy as well as other environmental, health, and economic impacts.

EAG Purpose and Goals

Avista's EAG consults on company activities to ensure all customers benefit from the clean energy transition. They discuss initiatives and programs to promote equitable energy and nonenergy benefits, reducing energy burdens for specific communities.

The EAG may review and provide an equity lens focused on topics outside of Avista's CEIP actions and strategies. The following topics, as they relate to Avista's current and future Clean Energy Implementation Plans and customer initiatives and company programs, will be included in the scope of EAG reviews:

- **Vulnerable Population Designation** – The EAG will identify and further analyze vulnerable populations within Avista's service area, including those not previously recognized in impact assessments.
- **Customer Benefit Indicator Development** – The EAG will advise in the incorporation of equity into CBIs and metrics to track Avista's progress in achieving clean energy transition benefits for all customers, focusing on fair distribution and burden reduction.
- **Data Support and Development** – The Group will assist in reviewing and identifying data needed to inform the development and analysis of equity indicators and vulnerable population designation.
- **Creating Meaningful Customer Participation** - The Group will assist Avista to create meaningful engagement with community members.
- **Recommended Approaches for Equitable Distribution of Benefits** – The EAG will advise on Avista's energy equity and projects, providing feedback, validating strategies, and offering objective commentary as required.

Ultimately, the EAG will provide guidance and support activities to incorporate equity considerations into the Company's future Integrated Resource Plans (IRP), with significant emphasis on Avista's Clean Energy Implementation Plans. To guarantee that the benefits of the clean energy transformation efforts are accessible and affordable, that burdens are reduced and mitigated, and that the Company is held accountable for these equity aspects.

The EAG will:

- Highlight and mitigate barriers to customer participation
- Guide the Company to develop understanding of equity issues

Avista has a variety of existing advisory groups for initiatives related to its Integrated Resource Plan, Energy Efficiency, Energy Assistance, Transportation Electrification, and Distribution Planning.

EAG Composition and Structure

In accordance with *WAC 480 100 655(1)(b)* the Equity Advisory Group should include participants from the areas of:

- Environmental Justice;



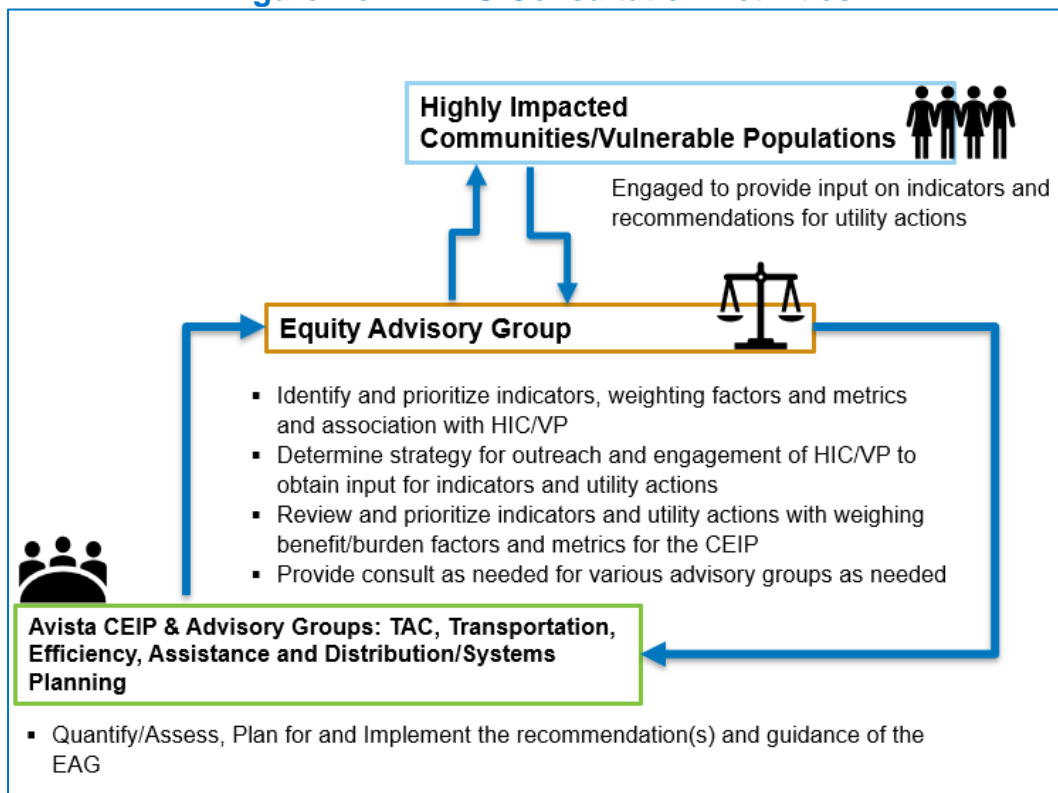
- Public Health Advocates;
- Tribes;
- Representatives from highly impacted communities and vulnerable populations, that may include seniors, veterans, Black, Indigenous and People of Color (BIPOC), low-income, and individuals living with disability;
- Urban and rural representation; and
- Additional individuals/organizations that may be identified by the Group members.

The EAG includes members who provide “lived experience” and expertise. These members are intended to include a broad representation of Washington Avista service territories.

Information obtained from the EAG in these areas will be shared and discussed with the Company’s other existing advisory groups to disseminate appropriate strategies to mitigate barriers to customer participation and to ensure adequate representation from highly impacted communities or vulnerable populations are included in all advisory groups.

Figure No. 1 below provides an illustration of the activities the EAG will undertake and how their consultation will inform the Company’s activities and advisory groups.

Figure No. 1: EAG Consultation Activities



EAG Member Recruitment



- The Company is committed to engaging members that reflect diverse representation of its customer base with emphasis on those who have been adversely affected by energy generation and delivery.
- Membership in the EAG is defined as any interested person who can actively contribute on addressing equity concerns related to the strategic planning, resource coordination, and management of Company initiatives.
- Interested individuals are invited to complete a [Member Interest Form](#) found on [Avista's clean energy web site](#).

EAG Structure

- Meetings will be conducted in a virtual setting or periodically in person.
- Meetings will be facilitated by Avista staff or its contracted EAG facilitator.
- Meetings are open to all customers, including EAG members, related Avista staff, and additional guests. Meeting schedule, topics, and times can be found on Avista's clean energy website located at: <https://www.myavista.com/about-us/washingtons-clean-energy-future>.
- Members who express a need are compensated \$90 for their participation in each EAG session.
- Members can opt to attend both sessions each month but are only compensated for one session each month.
- For in-person meetings, if they occur, reimbursement for travel and transportation expenses are provided for travel that is beyond 10 miles of the meeting location.
- Two EAG meetings are held during the third week of every month. These two meetings are scheduled to occur on a Wednesday at 12pm, and a Friday at 7:30am. Dates and times may vary dependent upon holidays, but all are posted to Avista's [CETA webpage](#).

Presentations

- All members of the EAG are invited to identify projects and initiatives that should be shared by presentation to the Group.
- Presentations will be available to members in advance of the meeting (3 days as required per [WAC 480-100-655 \(g\)](#)).

Meeting and Group Activity Archive

- Meeting notes are taken and shared with members.
- Meeting notes, recordings, and presentations are available on the Company's website.

Meeting Norms: Guidance for Group Participation

- Members are encouraged to actively participate in discussions
- Each member is provided time to speak
- Healthy and civil debate is encouraged
- Members should be open to new ideas and concepts
- Members are respectful of differing opinions



- Collectively the group should strive to align varying options (e.g., identify shared goals for different perspectives)

Decision Model

Decisions are made by consensus should EAG discussion result in the need for a decision.

The Gradients of Agreement are utilized, combined with collaborative dialogue to gauge the level of support for a proposal to ensure each member has had the opportunity to express ideas and better understand what is important to each member. The solution should then have broad level of support and will enhance the commitment and success of the resulting decision.

Gradients of Agreement: Better Vocabulary

1	2	3	4	5	6	7	8
Whole-hearted Endorsement	Agreement with a Minor Point of Contention	Support with Reservations	Abstain	More Discussion Needed	Don't Like but Will Support	Serious Disagreement	Veto
"I really like it"	"Not perfect, but it's good enough"	"I can live with it."	"This issue does not affect me."	"I don't understand the issues well enough yet."	"It's not great but I don't want to hold up the group"	"I am not on board with this – don't count on me."	"I block this proposal."

Gradient of Agreement Details

- If all the responses from the group members are 1, 2, 3, or 4, consensus is achieved, and the group can proceed.
- If most of the group answers 1 to 4, and one or more member answers 5, then the initiative will move forward with a minority report written by those members who voted 5.
- If less than 60% of the EAG votes 1 to 4, the initiative will go back to the Group for further consideration.

Roles and Responsibilities

EAG Members

This is an active advisory group that will consist of participants from community-based, public health, government, and social service organizations, along with individuals with relevant experiences who will provide consultation to assure the needs of their area or interests are considered as it relates to potential benefits or detriments that a clean energy future may bring to their community.

The EAG is expected to provide a voice for Named Community customers and will assist in the development of the inputs to be considered for future energy resource planning processes.

Company Representatives

The company's lead staff along with a contracted EAG facilitator will facilitate regularly occurring EAG meetings with an internal group of Avista representatives who will be updated on the EAG's activities and progress. This group will provide oversight to assure the Group's activities are aligned with other company activities and initiatives, resources are leveraged and the recommendations of the EAG are distributed to the related advisory group or company program or project manager.

Representation for the company's internal group includes:

- Executive Sponsor: Latisha Hill
- Manager of Social Impact: Tamara Bradley
- Customer Engagement Manager: Dan Blazquez (dan.blazquez@avistacorp.com)

Customer Engagement Manager – EAG Responsibilities

- Lead EAG Meetings
- Coordinate all meeting support activity (i.e., schedule meetings, provide agenda and meeting materials to members)
- Document meeting notes and action items
- Send out meeting notes, action items and ensure follow-up of action items
- Serve as company liaison for all EAG activities

Resources

- Avista's [Washington Clean Energy Future](#) web site.
- [CETA Overview](#) - CETA overview and interim assessment
- [Chapter 19.405 RCW](#) - Laws and Regulations: Revised Code of Washington Investor-owned utilities
- [Chapter 480-100-600 WAC](#) - Laws and Regulations: Washington Administrative Code Investor-owned utilities
- [Chapter 480-100-610 WAC](#) – Clean energy transformation standards
- [Clean Energy Transformation Act](#) - Clean Energy Transformation Act
- Email CETA@avsitacorp.com for more information.

