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Background

Washington's Clean Energy Transformation Act (CETA) was enacted into law in May 2019. The CETA standards require electric utilities to eliminate coal-fired electricity from serving Washington retail electric customers by the end of 2025, use a carbon-neutral supply of electricity by 2030, and source 100 percent of their electricity from renewable or non-carbon-emitting sources by 2045. Utilities are also required to ensure all customers benefit from the transition to clean energy through the equitable distribution of energy and non-energy benefits, and the reduction of burdens to vulnerable populations and highly impacted communities, collectively referred to as Named Communities.

To address these requirements, Avista engaged with the public and existing advisory groups, including the Energy Efficiency Advisory Group (EEAG), Energy Assistance Advisory Group (EAAG), and the electric Technical Advisory Committee (TAC) in the planning of Avista's 2021 CEIP and 2023 Biennial CEIP. In 2021, the Equity Advisory Group (EAG) was established to discuss equity within the development of these plans, identifying barriers that may hinder customer engagement and strategies to address barriers and increase outreach, education, and participation efforts for all customers. In 2022, Avista established the Distribution Planning Advisory Group (DPAG) in accordance with 2021 CEIP Condition #13.

As listed in Table 1 below, the Company filed all CETA-required documentation from 2021 through 2025 with the Washington Utilities and Transportation Commission (UTC or Commission) to support the information and data included in Avista's 2026 Clean Energy Compliance Report. In accordance with WAC 480-100-640, Avista filed the 2021 Clean Energy Implementation Plan (CEIP) for the 2022-2025 implementation period on October 1, 2021. Subsequently, Avista filed its 2023 Biennial CEIP (BCEIP), updating the 2021 CEIP and demonstrating compliance with conditions, on November 1, 2023. In accordance with WAC 480-100-650(3) and (4), Avista filed its Annual Clean Energy Progress Reports (Progress Report) for compliance years 2022-2024, this report provides the update for 2025 (see Table 2). In accordance with WAC 480-100-655(2), Avista filed Public Participation Plans (PPP) for compliance years 2021, 2023, and 2025. Additionally, pursuant to WAC 480-109-120, the energy efficiency components of the CEIP were derived from the Company's Biennial Conservation Plans (BCP) and Annual Conservation Reports (ACR) which are filed and docketed separately from the Company's CEIP.

Table No. 1: Avista CETA Filings

Document Name	Docket	UTC Approval	Website Link
2021 CEIP	UE-210628	Order 01, June 23, 2022	https://www.utc.wa.gov/case/docket/2021/210628/docsets
2021 PPP	UE-210295	N/A	https://www.utc.wa.gov/case/docket/2021/210295/docsets
2022-2023 Electric BCP	UE-210826	Order 01, January 18, 2022	https://www.utc.wa.gov/case/docket/2021/210826/docsets
2022 Progress Report	UE-210628	N/A	https://www.utc.wa.gov/case/docket/2021/210628/docsets
2023 Progress Report	UE-210628	N/A	https://www.utc.wa.gov/case/docket/2021/210628/docsets
2023 PPP	UE-210295	N/A	https://www.utc.wa.gov/case/docket/2021/210295/docsets
2023 Electric ACR	UE-210826	Order 02, February 7, 2025	https://www.utc.wa.gov/case/docket/2021/210826/docsets
2023 BCEIP	UE-210628	Order 02, March 22, 2024	https://www.utc.wa.gov/case/docket/2021/210628/docsets
2024-2025 Electric BCP	UE-230897	Order 01, January 17, 2024	https://www.utc.wa.gov/case/docket/2023/230897/docsets
2024 Progress Report	UE-210628	N/A	https://www.utc.wa.gov/case/docket/2021/210628/docsets
2024 Tariff Schedule 64 – CEIP Adjustment ¹	UE-240656	Operation of law	https://www.utc.wa.gov/case/docket/2024/240656/docsets
2025 Progress Report	UE-210628	N/A	https://www.utc.wa.gov/case/docket/2021/210628/docsets
2025 PPP	UE-250308	N/A	https://www.utc.wa.gov/case/docket/2025/250308/docsets
2025 Tariff Schedule 64 – CEIP Adjustment ²	UE-250660	Operation of law	https://www.utc.wa.gov/case/docket/2025/250660/docsets

¹ Recovery of CEIP labor and non-labor related costs incurred to implement the 2021 CEIP from June 16, 2022, through June 30, 2024.

² Recovery of CEIP labor and non-labor related costs incurred to implement the 2021 CEIP from July 1, 2024, through June 30, 2025.

This 2026 Clean Energy Compliance Report is supported by the attachments in Table 2 below. Data presented in this report is based on Washington’s share of generation from renewable energy resources either owned or controlled by Avista through long term contracts. In addition to the UTC report, the Company is also required to submit the 2026 CETA Interim Performance Report to the Washington Department of Commerce (Commerce). Where applicable the Company adopted Commerce’s reporting template to satisfy the requirements of WAC 480-100-650, which is provided in Attachment E.

Table No. 2: 2026 Clean Energy Compliance Report | WAC 480-100-650(1)

Attachment	Attachment Name
A	2026 Annual Clean Energy Progress Report
B	2026 Clean Energy Compliance Report Data Summary
C	Specific Action Updates
D	2021 – 2025 CBI Values
E	2026 Commerce CETA Interim Performance Report
F	Incremental Costs Confidential

2026 Clean Energy Compliance Report | WAC 480-100-650(1)

Unless otherwise ordered by the Commission, each electric utility must file a clean energy compliance report with the Commission by July 1, 2026, and at least every four years thereafter. The report must:

(a) Demonstrate whether & how the utility met its interim targets

The annual total retail load between 2022 and 2025 was 22,722,880 MWh. Avista’s four-year average interim renewable target, expressed as a percentage of retail load, was 51.3%, corresponding to an average obligation to annually deliver 2,917,533 MWh of renewable energy to customers or a total of 11,670,133 MWh between 2022 to 2025 as listed in Table 3 below. To meet this obligation, the Company retired 11,670,133 MWh of Renewable Energy Certificates (RECs) of the 14,760,928 MWh available of qualifying renewable generation allocated to Washington customers. Avista achieved its interim target by retiring RECs from qualified generation Avista owns and controls between 2022 and 2025 per WAC 194-40-410. See section (d) below for REC retirement details. Avista did not propose an interim non-emitting target for the 2021 CEIP.

Table No. 3: 2021 CEIP Renewable Energy Interim Targets (MWh)

Compliance Year	2022	2023	2024	2025	Total
Washington Retail Sales	5,894,971	5,739,294	5,880,681	6,106,630	23,621,576
Washington Retail Load	5,687,992	5,524,887	5,641,815	5,868,186	22,722,880
Renewable Energy Target	40.0%	47.5%	55.0%	62.5%	51.3%
Renewable Energy Target	2,275,197	2,624,321	3,102,998	3,667,616	11,670,133

REC Retirement	2,275,197	2,624,321	3,102,998	3,667,616	11,670,133
Renewable Energy Achieved	40.0%	47.5%	55.0%	62.5%	51.3%
Renewable Energy Production	4,072,488	3,263,436	3,493,661	3,931,342	14,760,928
Remaining Renewable Energy	1,797,291	639,115	390,663	263,726	3,090,795

For annual Progress Reports, see the docket and weblink information in Table 1 above. For the 2026 Annual Clean Energy Progress Report covering 2025 compliance, see Attachment A. For the 2026 Clean Energy Compliance Report Data Summary see Attachment B.

(b) Demonstrate whether & how the utility met its specific targets

As provided in Table 4 below, Avista achieved its specific targets approved in its 2021 CEIP for renewable energy and demand response, while it did not achieve the specific target for energy efficiency. Avista did not propose a non-emitting specific target.

Renewable Energy

As listed in Table 3 above, Avista's cumulative renewable energy target was 11,670,133 MWh and the Company's Washington allocation of eligible renewable generation totaled 14,760,928 MWh. To comply with the target, the Company retired a total 11,670,133 MWh of RECs over the implementation period as listed in Table 4 below.

Energy Efficiency

As listed in Table 4 below, Avista's cumulative energy efficiency target was 173,188 MWh³ and the Company achieved a cumulative 145,616 MWh through pursuing a cost-effective portfolio of customer programs as verified and approved in the 2022-2023 and 2024-2025 Biennial Conversation Reports. During the February 7, 2025, open meeting, the UTC acknowledged the extenuating circumstances that arose from the COVID-19 pandemic, including inflation, changes in customer demand, and labor and supply chain shortages, thus hindering Avista's ability to achieve its 2022 and 2023 energy efficiency targets.

The UTC determined:

"Although Avista failed to meet its conservation targets, we find that there existed sufficient circumstances to allow Avista to be "considered in compliance" for the purposes of RCW 19.285.040(1)(e). Further, the Company has shown that it has exercised adaptive

³ The 2021 CEIP's cumulative energy efficiency target was estimated based on the 2022 WA Electric Annual Conversation Plan's MWh savings multiplied by four. The actual energy efficiency targets were established by the 2022-2023 Biennial Conversation Plan and 2024-2025 Biennial Conversation Plan.

management techniques in an effort to adapt to the challenges the pandemic introduced. Thus, we find that Avista has sufficiently complied with its biennial acquisition target for cost-effective conservation to be considered in compliance and therefore conclude that no penalty is warranted at this time.”⁴

Demand Response

As shown in Table 4 below, the demand response target was 30 MW of capacity, and the Company achieved 30 MW of capacity through a demand response contract with a large industrial customer with a cumulative 6,516 MWh of demand response utilization.

Table No. 4: 2021 CEIP Specific Targets (MWh)

Compliance Year	2022	2023	2024	2025	Total
Renewable Energy Target	2,275,197	2,624,321	3,102,998	3,667,616	11,670,133
Renewable Energy Achieved	2,275,197	2,624,321	3,102,998	3,667,616	11,670,133
Energy Efficiency Target	53,322	53,322	33,272	33,272	173,188
Energy Efficiency Achieved	23,020	37,389	45,018	40,189	145,616
Demand Response Target	30 MW				30 MW
Demand Response Achieved	30 MW				30 MW
Demand Response Utilization	1,950	881	3,686	0	6,516

For annual Progress Reports, see the docket and weblink information in Table 1 above. For the 2026 Annual Clean Energy Progress Report for the 2025 compliance period see Attachment A. For the 2026 Clean Energy Compliance Report Data Summary see Attachment B.

(c) Demonstrate how specific actions made progress toward WAC 480-100-610.

The 2021 CEIP proposed specific actions to meet specific targets, and “other specific actions” to prepare the Company to meet the 2030 greenhouse gas neutrality requirement, future resource adequacy needs, and address the equitable transition to clean energy. To demonstrate whether and how the Company made progress toward WAC 480-100-610, Avista summarized each specific action in terms of its clean energy standard applicability, customer benefit, and referenced documentation of cost justification if applicable. The Company has also provided a status for each action that aligns with the Commerce CETA reporting requirements. The Company recognizes that customers may receive direct or indirect benefits from specific actions aligned with CETA. Direct benefits may be

⁴ Docket UE-210826 Order 02.

measured through a Customer Benefit Indicator (CBI) and, where applicable, are assigned to specific actions in tables below. While a single action may provide multiple indirect benefits, the Company has identified at least one indirect benefit that is assumed for all customers. Please see Attachment C for Specific Action Updates. Updates to these actions were also provided in the 2023 BCEIP.

Specific Actions for Specific Targets

At the time of the 2021 CEIP, the annual and cumulative specific target in MWh was estimated for renewable energy and energy efficiency. The cumulative MWh targets listed in Table 5 below reflect actual MWh requirements based on annual retail load and renewable energy production for the renewable energy target and the approved biennial conservations plans for energy efficiency.

Table No. 5: 2021 CEIP Specific Actions to Meet Specific Targets

Cumulative Specific Target	Specific Action	Status	Summary
Achieve 11,670,133 MWh or 51.3% of Renewable Energy delivery	Retire RECs from Avista owned and contracted renewable generation in compliance with annual targets	Implemented & Complete	Clean Energy Standard: Achieving 11,670,133 MWh or delivering an average of 51.3% for electric retail load with renewable energy, was met with retiring RECs associated with renewable generation resources the Company owns or controls through long-term contracts. Customer Benefit: By utilizing RECs from existing resources and acquiring the lowest cost resources from the Request for Proposal (RFP) process, all customers directly benefit from Avista's compliance with the law. Cost: Although the Company proposed a four-year average of 42.5% in renewable energy delivery through the retirement of RECs, Condition 7 of the 2021 CEIP increased the Company's four-year average to 51.3%, thus increasing customer costs.

Achieve 173,188 MWh of Energy Efficiency savings	Pursue cost-effective measures and customer programs as identified in the 2022-2023 and 2024-2025 Biennial Conversation Plans.	Implemented & Complete	Clean Energy Standard: Achieving 145,616 MWh of cost-effective energy efficiency savings through measures and customer programs was verified in the 2022-2023 and 2024-2025 Biennial Conversation Reports. Customer Benefit: All customers, regardless of participation, indirectly benefited through collective energy saving measures and the avoidance of future resource acquisition to serve demand. Customers who participated in energy efficiency programs directly benefited as measured through the Participation in Company Programs CBI. Cost: Demonstration of energy efficiency cost effectiveness is required under RCW 19.285⁵ with annual and biennial conservation plans and verified savings in its annual and biennial conservation reports, as required by WAC 480-109-120.
Achieve 30 MW Demand Response capacity	Sign contract with large industrial customer for demand response program	Implemented & Ongoing	Clean Energy Standard: Implementing a large-customer demand response contract was required and approved as part of the Company's 2020 Washington General Rate Case (GRC) settlement.⁶ In 2021, Avista and a large industrial customer signed a demand reduction contract through 2031. Customer Benefit: All customers indirectly benefited through peak energy savings and the

⁵ RCW 19.285.040(1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible.

⁶ Final Order 08/05, UE-200900 et al

			delay or avoidance of future resource acquisition to serve peak demand. Cost: As recognized by the Commission through Final Order 08/05, the cost effectiveness of the demand response contract was shown to preserve customer benefits over the life of the contract.
	Time of Use (TOU) & Peak Time Rebate (PTR) Pilots	Implemented & Complete	Clean Energy Standard: Implementing a TOU and PTR Pilot was a settlement requirement within the Company's 2020 Washington GRC. These pilots were approved by the Commission through Tariff Schedules 07, 08, 17, 18 (TOU), and 84 (PTR),⁷ and enrollments were accepted between June 1, 2024, and May 31, 2026. Although the enrollment and evaluation period has ended, pilot customers may remain on these schedules. The pilot did not contribute to setting the demand response target or utilization as reflected in Table 4 above. By November 30, 2026, Avista will file a report with the Commission summarizing pilot results. Avista will engage with the Energy Efficiency Advisory Group and other interested parties prior to proposing a program(s). Customer Benefit: Program benefits will be evaluated by a third party and provided in the Company's report to be filed by November 30, 2026.

⁷ Docket UE-230212

			Cost: Program costs and cost effectiveness will be evaluated by a third party and provided in the Company’s report to be filed by November 30, 2026.
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To pursue the required energy efficiency MWh saving target in Table 5 above, Avista offered existing, and implemented new energy efficiency programs for residential, commercial, and industrial customers. As listed in Table 6 below, Avista proposed 11 residential programs (i.e. specific actions) to support residential energy efficiency savings which correspond to the Participation in Company Programs CBI. The commercial and industrial programs to support energy efficiency savings do not correspond to a CBI and are not included in Table 6.⁸ The validation of cost-effective energy efficiency programs was verified in the 2022-2023 and 2024-2025 BCRs. All customers benefited through collective energy savings and the avoidance of additional renewable energy acquisition. For residential MWh savings and costs associated with each action, please see Attachment C, Specific Action Updates

Table No. 6: Energy Efficiency | Specific Actions

Specific Action	Status
Always On Behavioral Pilot	Removed
Multifamily Direct Install	Removed
Residential Prescriptive – HVAC	Implemented & Complete
Residential Prescriptive – Appliance	Implemented & Ongoing
Residential Prescriptive – Shell	Implemented & Ongoing
Residential Prescriptive – Water Heater	Implemented & Complete
Residential Prescriptive – EnergyStar Homes	Implemented & Ongoing
Multifamily Weatherization	Implemented & Complete
On-Bill Repayment	Implemented & Ongoing
Midstream	Implemented & Ongoing
Home Insulation	Implemented & Ongoing

Other Company Specific Actions

Tables 7 – 9 represent the Company’s “Other Specific Actions” arranged by renewable energy, demand response, and other initiatives. These actions were proposed to support the long-term equitable transition to clean energy, demonstrating progress toward the 2030 and 2045 renewable energy targets and may or may not have contributed to achieving a specific target within the 2021 CEIP.

⁸ See 2022-2023 and 2024-2025 BCP for all residential, commercial, and industrial programs

Table No. 7: Renewable Energy | Other Company Specific Actions

Specific Action	Status	Summary
Secure 48 aMW from renewable resources through the 2020 Renewable Request for Proposal (RFP) process or the 2022 All Source RFP process prior to January 1, 2026.	Implemented & Ongoing	Clean Energy Standard: On June 26, 2020, Avista issued its 2020 Renewable RFP.⁹ As a result of that RFP, Avista executed two Power Purchase Agreements (PPA) with Chelan County Public Utility District (PUD), which support meeting the CETA standards. Avista signed a 10-year PPA for 51 aMW with delivery between January 1, 2024, and December 31, 2033. Avista also signed a second PPA for an additional 51 aMW with delivery from January 1, 2026, through December 31, 2030, increasing to 102 aMW from January 1, 2031, through December 31, 2045. Customer Benefit: All customers directly benefited from acquiring an existing clean energy source within the state of Washington as compared to building a new generation facility at a higher cost. Cost: Cost justification for these PPAs was filed and approved in Avista's 2024 Washington GRC.¹⁰
Modernize Post Falls Hydroelectric Dam	Removed	Avista is evaluating options for the rehabilitation of this century-old generation facility, and it has been removed as a specific action.
Upgrade Kettle Falls Generating Station	Removed	Avista partnered with Myno Carbon ¹¹ to submit a self-build bid

⁹ Docket UE-220053 et al.

¹⁰ Order 08, UE-240006 et al.

¹¹ <https://mynocarbon.com/>

		to Avista's 2022 All-Source RFP for an additional 11.2 MW at its Kettle Falls Generating Station. Although the project was selected, the parties could not come to contractual agreement. The project was cancelled and has been removed as a specific action.
Secure 48 aMW from renewable resources with capacity attributes prior to January 1, 2028.	Implemented & Ongoing	Clean Energy Standard: On February 18, 2022, Avista issued its 2022 All Source RFP.¹² From this RFP, the Company signed a 30-year PPA with Nextera Clearwater Wind for 41.9 aMW with delivery from January 1, 2026, through December 31, 2056. Columbia Basin Hydro (CBH) did not submit a bid in the 2022 All Source RFP, but the Company evaluated the project against the 2022 RFP bidders. Avista signed a 23-year PPA for 59.8 aMW (April-October delivery) from March 2023 to December 2030. Customer Benefit: Regarding the Clearwater PPA, all customers benefited through acquiring the lowest cost renewable resource from the RFP process and Avista's compliance with the law. Regarding the CBH PPA, all customers directly benefited from acquiring an existing clean energy source within the state of Washington as compared to building a new generation facility at a higher cost. Cost:

¹² Docket UE-210832

		Cost justification for these PPAs was filed and approved in the Company's 2024 GRC. ¹³
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In the 2021 CEIP, Avista proposed “Other Company Specific Actions” in Table 8 below to explore demand response capabilities beyond the 30 MW demand response contract and support a reduction in burdens and the equitable distribution of benefits. These actions did not necessarily conform to the cost-effective standard, as some of the actions relied on grant funding.

Table No. 8: Demand Response | Other Company Specific Actions

Specific Action Description	Status	Summary
Commercial Electric Vehicle TOU Rate	Implemented & Ongoing	Clean Energy Standard: In 2021, Avista implemented Tariff Schedules 013 and 023¹⁴ for large and small commercial customers as a cost-effective energy conservation effort, with the intent to increase EV adoption and encourage third parties to install direct-current fast chargers (DCFC). Customer Benefit: Customers using service under Schedules 013 and 023 benefit from a reduced rate when charging during off-peak hours. Cost: Cost justification for these tariff schedules was filed with the Commission and was approved by operation of law in April 2021.
Active Energy Management Pilot (Building Energy IQ Pilot)	Implemented & Complete	Clean Energy Standard: The energy-savings pilot for Washington commercial customers was launched in 2022 as a three-year initiative, with 2024 representing the final full program year.¹⁵ Customer Benefit:

¹³ Order 08, UE-240006 et al.

¹⁴ Docket UE-210182

¹⁵ 2025 Electric Annual Conservation Report UE-230897 & UG-230898

		All customers indirectly benefited through collective energy savings. Cost: Savings and cost effectiveness were evaluated by Avista's third-party evaluation contractor. The pilot was not cost effective with a total resource cost (TRC) ratio of 0.26. As such, Avista elected not to extend the pilot or transition it into a full program offering as described in its 2025 ACR.
Spokane Tribe Microgrid/Resilience Station	In Progress	Clean Energy Standard: In 2022, Avista partnered with the Spokane Tribe of Indians to design and build a microgrid in Wellpinit, WA, to support resiliency. The design phase started in 2025 and is expected to conclude in summer of 2028. Customer Benefit: All customers will indirectly benefit through collective energy savings and the avoidance of future resource acquisition to serve demand. During an outage, the Spokane Tribe of Indians will receive a resiliency benefit through the ability to maintain essential services. Named Community customers received a direct benefit which is measured through the Investments in Named Communities CBI. Cost: Funding for this project is made possible through federal and state grants, in addition to Avista's NCIF and capital allocations.
Connected Communities Pilot	Removed	Clean Energy Standard: The Connected Communities Pilot launched in 2024, as a partnership

		between Avista and multiple entities¹⁶ to demonstrate and coordinate demand response capabilities for customers in Named Communities.¹⁷ It was funded through a Department of Energy (DOE) grant, with contributions from partnership entities. In November 2025, the DOE terminated funding for this program which would have operated through 2028. Customer Benefit: If the pilot had completed, all customers would have indirectly benefited through collective energy savings and the avoidance of acquiring additional energy. Cost: Funding for this pilot was made possible through a federal grant.
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As listed in Table 9 below, the Company proposed “Other Initiatives” to broadly support equity and the clean energy transition. Avista did not consider the cost-effective standard when proposing these actions as they did not contribute to target achievement. Beyond the implementation of the NCIF, these actions were not a direct result of CETA.

Table No. 9: Other Initiatives | Other Company Specific Actions

Specific Action Description	Status	Summary
Named Community Investment Fund	Implemented & Ongoing	Clean Energy Standard: Avista proposed investing up to \$5 million annually in Named Communities through the NCIF, with \$2 million to support non-cost-effective energy efficiency projects and \$3 million dedicated to community-based projects and initiatives. The Commission approved the NCIF in June 2022 with the approval of its 2021 CEIP.

¹⁶ Edo, McKinstry, Pacific Northwest National Laboratory and Urbanova.

¹⁷ East Central, Logan, and Cliff Cannon neighborhoods in Spokane, WA.

		As of December 31, 2025, Avista spent approximately \$8.9 million over the implementation period¹⁸, with \$5.9 million on energy efficiency supplements and \$3 million on community-based projects. Customer Benefit: Named Community organizations who received a grant directly benefited from energy savings, resulting in the redirection of funds to provide additional community services. In addition, they may have received direct benefit through the purchase of energy efficiency and clean energy equipment and materials or funding to support workforce development. This funding allocation is measured through the Investments in Named Communities CBI. Cost: Cost justifications for NCIF community awards are included in Tariff Schedule 64 filings with the Commission. The NCIF energy efficiency awards are justified through Avista's annual Tariff Schedule 91 filings.
Transportation Electrification Plan (TEP)	Implemented & Ongoing	Clean Energy Standard: As of 2020, the company submits a Transportation Electrification Plan (TEP) every five years.¹⁹ The plan provides market research, cost and benefit analysis, and annual budget and activity targets for increasing electric transportation. It also commits up to 30% of electric transportation benefits to Named

¹⁸ After approval, an implementation period was needed for NCIF promotion, EAG's prioritization, and the application and selection process. Awarded project activities and timelines varied, which lead to a lag between committed funds and actual funds spent.

¹⁹ <https://www.myavista.com/-/media/myavista/content-documents/energy-savings/evs/avista-2025-te-plan.pdf>

		Communities, which includes low-income customers.²⁰ Customer Benefit: Actions from this plan support electric vehicle infrastructure directly benefiting Named Communities, which is measured through the Transportation Electrification CBI. Cost: Throughout the implementation period, Avista spent approximately \$16 million on programs supporting the TEP, with approximately \$6 million benefiting Named Communities. The TEP is funded through capital, O&M, and the Washington Department of Ecology's (Ecology) Clean Fuels Program. Capital and O&M expenses are recovered through GRCs.
Equity, Inclusion & Diversity	Implemented & Ongoing	Clean Energy Standard: Through Avista's initial equity, inclusion, and diversity plan, the Company desired to have a workforce representative of the communities it serves by 2035. Customer Benefit: All customers indirectly benefit from a utility with a workforce representative of the communities it serves. Progress is measured by the Employee Diversity CBI. Cost: Not applicable.
Customer Resiliency	Implemented & Ongoing	Clean Energy Standard: To address customer resiliency during large-scale extended outages, Avista provided a variety

²⁰ 2020 GRC Docket UE-200900 et. al. Final Order 08/05 Page 28 at Paragraph 67.

		of outreach services to reduce the outage impact, including temporary information centers providing food, shelter, access to electricity, and restoration information. Customer Benefit: Avista customers experiencing an outage may benefit through these additional outreach services. Cost: Not applicable.
Supplier Diversity	Implemented & Ongoing	Clean Energy Standard: Avista set an aspirational goal of achieving an 11% supplier diversity rate with purchasing materials from businesses owned by minorities, women, and veterans. Customer Benefit: Increasing supplier diversity may result in economic benefits for these businesses. Progress is measured through the Supplier Diversity CBI. Cost: Not applicable.

(d) Demonstrate REC compliance with RCW 19.405.040(1) & 19.405.050(1)

Non-power attributes or RECs to fulfil the Company's 2021 CEIP's specific renewable energy targets and the annual Renewable Portfolio Standard (RPS) were achieved with the retirement of RECs from Avista-owned hydro, biomass, and solar generation, and from RECs associated with contracted wind and hydro generation. On an annual basis, the annual REC obligations were retired in the Western Renewable Energy Generation System (WREGIS).

Avista's cumulative renewable energy CETA obligation during the implementation period was 11,670,133 MWh and was fulfilled with retirement of RECs generated in the year of the required obligation as shown in Table 10 below.

Table No. 10: 2021 CEIP REC Retirements (MWh)

Compliance Year	2022	2023	2024	2025	Total
REC Retirement Obligation	2,275,197	2,624,321	3,102,998	3,667,616	11,670,133
2022 Vintage REC Retirement	2,275,197				2,275,197
2023 Vintage REC Retirement		2,624,321			2,624,321
2024 Vintage REC Retirement			3,102,998		3,102,998
2025 Vintage REC Retirement				3,667,616	3,667,616

Avista's cumulative RPS obligation during the implementation period was 3,455,406 MWh and was fulfilled with retirement of RECs generated in various years as shown in Table 11 below.

Table No.11: RPS REC Retirements (MWh)

Compliance Year	2022	2023	2024	2025	Total
REC Retirement Obligation	839,421	871,917	872,570	871,498	3,455,406
2021 Vintage REC Retirement	534,499				534,499
2022 Vintage REC Retirement	304,922	734,861			1,039,783
2023 Vintage REC Retirement		137,056	726,351		863,407
2024 Vintage REC Retirement			146,219		146,219
2025 Vintage REC Retirement				871,498	871,498

For annual Progress Reports, see the docket and weblink information in Table 1 above. For the 2026 Annual Clean Energy Progress Report for the 2025 compliance period see Attachment A. For the 2026 Clean Energy Compliance Report Data Summary see Attachment B.

(e) Demonstrate whether & how specific actions comply with WAC 480-100-610 (4)(c)

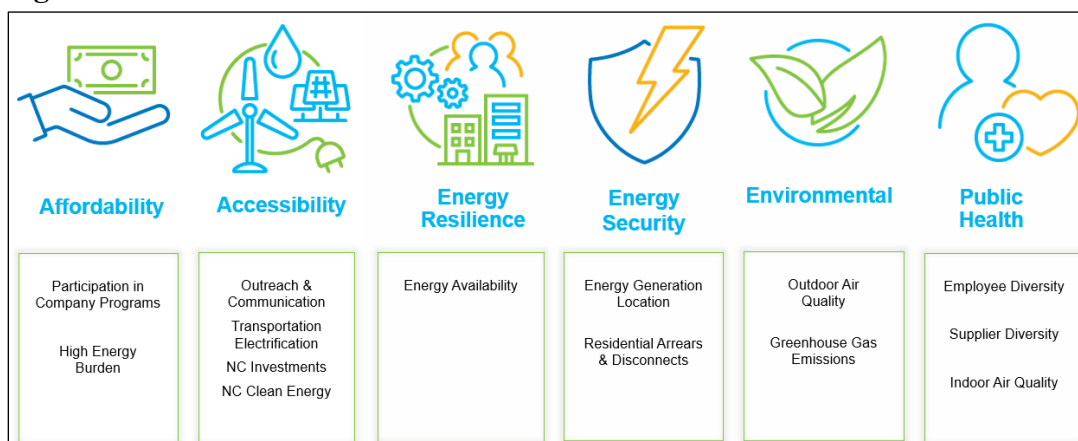
Avista's 2021 CEIP proposed 17 specific actions across the areas of renewable energy, demand response, and other Company initiatives, with three specific actions corresponding to a CBI. As shown in Table 12 below, this included the NCIF action corresponding to the Investment in Named Communities CBI, the Employee Diversity action corresponding to the Employee Diversity CBI and the Supplier Diversity action corresponding to the Supplier Diversity CBI. For energy efficiency, each residential program²¹ was considered a specific action, resulting in 11 specific actions corresponding to the Participation in Company Programs CBI.

As shown in Figure 1 below, Avista's approved 2021 CEIP had 14 CBIs supporting the statutory benefit areas of affordability, accessibility, energy resiliency, energy security, environment, and public health. In the 2023 BCEIP, the Company provided CBI values for

²¹ The 2021 CEIP's energy efficiency specific actions pertain to residential programs, while the required energy savings target in MWhs includes savings from residential and commercial/industrial programs.

2021 (baseline) and 2022. At that time, some CBI metrics were calculated quarterly while others were calculated annually. In addition, some CBI metrics were also PBR metrics, which are calculated annually. To avoid reporting variance for a shared metric, the Company has provided all CBI values in this report based on an annual calculation. See Attachment D for annual CBI metric values.

Figure No. 1: 2021 CEIP's Customer Benefit Indicators



CBI Analysis

Within each CBI, Avista has multiple metrics, and where applicable, Avista compares results for all customers and Named Community customers. In the 2021 CEIP, Avista did not expressly identify a desired outcome for each CBI, however, maintaining results in proportion to customer growth or demonstrating improvement was intended. Avista reviewed actual CBI results against the Company's 2021 baseline values to determine if results aligned with the Company's expectations.

Table No. 12: CBI Summary Analysis

Customer Benefit Indicator	Metric Count	Match Expectations?	Specific Action
Participation in Company Programs	6	Yes	See Table 6
Households with High Energy Burden (>6%)	16	Yes	
Methods/Modes of Outreach & Communication	4	Yes	
Transportation Electrification	3	Yes	
Named Community Clean Energy	3	Yes	
Investments in Named Communities	5	Yes	See Table 9
Energy Availability	13	Yes	
Energy Generation Location	1	Yes	
Arrearages & Disconnections for Nonpayment	16	Yes	
Outdoor Air Quality	6	Yes	
Greenhouse Gas Emissions	2	No	
Employee Diversity	1	Yes	See Table 9

Supplier Diversity	1	Yes	See Table 9
Indoor Air Quality	4	Yes	

The Company also included Attachment E – 2026 Commerce CETA Interim Performance Report which provides additional CETA compliance information as required by Commerce, specifically CBI analysis reflected on the Results of Indicators and Forecast tabs.



Affordability

Affordability Benefit Area

Under the **Participation in Company Programs CBI**, Avista had six metrics with three measuring participation amongst Named Community customers. A majority of the metrics reflected an improvement over the implementation period and aligned with the Company’s expectations. Customers who participated in energy efficiency programs, including Named Community customers, may have experienced a reduced energy burden. The Company supported this CBI by enhancing information accessibility with improved public meetings, an increased social media presence, educational videos, translation services, and attendance at in-person events promoting Company programs.

Under the **Number of Households with High Energy Burden (<6%) CBI**, Avista identified 16 metrics measuring high energy burden²² for all customers, Named Communities and verified known low-income (KLI) customer households with overall results in proportion to customer growth. Ideally, all customers would have an energy burden under 6% in relationship to their household income. Throughout the implementation period, the average estimated energy burden for all Washington customers was approximately 2%.²³

All customers, including KLI customers, may have experienced affordability pressures, as inflation and electricity rates have increased during the implementation period. The Company offers two primary programs to address energy burden. All customers can affect energy burden by reducing energy consumption through energy efficiency programs and income-qualified customers may participate in financial energy assistance programs.

The Company periodically conducts an Energy Burden Assessment (EBA) to estimate the number of households that may qualify for Avista’s Low-Income Rate Assistance Program (LIRAP). This estimate informs outreach efforts and serves as a benchmark for measuring

²² RCW 19.405.020, "Energy Burden" means the share of annual household income used to pay annual home energy bills. "Energy Assistance Need" is defined as "the amount of assistance necessary to achieve an energy burden equal to six percent", RCW 19.405.020(16) and WACs 480-100-605 and 480-109-060(14).

²³ See Avista’s 2022-2024 affordability PBR metrics in Docket UE-220053, et al. and the 2025 Electric Commission Basis Report for 2025 affordability PBR metrics in Docket UE-260332.

program saturation. As reflected in the 2025 EBA, that population has increased, resulting in an estimated 141,000 qualifying KLI households, of which an estimated 16% experience high energy burden.

Avista can primarily affect KLI households and measures verified KLI households that have participated in any energy assistance program within the prior two years. As of October 2023, the Company invested approximately \$77 million²⁴ in LIRAP to reduce energy burden for participating customers (KLI households). As a result, LIRAP participation contributed to a reduction of verified KLI households experiencing high energy burden from 36.5% in 2021 to 31.67% in 2025. This decrease can be attributed to reduced enrollment barriers through self-attestation of income, enrollment through an Avista customer service representative, and online enrollment via the Company's website. For additional KLI customer energy burden reduction information, see the Company's annual LIRAP reports.²⁵

The Company supported this CBI through targeted program design and outreach, including automatic enrollment of customers who received energy assistance within the two years preceding the MED program, reduced enrollment barriers through self-attestation of income, direct customer service support for enrollment, online enrollment via the Company's website, and the provision of educational materials, including a MED informational video and printed materials in English and Spanish.



Accessibility Benefit Area

Under the **Availability of Methods/Modes of Outreach & Communication CBI**, Avista had four metrics with two measuring accessibility for Named Communities. A majority of the metrics reflected an improvement over the implementation period and aligned with the Company's expectations. More customers, including Named Community customers, benefited through additional access to Company information and programs. The Company supported this CBI this by increasing Avista's social media presence, the number of in-person events, and the printed promotional printed materials provided to Community Based Organizations (CBO) and those directly to customers in multiple languages.

Under the **Transportation Electrification CBI**, Avista had three metrics measuring transportation electrification benefits, all of which support Named Communities and/or CBOs that serve Named Communities. A majority of the metrics reflected an improvement

²⁴ LIRAP funds dispersed to electric and natural gas customers in Washington between October 1, 2023, and December 31, 2025.

²⁵ UE-010436 et al.

over the implementation period and aligned with the Company's expectations. As a result, additional charging infrastructure was installed in Named Communities at no cost or a reduced cost. The CBO's who support Named Community customers benefited through access to free electric vehicle transportation, which may have reduced operating costs and provided the opportunity to direct those savings to additional customer services.

Under the **Named Community Clean Energy CBI**, Avista had three metrics measuring the number and MWh amount of distributed energy and storage resources in Named Communities. A majority of the metrics reflected an improvement over the implementation period and aligned with the Company's expectations. As a result, Named Communities benefited through additional clean energy and storage. The Company supported this by offering net metering. In addition, the NCIF supported the solar installation project at the Malden Town Hall and Community Center²⁶ in Malden, WA and solar and storage project at the Dr. Martin Luther King, Jr. Community Center²⁷ in Spokane, WA.

Under the **Investments in Named Communities CBI**, Avista had five metrics measuring investments in Named Communities. All the metrics reflected an improvement over the implementation period and aligned with the Company's expectations. As a result, Avista invested \$8.8 million to benefit Named Communities or CBOs that serve Named Communities providing energy savings, increased financial incentives, and increased non-energy impacts. Awarded CBOs benefited from reduced energy costs, and the opportunity to direct those savings to additional customer offerings. Named Communities benefited from increased tree canopy, access to free laundry services, job training and workforce development, the installation of air conditioning units, solar-powered portable batteries and air conditioning units to support resilience for those dependent on medical equipment, access to energy efficient HVAC systems and appliances, and more.²⁸ The Company funded these investments through Tariff Schedule 64.



Energy Resilience Benefit Area

Under the **Energy Availability CBI**, Avista had 13 metrics, with nine measuring energy availability for Named Community customers. A majority of the metrics reflected an improvement over the implementation period and aligned with the Company's expectations. As a result, customers, including Named Community customers, experience fewer outages. The Company supported this by increasing vegetation management efforts and implementing reliability enhancements across the system.

²⁶ https://www.youtube.com/shorts/g_k0WkR-2PU and <https://www.youtube.com/shorts/k8Az-7-MJk4>

²⁷ https://www.youtube.com/watch?v=O3sPQuIgyFU&list=PLhTj-kwTtfCBVRQSDNyVLNfhvui9u8dI_&index=1

²⁸ See Table 1's Tariff Schedule 64 filings for details.



Energy Security Benefit Area

Under the **Energy Generation Location CBI**, Avista had one metric measuring the percentage of generation located in Washington or connected to Avista's transmission system to serve customers. This metric reflected an improvement over the implementation period and the CBI aligned with the Company's expectations. As a result, all customers, including Named Community customers, benefited from additional renewable generation resources available to serve load. The Company achieved this by securing PPAs as listed in Table 7 above.

Under the **Residential Arrears & Disconnects CBI**, Avista had 16 metrics measuring data for all customers, KLI customers, and Named Communities. However, KLI customers are also included in Named Community customer data. A majority of the metrics reflected minimal change over the implementation period.

Avista analyzed arrearage and disconnection data using annual customer counts as the basis for comparison. However, these customer counts are not discreet, as they may have multiple disconnections or have an arrears balance reflected in multiple periods, thus representing duplicate data. Regarding arrearage data, Avista calculated the annual average number of customers in arrears and divided that figure by the annual customer count. Regarding disconnection data, Avista calculated the annual number of disconnections and divided that figure by the annual customer count. The arrearage data was compared between 2021 and 2025, while the disconnect data was compared between 2023 and 2025.²⁹ Avista's residential customer count increased by 2% over the implementation period, which provides context for interpreting changes, as this increase may mask metric improvement.

The number of all customers with an arrears balance increased by 2.6% over the period, while Named Community customers increased by 1.2%. The number of customers disconnected increased by 0.6% over the period and Named Community customers increased by 0.27%.

Through LIRAP, some Named Community customers benefited from enhanced energy assistance, thus increasing their ability to maintain electric service and address arrearage balances or energy burden. The Company supported this CBI by automatically enrolling customers who received energy assistance within the two years preceding the MED program, removing the barrier of paperwork with self-attestation of income status, providing a customer service team for direct enrollment with Avista, providing online

²⁹ Disconnection results from 2020-2022 do not represent typical conditions, as disconnections were paused during the Covid-19 pandemic between March 2020 and October 2021, and any 2022 disconnection required prior UTC approval.

enrollment on the Company's website, an educational MED video, and provided MED promotional, educational, and enrollment materials in English and Spanish.

To address disconnections and energy burden, Avista will continue to collect customer communication preferences, conduct pre-disconnect customer service outreach, and offer the MED program, Arrearage Management and Arrearage Forgiveness programs, and energy efficiency solutions.



Environmental Benefit Area

Under the **Outdoor Air Quality CBI**, Avista had six metrics measuring environmental benefits for customers. A majority of the metrics reflected an improvement over the implementation period and aligned with the Company's expectations. However, negative impacts can be attributed to an increase in thermal generation to serve load and regional demand, and less hydro generation due to below normal water levels.

Under the **Greenhouse Gas Emissions CBI**, Avista had two metrics measuring the amount of GHG emissions for the region³⁰ and those produced by Avista's generating facilities. A majority of the metrics did not reflect an improvement over the implementation period and did not align with the Company's expectations. This result can be attributed to an increase in thermal generation to serve load and regional demand, and less hydro generation due to below normal water levels.



Public Health Benefit Area

Under the **Employee Diversity CBI**, Avista had one metric measuring employee diversity as a representation of community diversity. This metric reflected an improvement over the implementation period and aligned with the Company's expectations. As a result, Avista's employee population is more diverse. The Company supported this by continuing non-discriminatory recruitment and hiring practices and inclusive employment practices.

Under the **Supplier Diversity CBI**, Avista had one metric measuring the percentage of contracted diverse suppliers. This metric reflected an improvement over the implementation period and aligned with the Company's expectations. As a result, customers benefit from a supply chain that is more competitive and resilient with the

³⁰ For the regional GHG emissions metric, the Company relied on data from Ecology's Washington State GHG Emission Inventory report. The March 2026 report provided data from 1990-2022, which did not include data to support calculating the 2023-2025 CBI values.

inclusion of minority, veteran, and women-owned businesses. The Company supported this by participating in networking events that connect small, local, and diverse businesses with larger companies, and by joining industry partnerships that expand access to diverse suppliers.

Under the **Indoor Air Quality CBI**, Avista had four metrics ranking the factors contributing to indoor air quality and the percentage of implemented indoor air quality weatherization measures, with two measuring indoor air quality for Named Communities. A majority of the metrics reflected an improvement over the implementation period and aligned with the Company's expectations. As a result, customers, including Named Community customers, benefited from indoor air quality improvements through the weatherization program at no cost to income-qualified customers. Partner agencies identified and tracked specific conditions or hazards in these customers' homes that could negatively impact indoor air quality, then implemented tailored weatherization packages to resolve identified issues. These income-qualified customers benefited from weatherization efforts such as insulation, air sealing and ventilation, as well as health and safety measures that were deemed necessary to proceed with or protect the effectiveness of the improvements.

(f) Demonstrate public participation & CBIs with WAC 480-100-655 & 610 (4)(c)

Through conversations with the EAG and public engagement efforts as described in the Company's 2021 CEIP, and 2021 and 2023 PPPs, Avista identified barriers to participation in Company programs and implemented strategies or actions to address these barriers. These discussions served as a foundation to classify these barriers and burdens in terms of statutory equity benefits areas and led to the development of its 2021 CEIP CBIs and associated metrics to measure the equitable transition to clean energy. The following section outlines Avista's EAG process, the public participation process, and how those processes supported the development of CBIs.

Equity Advisory Group

The EAG was established to engage a diverse audience in identifying inequities and discussing equitable outcomes within the planning and delivery of Avista's 2021 CEIP, 2023 BCEIP, and associated programs and initiatives. EAG efforts included defining Vulnerable Population characteristics, reducing burdens for Named Communities, defining and updating Customer Benefit Indicators, and promoting efforts that lead to the equitable distribution of energy and non-energy benefits, amongst other matters.

The EAG membership reflected diverse community perspectives, including representatives from low-income organizations, environmental justice groups, tribal and governmental entities, senior services, public schools, rural community representatives, and other

community-based organizations serving Named Communities.³¹ In 2021, Avista published an online EAG membership interest form³² and has promoted membership through seeking individuals or organizations who represent populations within Avista's Named Communities – especially as membership has changed – to support ongoing diverse community representation.

Throughout the 2021 compliance period, Avista utilized the International Association for Public Participation's (IAP2) Spectrum of Public Participation³³ to guide EAG engagement expectations during virtual meetings,³⁴ which are held twice a month³⁵ to accommodate schedule preferences. EAG meetings were facilitated by an independent contractor. Meeting materials were posted three business days in advance of the meeting, with meeting recordings and notes posted after the meetings.³⁶ The EAG, along with other Avista advisory groups, participated in discussions regarding the planning of the Company's CETA documents as listed in Table 1 above. Avista provided draft versions of the 2021 CEIP and 2023 BCEIP to advisory groups with an opportunity to provide written comments prior to UTC filing. Regarding the 2021 CEIP, the Company notified customers electronically and in paper form of their opportunity to provide written comments. Comments from interested parties, the public, and advisory group members, including the EAG, were filed as an appendix to the 2021 CEIP and 2023 BCEIP.³⁷ Customers could provide comments or ask questions through the online comment form,³⁸ by email at ceta@avistacorp.com, or by calling the Company at 1-800-227-9187 and asking to speak to someone about the CEIP.

Public Participation Opportunities

Avista filed three PPPs during the implementation period to identify participation barriers and strategies or actions to mitigate the barrier to specifically increase Named Community engagement and provide awareness and education for all customers.

Avista's public participation efforts have evolved across successive planning cycles to deepen customer and advisory group engagement and improve accessibility. For the 2021

³¹ <https://www.myavista.com/-/media/myavista/content-documents/about-us/eag/2026-avista-eag-members.pdf>

³² <https://forms.microsoft.com/pages/responsepage.aspx?id=79XIZPe22EO4S40ETtyQHfimunhQus5NoDPTeFrj515UNUQ0S1JRQ1JSMFIQWlg3UUdBWEhBWlcyMS4u&route=shorturl>

³³ https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/iap2_spectrum_2024.pdf

³⁴ The Company held an in-person EAG meeting in April 2024.

³⁵ EAG virtual meetings are held during the third week of each month on Wednesdays from noon-1:30 pm and Fridays from 7:30-9 am.

³⁶ See <https://www.myavista.com/about-us/washingtons-clean-energy-future/equity-advisory-group> for meeting topics, notes and recordings for EAG meetings dated 2021 through the present.

³⁷ See 2021 CEIP Appendix F and 2023 Biennial CEIP Attachment E.

³⁸ Public Comment Form at the bottom of <https://www.myavista.com/about-us/washingtons-clean-energy-future>

PPP, the Company established the EAG, incorporated clean energy requirements into existing advisory groups, launched its first CETA customer survey, and introduced virtual customer meetings to inform the 2021 CEIP. For the 2023 PPP, Avista partnered with Public Participation Partners³⁹ to strengthen engagement with Named Communities, resulting in identification of key languages spoken in those communities and the development of an engagement playbook. For the 2025 PPP, Avista engaged Desautel Hege (DH)⁴⁰ to build on that foundation by refining public participation strategies and improving access to information through updates such as a redesigned CETA webpage, better navigation for engagement materials, and supporting video content.

In collaboration with the EAG across multiple PPPs, barriers were identified that may limit customer engagement and participation in Company programs. Table 13 identifies strategies or actions to address various participation barriers and results, which have matured during the implementation period and will continue to mature.

Table No. 13: Participation Strategies, Barriers, & Results

Strategy / Action	Identified Barrier(s)	Result
Multi-Language Access	Non-English	In April 2024, Spanish translation available for full website. In December 2025, Russian translation available for full website. In June 2022, Spanish translation for energy efficiency print materials. In June 2024, Spanish translation of the outage map. In April 2024, Spanish translation for the Avista lobby iPads. In May 2024, Spanish speaking Customer Service Representative available during core business hours.
Quarterly Public Meetings	Communication Methods	In May 2021, Avista began holding public meetings, with consistent quarterly meetings as of April 2023. ⁴¹
Quarterly CEIP Newsletter	Other Factors	In June 2024, Avista instituted quarterly email newsletters to interested customers.
CEIP Public Comment Form	Communication Methods	In 2023, Avista launched a comment form on myavista.com. ⁴²
Frequently Asked Questions	Communication Methods	In March 2025, Avista posted a CETA Frequently Ask Questions document in English on myavista.com ⁴³

³⁹ <https://publicparticipationpartners.com/>

⁴⁰ <https://wearedh.com/>

⁴¹ <https://www.myavista.com/about-us/washingtons-clean-energy-future/public-participation-meetings>

⁴² See the Public Comment Form at <https://www.myavista.com/about-us/washingtons-clean-energy-future>

⁴³ See the Learn More section at <https://www.myavista.com/about-us/washingtons-clean-energy-future>

CETA One Pager	Other Factors	In May 2024, Avista created a print CETA one pager in English and Spanish for use at community events. ⁴⁴
CEIP Customer Survey	Other Factors	In July 2021, the first customer survey was published, ⁴⁵ with the second in April of 2024. ⁴⁶
CETA Webpage	Other Factors	In March of 2025, in partnership with DH, Avista launched the redesign of the CETA webpages, with specific pages for CETA, the CEIP, the NCIF and the EAG. ⁴⁷
Educational Videos	Economics & Other Factors	In April 2025, Avista launched the NCIF video series highlighting benefits enabled through various energy efficiency and community-based awards. All NCIF videos are posted on YouTube.⁴⁸ In June 2025, Avista launched the My Energy Discount (MED) video⁴⁹ in English with on-screen captions for Spanish, Russian, Ukrainian, Arabic, Mandarin Chinese and Marshallese for social media. This was also posted to YouTube with access to hundreds of additional languages captions through the platform.
Social Media Communications	Economics & Other Factors	In the fall 2024, Avista began regular CETA-related postings on YouTube, Instagram, LinkedIn, and Facebook including paid and organic content.
Community Events	Cultural & Other Factors	Throughout the implementation period, Avista attended 201 in-person community-based events promoting CETA and clean energy programs.
Community Partnerships	Cultural & Other Factors	In the fall of 2025, Avista began to establish a Community Partner Network to increase enrollments in the MED program. This network included Aging and Long-Term Care of Eastern Washington (ALTCEW), Mujeres in Action and Community Frameworks and enables these organizations to enroll customers in the MED program.

Customer Benefit Indicators

Avista developed its 2021 CEIP CBIs through input from the EAG, existing advisory groups, and customers participating in virtual Public Participation Meetings (PPM). As listed in Table 13 above, the company discussed barriers and burdens customers may face which may limit their participation in the clean energy transition. Those discussions served

⁴⁴ See the 2025 PPP's Attachment E.

⁴⁵ See the 2021 CEIP's Appendix F for survey responses.

⁴⁶ See the 2025 PPP's Attachment F for survey responses.

⁴⁷ Some meeting collateral may be lost due to data migration efforts.

⁴⁸ <https://www.youtube.com/playlist?list=PLhTj-kwTtfCBVRQSDNyVLNfhvui9u8dI>

⁴⁹ <https://youtu.be/WPRmsMKdzlg?si=u4JgVL0n6UYuFBAz>

as a foundation to classify barriers or burdens in terms of equity areas such as affordability, accessibility, energy resilience, energy security, environmental and public health.

As listed in Table 14 below, Avista focused its public engagement and advisory group conversations on the identification and development of its 2021 CEIP CBIs between June 2021 and June 2023. Between February 2024 and August 2025, the Company turned its efforts to reeducating the public and advisory groups on equity and CBIs in preparation and planning for the 2025 CEIP's CBIs.

Table No. 14: Customer Benefit Indicator Discussions

Date	Topic	Audience
June 2021	2021 CEIP: Targets, RECs & CBIs	PPM & EAG Breakout
July 2021	2021 CEIP: CBI Methodology & Measurement	PPM & EAG Breakout
August 2021	2021 CEIP: CBIs & Non-Energy Impacts	PPM & EAG Breakout
September 2021	2021 CEIP: CETA, Public Participation & CBIs	PPM & EAG Breakout
November 2023	2021 CEIP: CBIs & Clean Energy Benefits	EAG
June 2023	2021 CEIP: CBIs & Condition Discussions	EAG, EAAG, EEAG
June 2023	2021 CEIP: CBIs & Condition Discussions	PPM
November 2023	2025 CEIP: Clean Energy Benefits & CBIs	EAG
February 2024	2025 CEIP: Determinants of Equity	EAAG
April 2024	2025 CEIP: CETA/CEIP Overview & CBIs	EAG (in person)
May 2024	2025 CEIP: CBIs & Resource Selection Metrics	EAG
June 2024	2025 CEIP: CBIs & Resource Selection Metrics	EAG
July 2024	2025 CEIP: 2025 Proposed CBI Summary	EAG
October 2024	2025 CEIP: 2025 Proposed CBI Summary	EEAG (in person)
November 2024	2025 CEIP: 2025 Proposed CBI Summary	EAAG
April 2025	2025 CEIP: 2025 Proposed CBI Summary*	EAG
April 2025	2025 CEIP: 2025 Proposed CBI Summary*	CEIP Advisory Group
May 2025	2025 CEIP: 2025 Proposed CBI Summary*	PPM
July 2025	2025 CEIP: 2025 Proposed CBI Summary*	EAAG
August 2025	2025 CEIP: 2025 Proposed CBI Summary*	EEAG

*Included Performance Based Ratemaking (PBR) metric information based on 2024 GRC, Attachment A Final Order 08 in Docket UE-240006

In regard to the 2021 CEIP's CBIs, Avista used a voting process, guided by the EAG facilitator, that weighed each response equally and ranked indicators across three evaluation dimensions: Proxy Power, Communication Power, and Data Power.⁵⁰ The company then validated those voting results with external research, input from Avista employees, and customer survey results to finalize the CBIs. Through this process, the

⁵⁰ Proxy Power represents the indicator which is most critically tied to everyone benefitting equitably from the transition to clean energy. Communication Power shows the indicator can be understood by a broad audience. Data Power represents the indicator which can be most readily tracked, measured, or counted.

Company proposed 13 CBIs in its 2021 CEIP, with the addition of a customer arrearage and disconnection CBI as required in Condition 22, resulting in a total of 14 CBIs.

Throughout the implementation period, Avista continued discussions with the public and advisory groups regarding CBIs. In November 2023, the Company began planning for the 2025 CEIP's CBIs through conversations with its EAG, reviewing existing metrics, understanding equity principles, considering the root causes of inequities, and identifying populations that could be adversely affected by the transition to cleaner energy. As listed in Table 14 above, discussions regarding 2025 CEIP CBIs were held with the EAG, advisory groups, and the public. No additional CBIs or metrics were identified throughout the implementation period. However, the advisory groups supported removing metrics that were beyond Avista's control pertaining to regional GHG emissions and outdoor air quality, which were reflected in the Company's 2025 CEIP. These meetings demonstrate the Company's ongoing efforts to address and refine CBIs throughout the implementation period. See Attachment D for annual CBI metric values.

(g) Provide actual incremental cost of compliance as required in WAC 480-100-660(5)

As listed in Table 15 below, the 2021 CEIP estimated the incremental cost of compliance at \$41.6 million,⁵¹ while the actual cost of compliance was \$50.3 million over the four-year period. The actual incremental cost calculation includes purchased power costs associated with the CBH contract that began in 2023, the Chelan PUD contract that began in 2024, the Clearwater Wind contract that began in 2024, and the additional transmission necessary for CBH and Clearwater Wind generation, as well as the differences in market purchases and sales relative to these incremental contracts. The calculation also includes costs associated with the NCIF and REC sales that would have occurred in the absence of CETA legislation.

Table No. 15: 2021 CEIP Incremental Cost of Compliance (\$ million)

Compliance Year	2022	2023	2024	2025	Total
Incremental Cost Estimate	\$2.8	\$3.2	\$10.2	\$25.4	\$41.6
Incremental Cost Actual	\$3.3	\$9.1	\$17.9	\$20.0	\$50.3

Regarding WAC 480-100-660(5)(a), Table 16 below provides the actual incremental costs of \$50.3 million by Federal Energy Regulatory Commission (FERC) account.

Table No. 16: Incremental Cost by FERC Account (\$ million)

FERC Item	2022	2023	2024	2025	Total
555 - Purchased Power	\$0.0	\$0.4	\$12.8	\$26.3	\$39.6

⁵¹ The incremental cost estimate was based on Avista proposed 2021 CEIP interim renewable targets.

447 - Sales for Resale	\$0.0	(\$0.3)	(\$7.7)	(\$17.0)	(\$25.1)
565 - Transmission Expense	\$0.0	\$0.0	\$1.2	\$3.5	\$4.7
456 - RECs ⁵²	\$3.2	\$6.9	\$7.5	\$3.4	\$21.0
242 - NCIF EE/DR	\$0.0	\$1.2	\$2.6	\$2.1	\$5.8
365 - NCIF Capital (MLK)	\$0.0	\$0.0	\$0.1	\$0.2	\$0.2
588 - NCIF Other	\$0.1	\$1.0	\$1.5	\$1.5	\$4.1
Total	\$3.3	\$9.1	\$17.9	\$20.0	\$50.3

Regarding WAC 480-100-660(5)(b), these costs aligned with Specific Actions as described in section (c) above, including the retirement of RECs, acquiring additional renewable resources through RFP processes, and establishing the NCIF.

Regarding WAC 480-100-660(5)(c) and (f), see Attachment F for the Alternative Lowest Reasonable Cost and Reasonably Available Portfolios in calculating the incremental cost of compliance.

Regarding WAC 480-100-660(5)(d), Avista's average incremental cost increase was 1.7%, which was under the 2% threshold, and therefore the Company did not utilize the incremental cost of compliance option.

Regarding WAC 480-100-660(5)(e), the variance between the estimated \$41.6 million and the actual \$50.3 million can be attributed to the following items:

1. The estimate included REC retirements equal to 9,304,892 MWh (42.5% of retail load) as compared to the conditioned REC retirement of 11,670,133 MWh (51.3%).
2. The estimate included REC sale prices that were lower than actual REC sales prices.
3. The estimate included a lower cost of the Chelan PUD PPA as compared to actual costs.
4. The estimate did not include the CBH PPA.
5. The estimate included one year (2025) of the Clearwater Wind PPA, while the actual costs represented two years of generation delivery (2024 & 2025).
6. The estimate included 2025 Clearwater Wind PPA costs that were lower than actual costs.
7. The estimate did not include any transmission costs associated with the CBH and Clearwater Wind PPAs.
8. The estimate included market sales that were lower than actual market sales.
9. The estimate included market purchases that were greater than actual market purchases.
10. The estimate did not include costs associated with the NCIF.

⁵² Represents forgone REC revenue (due to retirement) that would have been recorded to account 456.

(h) Provide annual progress report as described in WAC 480-100-650(4)

Regarding WAC 480-100-650 (3) and (4), please see Attachment A for the 2026 Annual Clean Energy Progress Report for 2025 data.

(i) Provide annual progress report's data summary in WAC 480-100-650(4)

Regarding WAC 480-100-650 (4), please see Attachment B regarding the 2026 Clean Energy Compliance Report Data Summary.

(j) Explain use of alternative compliance as required in WAC 480-100-650(4)

Avista did not propose, nor did it use, any alternative compliance.

(k) Describe public participation feedback & utility decisions/actions

Avista invites all customers to comment on its clean energy efforts and accepts customer comments at their convenience through phone calls, in-person conversations, and written paper and digital methods. As reflected in Table 13 above, the Company has implemented actions to address barriers to participation. Table 17 below identifies CETA-related PPM dates and agenda topics used to support education and solicit feedback. In addition to the public meetings and UTC-required customer notifications, the Company also offers the CEIP Customer Survey biennially and the advisory group process to gather customer input.

Public Participation Opportunities

Outside the formal UTC comment process, Avista provides three primary channels for soliciting customer input, including the virtual PPMs, the CEIP Customer Survey, and the advisory group process, while concurrently addressing potential barriers through language translation and increased accessibility.

Public Participation Meetings

Table 17 below provides a list of virtual PPMs dates and topics held by year. Avista's approach to planning and hosting these virtual meetings has matured throughout the implementation period, including consistent meeting times, quarterly meeting cadence, email invitations in English and Spanish, leveraging social media and paid social advertising,⁵³ and beginning meetings with an overview of CETA requirements and Avista's regulatory model. During the 2024 and 2025 meetings, Avista typically provided thirty minutes of educational content followed by thirty minutes for questions and comments. The Company does not limit the scope of questions to the meeting's topic.

⁵³ Facebook and Instagram

In 2021, meetings focused on educating customers about the CETA requirements and collecting feedback as required to file the 2021 CEIP. In 2022, one meeting was held highlighting Avista's approval of the 2021 CEIP. The 2023 meetings focused on continued CETA education, complying with 2021 CEIP conditions, specific action updates, public participation, CBIs, and the NCIF in preparation for the filing of the 2023 BCEIP. The 2024 meetings focused on planning efforts for the development and filing of the 2025 CEIP.

Table No. 17: 2021 CEIP's Public Participation Meetings⁵⁴

Year	Date	Time	Topics Discussed
2021	May 20	1:00 - 3:30 pm	2021 CEIP & Highly Impacted Communities
	June 17	9:00 - 11:30 am	Targets, RECs, CBIs, EAG Breakout Group
	July 15	9:00 - 11:30 am	CBIs Methodology & Measurement
	August 17	9:00 - 11:30 am	CBIs, Non-Energy Impacts
	September 9	5:30 - 7:30 pm	CETA, Public Participation & Customer Benefits
	September 2	9 am	2021 CEIP Overview
2022	June 23	6:00 - 7:00 pm	2021 CEIP Approval
2023	April 11	Noon & 5 pm	NCIF, Low Income Financial Assistance
	June 2	10 am - 2pm	Conditions 23, 24 & 38
	June 27	Noon & 5 pm	2023 IRP & Renewable Targets, Condition 23
	September 14	10 am - 2 pm	Specific Actions, CBIs, NCIF & Public Participation
	December 12	7:30 am, Noon	NCIF, Connected Community, TE Plan
2024	March 26	7:30 am, Noon	Energy System Resilience
	May 14	7:30 am, Noon	2025 Integrated Resource Plan
	August 14	7:30 am, Noon	Planning the 2025 CEIP
	November 23	7:30 am, Noon	Energy Resource Planning
2025	March 26	7:30 am, Noon	Energy Efficiency Programs
	May 28	7:30 am, Noon	2025 Public Participation & CBIs
	August 27	7:30 am, Noon	Overview 2025 CEIP & Development
	November 12	7:30 am, Noon	NCIF

CETA Customer Survey: Avista deploys a biennial CEIP Customer Survey to its Washington electric customers to gauge clean energy sentiment and obtain optional demographic questions. From its survey in 2021, the process has matured in language availability, accessibility, and promotion to increase customer and Named Community customer responses.

Avista's 2021 CETA Customer Survey⁵⁵ was deployed in June 2021 as an English-only email and directed customers to an online survey platform in English with 36 questions

⁵⁴ <https://www.myavista.com/about-us/washingtons-clean-energy-future/public-participation-meetings>

⁵⁵ See 2021 CEIP's Appendix F or August 17, 2021, public participation meeting presentation for 2021 survey results.

and optional demographic questions. The completed survey response rate was 1.7% and the primary demographic responder profile represented a white male, 66 years of age or older, a homeowner, heterosexual, and English-speaking with a college degree. Survey responder sentiment, in priority order, focused on environmental concerns, public health concerns, and affordability.

Avista planned its 2024 CETA Customer Survey⁵⁶ with the intent of increasing the overall customer response rate through reducing the number of questions, changing the questions as compared to the 2021 survey, and increasing language and format accessibility. The 2024 survey was deployed in April 2024 with email notification in English and Spanish and directed customers to an online survey platform in English and Spanish. Post cards with a quick response (QR) code to the survey were distributed at community events and to community centers. Printed surveys in Spanish, Russian, Ukrainian and Arabic were distributed at community events and to community partner organizations. The 2024 completed response rate was 1.2% with one (1) paper application received in Spanish and one (1) online Spanish submission. The primary demographic responder profile was identical to the 2021 survey. Survey responder sentiment focused on affordability, the benefit of reducing climate impacts, and burden of increased bill costs due to CETA.⁵⁷

Advisory Groups: Engagement with Avista’s advisory groups, including the EAG, EEAG, EAAG, DPAG and electric Integrated Resource Plan Technical Advisory Committee (IRP TAC) was required throughout the planning of the CEIP, the 2023 BCEIP and implementation period. Each of these groups has subject matter requirements and those that intersect with CETA and the CEIP. Where applicable, Avista presented specific CEIP-related topics, such as development or updating of CBIs (see Table 14 above), public participation barriers and strategies, designation of Named Community populations, and planning the 2021 CEIP and 2023 BCEIP. Many of these advisory group conversations were at the “inform, consult and involve” levels.⁵⁸

Customer Comments Influencing Decisions/Actions

Most of Avista’s public participation efforts have been educational, with the Company engaging customers at the “inform, consult and involve” levels in giving customers an opportunity to be informed and ask questions. Throughout the implementation period, from in-person community event attendance to advisory group and public meetings, to the quarterly newsletter or emails received through the Public Comment Form, there has been limited *actionable* customer input that could influence Avista’s actions or decisions. Examples of customer comments influencing Avista decisions include rate schedulers for

⁵⁶ See 2025 Public Participation Plan Attachment F for 2024 survey results.

⁵⁷ See December 2024 EAG meeting presentation for 2024 survey summary results.

⁵⁸ <https://engagementinstitute.org.au/resources/iap2-public-participation-spectrum/>

Accessory Dwelling Units (ADUs) and the prioritization of NCIF awards. Customer comments collected throughout the implementation period are included in their respective filings as listed in Table 1.

During the May 2025 PPM, which focused on Avista's 2025 PPP and CBIs, a customer inquired about the rate schedule for ADUs, indicating his dissatisfaction with the costs. As a result of that comment, Avista reviewed its existing process and streamlined rate schedule assignment for ADU meters, which directly resolved this customer's concern.

As described in the 2023 BCEIP, Avista collaborated with the EAG to develop a prioritization matrix for NCIF grant awards. Through meetings held between the fourth quarter 2022 and the first quarter 2023, EAG members developed eight areas of project prioritization. The EAG employed a results-based accountability review and prioritization process for awards, of which the Company has followed throughout the implementation period.

In preparation for filing the 2021 CEIP, the Company held public meetings (see Table 17 above) and engaged with its advisory groups, including the EAG. A draft 2021 CEIP was filed on August 16, 2021, and made available for public comment. Comments collected from the 2021 public participation meetings, and EAG breakout sessions, were made available in the 2021 CEIP's Appendix F.

In preparation for filing the 2023 BCEIP, the Company sent a draft version to all advisory group members, including the EAG, DPAG, EEAG, EAAG, and the IRP TAC the week of September 25, 2023, with a deadline for comment by October 13, 2024. Components of Avista's 2023 Biennial CEIP were discussed during each of its PPMs held throughout 2023 and the 2023 BCEIP was discussed during September 14, 2023, PPM. Customers and interested parties were asked for feedback during each of these sessions. Comments collected from this process were made available in the 2023 BCEIP's Attachment E.

(I) Include the data input in native format

With exception of Table 2's attachments for this report, Avista provided reference previously submitted data files with applicable UTC weblink in Table 1, as resubmission of these documents is excessive and causes undue burden for the Company and the UTC records management center.

RESPECTFULLY SUBMITTED this 1st day of July, 2026.

AVISTA CORPORATION

By: /s/ *Shawn Bonfield*

Shawn Bonfield

Sr. Manager Regulatory Policy & Strategy