



Avista Corporation

1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone (509) 489-0500
Toll Free (800) 727-9170

July 1, 2026

Mr. Jeff Killip
Executive Director and Secretary
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

RE: Avista Utilities Tariff WN U-29, Schedule 192, Low-Income Rate Assistance Program

Dear Mr. Killip:

Attached for electronic filing with the Washington Utilities and Transportation Commission (Commission) are the proposed tariff revisions of Avista Corporation, dba Avista Utilities (Avista or the Company), requesting modifications to the following natural gas tariff sheets, WN U-29:

Ninth Revision Sheet 192A	Canceling	Eighth Revision Sheet 192A
Fifth Revision Sheet 192B	Canceling	Fourth Revision Sheet 192B
First Revision Sheet 192C	Canceling	2nd Substitute Original Sheet 192C

The primary purpose of this filing is to incorporate within Avista's natural gas tariff Schedule 192, Low-Income Rate Assistance Program (LIRAP), the various programmatic design changes established in collaboration with Avista's Energy Assistance Advisory Group (EAAG) as part of the Company's 2026 re-calibration of LIRAP. It is important to note that while the tariff revisions contain a requested effective date of October 1, 2026 to align with the beginning of the 2026-2027 LIRAP program year (PY), **Avista is requesting that this matter be addressed at the Commission's August 27, 2026 Open Meeting.** This timing will allow the Company adequate runway, if the Commission approves of the proposed changes, to communicate these program

changes to customers in a deliberate and meaningful way prior to the various changes going into effect in October and November, as further discussed within this filing.

I. BACKGROUND

Avista's LIRAP, approved by the Commission in 2001, collects funding through electric and natural gas tariff surcharges on Schedules 92 and 192, respectively. These funds are then distributed by Avista and its partner Community Action Agencies (CAAs or Agencies) through various assistance offerings intended to meet the established program goals of 1) keeping customers connected to energy service, 2) continually providing assistance to more customers each year, 3) lowering the energy burden¹ of LIRAP recipients, and 4) ensuring appropriate data is collected and available to assess the program's effectiveness. Keeping a continuous eye on ways to keep administrative costs minimal, to ensure that as much funding as possible is directed towards meeting these goals, is also instrumental to LIRAP. In pursuit of these goals, Avista's LIRAP is currently comprised of five components: a bill discount, known as *My Energy Discount* (MED); Arrearage Management Program (AMP); Arrearage Forgiveness Program (AFP); Emergency Share Grant; and Automatic Hardship Grant. The table below provides an illustration of how each of these components work together within LIRAP to provide a comprehensive assistance program for Avista customers.

Table No. 1 – Avista's Current LIRAP²

Eligibility Zero to greater of 200% FPL <u>or</u> 80% AMI					
Affordability	Bill Discount				
	94% Discount Zero to 5% FPL	75% Discount 6 to 50% FPL	35% Discount 51 to 100% FPL	20% Discount 101 to 150% FPL	15% Discount 151%, Greater of
Past Due	Arrearage Forgiveness Zero to 50% FPL		Arrearage Management Program 51% FPL to the Greater of		
Hardship	Emergency Share Customers experiencing hardship or energy emergency				

¹ Per RCW 19.405.020, "Energy burden" means the share of annual household income used to pay annual home energy bills.

² Avista's Automatic Hardship Grant is not included in this illustration, as it is not a consistent offering within LIRAP. As provided within the Company's 2023 approval of various LIRAP modifications (UE-230539/UG-230540), this one-time grant is being retained within tariff as a safeguard for unexpected future use, with applicable timing and thresholds to be determined by the EAAG.

Avista's *My Energy Discount*, introduced on October 1, 2023, was approved by the Commission as part of the Company's 2022 general rate case (GRC).³ As noted in the Company's initial proposal for MED,⁴ the tier structure and associated percentages were established in collaboration with Avista's EAAG⁵ and based largely on analysis provided by a contracted third party, Empower Dataworks,⁶ regarding the average bill discount amount needed to reduce customer energy burden below the "high" burden threshold of 6%. As part of the Company's commitment to the goals mentioned above – and in recognition that all LIRAP components are iterative in nature and may sometimes require modification or "recalibration" to appropriately consider equity, affordability, and the integrity of the program itself – in 2025, after having experienced two full program years with MED in place, the Company and its EAAG agreed to undertake an assessment of LIRAP's current effectiveness. This evaluation would include stratification of energy burden data within each discount tier, identification of various patterns or trends in energy assistance participation, and insight gathering from partner Agencies. These efforts were then cultivated within an EAAG Subcommittee,⁷ tasked with developing any design changes necessary to address potential over- or under- serving of energy burdens, gaps in existing program offerings or connections to additional resources, and increasing efficiencies (e.g., reductions in program costs) where possible. The Subcommittee met twice per month between February 2026 and May 2026,⁸ then brought the final proposed program modifications to the larger EAAG on May 12, 2026. This tariff filing is intended to incorporate all changes recommended as a result of these recalibration discussions.

³ Docket Nos. UE-220053 and UG-220054 (*Consolidated*), Full Multiparty Settlement Stipulation, Sec. 24, and associated subsequent filing pursuant to WAC 480-07-855, Docket Nos. UE-230539 and UG-230540.

⁴ Docket Nos. UE-220053 and UG-220054 (*Consolidated*), Exh. SJB-1T at 15:10-14.

⁵ See Docket Nos. UE-220053 and UG-220054 (*Consolidated*), Exh. SJB-1T, for further description of the EAAG Subcommittee established after the passage of Senate Bill 5295 (SB 5295) and their involvement in the development of all LIRAP components.

⁶ Empower Dataworks (<https://empowerdataworks.com/>), a third-party consultant specializing in data, informed marketing, and engineering analytical services, was hired by the Company in 2021 to perform an Energy Burden Assessment.

⁷ The recalibration Subcommittee consisted of representatives from Avista, Spokane Neighborhood Action Partnership (SNAP), Northwest Energy Coalition (NWECC), The Energy Project (TEP), and Community Action Center of Whitman County.

⁸ Subcommittee meetings were held on February 12th and 26th, March 6th and 26th, April 9th and 23rd, and May 7th.

II. PROPOSED LIRAP MODIFICATIONS

Overall, the program modifications developed in partnership with the Subcommittee and EAAG are intended to improve the efficiency and effectiveness of Avista's LIRAP, while also balancing the administrative resources required to deliver these services as well as the costs paid by all customers in support of these programs. The proposed updates described below include modification of the existing MED tier structure, the introduction of an additional arrearage program option and targeted adjustments to current program guidelines. Together, these changes aim to promote optimal flexibility and alignment with LIRAP's stated purpose of reducing customer energy burden and expanding the reach of this valuable assistance to customers most in need.

HOUSEKEEPING TARIFF CHANGES

In addition to the requested program design changes contained within this filing, there are several modifications requested within the tariff that are housekeeping in nature and do not materially impact the Company's LIRAP. A summary of these modifications is being provided prior to the program design updates to help avoid confusion within subsequent sections or descriptions, as the updated references to certain program titles or tier numbering (inclusive of the proposed modifications) are used throughout the remainder of this filing. These changes include:

- The MED tier numbers within the tariff have been reversed to reflect a chronological order for the discount amount, which coincides with the Company's reference to these tiers both internally and within other venues such as the EAAG. Whereas the tariff previously labeled the *highest* discount/lowest income range as "Tier 1", this has now been rearranged so that the *lowest* discount amount is Tier 1, and so on, with the highest discount (lowest income) being Tier 5.
- In its description for the AMP, the Company had previously labeled this offering an "Arrearage Management Plan". While both "Plan" and "Program" are known throughout the industry and can be interchanged, the Company has changed its AMP to "Program" within the tariff to align with its use of the term elsewhere.

Table No. 2 below incorporates these housekeeping changes and summarizes the proposed LIRAP design modifications, with additional detail on each requested change provided in the sections that follow.

Table No. 2 – LIRAP Comparison, By Discount Tier, Current vs. Proposed

Tier	Household Income	CURRENT: Year-Round Discount	PROPOSED: Winter Discount (Nov.-Apr.)	PROPOSED: Non-Winter Discount (May-Sept.)	CURRENT: Arrearage Assistance	PROPOSED: Arrearage Assistance
1	151-200% FPL or 80% AMI	15%	10%	0%	Arrearage Management Program	Arrearage Management or Arrearage Relief
2	101 to 150% FPL	20%	30%	5%		
3	51 to 100% FPL	35%	50%	25%		
4	6 to 50% FPL	75%	80%	60%	Arrearage Forgiveness	Arrearage Forgiveness
5	Zero to 5% FPL	94%	95%	90%		

SHIFT TO SEASONAL MODEL

As the Company continues to await the Commission’s policy statement in Docket No. U-250953, which will provide interpretation and guidance regarding allowed expenditures for low-income utility assistance programs set forth in RCW 80.28.425(2), Avista remains cognizant of its duty to remain responsible and efficient stewards of the customer funds paid in support of LIRAP. With this in mind, the Company emphasizes the importance of prioritizing programs intended to meet the “energy assistance need”, or “the amount of assistance necessary to achieve an energy burden equal to six percent” within its service areas, as established by RCW 19.405.020(16) and WACs 480-100-605 and 480-109-060(14). This means that Avista’s energy assistance programs are aimed at reducing energy assistance need – i.e., lowering a household’s energy burden to below the “high” energy burden threshold of 6% (or 3% for natural gas only homes) – and while LIRAP is available to all low-income customers pursuant to RCW 19.405.020(24), the Company is thoughtful in its pursuit of energy assistance need reduction within its low-income programs.⁹

After modeling several scenarios that considered customer energy burden by tier, benefit adequacy by month and tier, income distribution across tiers, average discount needed by income, bill impacts, and influence on direct service spend, the Company explored with its Subcommittee

⁹ While the RCW and WAC definitions referenced are applicable to electric utilities, Avista’s LIRAP acts as a holistic energy assistance offering and therefore the Company applies these same definitions to the overall program design approach.

various tier modification options such as increasing the number of tiers available or moving from a set discount amount to a varied seasonal discount. In the end, it was determined that while tiers remain a crucial part in MED being able to address income-related vulnerabilities, simply expanding upon existing tiers for greater income precision does not necessarily align with the energy burden peaks being experienced by customers in winter months. Instead, a seasonal discount that parallels the increased usage seen during the winter months was found to both support customer affordability but also increase the sustainability of LIRAP by reducing the costs incurred by the program during months when certain income tiers are not exceeding the high burden threshold. Table No. 3 summarizes the estimated cost savings by tier using actual 2024-2025 PY MED direct service costs.¹⁰ In this example, shifting from a year-round discount to a seasonal discount that better aligns assistance with monthly energy need would save LIRAP, a customer-funded program, nearly \$4 million.

Table No. 3 – Cost Comparison By Discount Tier, Current vs. Seasonal¹¹

Non-Winter	Seasonal	Current	% Change
Tier 1	\$ (0)	\$ (3,137,976)	0%
Tier 2	\$ (\$570,062)	\$ (2,280,249)	25%
Tier 3	\$ (2,444,995)	\$ (3,422,993)	71%
Tier 4	\$ (2,061,446)	\$ (2,576,807)	80%
Tier 5	\$ (2,336,842)	\$ (2,440,701)	96%
Total	\$ (7,413,345)	\$ (13,858,726)	53%

Winter	Seasonal	Current	% Change
Tier 1	\$ (2,938,995)	\$ (4,408,494)	67%
Tier 2	\$ (4,887,171)	\$ (3,258,114)	150%
Tier 3	\$ (7,394,305)	\$ (5,176,014)	143%
Tier 4	\$ (4,261,064)	\$ (3,994,748)	107%
Tier 5	\$ (4,024,741)	\$ (3,982,376)	101%
Total	\$ (23,506,278)	\$ (23,263,331)	101%

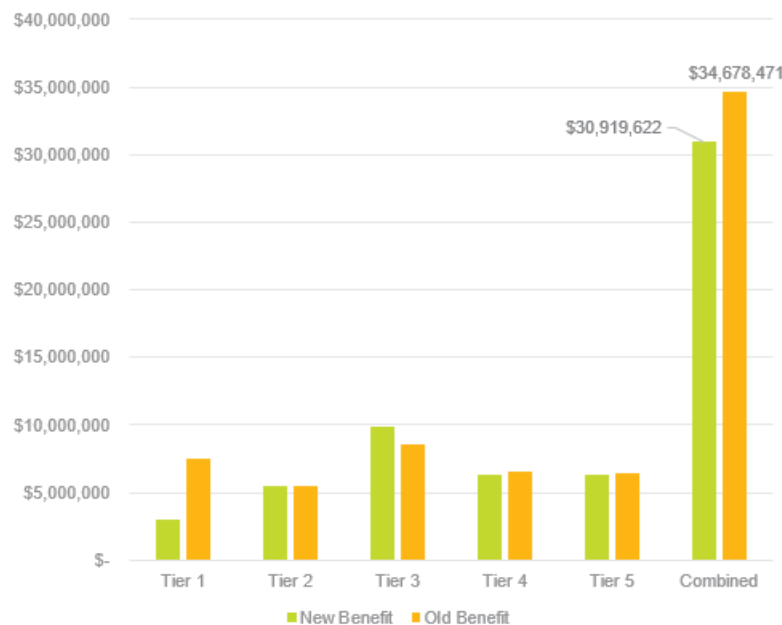
Grand Total	\$ (30,919,623)	\$ (34,678,471)	89%
--------------------	------------------------	------------------------	------------

Although these reductions may appear significant, it is important to note that the proposed changes do not materially reduce the annual benefit amounts provided to MED customers. Rather, they are designed to target funding during the periods when discounts are most needed and to the customer tiers with the greatest vulnerability, where a qualifying energy assistance need exists. Chart No. 1 illustrates this benefit shifting by tier in its comparison between the “old benefit” (current MED structure) and “new benefit” (proposed seasonal discount structure).

¹⁰ Note: all comparative tables and charts within this filing use the most recent PY data, 2024-2025, as the baseline.

¹¹ All bills that are 100% paid by energy assistance have been removed from these calculations.

Chart No. 1 – Benefit Totals By Discount Tier



In addition to the cost savings shown above, the transition from a single year-round discount to separate winter and non-winter discounts is not expected to adversely affect the energy burden for most MED participants. On average, participants in each proposed discount tier will experience energy burdens that are comparable to, or lower than, those under the current structure. Table No. 4 illustrates this comparison by tier, showing average energy burden under the current structure versus that under the proposed seasonal model, both by season and on an annual basis.

Table No. 4 – Comparison of Energy Burden By Discount Tier, Current vs. Seasonal

Current Structure		Future Structure					
Discount	Avg. Burden	Seasonal: Winter Nov-Apr		Seasonal: Non-Winter May-Sep		Seasonal: Annual	
		Discount	Avg. Burden	Discount	Avg. Burden	Tier	Avg. Burden
15	4%	10	5%	0	4%	Tier 1	4%
20	5%	30	5%	5	5%	Tier 2	5%
35	6%	50	6%	25	6%	Tier 3	6%
75	6%	80	5%	60	7%	Tier 4	6%
94	19%	95	20%	90	24%	Tier 5	22%
Combined	5%	Combined	5%	Combined	4%	Combined	5%

To provide additional context for the summary information presented above, Chart Nos. 2 through 4 break down the relationship between program cost and customer energy burden by discount tier within the proposed seasonal model. These charts show how the proposed seasonal structure shifts assistance to the periods of greatest need while maintaining comparable or improved energy burden outcomes across the MED tiers, all while reducing LIRAP expenditures by eliminating excess costs during months where no energy assistance need exists, or high energy burden threshold is being reached.

Chart No. 2 – Cost And Burden Comparison, Current vs. Seasonal, Tier 1

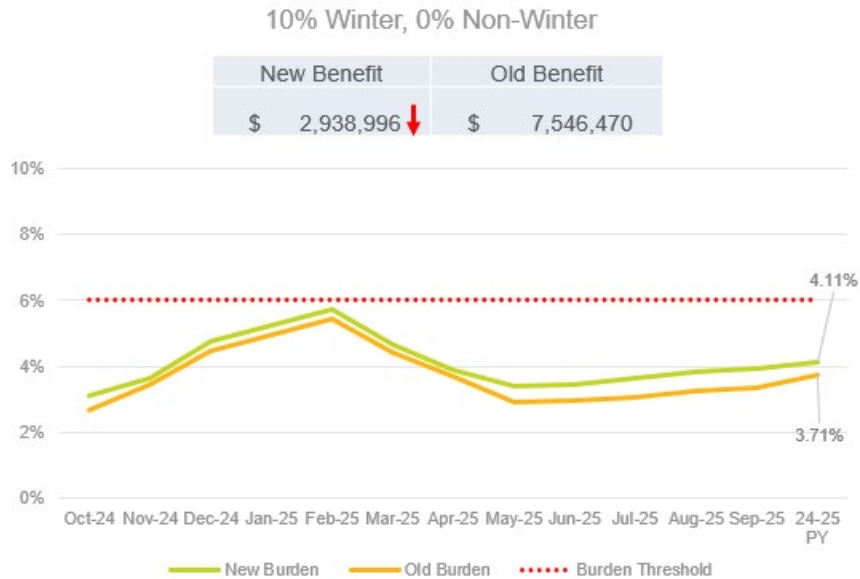


Chart No. 3 – Cost And Burden Comparison, Current vs. Seasonal, Tier 2



Chart No. 4 – Cost And Burden Comparison, Current vs. Seasonal, Tiers 3-5



In summary, moving from a year-round discount to a seasonal discount better aligns MED benefits with actual customer energy burden and energy assistance need. By increasing support during higher-use winter months and reducing discounts during periods when customers are already within a low energy burden range, the proposed structure directs assistance where it is most needed while avoiding unnecessary program spending. This approach preserves meaningful affordability support for vulnerable customers, reduces LIRAP costs borne by all contributing customers, and ensures that any benefit reductions occur only where the data indicates the customer's energy burden remains below the high-burden threshold. During LIRAP recalibration, the Company initially anticipated implementing these changes on May 1, 2027, to allow more time for any necessary system updates. After finalizing the proposed modifications, however, the Company determined that an earlier effective date was appropriate so customers¹² could receive the increased winter discounts during the 2026–2027 winter season.

Seasonal MED Discount and Comfort Level Billing (CLB)

As part of the seasonal MED model development process, Avista and its Subcommittee discussed the interaction between MED and CLB at length to determine the most appropriate and accurate way to coordinate these two affordability tools. For context, CLB is an optional billing

¹² With the incorporation of seasonal discount, four out of the five MED tiers receive higher discounts during the winter than those they are currently receiving through the single year-round discount.

program designed to mitigate seasonal variability in residential customer energy bills by aligning monthly payment obligations more closely with average annual usage. Under this approach, a customer's projected annual energy costs are calculated and distributed evenly across a twelve-month period, resulting in consistent and predictable monthly bill amounts. The primary purpose of CLB is to reduce the volatility associated with weather-driven consumption patterns, which can otherwise result in materially higher bills during peak heating or cooling periods. By smoothing these fluctuations, CLB supports improved bill stability and assists customers in managing household budgeting and payment obligations on an ongoing basis.

With the transition to seasonal MED discounts, the Company is also proposing to promote CLB as a complementary, or braided, billing option for customers enrolled in MED. Using this method, CLB will continue to provide levelized monthly payments based on a customer's projected annual energy usage, while also incorporating applicable MED bill adjustments. For customers not participating in MED, CLB amounts are generally designed to remain consistent throughout the year, subject to periodic true-up adjustments.¹³ For customers enrolled in MED, however, CLB payment amounts will be responsive to the program's seasonal discount structure. Specifically, CLB billing for MED participants will adjust in alignment with seasonal variations in the MED discount, resulting in differentiated payment amounts across defined seasonal periods (e.g., winter and non-winter). This structure ensures that the levelized billing construct appropriately reflects both underlying consumption patterns and the timing of program benefits, while maintaining the core objective of reducing intra-seasonal bill volatility relative to standard billing. Customer communications regarding these changes to CLB will be a thorough and comprehensive part of the Company's plans for communicating the seasonal MED transition.

CHANGES TO ARREARAGE OPTIONS

Avista is also proposing several modifications to its existing arrearage assistance options as part of its LIRAP recalibration. First, the Company proposes to revise the benefit caps and eligibility timelines for both its Arrearage Management Program and Arrearage Forgiveness Program. Currently, AMP and AFP each allow a maximum benefit of \$2,500, with exceptions permitted upon approval by a CAA or Avista supervisor. Over the past several years, these maximum benefit amounts – established during a time when residual past due balances from the COVID-19 pandemic were still impacting customers – have proven to be unnecessarily high, as

¹³ Additional information about the CLB review cycle can be found within Avista's tariff Schedules 70 and 170.

the average AMP enrollment balance remains approximately \$875 and the average AFP balance is around \$623.¹⁴ With this filing, Avista proposes to reduce the maximum eligible past due balance to \$1,000. Customers enrolling in AMP or receiving AFP therefore must have a past due balance of \$1,000 or less; customers with balances above that amount would need to make a payment sufficient to reduce the balance to the \$1,000 threshold before receiving assistance. In addition to revising benefit amounts, Avista proposes to change how often customers may access AMP and AFP. AMP is currently available twice every seven years, while AFP is available once over the life of the customer's account. Under the proposed structure, both options would be available once per program year. Consistent with the existing process, exceptions to these guidelines would still be available. This exception would permit a second enrollment within the same program year to be approved by an Avista or CAA supervisor, allowing up to an additional \$1,000 balance to be forgiven or enrolled in AMP. In these circumstances, all other energy assistance options must be exhausted by the customer before a second enrollment is granted, and AFP enrollment, since it is a forgiveness offering that requires no customer payment commitment, must be completed through the Agencies, not Avista.

Along with the above revisions to the existing arrearage assistance options, Avista is also proposing to introduce a new arrearage component to its LIRAP portfolio. This option, the Arrearage Relief Program (ARP), will be available to customers with incomes from 51% to 200% of the Federal Poverty Level (FPL), or up to 80% Area Median Income (AMI), whichever is greater – the same income range eligible for the AMP. Under ARP, customers who would otherwise qualify for AMP but can pay the portion of their arrearage balance required by AMP, in full, at the time of enrollment may opt to receive immediate forgiveness of the remaining balance, rather than entering the 12-month AMP repayment period. Although ARP does not encourage on-time payment behavior in the same manner as AMP, it offers customers a comparable opportunity to resolve past due balances while maintaining the same customer payment obligation.¹⁵ Eligibility and availability guidelines for ARP will mirror the AMP (available once per PY; maximum balance of \$1,000 at the time of enrollment), with the same exception rules as the AFP (all other assistance options exhausted; exception enrollments must go through CAA).

¹⁴ Average balances calculated using all AMP or AFP program recipients since 10/2023.

¹⁵ Energy assistance payments can be used to pay the customer's required down payment for AFP enrollment.

UPDATES TO EXISTING LIRAP ELIGIBILITY AND VERIFICATION GUIDELINES

Lastly, Avista is proposing a few changes within its LIRAP eligibility guidelines; while these changes are not explicitly stated within tariff (as they are already covered under existing tariff language but will be changing within the stated LIRAP guidelines established in coordination with Avista's partner CAAs and in consultation with the EAAG), they are summarized here for transparency and comprehensiveness.

- **Medicare deduction exclusion.** New enrollments and updated enrollments will no longer include the Medicare amount that is deducted from Social Security Income (SSI). Customers are often unaware of what deductions are or are not included in gross income calculations, so this change improves ease for CAAs as well as for customers by aligning with how the Low-Income Home Energy Assistance (LIHEAP) benefit is calculated.
- **Post-Enrollment Verification (PEV) Safeguards.** Avista's LIRAP Post-Enrollment Verification process relies on a random sample of enrolled customers who are asked to provide household income documentation through the Agencies. Since PEV began in March 2024, however, Avista and its partner Agencies have identified various instances that indicate the need for additional safeguards to be put into place to protect the integrity of MED and document clear inconsistencies in enrollment information. While the Company does not support the advancement of a targeted verification strategy across its PEV process, Avista proposes allowing a PEV to be prompted in the event that there is a blatant conflict within the account-level data provided to Avista or the Agencies. Examples may include a MED enrollment that directly and materially contradicts the income information already verified for another income-qualified program administered by the CAA, or a customer self-attesting to \$0 income while their account simultaneously has new utility construction activities that require demonstrated repayment capacity. The Company will use this safeguard cautiously and thoughtfully, as this process is intended to resolve documented data or enrollment discrepancies, not to presume ineligibility or misrepresentation. Individual characteristics such as home value, housing tenure, household composition, demographic indicators, or geographic location are not acceptable triggers for this PEV flag, as such factors could lend themselves to unintentional bias or profiling. This safeguard will be used only when CAA or utility staff bring documented inconsistencies between income and credible data to the LIRAP Program Manager. Based on the verification triggers identified, a determination will be made regarding whether PEV should be prompted; such accounts flagged for PEV in this way will be well documented, including the data triggering PEV selection and the results of the income verification process. This verification process is intended only to ensure account accuracy and will not result in punitive action. If PEV confirms that a different income tier better reflects the household's verified income, the customer's discount will be adjusted prospectively. If the verification is consistent with existing account information, enrollment will remain unchanged. If the customer's verified income does not meet MED eligibility requirements, the discount will end prospectively, with no retroactive recovery of benefits already received. The Company will continue working with its EAAG to evaluate the appropriate parameters and ongoing need for these safeguards.

Taken together, the proposed LIRAP modifications are intended to better align program benefits with demonstrated customer need, improve program flexibility, and preserve the long-term effectiveness of LIRAP as a customer-funded assistance resource. The shift to seasonal MED discounts targets bill assistance during the months when energy burden is highest, while reducing unnecessary program costs when customers are already within lower-burden ranges. The proposed arrearage revisions and new ARP option refine assistance levels, improve customer access to timely arrearage resolution, and better reflect current enrollment balances. Finally, the eligibility and verification updates simplify administration, improve consistency with related assistance programs, and add safeguards to protect program integrity. Collectively, these changes support LIRAP's core objectives of reducing energy burden, expanding meaningful assistance to customers most in need, and responsibly managing the funds contributed by all customers.

III. CUSTOMER COMMUNICATIONS

To ensure that customers, Agencies, and interested parties receive timely, accurate, and accessible information regarding the proposed LIRAP changes, Avista will implement a phased communication strategy consisting of initial pre-launch preparation, internal launch, partner engagement, external launch, post-launch, and sustainment. While the first notice to customers will be a notification that these changes have been proposed, in accordance with WACs 480-90-194(1) and 195, Avista plans to further launch a more concerted external communication effort after August 27, 2026 (thus why the Company is requesting this approval well in advance of its October 1, 2026 effective date and November 1, 2026 transition to the "winter discount"). Each of the above-referenced engagement components is briefly summarized below:

- **July 1st – October 1st**
 - **Pre-launch** – Includes preparation steps such as the development of a communication schedule, customer letters, standardized messaging, and outreach planning. Updates to Washington LIRAP guidelines and internal notification of the proposed changes (with knowledge that they are subject to change, pending Commission approval) will begin.
 - **Internal Launch** – Upon approval of the proposed changes in August, a more formal internal announcement of the changes will be made, internal tools and processes will be updated, and staff training will be completed (including the Bill Assistance Support and Enrollment (BASE) and Customer Assistance Referral and Evaluation Services (CARES) teams).
 - **Partner Engagement** – Announcement of changes to partner Agencies and community organizations, toolkit distribution (CAA resource that contains FAQs,

communication examples, etc.), and additional training for external partners through meetings and Agency coordination.

- **September 1st – November 1st**
 - **External Launch** – Customer outreach, distribution of letters, website updates, FAQs, and bill messaging.
- **April 1st, 2027**
 - Additional wave of internal and external communications reminding of the launch of the upcoming non-winter discount.

As with all new program offerings or changes for LIRAP, Avista will continue to assess the implementation and effectiveness of the program design changes through:

- **Post-Launch Evaluation** – Collection of feedback from CAAs and internal teams, sharing of early results.
- **Sustainment and Continuous Improvement** – Ongoing partner updates, EAAG communications, data tracking, and targeted outreach.
- **Customer-Facing Materials** – Refinements in customer letters, website updates, FAQs, bill messaging, and resource guides.
- **Governance and Coordination** – Implementation will be coordinated by program and communications staff, with EAAG updates as necessary.
- **Monitoring and Reporting** – Effectiveness will be assessed through feedback and participation trends, with more formalized reporting completed within Avista's annual LIRAP Report.

IV. CONCLUSION

Avista respectfully requests that the Commission approve the tariff changes proposed for Schedule 192 with an effective date of October 1, 2026, and further **requests that this matter be brought before the Commission at its August 27, 2026 Open Meeting** to allow the Company sufficient time to communicate the approved program changes to customers before implementation. Pursuant to WACs 480-90-194(1) and 195, the Company will provide notice to all impacted customers, i.e., LIRAP participants, by way of a customer letter or electronic mail (for those with electronic communication permissions in place) sent no later than mid-July, as well as a posting on the Company's website coincident with the date of this filing. A draft of this notice has been provided as an Attachment to this filing. In addition to this customer notice, the Company will complete additional customer engagement regarding the transition, as described above, prior to the official launch of the new provisions with the 2026-2027 PY that begins October 1, 2026 and November 1, 2026.

If you have any questions regarding this filing, please contact me at (509) 495-7839 or jaime.stpeter@avistacorp.com.

Sincerely,

/s/ Jaime St Peter

Jaime St Peter
Regulatory Affairs Manager

AVISTA CORPORATION
dba Avista Utilities

LOW-INCOME RATE ASSISTANCE PROGRAM – Continued

LIRAP COMPONENTS:

From **October 1, 2026 – October 31, 2026**, the following bill assistance options will be available for each household based on the income level declared by the Customer:

Tier	Household Income	Bill Discount	Arrearage Assistance
1	151-200% FPL or 80% AMI	15%	Arrearage Management or Arrearage Relief
2	101 to 150% FPL	20%	
3	51 to 100% FPL	35%	
4	6 to 50% FPL	75%	Arrearage Forgiveness
5	Zero to 5% FPL	94%	

Bill Discount – Available to all income-qualified customers, as defined above. The Bill Discount is designed to lower a household's energy burden to 6 percent or less of annual household income and will be applied to a participating Customer's monthly net bill, after all other energy assistance has been applied.

Arrearage Management Program (AMP) – Available to Customers with incomes at 51% to 200% FPL or 80% AMI, whichever is greater. Reduces Customer past due balance, or "arrearage," owed over a 12-month period by providing an incentive for regular, on-time payment of their current bill plus a portion of their past due balance. Maximum benefit per program year is \$900; Company or CAA supervisor may approve a second enrollment per program year as an exception for extreme, extenuating Customer situations, as defined in collaboration with the Company's EAAG.

Arrearage Relief Program (ARP) – Customers eligible for AMP yet able to pay the full portion of their arrearage balance required by AMP at the time of enrollment may opt instead to receive immediate forgiveness of the remaining balance instead of enrolling in a 12-month payoff.

Arrearage Forgiveness Program (AFP): Available to Customers with incomes at 0-50% FPL. Provides forgiveness of past due balances, not to exceed a maximum program year benefit of \$1,000; Company or CAA supervisor may approve a second enrollment per program year as an exception for extreme, extenuating Customer situations, as defined in collaboration with the Company's EAAG.

(K) material transferred to Fifth Revision Sheet 192B.

Issued July 1, 2026

Effective October 1, 2026

Issued by Avista Corporation
By

Patrick D. Ehrbar, Director, Regulatory Affairs

Patrick D. Ehrbar

(C)
(T)

(T)
(T)
(N)
(T)

(T)
(C)
(C)
(C)

(N)
(N)

(T)
(C)
(C)
(C) (K)

(K)

AVISTA CORPORATION
dba Avista Utilities

LOW-INCOME RATE ASSISTANCE PROGRAM – Continued

Emergency Share: Available to Customers experiencing a hardship or energy emergency, such as risk of disconnection. The amount of emergency assistance is determined on a case-by-case basis, not to exceed \$400. All energy costs resulting from electric or natural gas usage are eligible (including kWh and therm consumption, applicable taxes, and arrearages).

Automatic Hardship Grant: a one-time grant for customers experiencing financial hardship, as proven by a past due balance subject to thresholds determined by Avista's EAAG and at timing intervals determined by the EAAG. Mimics "emergency" assistance (i.e., LIRAP Emergency Share or Project Share) processes. This emergency assistance is intended to cover past due balances only, not to exceed \$350.

Effective **November 1, 2026**, the above Bill Discount option will be replaced with the following. All other program offerings will remain the same:

Tier	Household Income	Winter Discount (November-April)	Non-Winter Discount (May-September)	Arrearage Assistance
1	151-200% FPL or 80% AML	10%	0%	Arrearage Management or Arrearage Relief
2	101 to 150% FPL	30%	5%	
3	51 to 100% FPL	50%	25%	
4	6 to 50% FPL	80%	60%	Arrearage Forgiveness
5	Zero to 5% FPL	95%	90%	

Bill Discount – Available to all income-qualified customers, as defined above. Each discount tier provides a "winter" and "non-winter" discount amount, applicable only during the months prescribed, specifically designed to lower a household's energy burden to 6 percent or less of annual household income. The Bill Discount will be applied to a participating Customer's monthly net bill, after all other energy assistance has been applied.

GENERAL PROGRAM TERMS:

1. The LIRAP "Program Year" is October 1st through September 30th.
2. The Company will provide an annual summary evaluation report on the progress of the LIRAP, for review by the Commission, by January 31st following the end of each Program Year.
3. LIRAP qualification is determined by Customer declaration of income, completed with either the CAA or the Company.

(M) material transferred from Eighth Revision Sheet 192A

(K) material transferred to Second Revision Sheet 92C

Issued July 1, 2026

Effective October 1, 2026

Issued by Avista Corporation
By

Patrick D. Ehrbar, Director, Regulatory Affairs



AVISTA CORPORATION
dba Avista Utilities

LOW-INCOME RATE ASSISTANCE PROGRAM – Continued

4. Once enrolled in the Bill Discount, the Customer is eligible to receive the monthly discount percentage for a 2-year term; qualified fixed-income participants may receive an extended term. (M)
5. Bill Discount participants may be subject to verification of declared income; verification is based on random selection of enrolled Customers or flagged inconsistencies in Customer information. If a Customer is found to be ineligible, the Customer's LIRAP benefit will be suspended. The Customer will not be billed for any previous LIRAP benefits received. Customers whose LIRAP benefits have been suspended may re-enroll for LIRAP by providing verification of eligibility to their local CAA and may receive credits for missed LIRAP benefits upon re-enrollment. A new term, as described in General Program Term 4, begins the date Customer verification is approved by the Company. (C)
(C)
6. Customers must contact Avista or their local CAA in the event of a change in household income in order to maintain the appropriate LIRAP benefit.
7. Participation in LIRAP does not prohibit Customers from qualifying for, or participating in, additional assistance programs (such as LIHEAP).
8. Agencies may use up to 6% of direct service funding (based on their prior Program Year spend, plus a Consumer Price Index (CPI) inflation adjustment) to purchase energy saving items to disburse to Customers for conservation education purposes. (T)
9. A Community Partner Network (CPN) may be utilized to support program outreach and administration to engage with hard-to-reach and underserved Customers. For CPN entities, administration and program delivery funds will be provided on a per-enrollment basis, with compensation set at \$75 per completed enrollment. A completed enrollment is one that results in a LIRAP benefit being applied to a Customer's account. (M)

RULES AND REGULATIONS:

Service under this schedule is subject to the Rules and Regulations contained in the tariff of which this schedule is a part, and to those prescribed by regulatory authorities. The above Monthly Rate is subject to increases as set forth in Tax Adjustment Schedule 58.

(M) material transferred from Fourth Revision Sheet 192B.

Issued July 1, 2026

Effective October 1, 2026

Issued by Avista Corporation
By

Patrick D. Ehrbar, Director, Regulatory Affairs

