

CEIP Advisory Group

Meeting Date: May 20, 2025

Time: 9:00am – 10:30am

Location: Zoom Meeting

Attendees:

Avista:	Members:
<i>Kelly Dengel</i>	<i>Carol Weltz</i>
<i>Amanda Ghering</i>	<i>Cindy Kimmet</i>
<i>Shawn Bonfield</i>	<i>John Hoover</i>
<i>Ana Matthews</i>	<i>Karen Boone</i>
<i>Kristine Meyer</i>	<i>Kody McConnell</i>
<i>Ariana Barrey</i>	<i>Molly Morgan</i>
<i>Mike Magruder</i>	<i>Nathan South</i>
<i>Tamara Bradley</i>	<i>Lynn Suksdorf</i>
<i>James Gall</i>	<i>Shaylee Stokes</i>
<i>Josie Cummings</i>	<i>Jean Marie Dreyer</i>
	<i>Margee Chambers</i>
	<i>Natasha Jackson</i>
	<i>Unknown Caller</i>

Agenda

- I. Welcome & Introductions
 - Overview of Meeting: Rules and Intent
- II. Comment Review from April Meeting
- III. 2025 Proposed Company Initiatives and CBI Directionality
- IV. Load Forecast Update
- V. Wrap Up

Facilitator

Kelly Dengel
 Kelly Dengel
 Kelly Dengel
 Kelly Dengel
 Kelly Dengel

Meeting Notes

Welcome & Introductions

Introductions and Meeting Rules and Intent and review of today's agenda.

Review 2025 CEIP Advisory Group Comments from April meeting

Reviewed comments received from Washington Staff and Avista's response to each comment for transparency. (Slides 3 – 6 below)

Area	Comment	Avista's Response
Named Communities & Deepest Need	<p>Named Communities include Highly Impacted Communities and Vulnerable Populations. There is a lot of nuance with those two groups, and they can be expanded and looked at more granularly.</p> <p><i>Staff is pushing for a Deepest Need designation and looking for things such as Avista's 2025 CEIP Condition 10</i></p> <p>We would encourage you to talk with PSE as a resource.</p>	<ul style="list-style-type: none"> 2021 CEIP Condition #10 – Action to benefit a subset of Named Communities <ul style="list-style-type: none"> Medical Battery Pilot: portable AC, solar panel kit, battery back up Existing My Energy Discount's income-threshold tiers address a financial component of Deepest Need In the 2025 CEIP period, with an update in the 2027 Biennial CEIP, Avista will: <ul style="list-style-type: none"> Identify characteristics of Deepest Need designation through collaboration with EAG and other advisory group members Implement an action(s) to address inequities Contacted PSE for a Deepest Need discussion.

Discussed the difference between resiliency and reliability from a customer and Company standpoint

Area	Comment	Avista's Response
CBI Metrics & Customer/Company	Regarding the <i>Energy Resiliency equity area and the Energy Availability CBI</i> , I want to further discuss resiliency vs. reliability at the customer and company level.	<ul style="list-style-type: none"> Slides 5 & 6

Company, Customer & Community

Energy System: Generation, Transmission & Distribution

	Resiliency	Reliability
Company	An energy system's capacity to withstand or recover quickly from disruptions/outages.	An energy system's ability to maintain power delivery despite uncertainties in operating conditions.
Customer	A customer's ability to withstand a long outage ; requires assessing factors beyond utility metrics.	Not applicable
	<div> <div>Individual</div> <ul style="list-style-type: none"> Secondary power source </div> <div> <div>Community</div> <ul style="list-style-type: none"> Shelters/community center's ability to help customers endure extended outages </div>	
	NCIF Projects	



Energy Resiliency Metrics

Energy System: Generation, Transmission & Distribution

Metric	Type	Utility Impact / Obligation	Customer Impact
Average outage duration	Reliability	<i>How quickly Avista can restore power</i> in the event of an energy system outage	May impact a customer's resiliency
Frequency of outages	Reliability	<i>Build & reinforce the energy system</i> to reduce the frequency of outages	May impact a customer's resiliency
Reserve margin	Reliability	<i>Unused available generation</i> in the event of a generation outage* or load increase	Helps avoid a generation-related outage that could cause a customer outage

*A generation outages that results in a customer outage is very rare for Avista.

Member: Looks like these are labeled as reliability but they are kind of both, is what it seems like; they are tied to resiliency. I attended a NARUC conference and can send a document to you that I received there. Just a heads up, I will look through the CBIs and see if there are any more specific resiliency metrics to propose but do not have anything at the moment.

Company: Are you looking for the Company's resiliency or the customers?

Member: More for the utility's resiliency.

Member: I was not in the meeting last month, but I think I am going to submit written comments pertaining to CBIs and want you to know they are coming.

2025 CEIP - Proposed Company Initiatives and CBI Directionality

***The data on the upcoming slides is preliminary and subject to change.**

Highlighted additional Company initiatives and specific actions; 1) aspirational goals by equity area; and 2) invest up to \$5M annually in Named Communities. (slide 9 below)

Company Initiatives Targets & Specific Actions

Targets	Specific Actions
Aspirational 2029 goal by equity area	<ul style="list-style-type: none"> Aspirational goal specific actions
Invest up to \$5M annually in Named Communities	<ul style="list-style-type: none"> Named Community Investment Fund

Aspirational Goals with Specific Actions:

Below is a high-level overview of the proposed aspirational goals, we will dive into each one in detail throughout the presentation. We are making our very best effort to attain these goals and do not want to be held liable or be penalized if we do not reach these goals. (slide 10 below)

Aspirational Goal with Specific Actions

One metric per equity area with a 2029 aspirational goal*

Equity Area	CBI	Metric	2029 Aspirational Goal	Specific Actions
Affordability	Participation in Company Programs	Saturation of energy assistance programs (all customers)	Enroll 60% of eligible population	<ul style="list-style-type: none"> My Energy Discount Arrearage Forgiveness & Management Target Marketing & Outreach Pre-disconnect Outreach CAP Performance & Training
Accessibility	Transportation Electrification	Number of EV trips provided by CBOs	5,040 trips annually	<ul style="list-style-type: none"> Provide 3 EVs annually to CBOs
Energy Resiliency	Energy Availability	Frequency of outages (CEMIO) w/o major events for (all customers)	Reduce outage frequency	<ul style="list-style-type: none"> Integrated planning across departments to deliver multiple projects at a single location at same time Study locations with emphasis on NC in 2025/2026 Implement cost effect improvements in 2027/2028 Evaluate impact of improvements in 2029
Energy Security	Disconnects for Non-Payment	Annual percentage of disconnects for nonpayment (all customers)	Decrease % of customers disconnects	<ul style="list-style-type: none"> Comm preferences Pre-disconnect outreach My Energy Discount Energy efficiency solutions Arrearage management & forgiveness Low-income solar benefits
Environmental	Greenhouse Gas Emissions	Avista GHG emissions	Decrease GHG emissions	<ul style="list-style-type: none"> Comply with 2026-2029 interim targets
Public Health	Employee Diversity	Employees representative of community served	Increase employee diversity	<ul style="list-style-type: none"> Hiring & recruiting best practices Workforce pipeline programs Internal inclusion-focused development opportunities

*Can't be penalized if unattained

Affordability:

The aspirational goal for affordability is presented in the image below and our goal is to enroll 60% of eligible customers in our My Energy Discount program or other energy assistance programs. (slide 11 below)

Affordability Aspirational Metric & Goal

Equity Area	CBI	Metric	Aspirational Goal
Affordability	Participation in Company Programs	Saturation of energy assistance programs (all customers)	Enroll 60% of eligible population

Baseline 2021	2022	2023	2024	2025	Aspirational 2029	Specific Actions
24%	21.5%	21.2%	40%		60% ↑	<ul style="list-style-type: none"> My Energy Discount Arrearage Forgiveness & Management Target Marketing & Outreach Pre-Disconnect Outreach CAP Performance & Training

Member: Especially with this one, the target changes all the time, the number of eligible customers changes, we used to be at 45% but now that the eligible population has increased, we are back to 40%.

Company: Thank you for recognizing that, it's a great point.

Accessibility:

The goal is to see 5040 trips using an EV through Community Based Organizations (CBOs). We will continue to provide EVs grants to community organizations to help support this effort. (slide 12 below)

Accessibility Aspirational Goal

Equity Area	CBI	Metric	Aspirational Goal
Accessibility	Transportation Electrification	Number of EV trips provided by CBOs	5,040 trips annually

Baseline 2021	2022	2023	2024	2025	Aspirational 2029	Specific Actions
444	896	2,286	3,300		5,040 	<ul style="list-style-type: none"> Provide 3 EVs annually to CBOs

Member: Do you think WA is going to change its ambitions in electrification?

Company: Good question, California is being impacted by federal legislation, our program allows us to invest in electrification through a bill that was passed that allows us to submit a 5-year plan and we make plans and programs based on that 5-year approved plan.

Member: Wondering where the goal came from? How did you arrive at that number?

Company: It's the curve based on where we are now and where we think we can be in the future.

We are also filing a new 5-year plan this year.

Member: What happens if you go over this aspirational goal,

Company: It brings up a good point, if the CEIP is a four-year plan and halfway through we do a biennial update, we could update that goal in either direction depending on the trend of the metric at that time.

Resiliency:

We want to reduce the outage frequency customers experience without major event days. We do this by measuring the customers experiencing more than 0 outages excluding major event days.

We will take a 5-year average to measure the goals against since years can fluctuate significantly depending on weather etc. and then measure that 5-year average. (slide 13 below)

Energy Resiliency Aspirational Goal

Equity Area	CBI	Metric	Aspirational Goal
Energy Resiliency	Energy Availability	Frequency of outages (CEMI0) w/o major events for (all customers)	Reduce outage frequency

Baseline 2021	2022	2023	2024	2025	Aspirational 2029	Specific Actions
46.56%	33.46%	36.21%	28.60%		↓	<ul style="list-style-type: none"> Integrated department to deliver multiple projects at a single location at same time Study locations with emphasis on NC in 2025/2026 Implement cost effect improvements in 2027/2028 Evaluate impact of improvements in 2029

Benchmark aspirational goal against 2021-2025 for a five-year average

Energy Security:

The aspirational goal in the energy security equity area is reducing disconnections for non-payment. The data below is misleading due to the COVID pandemic and should not be used for measuring disconnects against as we move forward. We would like to use 2025 as an appropriate year to use for a benchmark for data that we report in 2029. This goal also supports the disconnection reduction plan that we file annually. With the 2023 implementation of MED and other assistance options we feel 2025 is appropriate to measure against. Additionally, Avista is working on an RFP to procure solar power with a battery that will be used to support our low-income assistance programs. (slide 14 below)

Energy Security Aspirational Goal

Equity Area	CBI	Metric	Aspirational Goal
Energy Security	Disconnects for Non-Payment	Annual percentage of disconnects for nonpayment (all customers)	Decrease percentage of disconnects customers

2019	Baseline 2021	2022	2023	2024	2025	Aspirational 2029	Specific Actions
4.5%	.01%*	1.1%*	4.0%	4.7%		↓	<ul style="list-style-type: none"> Comm preferences Pre-disconnect outreach My Energy Discount Energy efficiency solutions Arrearage management & forgiveness Low-income solar benefits

Benchmark aspirational goal against 2025 disconnect percentage

Member: Good reasoning!

Member: Thank you for that, this is awesome. I like the solar coming into the portfolio picture for that reason, I like the goal, it is great. One of the concerns that I have that is more CBI related, is that you are proposing to discontinue pulling out some of the data for Known Low-Income (KLI) and census tract etc., just to look at the overall customer base, this CBI is worth keeping, how CBIs are impacting specific communities. This will be part of my written comments.

Company: Sounds like a part of the deepest need component that we are discussing.

Member: Yes, and I think in order to do that we need to continue to track KLI and other data previously report for this CBI and not remove.

Member: Having relevant information in two (2) various reports but not in a single report could result in assumptions about the numbers. Especially if officials or relevant staff forget or are unaware of the two locations of data. Just a thought.

Company: Thank you. We will keep this in mind while we continue discussing this.

Environmental:

We want to continue reporting this metric but want to use the calculation that aligns with CCA requirements. We believe that complying with our proposed interim targets will help us to attain this goal.

We will expect a decline in 2029 more because of Coal strip being out of the portfolio. We think we can meet this directionality but cannot pinpoint a specific amount due to things outside of our control. (slide 15 below)

Environmental Aspirational Goal

Equity Area	CBI	Metric	Aspirational Goal
Environmental	Greenhouse Gas Emissions*	Avista GHG emissions	Decrease GHG emissions



Benchmark aspirational goal against 2023 CCA results

*2025 CEIP will calculate GHG emissions based on the CCA requirement rules

AVISTA

Public Health:

Our last aspirational goal is related to employee diversity. Avista has been supportive of employee diversity and making strides to ensure that our employees are representative of the service territory in the communities we serve. Our aspirational goal is to increase employee diversity, and this is also one where some things are outside of our control. (slide 16 below)

Public Health Aspirational Goal

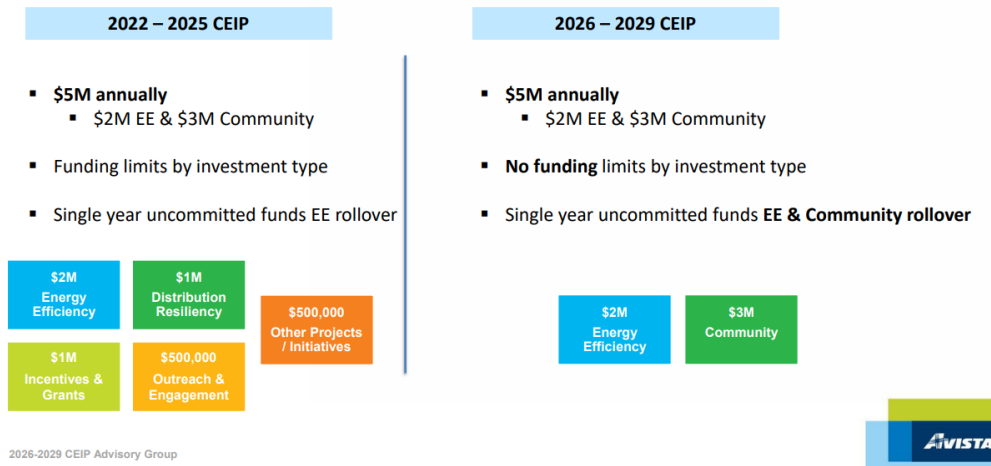
Equity Area	CBI	Metric	Aspirational Goal
Public Health	Employee Diversity	Employees representative of community served	Increase employee diversity

Baseline 2021	2022	2023	2024	2025	Aspirational 2029	Specific Actions
33.5%	34.1%	34.5%	34.6%		↑	<ul style="list-style-type: none"> Hiring & recruiting best practices Workforce pipeline programs Internal inclusion-focused development opportunities

Named Community Investment Fund:

Named Community Investment Fund – opportunities for 2025 include removing the categories we assigned ourselves in 2021. We have learned that these projects take a long time to get started and we are looking for a rollover of funds on the community side instead of just the Energy Efficiency (EE) side. We want to continue to focus on these project areas, but we do not want to limit the spend in each category, we want to have an overall \$3M for community and \$2M for EE and have a one-year rollover for the community funds. (slide 17 below)

Named Communities Investment Fund Changes



Member: I appreciate the flexibility and rollover.

Named Community Investment Fund – Project Highlight:

Highlighted an NCIF grant program, through these programs they had 55 participants, and a portion of them have transitioned into full time employment, permanent housing, or treatment programs. (slide 18 below)

St. Anne's Corner Laundry & Dignified Workday

Supporting those with unstable housing & employment, through . . .

Project	Funding	Item	CBI Metric Impact
Corner Laundry	EE	Windows & HVAC	Energy Burden
	Community	Washers & Dyers	Investments in NCs
Dignified Workday	Community	Labor / training support	Investments in NCs
			Participation in Company Programs
			Energy Burden - Workforce development



Dignified Workday Successes in 2024:

- 55 participants | 20,000 work hours | \$400k in wages
- 6 participants program into full time employment
 - 22 participants transitioned into permanent housing
 - 6 participants entered treatment programs

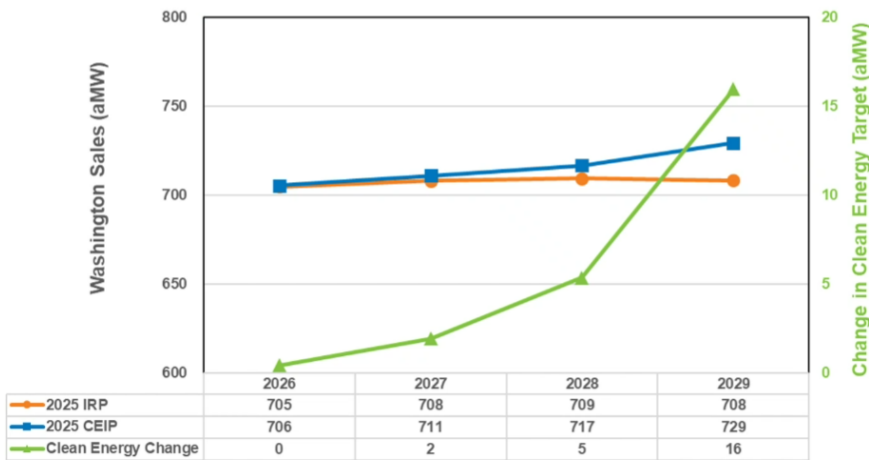
2026-2029 CEIP Advisory Group

AVISTA

Load Forecast Update

We released our IRP in January of 2025, the analysis is from approximately a year prior to that and now that we are working through the CEIP and our RFP, we need to update the best available information which is our load forecast at this time. This chart reflects the IRP forecast in orange, which we expected to be flat, since then we have updated and have a higher load expectation for the next 4-year timeframe, we have a large industrial customer that we anticipate increasing their load at that time. Which is reflected in the green line. This does not mean that we need to increase our resource need, we have enough load to support this change at this time. (slide 20 below)

Washington's Load Forecast Update



No new resources required to meet this load change

2026-2029 CEIP Advisory Group

We have also increased our expected load forecast that we have to plan to support, this table below represents the load need by season. With the change in the load forecast and how we evaluate the resource need and now we are in need starting in 2029 for resource adequacy purposes which is different than supporting customers on an individual basis. We are in the process of submitting an all-source request for proposal to meet these needs. We are looking for 130 MW in summer and 101 MW in the winter starting in 2030 to make sure we have a reliable system moving forward during peak events. We will be rerunning our models to see if any of our preferred resources change, we think we will need more DR and others and will review the results o that during the next meeting.

We see a lot of large load growth potential,100-500MW each (potentially) and will be accounted for in the CEIP and may require an update to this during the 2027 Biennial CEIP Update, but we will keep an eye on it. (slide 21 and 22 below)

Anticipating New Large Loads

- Avista receives many requests for siting large loads (including data centers).
 - Proposals in WA & ID
 - Sizes range 100 MW – 500 MW each
 - On-line dates could be as early as 2027 to 2029+
- Avista’s 2025 all-source RFP anticipates new large loads.
 - Any future large load agreement will be dependent on available resources from the RFP.

Updated System Peak Load Requirements

- By 2029, the **updated system peak forecast** is +81 MW higher for winter & +15 MW higher for summer as compared to the 2025 IRP’s load forecast.
- Avista’s resources with qualifying capacity credits (QCC) are updated.
- Avista’s **system peak requirements** are increasing.

System Peak Position	Summer 2029	Winter 2029
2025 IRP	+44 MW	+2 MW
2025 CEIP Update	-65 MW	-38 MW

- By 2030, **system requirements increase** to 134 MW summer & 101 MW winter in 2030
- All-source RFP will address these acquisition needs

2026-2029 CEIP Advisory Group



Member: Thank you for the update on the demands, I am curious about adjustments to the CEIP, will Avista at this point be able to meet these increased demands with clean energy or will it create a demand to go back to moderate or less than good clean energy resources?

Company: That is the million dollar question the size and the resources that are available. It also depends on the timing of when they want to come online and what is available at that time. It also depends on where they come online. We could serve it with alternate compliance if needed before 2030.

Member: Adding a helpful report by PNUCC related to this topic:

<https://www.pnucc.org/wp-content/uploads/2025-PNUCC-Northwest-Regional-Forecast-final.pdf>

Member: A follow up, I am having a dilemma, and I understand the response, but as a company operating in WA, if we want to support clean energy and move avista towards a higher level of clean energy, then it seems contractidory from one stand point that we would say we have a greater need in WA but we would get energy from Idaho so we are ok. The goal of integrated clean energy and a better environment and use a less clean resource in Idaho.

Company: If the load is in WA it does not matter where the generation comes from, in washington is has to be 80% clean, if the load is physcially in Idaho, then WA cleanenergy laws do not apply to Idaho. The technology is just not there yet to serve all customers with 100% clean energy.

Member: Data centers are a energy and clean air challenge throughout the country.

Member: So, if you got a large load increase from a data center, are you saying that you are not sure that you would be able to serve that data centers load with a clean resource but you are confident that you would till be able to meet the reneewable interim targets by retiring more RECs in WA?

Company: Yes, that is correct. We would have to find a renewable resoure or other resource to ensure reliability.

member: I understand the load location component and WA and I understand that the energy generation sources are not currently and may not be available by the need timeline. I am simply trying to expand the perspective from a basic business legal requirement conversatoin.

Updating our models now during 26-29, what does our resource need look like from a resource perspective. Looking at it as a whole system, not by state, we will come up with two portfolios as outlined below and we will discuss them in more detail during next month's meeting.

June's Meeting

- Update 2025 IRP Model
 - Loads, Resource Capacity, Resource Cost
- Create new **"Reasonably Available"** portfolio for 2026-2029
 - a.k.a.: Preferred Resource Strategy (PRS) portfolio
- Create new **"Alternative Lowest Reasonable Cost"** portfolio
 - No CETA renewable energy targets, but requires SCGHG
- Incremental cost estimate of new **"Reasonably Available"** portfolio
 - Revenue requirement forecast
 - Low and high REC compliance target scenarios

Member: Here's a link to WA Dept of Ecology webpage on data centers and air quality.
<https://ecology.wa.gov/air-climate/air-quality/data-centers>

Member: WA department of Ecology has some good information on this issue. Data centers are going to be massive influencers/demanders of energy wherever they are built. Perhaps including the national grid system.

Wrap Up

Please provide me with any questions or comments you would like to discuss during the July meeting.

2026-2029 CEIP Proposed Timeline

✓	▪ Review of 2022-2025 CEIP	January 14
✓	▪ Targets & Specific Actions	February 18
✓	▪ 2025-2027 Public Participation Plan Named Communities	March 18
✓	▪ Customer Benefit Indicators	April 22
✓	▪ Company Initiatives: Aspirational Goals NCIF	May 20
	▪ Incremental Costs & Interim Targets	June 17
	▪ Q & A Listening Session	July 15
	▪ Draft CEIP available for public comment	August 2025
	▪ Compile public comments & finalize	September 2025
	▪ File 2026-2029 CEIP	October 1, 2025

Member: The feedback is due May 30?

Company: Yes, that is correct.